

LEGISLATIVE ASSEMBLY

Tuesday, 29th October, 1991

Mr Speaker (The Hon. Kevin Richard Rozzoli) took the chair at 2.15 p.m.

Mr Speaker offered the Prayer.

DISTINGUISHED VISITORS

Mr SPEAKER: Order! I wish to draw to the attention of all honourable members the presence in the gallery today of a number of distinguished persons, being former members of Parliament.

PETITIONS

Aboriginal Land Rights Act

Petition praying that because of the many benefits brought by the Aboriginal Land Rights Act to the Koori people and to the wider community, the House will support the retention of the Act as amended and the three-tier land council structure, received from **Mr Markham**.

Illawarra Housing for Developmentally Disabled

Petition praying that the House as a matter of priority allocate sufficient funds to build or acquire additional group homes for mature developmentally disabled persons in the Illawarra region and immediately allocate additional respite and day care resources for developmentally disabled adults and their carers in the region, received from **Mr Markham**.

St Joseph's Hospital

Petitions praying that the Minister for Health Services Management intervene to save St Joseph's Hospital from closure and that the necessary funding and support staff be provided to allow it to continue to operate as a public hospital, received from **Mr Nagle and Mr Shedden**.

Canterbury Hospital

Petitions praying that the House take action to ensure that the Canterbury Hospital is upgraded to allow it to satisfy the present and future health needs of the Canterbury area, received from **Mr Davoren and Mr Moss**.

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Lidcombe Hospital

Petitions praying that the House reject any proposals to close down or cut back services or staffing at Lidcombe Hospital but instead support an increase in services and staffing at the hospital, received from **Mr Nagle and Mr Scully**.

Engadine-Heathcote Police

Petition praying that foot patrols be introduced and police numbers increased in the Engadine and Heathcote areas, received from **Mr McManus**.

Royal National Park Walking Tracks

Petition praying that immediate funding be allocated for the urgent restoration and regeneration of the coastal walking tracks between Bundeena and Otford in the Royal National Park, received from **Mr McManus**.

Warrawong Police Foot Patrols

Petition praying that police foot patrols be provided for the Warrawong and surrounding areas, received from **Mr Sullivan**.

Unanderra Police Station

Petition praying that the Government and Minister for Police and Emergency Services re-appraise the staffing formula for Unanderra police station and upgrade the staffing-manning level to at least six officers, received from **Mr Rumble**.

Tenambit Community Cottage

Petition praying that the House ensures that the Department of Housing maintain the Tenambit Community Cottage as a community facility, received from **Mr Blackmore**.

Health Services

Petition praying that funding cuts to health services and hospitals cease and that funding be provided to ensure that waiting lists for hospitals and operations are eliminated, received from **Mr Gaudry**.

School Sports Executive Positions

Petition praying that the Government reverse its decision to eliminate the positions of executive officer of the New South Wales Combined High Schools Sports Association and the New South Wales Primary Schools Sports Association, received from **Mr Hazzard**.

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Royal Agricultural Society Showground

Petition praying that the House will prevent the sale by the Government of foreshore and public parklands, including the Royal Agricultural Society Showground, the E. S. Marks Athletic Field and part of Moore Park, and that residents be included on their administrative bodies, received from **Ms Moore**.

Walker Estates

Petition praying that the Government preserve the Walker estates, including Yaralla, for public use, received from **Ms Moore**.

Woollahra Traffic

Petition praying that the House take all necessary steps to reduce the traffic volume in Ocean Street, Woollahra, and that Ocean Street be returned to a safe and pleasant street consistent with residential neighbourhood values, received from **Ms Moore**.

Paddington Traffic

Petition praying that the House remove clearway conditions from Oxford Street, Paddington, received from **Ms Moore**.

Chaelundi State Forest

Petition praying that the proposed logging of the Chaelundi State Forest not be proceeded with and that the area be declared an extension of the Guy Fawkes River National Park, received from **Ms Moore**.

Royal Hospital for Women

Petition praying that the House provide funding to the Royal Hospital for Women to ensure that it maintains its leadership role in women's health care, received from **Ms Moore**.

Woolloomooloo Finger Wharf

Petition praying that public money not be wasted demolishing the structurally sound finger wharf and establishing a walkway on the western side of Woolloomooloo Bay but instead that basic renovations be carried out on the wharf and an integrated multimedia arts centre be established, received from **Ms Moore**.

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HONOURABLE MEMBER FOR NORTH SHORE

Suspension of Standing Orders

Mr CARR (Maroubra), Leader of the Opposition [2.20]: I move:

That so much of the Standing Orders be suspended as would preclude the consideration forthwith of the following motion, namely:

That this House:

- (a) censures the Assistant Treasurer and Member for North Shore for misleading the House on Thursday October 24;
- (b) calls on the Assistant Treasurer to resign in accordance with the Parliamentary conventions of the Westminster system; and
- (c) calls on the Premier to dismiss the Member for North Shore from office if the Assistant Treasurer fails to resign this day.

Mr MOORE (Gordon), Minister for the Environment [2.21]: I suggest that the Leader of the Opposition should move the substantive motion.

Motion for suspension of standing orders agreed to.

Censure

Mr CARR (Maroubra), Leader of the Opposition [2.21]: I move:

That this House:

- (a) censures the Assistant Treasurer and Member for North Shore for misleading the House on Thursday October 24;
- (b) calls on the Assistant Treasurer to resign in accordance with the Parliamentary conventions of the Westminster system; and
- (c) calls on the Premier to dismiss the Member for North Shore from office if the Assistant Treasurer fails to resign this day.

Exactly 16 years ago Australia was two weeks into the greatest constitutional crisis in its history. That crisis came about because of a series of breaches of fundamental conventions. As the honourable member for South Coast will recall more vividly than most of us, the first great breach was made on 27th February, 1975, in the New South Wales Parliament when the Lewis Government broke the established convention and refused to replace a retiring senator with a nominee from that senator's party. The honourable member for South Coast, one of the few surviving

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participants in that day's drama still among us, well knows how easy it is to go down the slippery slope once the conventions of our system are brushed aside. Should conventions be brushed aside the slide begins.

Of all those conventions none is more important, none more fundamental than the principle that Ministers are answerable to the Parliament for what they say and do in it. This is the principle which underpins the whole Westminster system. That is why the strictest of all rules and conventions governing parliamentary procedures is that Ministers must not mislead the House on matters of fact, in particular in answers to questions. That is why it is an ironclad convention that a Minister who has knowingly misled the House on a matter of fact or caused another Minister to mislead the House must resign. Moreover, the Premier's own code of conduct for Ministers of the Crown - and one must presume Assistant Ministers - has been flaunted by the Assistant Treasurer. Page one states that two principles must guide ministerial conduct in office, one of which is that, "Ministers will be frank and honest in official dealings". I endorse the views of Independent members of Parliament on this question. The member for Bligh told a press conference on Friday that:

The Premier must treat the matter very seriously and take appropriate action. I'm not telling the Premier what to do, but I would think that the other Independents would expect him to have taken that action before Tuesday.

The member went on to say:

If I were the Premier, I would not keep someone in my Cabinet who had misled me and the Parliament.

The member for South Coast clearly agreed. Referring to the member for North Shore he said:

I saw him speak twice in the Parliament and in my firm view he lied the first time and he tried to cover it up and obfuscate the second time.

The member said also:

If the Premier does not believe Mr Smiles and is supporting Mr Smiles, then the Premier is in grave danger of being sucked into that very black hole.

There is no doubting the attitude of those honourable members to upholding the time-honoured Westminster convention about these matters. It was precisely the strict adherence to this principle by the former Prime Minister of Australia Mr Whitlam which precipitated the constitutional crisis of October and November 1975. A Minister had given the Prime Minister certain assurances about correspondence, which led Mr Whitlam to give a misleading answer in Parliament. As soon as the error was revealed the Prime Minister required the Minister's resignation. That specifically was the immediate cause of the great crisis, the reprehensible

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circumstance which the then Leader of the Opposition used to justify the blocking of supply. Parliamentary law on the question of misleading statements in the House is clear and immutable. From time to time political leaders are confronted with the terrible decision when a Minister misleads the House. The issue is whether to tough it out with the consequent difficulties that brings, or to act in accordance with the parliamentary convention and require resignation. In his book *The Truth of the Matter* Whitlam states:

I was faced with this choice: to stick to the first principle of Ministerial answerability of Parliament, dismissing a senior and respected colleague and provoking, obviously, a first-class crisis; or run away from the principle and try to gloss over its breach.

Connor had misled Whitlam into misleading the House. No other course was open to the Prime Minister than to sack him. In that case Whitlam had told the House on 9th October that all communications of substance between Khemlani and Connor had been tabled by Connor. It became apparent that one message only between them cast doubts on this answer. It was on that basis that the sacking of Connor occurred. This was the second instance when Whitlam was forced to act decisively and honourably in respect of misleading statements in the House. I refer honourable members to the words of the former Attorney General, Mr John Dowd, when moving censure against my colleague the former member for Heffron. On 6th September, 1990, the former Attorney General said:

I ask honourable members to remember that the rights and privileges we have with respect to freedom of speech can only be exercised if members accept responsibility for what they say. It is not a matter of expression of opinion or - . . . that something is right or wrong; here is an unequivocal statement by the honourable member.

Members will recall that this censure motion was passed, the Parliament once again accepted that a member should be censured for misleading it. On that occasion the member for Heffron admitted to a mistake, an honest mistake. The Government, however, argued that a wider principle was at stake. That principle was that misleading the Parliament, for whatever reason, deserves censure. The Government put forward that argument. It has, in the words of its own representatives, provided the justification for this motion. I do not compare last week's shoddy farce with the huge events in Canberra in 1975. But the importance of a fundamental principle can never be diminished by the puniness of those who flout it. This House must insist that its most fundamental rules and conventions be upheld. If we were to permit the conventions to fall into discord, or to be diluted, this institution which depends for its very existence on such conventions must fall itself. That is the issue: not the fate of some junior Minister, or pseudo-

minister; not even the fate of the Government itself; but the rights and future of this Parliament. There are many other precedents for the removal of the Assistant Treasurer. On 2nd July, 1975, Whitlam sacked Jim Cairns for telling the House -

[*Interruption*]

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Mr SPEAKER: Order! I call the honourable member for Monaro to order.

Mr CARR: - a few days earlier that he had not offered any commission to businessman George Harris. A letter to Cairns from Harris dated 7th March was published and it revealed that a commission had in fact been offered. These sackings were excruciatingly difficult for that Government. Whitlam said in the Parliament on 15th October:

It is because I had accepted the principle of the Westminster doctrine, that Ministers are answerable to the Parliament for what they say and do in it, that I have in the last three months had to take two of the most painful decisions of my life.

Ministers are accountable to this Parliament for the things they say in it. That is an iron clad rule. More recently, on 17th December, 1987, the Hon. John Brown, then a Minister in the Hawke Government, was forced to resign after admitting to making misleading statements in the Parliament concerning the contract for the Australian Expo Theatre. He told the Parliament that a panel appointed to choose a tenderer for the theatre had been equally divided when, in fact, the committee had been split four to two in favour of a tenderer whom Brown did not support. It is worth noting that, although Brown stated that he had misled Parliament inadvertently, this did not prevent him from resigning. These are the proper standards; these are the precedents. These cases provide guidance for this House and, more importantly, for the Premier. There is an honourable and proper course of action open to these gentlemen; one of them must take it.

The Government will argue that these precedents do not apply because on Thursday afternoon the Minister made a statement to the House. But for the Government the unfortunate fact of life is this: the Assistant Treasurer deceived the House not once but twice. He lied in his apology. He said that he arrived late at question time and did not hear me raise the letter. He said that the Premier had referred to it, but he thought the Premier was talking about a press release. That is arrant nonsense. First, he had 45 minutes of question time before moving privilege - 45 minutes in which his head was down and in which he was writing energetically. I thought he was writing his autobiography. Second, he had 45 minutes to absorb the material, 45 minutes moreover to examine the circulated letter. That is the crucial point. During that time he had the benefit of looking at the letter. Third, during that time he had the benefit of briefings from the Premier's staff, who were closeted outside. Yet he still told this House that "written material may well be circulating which, I repeat, does not necessarily represent my views and may not have emanated from my office". He raised a question of a break-in at his electoral office. We on this side of the House will be asking the Attorney General for a new section of the Crimes Act to cover this absurd offence. Apparently, on Sydney's North Shore burglars are breaking into members electoral offices and replying to unanswered electoral correspondence.

[*Interruption*]

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Mr CARR: Honourable members should not laugh. This is a serious offence. A government dedicated to law and order must take the strongest position on that. One thing is clear. The member, in his speech on the original matter of privilege and in his apology the

lame, limping and unbelievable apology in which he protested that there was no record or copy of a letter signed by him; that hundreds of letters are issued from his office every month; another likely story - pleaded, using the now infamous excuse, "If the word 'not' were inserted in my sentence, it would more correctly represent my views". The silly comedy surrounding this episode must not be allowed to disguise the seriousness of the issue at its heart. The Assistant Treasurer lied and was forced to admit his lie once a constituent challenged him and a handwriting expert was brought in. Let me read on to the record the results of the handwriting expert's examination:

I examined the "Phillip Smiles" signatures appearing on the abovementioned specimen documents with the aid of a stereoscopic zoom microscope in order to determine the details of their construction. A similar examination was undertaken in respect of the "Phillip Smiles" signature on the questioned document.

The microscopical examination of the questioned signature revealed that it had been written with considerable speed and fluency with none of the indicia of spuriousness.

A comparison of the specimen signatures with the questioned signature revealed that the questioned signature was written by the person who wrote the original specimen signatures and the originals of the photocopy specimen signatures.

One can only say: guilty as charged. The Assistant Treasurer asked at his press conference, with an air of genuine intellectual inquiry, "Am I stupid?". For ever I suspect that he will be known as Phillip Am-I-Stupid Smiles. Nothing that he does will live down or obviate the memory of that contribution. The issue is that the Premier, based on his briefing, misled this House. But he did more than that. He compounded his denial of the letter's authenticity with an imputation of fraud. He accused me of fraud on the basis of what he was told by the Assistant Treasurer. Yet, after all the wriggings, the convoluted explanations - nine different explanations according to calculations of the *Sydney Morning Herald* correspondent - from the Assistant Treasurer, there is still no apology, still no admission of error, and still no acknowledgment by the Premier that he has any duty whatever to this Parliament or, indeed, to his own Government. He remains utterly unrepentant and utterly dismissive. It could be said that he remains as arrogant as ever.

One therefore has to ask what kind of conduct must a Minister in this Government be guilty of to warrant action and discipline by this Premier? On his own confession, the Assistant Treasurer caused the Premier to mislead the House. But for this Premier that calls for no action. On his own admission, the Assistant Treasurer himself subsequently misled the House, but for this Premier that calls for no action. On his own admission, the Assistant Treasurer wrote a letter criticising his own Government on a project which has cost the taxpayers of New South Wales \$80 million so far, but for this Premier that calls for no action. On his own

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admission, the Assistant Treasurer runs an office of such incompetence that he can remember the missing "not" but cannot find, nor remember, the correspondence which he writes or signs, even on matters of the most controversial, topical and sensitive kinds. But that calls for no action. Why? This is because, from the Premier down, all Government members do it. It is a particular compulsion of this Government to lie about the ill-fated bikeway. As recently as last November, for instance, the Premier told this House that not a cent more of taxpayers money would be sunk into Eastern Creek. Specifically, on 21st November he told the Parliament:

I am pleased to give . . . the guarantee that he (the Leader of the Opposition) seeks that beyond those amounts there will be no further guarantees and no further commitment of money by the Government to the project.

Ten months later, \$20 million of government money was spent bailing out the consortium. There are other examples. On 22nd February last year, the then Minister for Sport in another place blundered. The Opposition asked whether the Government had entered into any agreements or was negotiating agreements to provide direct loans to the Dovigo consortium or for the underwriting of loans to the Barnard company. He responded by saying:

The answer to the first part of the question is "no". The answer to the second part of the question is "yes".

Five days later the Opposition revealed to Parliament that the Minister and his staff had subsequently changed *Hansard* to read the reverse, namely, "yes" to the first part and "no" to the second. In November last year the then Minister for Sport in another place claimed that 47,000 tickets had been sold for the grand prix held in April. In March the Premier had to admit to this House that only 16,000 tickets had been sold one month away from the race. The current Minister is no better. Last Wednesday he told this House the following:

To lose the FIM grand prix . . . and gain instead the World Series grand prix for five years at Eastern Creek containing all the world's leading riders, means that New South Wales is a long way ahead.

On the "7.30 Report" last night the Minister admitted:

There is no contract between the New South Wales government and the World Series.

The Assistant Treasurer takes a view about a matter central to the area of his own ministerial responsibility - the black hole financing of Eastern Creek - which, if known at the time of the May elections, would have had a devastating effect on the outcome for the Government. But that calls for no action. On any rational assessment, the Assistant Treasurer stands condemned as a gross dissembler - to use the kindest words. He stands condemned as grossly incompetent in his own portfolio - a bungler and a political clown. He stands condemned as an officeholder

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without the remotest understanding of the principles of Cabinet collective responsibility or of parliamentary propriety. But, for this desperate Premier, all this calls for no action. Again I ask: what are the standards of competence, conduct, honesty or mere intelligence required by this Premier or this Government? What does one have to do in this Government to warrant removal? Can I put it another way - how gross can an officeholder be in the Greiner Government before the Premier is game to get rid of him? The Premier has claimed that the apology, so-called, which the Assistant Treasurer purported to make to the House on Thursday ends the matter. On the contrary, the apology compounds the matter because in the course of making it the Assistant Treasurer was caught in the most transparent falsehood I can ever remember an errant member, much less a Minister, making. He told us that, despite his earlier denials, he had signed the letter in all probability. But he said that he did not write the words, "Eastern Creek is a black hole out of which the Government now finds it impossible to climb". Oh, no, he said the letter should have read, "Eastern Creek is not a black hole out of which the Government now finds it impossible to climb".

Even on a motion of this kind where considerable latitude is permitted, I will not strain parliamentary usage by branding that a lie. But I will say that the great Duke of Wellington, when accosted by a gentleman in the London Strand who said to him, "Mr Smith, I believe", replied, "Sir, if you believe that, you'll believe anything". It is true that there are aspects of this affair worthy of Gilbert and Sullivan. This egregious explanation given by the honourable member for North Shore, the Assistant Treasurer, is, in the hard cold facts of parliamentary politics, a deadly serious breach of every convention that ought to govern his behaviour and

that of anyone else in the Government. In this particular situation the hard, cold fact is that the Assistant Treasurer misled the Parliament and caused the Premier of New South Wales to mislead the Parliament, on a matter of considerable significance, that is, the funding of Eastern Creek. These are facts that cannot be put aside or laughed aside.

I dare say none of us has any particular animosity against the Assistant Treasurer, the honourable member for North Shore. In any parliament there is room for eccentrics, room for mavericks and room for clowns. It is not for me to say that the good people of North Shore made a mistake, although I have a fair idea what they will do as soon as they have their next opportunity. But I do say that the Assistant Treasurer has disqualified himself as a member of the Executive. All of us in the House have a right to say what shall be the standards of ministerial conduct, especially in relation to the standards of ministerial truthfulness and accuracy of our parliamentary system and its workability. I do say that by the most elementary measure of those required standards the Assistant Treasurer has failed because he has most clearly and willfully dissembled - again I use the kindest word - to this House, to the public, to the press, and to his own Premier. He misled Parliament and caused the Premier to mislead Parliament.

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The responsibility and duty of this House is not to prop up the Premier and the Executive Government. The first and final responsibility of this House is to itself, to the conventions, rules and standards which have made this House, for all its faults, one of the great institutions in the preservation of parliamentary democracy around the world. It boils down to a very simple issue and a very simple truth. Either we as a House insist upon a plain and ordinary demand that a Minister or officeholder caught out in deliberately misleading the Parliament shall be required to resign, or we not only condone that conduct and indeed become accomplices in it, but, even more, we say that the most basic and well-established rules and conventions of this Parliament and the whole system to which we claim we are committed, election after election, have in fact no meaning, no force and no reality. Any claims to independence from the Executive Government by this Parliament - or any member of it - are utterly exploded. If this House fails to act on this manner in a straightforward way, along the lines I suggest in the motion, I make this prediction: the people of New South Wales will remember and at the first available opportunity will remind, with condign punishment, every member who failed to uphold values and standards in the place - the words of the Premier himself - and they will say to those members: you are all guilty of fraud.

Mr SMILES (North Shore) [2.45]: I speak against the motion. I address my remarks first to the letter concerned. I remind the House that I have accepted the letter that generated today's debate as mine and that I never questioned the authenticity of the signature, but such an acceptance is based on a photostat copy, minus the addressees' name and details, which was apparently circulated to the press gallery last Thursday morning. Neither on Thursday nor since have I been shown the actual letter written to the constituent. It has to be remembered by the House that this letter was written in my capacity as member for North Shore and not - and I repeat, not - in my capacity as Assistant Treasurer. It has to be remembered that the position of Assistant Treasurer is not a Cabinet position. I have not been sworn in as a Cabinet Minister. The letter was on a member for North Shore letterhead, apparently in response to a constituent's letter written to me in my capacity as member for North Shore. There were two matters discussed in my relatively brief response - the Sydney Fish Marketing Authority and Eastern Creek - in a manner which would indicate that the constituent had a general interest but not necessarily a very specific or a family interest in either issue. Media reports indicated that the constituent concerned is a retired schoolteacher. Generally, once answered such letters require no further action on my part. I now know, as all of you know, that every letter we, as members of Parliament, have ever sent out or will ever send out to a constituent must be capable of standing up to at least six days of intense media scrutiny.

With regard to my apologies last Thursday, I remind honourable members that my words in the House were, "I take full responsibility". I sought to explain, not to excuse, myself. I was absolutely frank in my apology. I was contrite and I made no secret of my embarrassment. There was no attempt to distort. I offered my explanation and apology as soon as proceedings in the House allowed. Twice

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I came down to the Chamber in hope of making an earlier statement. So concerned was I with the media coverage and speculation that, after learning it would not be possible to make a statement for some hours because of a much later rising of the House than anticipated, I deliberately chose to conduct a press conference on the matter at approximately 4.30 p.m. on Thursday. It is interesting to reflect on the fact that last week the Leader of the Opposition supported a statewide strike call which cost the New South Wales economy in excess of \$200 million. He did not seek to apologise. It is interesting to reflect on the fact that last week the Leader of the Opposition insulted, both within this Chamber and in the community at large, every one of the 1,500 State senior executive service personnel. Again he did not apologise. It is interesting to note that the honourable member for South Coast on 2SM news at 6.00 p.m. last night chose to refer to me as a liar. Is such prejudgment of the matter now before the House an example of his much-vaunted commitment to having matters decided on the floor of this Parliament? I have yet to hear an apology.

I turn now to the controversy. As the House would acknowledge, in my seven years as a member of this Chamber I have been no stranger to controversy. I have never backed away. I took it right on the nose when I discovered this issue related to a letter and not to a press release or statement. I did not offer excuses. I said I took responsibility, and I apologised. I offered explanation and frankness. The media have pilloried me for doing so. I remind the House that where in the past controversies have focused on issues I have raised, or on Public Accounts Committee reports, I have said it like I have believed it was at the time - and, as some would say, regardless of the consequences. But I will admit to one consequence which I am very proud of. Against the swing throughout the State and against a well-known, dedicated and hard-working Independent member of this House I won the seat of North Shore on May 25. I am sure the House will find it most interesting to learn that, despite the massive media attention over the past six days, my offices have received in total one critical communication - one telephone call only. No letters, no faxes, no messages slipped under the door; just one phone caller expressing a critical view, and dozens of telephone calls and faxes from friends and strangers alike indicating understanding - not criticism - and support.

I turn now to the issue of Eastern Creek. It is not my purpose to debate the merits or otherwise of the Eastern Creek project today. I am aware that there may be members of this House who would have been more comfortable with my explanation last Thursday had it included an admission that I agreed with the sentence that so much attention has been focused on. This is my dilemma in being frank and honest because I am very much aware that such an indication would have been much easier for me. But it is simply not the truth. Over many months I have indicated to people in my electorate that I regard Eastern Creek, with astute management, the necessary attractions and good promotions, as being viable in the long term. I have never denied that I am distressed about the amount of money so far invested. And I have never denied that, like so many government projects in the past, including Darling Harbour, an initial major investment by the government of

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the day is never capable of being recovered. However, unlike many in this House who choose to criticise the Eastern Creek project, I have visited and closely inspected the facility. This was done in my capacity as a member of this Parliament. I have talked to many experts in the fields of advertising, marketing and motor vehicle and bike racing to solicit their views. My interest has been encouraged following comments from constituents, my student days as an entertainment promoter and my wish to compare the Eastern Creek difficulties with what I learned from my involvement in the Public Accounts Committee inquiry into Darling Harbour.

In the light of the information collected it would be dishonest of me to take a totally pessimistic view. I am mindful that experts as varied as Mr Bruce Pollane, publisher of *Australian Road and Track*, himself an organiser of a number of race meetings over 20-odd years and a racing car driver; I am aware that experts such as Mr Peter Longhurst, marketing manager for Oran Park raceway; I am aware that experts such as Mr Greg Siddell, racing car team manager, importer of many racing vehicles and spare parts for numerous racing teams, with racing interests in both Europe and Australia; and I am aware that Mr Peter Hughes, advertising and marketing executive, speak of a future for Eastern Creek with hope. What those experts say about Eastern Creek include: 50 per cent of motor sport in Australia is conducted in New South Wales. And from now until June next year there are nine major events to be staged at Eastern Creek. Independent researchers Brian Sweeney and Associates attest to the fact that motor car and bike racing is the most popular televised sport amongst males aged 16 to 40. Television stations 7 and 9 are substantially committed to televising motor car and bike meetings. Highly successful racing entrepreneur Bernie Ecclestone is interested in using the venue for major international events.

The venue has tremendous possibilities for activities other than motor racing. The raceway is heavily booked throughout every week for activities associated with motor sports. And last week's drag racing event, where there was no point score and where it was not a major national or international event, saw standing room only - some 15,000 people attended and there was profitability measured in six figure sums. The House should be aware that we talk of crowds of 15,000 to 20,000 people and we are talking about an average admission price of some \$20. We are talking about profits to the venue via catering, hospitality, concessions and the like of \$40,000 to \$100,000 per event. To those figures must be added track signage rights, bringing in additional revenues measured in tens of thousands of dollars. The House should also be aware that, despite the controversy, Eastern Creek owes the people of New South Wales less than a tenth of what the public debt is on Darling Harbour.

I refer now to the media coverage of Thursday last. The House would be mindful that the media have taken a particular interest in this issue. With some exceptions I have received what might be called very critical press. Professional journalists have, however, during this coverage, indicated their ability to make errors and omissions when composing their articles. Mr Matthew Moore, in his column

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on Saturday, 26th October in the *Sydney Morning Herald*, went into considerable detail, listing nine points. Unfortunately, if he had reread his copy he would have noted the omission of three other important points. One, that the final paragraph of my letter to the constituent contained not only a first sentence which included the phrase "black hole", but also a second and much longer sentence indicating optimism for the future of Eastern Creek following new arrangements for its management. I believe the second sentence contradicts the first. Two, I accepted full responsibility in my address to the House on the matter. And, three, I apologised to the Premier, to the constituent and to this House.

On the Sunday Miss Sue Quinn provided not one but two errors in the text of her articles. On page four of the *Sunday Telegraph* of 27th of this month, in an article rightfully headed "Harmless Mistake says Anne Smiles", Miss Quinn correctly stated in a subheading the real position as strongly represented by my wife during a Saturday morning interview: "I don't really think Phillip's jinxed". However, the first paragraph of the same story begins: "The wife of controversial Assistant Treasurer, Phillip Smiles, said yesterday she sometimes thought her husband was jinxed". On page 43, in her article "State Affairs", Miss Sue Quinn stated that I had indicated that "files containing correspondence had been lost during a move of electorate office". In fact, as I stated during the Thursday afternoon press conference, it is my intention to move offices on or about December and we are merely preparing for such a move. I do not raise these matters to embarrass the News Limited journalist or indeed the *Sydney Morning Herald* journalist concerned but merely to emphasise that we are all human and all capable of a

mistake. I am, however, mindful that my mistake went to one constituent until others decided to make it a media event. Mistakes in newspapers go to hundreds of thousands of readers.

I turn now to the issue of the bogus press releases. This issue is the subject of another motion before the House. As a consequence I will, of necessity, be brief. But it is an important issue in the context of this debate. Two weeks ago, approximately, I was the victim of two bogus press releases. Ironically, one of these indicated a very positive attitude by me to the Eastern Creek project. The other related to the industrial relations legislation then before the House. As a result of the circulation of these bogus press releases the *Sydney Morning Herald* published an article which was not a true representation of my ideas, and this was the subject of a most unpleasant and lengthy interview on the John Laws program the same day. Since then there have been rumours of other releases and statements; and in fact last Wednesday night the honourable member for Strathfield, the Hon. Brian Pezzutti and the Hon. John Hannaford all contacted my parliamentary office expressing concern that there was another bogus press release circulating, issued under my letterhead. On that Wednesday night, and confirmed on the Thursday morning, I was advised that the Opposition would be attacking me over a statement - a statement - I had supposedly issued. It was with thoughts of those bogus press releases, or statements, both actual and rumoured, that I entered this Chamber during question time after the Leader of the Opposition's first question for the day. I was greeted with some

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confusion and, when it was clear to me that the matter related to a letter rather than a press release or statement, I sought to clarify the issue both with my electorate office and then in this Chamber. With regard to the nature of parliamentary work, the honourable member for Bligh was quoted in the *Sydney Morning Herald* of 26th of this month in an article written by Bernard Lagan as saying:

Any MP, especially if they were a member of the Government, would, on a controversial issue like Eastern Creek, remember signing such a letter, I believe.

I congratulate the member for Bligh as she by implication has a far better memory than mine. It would be interesting to learn if the member for Bligh or anyone in this Chamber could clearly remember every letter any one of us has signed throughout this month. The member for South Coast has accurately described in a message for constituents why any one of us conscientiously undertaking our local representative responsibilities should be forgiven for making a human error. In an article in the *Milton-Ulladulla Express* on the 23rd of this month the member for South Coast noted "the hectic situation" and "impossible pace" of Parliament at the moment. The member for South Coast, in responding to his critics, said, "Try and understand the pressures and the pace". He said he and his staff handled 1,000 letters last month, hundreds of telephone calls and dozens of media interviews. He described the current situation as stressful, hectic, tiring and exciting. The comments by the member for South Coast are a good summary of the pressures faced by active local members such as myself, such as himself and such as most of us in this House. The comments should be considered by all members of this House in regard to this motion. I remind this House that this is the only occasion that has come to my attention or to the House's attention of a letter going from my electorate office to a constituent that has contained an error. Frankly, much as I might wish it otherwise, given, like all members in this Chamber, that I sign thousands of letters each year, none of us can guarantee that we have never signed a letter containing an error or misrepresentation of our views.

I should like to make some concluding remarks. First, many thought I had paid my penalty, whatever each member of this House chooses to believe or not, last Thursday. I did accept responsibility. I did apologise to the Premier, to the constituent and to the House. Second, can we all afford to become like the most pedantic of Queen's Counsellors, particularly given that we all send out hundreds of letters most months; and can every member of this House be absolutely sure that they have never written, signed and posted a letter to a

constituent which in retrospect they would not have altered? Third, the issue under discussion today was the result of one letter to one constituent with one sentence under the microscope; a letter written in my capacity as the local member and in no other capacity; a letter written on matters of an apparent general interest to the constituent concerned and as far as I am aware not specifically related to that constituent or her family. Fourth, the letter emerged for public scrutiny via the Leader of the Opposition during a time when I had been the victim of both rumoured and actual bogus press releases. Fifth, in judging me this House must remember that I did not act wilfully

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and that when I had been made aware of the actual document in question I accepted full responsibility and took steps to explain the situation and apologise to the House at the first available opportunity.

Mr WHELAN (Ashfield) [3.3]: One could only feel very sorry for the member for North Shore. Why is it that the Government, the coalition Government, put this member up to defend himself? The Premier, the State's Attorney General, and the Government's Leader of the House all have remained quiet. They have put the member for North Shore up in this Parliament to see him executed in front of us all. This is not an issue about the broadbrush approach of whether we agree with Eastern Creek. Half of the speech of the member for North Shore was a justification for Eastern Creek. The only issue that this Parliament is concerned with today is whether you have lied to the Parliament - that is the only issue - and whether you lied on Thursday. The answer to the question is this: there are 99 members of this House and 98 know you have lied. That is the fact of the matter. The real issue, which you cannot yet accept, is the fact that you have deliberately misled this Parliament. How you fell into it was simply this: you were late for question time - I will concede that - but when you came into the House you were asked a question by the Premier of this State. The Premier came in as a result of the conversation with you and this is what the Premier of the State believes, and said. If we do not believe you, do we have to believe the Premier, because this is what the Premier said, "The honourable member advises me that the letter, like the Leader of the Opposition, is a complete fraud". The letter. Where is the mention of the press release? The press release you thought up at a later time, post the Premier's conversation and remarks in the Parliament, because you wanted to get yourself out of - talking about the hole - the big black hole that you had dug for yourself.

Mr Smiles: Wait until you have bogus press releases issued in your name.

Mr WHELAN: The bogus press releases have nothing to do with you lying to this Parliament. This Parliament will consider what happens to bogus press releases. This issue is about you lying to the Parliament. All of a sudden the member for North Shore has a convenient lapse of memory. He says, "Maybe I received the letter; maybe I did not". But the lady who wrote the letter to you wrote a letter to you which you now say you probably have received. Then you say it was a computer fault. And then you say it was a staff error. You first said you did not know whether you signed it. You now acknowledge that you have signed it - because of the fact that we have been able to produce scientific evidence to prove that it was your signature. Someone on the Labor Party side jokingly suggested the other day that as the member for North Shore was chairman of the Public Accounts Committee, maybe we should look to the veracity of the Public Accounts Committee reports that have been tabled in this Parliament. You will try and disown them as well. As I said in this Parliament on Thursday morning, the veracity of your statement will rise and fall upon Ms Bonnie Niblett's conversation; whether she had a conversation with you or whether she had some communication with you or whether she had a letter from you that the lady indicated to the press gallery. And

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she was able to swear a statutory declaration that I want to read to the House, because this statutory declaration pinpoints once and for all the lie that the member for North Shore has been perpetrating throughout the whole of the Chamber.

[*Interruption*]

Mr SPEAKER: Order! There is far too much audible conversation in the Chamber.

Mr WHELAN: The statutory declaration pinpoints why all members should seriously think about voting for the motion moved by the Leader of the Opposition. The statutory declaration says:

I Valerie Niblett also known as Bonnie Niblett of 7/6 Boronia Street, Wollstonecraft do hereby solemnly swear and sincerely declare and affirm that:

Mr Hartcher: Which branch of the Labor Party does she belong to?

Mr WHELAN: I shall depart from the statutory declaration to read paragraph 8 of the statutory declaration to answer the inane interjection by the member for Gosford. Paragraph 8 states, "I am not a member of any political party". The document States:

1. I am the person referred to as Ms V. Niblett of 7/6 Boronia Street, Wollstonecraft in the letter dated October 9, 1991, from Phillip Smiles, Member for North Shore.
2. On or about on the 11th October, 1991 I recall being in the front of the premises 7/6 Boronia Street, Wollstonecraft where I reside, for the purpose of collecting mail. At that time the postman who regularly delivers mail to my letterbox was delivering in the street.
3. The postman who is known to me, handed me the mail including an envelope which bore my name and address. The envelope also bore the imprint or insignia of the Parliament in green.
4. The envelope handed to me by the postman contained an original letter dated October 9th, 1991 and written on Parliamentary letterhead and it had an original signature over the typed name 'Phillip Smiles, Member for North Shore', which I genuinely believe to be a letter from Mr. Smiles.
5. On or about the 3rd October I wrote to Mr. Smiles as my local member setting out my concerns in relation to the proposed closure and/or sale of the fish markets and concern at the Government's financial blow-out in relation to Eastern Creek.
6. This is the only communication that I have had from Mr. Smiles who is my local member of Parliament in relation to my letter to him.
7. I believe that the letter, the original of which has been shown to me at the time of signing, and a copy of which is annexed and marked 'A' was forwarded by Mr. Smiles to me. I have had no other communication with Mr. Smiles or his office.
8. I am not a member of any political party.

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The document has the usual attestation. It was signed by Ms Niblett and the date underneath is 24th October, 1991. It was signed by a Justice of the Peace. An annexure is a copy of the letter from Mr Smiles, member for North Shore, dated 9th October addressed to Miss Niblett. The reason the honourable member for North Shore decided to come and be honest at last with the Parliament is because he had been flushed out. This lady turned up to the Parliament because she was so concerned that she was the one under scrutiny by the members of Parliament. That is why she came in. She believed that the people of New South Wales would regard her as being the liar. Whereas, the fact known to the 98 honourable members of this Parliament is that there is only one person who has deliberately and wilfully lied to this Parliament - and that is the honourable member for North Shore.

That is the whole debate about the issue. Let us not get on to the benefits or non-benefits of Eastern Creek. This is about your role. It is not about how hard you work as a local member. It is about why you came into the Parliament and why you deliberately misled the Parliament. That is what it is all about. It is all about Assistant Minister and ministerial probity. It is about whether this Government is about to condone the actions of someone who deliberately and wilfully misleads the Parliament. That may be the acceptable guidelines by the coalition Government. Other colleagues of mine will indicate all those Liberal, National and Labor Federal members who have resigned as a result of their misleading the Parliament or being an administrative failure within their portfolios. Again I want to draw the distinction that this is about a member who has lied to this Parliament. It is about the supremacy of the Parliament, and it is about the people and their rights. It is about a member coming to this Parliament armed with the truth, not armed with a lie and expecting us to back him up when he comes into Parliament, and telling these wilful lies - which he knows only too well. Fancy saying the computer broke down. Fancy saying, "It is the fault of my electoral secretary". Mark his computer failure exhibit B. The fact is that he ran out of excuses.

I tell you what: it would not matter whether it was a computer failure or staff error. The fact of the matter is you lied here. You stood in this Parliament and lied. That is what you did. You did not do anything else. Your staff did not lie. The computer cannot be brought in - we cannot determine that - and no one is interested to go out to your electorate office to interview your staff. I am reluctant to even have the police come and interview you for the purpose of verifying this signature. In the early days of Thursday you had some grave doubt that it was your signature. All of a sudden events preceded you. You had to admit that it was your signature because everyone told you that it looked like your signature. There were comparisons of 30 signatures and eventually you were dragged screaming to the altar of truth and admitted it was your signature. And then when you said: "Oh, it is my signature but, look, I did not read the letter. It was not my fault. I meant to put 'not' in, I should have put 'not' in. Maybe I should have put something else in." You cannot do that, even in regard to your ministerial or assistant ministerial correspondence.

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I ask the honourable member for North Shore this: you sign letters for the Government in relation to land tax and to the concessions to be granted for land tax. What chance has anyone who has received a letter from you in relation to land tax of believing you are telling the truth when you wrote them a letter. Maybe when you said the Government was to give them land tax concessions you omitted the word "not" so it should read: "The Government is not going to give you concessions for land tax". There is no veracity in what you say. I repeat that the real issue here is that you have lied to this Parliament and by the Government condoning you - by the way, I said I feel sorry for you; I genuinely do because the people over there are treating this honourable member like a mangy dog -

[Interruption]

Mr SPEAKER: Order! I call the honourable member for Ermington to order.

[Interruption]

Mr SPEAKER: Order! Any motion of censure that the Parliament is discussing is a very serious matter. So far debate has been conducted in a relatively orderly manner. I ask members to continue to allow it to be discussed in the same manner.

Mr WHELAN: I can understand Government members' concern when they run away from one of their own. They have distanced themselves. I am the third speaker in this debate. The Premier is not even here, he was hardly here when the honourable member for North Shore spoke. How many speakers will there be for the Government to defend him? The fact of

the matter is that members on the Government side are all treating him like a mangy dog. They want to get away from him as fast as they can because they do not know what other problems lie ahead. They do not know what other problems he or others will create. The fact of the matter is that if they had any gumption or guts they should have put him to the coals in their party room and determined the truth once and for all. There was only one way out of this problem on Thursday when the honourable member for North Shore lied, and that was to come clean as soon as possible.

In the corridors, the Speaker's gallery or just outside the Leader of the Government's room I offered - I have forgotten the time now, in the late afternoon, but I can address my mind to the time if necessary - I can tell members who were also present: the Leader of the Government, the Government Whip and advisers to the Leader of the Government, myself, and one other person. As I said, if I put my mind to it I can give the exact time. They were the people there - and the honourable member for North Shore. I offered to raise no objection if the honourable member for North Shore, prior to the rising of Parliament at 4.30 p.m., would make a personal explanation to the House. I made that offer to him and that was declined. The reason it was declined is that he was still trying to work out how

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he could weave his way through the lies that he had told the Parliament. He went down to the press gallery and compounded the felony that he made in this Parliament by making up all these bogus stories about the cat ate the computer program; and the dog ate my homework; "Look, really it was mine, it looks like mine but it's not mine. Have you met my sister-in-law? She signs my signature" - all these sort of wicked excuses, which are completely irrelevant to the central issue of this resolution. This resolution is about a member - and he lied - and what process there is within the Parliament.

Mr Speaker, you know that under the standing orders there is nothing you can do to stop a member lying in the Parliament - and that is not your role. You also know that if I call the honourable member for North Shore a liar, you would have every right to ask me or request me to withdraw. That sort of thing has been done repeatedly on all sides by all political persuasions and the decision of the Chair has been abided by. On the one hand, we have to withdraw if we call someone a liar; but when we know that someone comes in here and wilfully and deliberately misleads and lies to the Parliament this Government says, "Wash your hands; it is a different matter; it is a completely different matter". This Parliament has the power to oust judges. It has the power to criticise Ministers but it has no power to oust a member of Parliament, except at the Government or the Premier's whim. The plain fact of the matter, when it comes down to the kernel of this problem, is that Government members have condoned the lying of the honourable member for North Shore. They are complicit in the fact that they condone his behaviour in this Parliament. They have ruined any precepts of Westminster system and accountability.

I had to laugh today when the Premier interjected and said: "He is not a Minister. He is an Assistant Minister". We know he is an Assistant Minister because one has only to look up the green list of members to find that out. It says, "Phillip Murray Smiles, LL.B, B.Ec., M.B.A". I want to ask him a question: did you do all those exams or did someone do them for you? It says he is an Assistant Minister. Are you sure your signature was on the document when you signed it? You are an Assistant Minister. There it is, on the green, but the Premier is saying he is not a Minister. So now we have a difference. It is only the Ministers who are responsible. It is only the Ministers who are accountable. It is only those people who are designated as Ministers. Well, he is a designated Assistant Minister. He has a role. He has a letter of entitlement. He has an office, additional staff, additional stipend and all things like that.

While speaking about the Premier and how he the Chamber I should remind honourable members of what he said about Mr Smiles some time ago. He said that if there were only two people left in the world and one of them was Phillip Smiles, and there was a ministerial vacancy, he would not get the appointment. No wonder the Premier is not in the Chamber and

the member for North Shore has been dropped like a hot cake. No wonder the Government is too scared to give him support. I hope the Government does try to justify the member's actions. If

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Government members do so, they should confine themselves not to the benefits or lack of benefits of Eastern Creek; they should not worry about histrionics or go back too far about ministerial accountability. They should explain simply why they condone a member coming to this Parliament and lying, deliberately lying and changing his mind. Undoubtedly the House should support the motion moved by the Leader of the Opposition which, in the parliamentary sense, is a tame resolution.

This is a disappointing day for the Parliament and obviously the motion will be determined by the numbers. The lady who came here showed great confidence and courage. She was grilled during a press conference. One thing should be made absolutely clear about her: in her evidence she said that she was at the front of her place and got the envelope from the postman. Do honourable members realise what that means? It means that there is no forgery, that no one put the letter in the letterbox. The postman gave it to her. There was a direct chain right from Mr Smiles' office to the postman and delivered to the hand of the lady herself. She verified the content of the letter, that it was written on parliamentary letterhead and contained within a parliamentary envelope. The issue comes down to this: do we believe the honourable member for North Shore or do we believe Bonnie Niblett? The answer is that we believe the constituent.

Mr MOORE (Gordon), Minister for the Environment [3.22]: The honourable member for Ashfield issued me with an invitation, which I intend to accept. I wish he had abided by the principle himself, and that is: don't worry about the histrionics. A maxim people get taught at law school says basically: if you cannot argue the law, argue the facts; if you cannot argue the facts, argue the law; and if you cannot argue either, bung on a theatrical performance. Today we are invited by the Leader of the Opposition to exercise a function of this Chamber of the Parliament that is exercised comparatively rarely. We are asked to sit in a capacity that is analogous to a court of law: the court of Parliament sitting in judgment on one of its members with respect to his or her actions. By the motion moved by the Leader of the Opposition the honourable member for North Shore has been charged with an offence against this Parliament. I propose to go through the various things that have to be established and dealt with in that case. They are: the nature and the elements of the offence; the nature and the elements that have to be proved against the honourable member with respect to that offence; and the nature of the matters put by the member for North Shore in mitigation, if the elements have been satisfied.

I believe that the elements have not in fact been satisfied. Effectively the offence with which the honourable member is charged is deliberately and wilfully misleading the Parliament and persisting in that course of action. The principal elements of this offence go back quite a long time in the history of the Westminster Parliament. The most recent example of that in Westminster led to a finding in 1963 that the House of Commons may treat the making of a deliberately misleading statement as a contempt. The case is that of the Rt. Hon. John Profumo. In that case Mr Profumo made a statement to the Parliament on 22nd March, 1963. I wish to draw the attention of honourable members particularly to the timing of the

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statement and to the nature of the content of the statement that Mr Profumo made. He made the statement on 22nd March, 1963, and he made it in absolute and explicit terms, in a column and a half of *Hansard* which appears at page 810 of the *Journals of the House of Commons* of that year. Mr Profumo stated in conclusion:

I have made this personal statement because of what was said in the House last evening by three honourable members and which was, of course, protected by privilege. I shall not

hesitate to issue writs for libel and slander if scandalous allegations are made or repeated outside the House.

As all honourable members will be aware, Mr Profumo subsequently resigned from the House of Commons having been caught telling a deliberate and wilful mistruth to the Parliament. But when did he do so? He did so approximately three and a half months later, having persisted with his lie for the whole of the intervening period and having caused considerable debate, public argument and dispute about it. The leading case in the Australian Parliament in a similar vein is that involving the resignation of the late Rex Connor. It arose out of a series of statements made by Mr Connor to the House of Representatives on 9th July, 1975, totalling 15 pages of *Hansard* and telling deliberate prevarications, half-truths and mistruths. It led to Mr Connor's resignation being advised to the Parliament by Gough Whitlam on 14th October, 1975, again some three months later. The position is that a member can inadvertently mislead the Parliament. Indeed, if one asked any honourable member who had been a member of this Parliament for more than two or three years whether at any stage he had accidentally misled the Chamber and had subsequently corrected it, very few members would be able to say unequivocally that they had not inadvertently misled the Parliament in any respect.

Indeed, I draw the attention of honourable members - and I hope the honourable member for Liverpool will advert to this himself - to statements by the former member for Penrith on 1st November, 1983, when dealing with the resignation of the former Minister for Corrective Services. The member for Penrith at that time, now member for Liverpool, made it quite clear that the matters had to be a misleading of the Parliament; they had to be about a serious matter; they had to arise out of the Minister's ministerial duties and responsibilities; and they had to be deliberate. I ask any honourable member with respect to the honourable member for North Shore these questions: did the statement for which he is sought to be punished today arise out of or in connection with any responsibilities he has above and beyond his duties as a member for a constituency? The answer to that is clearly no. Second, did he deliberately intend to mislead the Parliament? I can say that I have absolutely no doubt whatsoever that the honourable member for North Shore did not intend to mislead the Parliament.

Let me tell honourable members one reason why that is so. I was sitting next to the member for North Shore when he first saw a copy of the letter that is the subject of this debate, when it was furnished to him in photocopy form by the Opposition. It was quite clear from the body language of the honourable member

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for North Shore that he had taken a jolt. He immediately left the House to check the accuracy of the nature of the document provided to him in photocopy form, and that day, at the first available occasion when the honourable member for North Shore could rise and address the House after the disposal of the business currently before the House, the honourable member for North Shore stood in this Chamber and made a mea culpa. He confronted his peers and said: "I made a mistake. These are the reasons that have led me to make this mistake". He apologised to the House and he indicated his contrition for the events that had occurred. Indeed, he has apologised to his colleagues, to the Premier, to the Parliament and to his constituents. I want to make it abundantly clear that, if this were a court of law - and that is how we are being asked to act today -

Mr Irwin: Rubbish!

Mr MOORE: It is not rubbish. The honourable member for Ashfield and the Leader of the Opposition have sought to prosecute him. They are seeking a punishment from this Chamber for the honourable member for North Shore. There is absolutely no doubt in my mind that the elements of the offence which the Leader of the Opposition and the honourable member for Ashfield seek to sheet home to the honourable member for North Shore are simply not present in a form that would satisfy any properly instructed jury and bring about a

conviction. The honourable member must have intended to mislead the House. He must have done so deliberately and wilfully. I suggest that, based on any reading of the major precedents, there has to be a significant gap of time beyond the most available opportunity for the honourable member to correct the misinformation that he has provided to the House. I believe that the honourable member for North Shore, although obviously considerably distressed by the incident, endeavoured as best he was able under the circumstances at the time not only to explain what had occurred but also to deliver to the Parliament a retraction and an apology for what he had said and done earlier that day. It is not easy to do that. In the 15½ years that I have been in this House several honourable members, myself amongst them, have had to stand up and explain how they had inadvertently provided either incomplete or inaccurate material to the Parliament. One thing I want to say on behalf of the honourable member for North Shore is that the honourable member for Ashfield, in a classic scissor action, endeavoured to smear his reputation. On the one hand, if the honourable member for North Shore had not stood up and successfully put forward a vigorous defence of his own position to this House, the honourable member for Ashfield would have stood up and accused him of cowardice: and, on the other hand, there is absolutely no doubt that had the honourable member for North Shore not confronted his accusers first off he would have been accused of cowardice in not earlier facing the Parliament. In my view, what we have seen is a demonstration that the honourable member for North Shore is prepared not only to confront, but also to openly admit, the fact that he made a mistake in this House last Thursday. He made a mistake before he came into the House last Thursday in the advice that he gave to his leader, which inadvertently led the Premier to give

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advice to the House, based on the statements of the honourable member for North Shore that were inaccurate.

Not one of those elements proves the criminal intent to mislead the House that the honourable member for Ashfield and the Leader of the Opposition seek to attribute to the honourable member for North Shore. They are each seeking to apply the criminal standard to the behaviour of the honourable member for North Shore. This Parliament starts every one of its sittings with a Christian prayer. A number of honourable members of this place and the other place meet regularly for prayerful purposes. One of the tenets of Christianity is: that people may not be perfect but they are entitled to be forgiven, provided they confess what they have done. The sins of the honourable member for North Shore are temporal sins in the face of this House. He has faced his peers; he has confessed; and he has apologised. I ask all honourable members, particularly those who have a long memory of the proceedings of this place, to ask themselves: would this performance have been put on today if the numbers had been different? I invite any honourable member to go back through history.

Mr Knight: You are insulting the Independents.

Mr MOORE: I am not insulting the Independents. I am suggesting that there is a jury of five good men and women who will sit in judgment on this matter in this House, and I am entitled to address them, as has been the case for the Leader of the Opposition, the honourable member for North Shore and the honourable member for Ashfield. Those who seek to prosecute have to meet the standard of proof required of a prosecutor. They have to acknowledge the fact that the honourable member for North Shore admitted that he made a mistake. He stood up in the Parliament, corrected that mistake and apologised for it. This certainly does not warrant the passage of the motion moved today. If we look at the history of all matters of this nature brought before this Chamber over the past 20 years, we see that they have all been matters of ministerial impropriety and nothing to do with what individuals have done in their capacity as local members. The only person of whom I have recollection who has been dealt with as an ordinary member is the former honourable member for Bankstown. Anybody who would suggest that there was the remotest parallel between Mr Mochalski and the honourable member for North Shore is having a lend of themselves. We are talking about matters that differ by light years in seriousness. It is about time that this Parliament grew up

and acknowledged that the honourable member for North Shore has apologised. Certainly in the eyes of his constituents and the public, he has served a serious penance over the past four or five days. That ought to be enough.

Mr ANDERSON (Liverpool) [3.36]: I accept the challenge from the Minister for the Environment to deal with the history of this place and how such matters have been dealt with. As he pointed out, I have some recollection of this. At the outset, I remind the House that the Leader of the Opposition referred to actions taken in the Federal Parliament with regard to Rex Connor, Jim Cairns and

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John Brown. These matters involved letters. I remind the House that the former Minister for Corrective Services, referred to by the Minister for the Environment, resigned because he misled this Parliament. That was why the Premier of the day exacted that price. There is a very big difference between this Government and us. No Minister and no member of the former Wran Government would have sat through a censure motion without Neville Wran or Barrie Unsworth sitting beside him. In fact, Wran and Unsworth would have taken a glove. Where is the Premier? We are still waiting for the Premier of the State, who misled the House for whatever reason, to explain why he did so and to apologise to the House. If there was any suggestion that some action should be taken, it would have been in the motion. We accept that the Premier was misled by the honourable member for North Shore in the same way that this Parliament was. If the Minister for the Environment, a former lawyer, wants to trot out some legal maxims, I will give him one: an ounce of fact is worth a ton of law. There is a very simple issue involved - not about all the explanation that has been given but about whether the honourable member misled this House deliberately.

[*Interruption*]

Mr ANDERSON: Listen, squeaky. You have a go when it is your turn. This is the simple issue. In the *Hansard* of last Thursday the answer given by the Premier to the question asked by the Leader of the Opposition, inter alia, was:

The honourable member advises me that the letter, like the Leader of the Opposition, is a complete fraud.

There is no doubt about it; he is saying that it is a complete fraud. A little further in the answer the following is said of the Leader of the Opposition:

It is another thing for him to rely on a letter which is a fraud.

That refers to how fraud undermines the whole system of parliamentary democracy. At 11.23 a.m. on that day the honourable member for North Shore moved this motion:

That the House notes the matters concerning the privilege of honourable members raised by the Honourable Member for North Shore on Thursday, 24 October, 1991, concerning the privileges of all Members and deplores the forgery of documents circulated purportedly in the name of the Honourable Member for North Shore.

One may well have said at that point: well, perhaps he still does not know it is his letter. Everyone knew it was his letter, but perhaps he did not know by 11.23 a.m. Of course, Mr Speaker, you were misled because at that point, following that debate, you ruled there was a prima facie case of privilege - a most serious matter. What we are talking about is the most serious parliamentary crime that can be committed, the deliberate misleading of the House. The Minister for the Environment says that at some point of time everyone has done it. Of course it has happened. When we

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talk about stunts, none beats those of the present Premier when he was in Opposition. I have a clear recollection of being asked a question about an alleged police photograph. I had a report

from the Commissioner of Police that said it did not exist in police records. Having said that, the then Leader of the Opposition walked round and dropped the photograph in my lap. No Minister or office-bearer can avoid that. Indeed, on that occasion the Opposition did not move against me.

Of course, people make mistakes, but this is compounded for two reasons. The first is that the honourable member did not own up in the first place. Since last Thursday people have asked me what he should have done. The answer is quite simple. At the point where he was asked by the Premier, as they chatted across the front-bench, he should have told the Premier either that it was his or that he did not know, but should not have made the assertion at that point that it was a forgery. He could have made a personal explanation: I do not know whether it is mine; I do not know whether that is my signature, but I will find out. He could have gone away and taken an hour or six hours. It could have been uncomfortable. It may have been difficult to deal with the media, but at the point he came back in to the Chamber, he could have given a truthful answer. But he did not do that. Everyone in this Parliament knows what happened on Thursday afternoon, knows what threats were made between the two participants, and knows why they then took the action they did. I think that is very sad.

The honourable member for Ashfield referred to the honourable member for North Shore. There is no person on the other side of the House that I get on better with than the honourable member for North Shore. I take no delight from this, but there can be no other course but to move this censure motion and, in my view, no other course but to carry it. The issue is not whether he made a mistake. The issue is not whether the word "not" was there. The issue is none of the things talked about today. The issue is whether the honourable member for North Shore and Assistant Treasurer deliberately misled this Parliament. On any review of the facts of this matter, on any assessment of whatever claim one may make, whether proof on the balance of probabilities or beyond reasonable doubt, the fact remains that that is what he did. I regret that he did it. As we have seen since this Government came to office, the tactic in question time by the Premier and his colleagues is either to say something off the top of the head or to duck it altogether. Indeed, that latter is what they should have done on Thursday. It was not what the Premier did.

The letter was alleged to be a forgery from the word go. We have had a range of excuses - for example: the computer malfunctioned and I lost the hard disc. I accept that; I cannot do otherwise when I myself have written to the Clerk of the Parliaments about having lost mine, and still it has not been replaced. I wish it could be upgraded to WordPerfect 5.1. Where the argument falls apart is this: the honourable member's office, as I understand it, was broken and entered on 1st October. The letter from Ms Niblett was on 3rd October and the reply from the honourable member is on the 9th, so the enter and steal has absolutely nothing to do with this issue. But I have to ask this: we all try to use the wordprocessing package

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so that you have a computer copy of the letter generated in response to a constituent. I do not know about the honourable gentleman with his MBA but I, just a lowly ex-copper trying to do my best, keep a hard copy of the letters the constituents write to me. How simple a matter would it have been to have walked out of the Chamber and telephoned his electorate office to ask if there was a copy of a letter from Ms Niblett. Is the honourable member saying that the computer malfunction ate the letter or that the thief, who had been in two days before she wrote it, somehow got it? That does not make any sense. The hard copy of the letter of 3rd October had to be there, irrespective of what happened on 9th October with the honourable member's reply.

Is it only on the computer that letters are stored or is a hard copy generated? Of course it is. That is one of the tragedies about this issue. The honourable member for North Shore and Assistant Treasurer wants to tell us that he signed the letter as the local member. I am gratified by this because as a shadow minister I now know that, providing I sign a letter as the member for Liverpool, I cannot be held to account for any police and emergency services

matters I refer to as policy of mine as shadow minister. What an absolute load of rubbish spouted by the honourable member and by the Minister for the Environment. I must confess that when I returned to the Parliament following my election in 1989 I was absolutely staggered at the way in which this Government deals with questions without notice in this place. Then I started to read the *Hansard* to find that the Minister for Police and Emergency Services in the other place has made misleading an art form. The fact remains that even under their reduced accountability system they are accountable for what happened on this occasion. Usually we see the Premier throw more flick passes than David Campese, but not with the same result. It is about time they understood the tradition in this place, established by some of the really tough parliamentary performers. I refer to Sir Eric Willis. I know how he acted in this place. It is time Government members started to act like a government, not like the bunch of unaccountable amateurs they are.

I have said what should have happened. I can remember the first week that I was a Minister. The departmental head came in and said: Minister, you do not have to read all these letters before you sign them; we have read them for you. I said: Have you ever heard of Rex Connor and Jim Cairns? He said: What do you mean? I read every letter I signed. I read every letter I sign in my electorate office and if there is a mistake I am caught by it. Even if I sign it without reading it, I am caught by it. There cannot be any other way to operate. The issue is not whether a member of Parliament has simply misled this House. The issue is whether an office bearer has misled the House. The honourable member for North Shore is not an ordinary member of this Parliament, as has been pointed out by the honourable member for Ashfield, with the assistance of a number of government members who checked the greens. He is on the greens, and I will not misquote it, as Assistant Minister. Does anyone suggest that the honourable gentleman does not receive the provision of services and other resources in that capacity? That is what makes this different, for Ministers and Assistant Ministers have a greater responsibility to this

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Parliament than just ordinary members of this Parliament, and to the people of New South Wales. There can be no doubt about that.

Motions of this type were very rare in the six and a half years that I was a Minister. I recall a motion of censure or similar being moved against me and I remember the honourable member for South Coast voted against me on that motion, notwithstanding that he had some nice things to say about me and about my performance as a Minister. I did not think he should have done that but I understood why he did it. He argued that the principle involved was more important than the overall performance of a person and that on that issue he felt he should vote that way. I have never held that against him. Had we lost, I may have had a slightly different view. I know that the honourable member for North Shore had a crack at both sections of the news media and rebuked Matthew Moore from the *Sydney Morning Herald* about the last paragraph. Unless they have changed the teaching of English since I was at Sydney Boys High School, I would draw the same conclusion the learned author does from the last paragraph of the letter, that is, a viewpoint contrary to that of the honourable member about what it means. As I have said, that does not really matter. It has been put to us that we are all capable of making a mistake. The *Milton and Ulladulla Times* - a paper well known to me because my late father grew up in Milton - quotes the honourable member for South Coast as saying that people can make mistakes. Of course people can make mistakes! The issue is not whether the honourable member for North Shore made a mistake; the issue is whether he deliberately misled this Parliament. We could pick any 12 good and true men who had looked at the facts -

Mr Moore: And women.

Mr ANDERSON: I was not being sexist; I was using the original quote. They would come to only one conclusion - that that was what had happened. The honourable member for North Shore said that every letter must be capable of standing up to media scrutiny. Every

letter any member of Parliament signs must be capable of being scrutinised by everyone in New South Wales. Members of Parliament, let alone office holders, who do not understand that, simply should not be doing their job. That is a reality that all honourable members should be aware of. The honourable member for North Shore said that he does not support that sentence in the letter that refers to Eastern Creek. That is an interesting comment. If honourable members read that paragraph they will clearly see that it indicates the intention of the document. The honourable member for North Shore accused - I presume the Opposition and others - of being pedantic over some matters. Again, that is not the issue. The issue can only be what he said and whether he deliberately misled the Parliament. I have dealt with the issue of whether he should or should not have read the letter.

I was interested in the contribution of the Minister for the Environment. He asked, "Was the statement above the responsibilities of the honourable member and did he deliberately intend to mislead the Parliament?" The answer to the latter part

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of that question, clearly, is yes. The first part of the question asked, "Was it above the responsibilities of the honourable gentleman?" Does anyone in this day and age seriously suggest that a member of Parliament who holds the position of Assistant Treasurer and who signs a letter as a local member should not be held accountable for matters which are relevant to his responsibilities? It is a joke to suggest that any statement about Eastern Creek in a letter signed by this member was not relevant to his responsibilities as Assistant Treasurer. I cannot believe that the Minister for the Environment, on the basis of his training and understanding, really believes that. What has to be remembered also by this House is what was put to this Parliament last Thursday. I invite honourable members to look at the original question in the *Hansard* of 24th October and the latter part of a personal explanation on that day. I must say that I was somewhat surprised to find the following in the latter part of the honourable member's personal explanation:

I am prepared to accept that the letter could have been written by a staff member and that I signed it without reading it word for word and without picking up the contradiction. I accept full responsibility for that.

There cannot be any doubt about his responsibility. His personal explanation appears to be a series of reasons why he did the things he did on the Thursday. To me that just does not make any sense whatsoever. Anyone looking at it in that way would come to the same conclusion. Earlier I referred to the reality of the breaking and entering at the office and the timing of that event. I referred also to the letter to the honourable member and his response. His latest statements which were made prior to the House adjourning at 8.5 p.m. on Thursday also require some explanation. Reference has been made - indeed, I have referred to the reference made by the honourable member for North Shore - to the Matthew Moore article of 26th October. The author of the article, when referring to these nine points, said, "It was a bewildering explanation". I cannot think of any better way of describing it. I can understand that the honourable member was under pressure. At the time the original question was asked and during discussion across the Chamber there is no doubt that the Premier reacted in a certain way. I know that the Premier would have been under pressure. Many of us in this Parliament, in the course of holding certain positions, have been under pressure. People under that sort of pressure are justified in making mistakes but they are not justified in deliberately misleading this Parliament.

Let me go back to the example I gave of the photograph when the present Premier was Leader of the Opposition. A rumour was circulating that he would ask me about it. I sought the report. Notwithstanding the response, that photograph existed. I was not culpable for deliberately misleading the House; I had done everything I could to ensure that I did not mislead the House. But that is not what has happened here. Again I say that the honourable member for North Shore, if he wished, could have sidestepped the issue or given it the flick -

which is a standard procedure for Government members on the front bench. He could have found out what the facts were, come back to this House and reported those facts. Of course
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he would have been uncomfortable and he would have been embarrassed, but that is not the point. I, as a member of this House, would rather be constantly embarrassed than be found to have deliberately misled the Parliament. As I have said, that is the most serious of parliamentary crimes. The honourable member for North Shore referred also to an article written by Sue Quinn in the *Sunday Telegraph* of 27th October in which she said:

He compounded his dilemma by producing a litany of excuses about how it came to be and why he could not prove it to be a fraud.

Even journalists are able to understand it. The call by the *Daily Telegraph Mirror* for the honourable member for North Shore to resign and, if not, for the Premier to sack him from that position, is right and proper. Again I say that the person who comes out of this grubby exercise the worst is the Premier of this State. He is still not in this Chamber. We know that he does not like the honourable member for North Shore but he has a responsibility to be in the Chamber and to support him. He has not spoken in the debate; instead the Minister for the Environment has spoken. I want to know where the Premier is.

Mr Hazzard: He will rap you around the ears.

Mr ANDERSON: He would not wrap anything around my ears.

Mr Moore: On a point of order. The honourable member for Liverpool has yet to draw attention to the fact that the mover of the motion did not remain in the Chamber for this debate. The Premier has indicated his intention to participate in the debate. That is entirely appropriate.

Mr SPEAKER: Order! No point of order is involved.

Mr ANDERSON: I am delighted that we have finally flushed the Premier out of his rabbit hole. At least at some point he will participate in the debate.

Mr SPEAKER: Order! The honourable member has exhausted his time for speaking.

Mr HAZZARD (Wakehurst) [3.56]: I have heard the level of debate from members on the other side of the House. Honourable members opposite have debated the politics rather than the substance of this matter. Is it because honourable members opposite do not have the ability to analyse properly what they should be assessing? The honourable member for Liverpool went on at great length. I am stunned by his lack of legal knowledge. I am stunned by his ability to mislead the House. I am stunned by his ability to mislead his fellow members. I am stunned by his complete inability to understand the issue that is before the House.

Mr Markham: What is it?

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Mr HAZZARD: For the benefit of honourable members opposite who have not been listening to the debate, it is a simple matter.

Mr Markham: The truth.

Mr HAZZARD: The truth is that we should determine whether or not the honourable member for North Shore misled this House. In a nutshell the Leader of the Opposition sought to censure the Assistant Treasurer for misleading the House.

Mr Markham: And the people of New South Wales.

Mr HAZZARD: And the people of New South Wales. The issue is quite simple. If the honourable member for Liverpool went before a court the submissions that he has made today would be thrown out. The statutory declaration that he sought to put before this House was nothing more than a self-serving statement; it was nothing more than a repeat of what has already been put before the House. We are really talking about a simple issue of whether the Assistant Treasurer, the honourable member for North Shore, can be reliably accepted to have misled the House - and that is simply not the position. At law there is no question but that a man is innocent until proved guilty. This House seems to ignore that basic premise. This House seems to be denying the basic premise that the Assistant Treasurer has not been proven guilty. There must be a simple intent to mislead the House. There is no way that any member sitting on the Opposition side of the House or on this side of the House could or should or would be able to prove that the Assistant Treasurer intended to mislead. In fact, his very actions on the day would indicate the contrary. The honourable member for Ashfield sought to emphasise that the honourable member for North Shore had in some way misled the House by treating the motion on a superficial and trite level. If, when each member votes on this censure motion, he or she must not fail to understand that it is clear that it must be accepted that there must be an intent to mislead. If members accept and understand that, they will certainly vote in a way that will declare that the Assistant Treasurer, the honourable member for North Shore, did not mislead the House. He must be given the presumption of innocence. That is what this place should stand for. This of all places is where members should understand that.

I was horrified to hear the shadow attorney general - who did not even have the courtesy to stay in the Chamber and listen to the debate - treat the matter in such a simplistic and trite way. At the end of the day each member of the Opposition will have to live with himself. Perhaps that is simply a matter of living with their factional colleagues and knowing that they will not be tossed out. Perhaps that is what will regulate their vote. However, other members of this House should not be so bound. They should not form an opinion based on pure assessment in a generic sense. They should consider how they will assess this member in a reasonable and lawful way. Some members may choose to vote on a basis of a simplistic assessment. I have heard calls from members of the Opposition to look at the body language of the the honourable member for North Shore. I assure them that body

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language on their side would be far worse if they believe that what they have said in this debate is a genuine way of achieving some proper result that will earn the House credit in the community. If tomorrow the newspapers say that the House divided, with members understanding the issue and voting on the issue properly, the House will have earned some credit. If on the other hand Opposition members vote merely in the simplistic way they have indicated already that they will vote, as suggested by the honourable member for Ashfield, this place will be the worse for that.

Each member of the Opposition should know that he has been assessed on a day to day basis in many different ways. Members of the Opposition may well have appeared before a court and felt that the court was giving them a raw deal. They May have felt at times that the press has given them a raw deal. If today in their vote they do not give the honourable member for North Shore the benefit of the doubt, they will have failed in their most fundamental duty. That duty is to ensure that this House provides some basis for the rest of the community to understand what justice is all about; that is, looking at what the charge is and at each element of it. If any element is missing they have no right to vote in any way other than to say that the honourable member for North Shore is not guilty as charged in the censure motion. There is no way that any member of the Opposition could honestly say that he has not made a mistake. We all make mistakes. The honourable member for North Shore has said he made a mistake. He said he wanted to return to the Chamber earlier in the afternoon when he discovered the mistake, and to explain it, but for various reasons he could not do so. The simple fact is that he

has indicated - and he is the only one capable of indicating this - that he did not intend to mislead the House. If the Opposition treats this motion on other than the substantive basis that every person is innocent until very clearly proven guilty, it will be a sad day for this House.

I add my shock and horror that the mover of the censure motion, the Leader of the Opposition, has not remained in the House to listen to the debate. He is not a lawyer; he is a journalist. He certainly knows how to make the 30 second grab stick. He certainly knows how to get a headline in the *Sydney Morning Herald*. However, he could have learned something today. He could have remained in the House and listened to a reasoned debate, one that dealt with people's natural right to natural justice. But he did not. And why not? He did not do so because he was interested only in the simplistic political mileage of moving this motion. He had no other reason. He left the honourable member for Ashfield to support the motion, but that member could do nothing more than make personal attacks across the House, referring to how the honourable member for North Shore may have obtained his degrees. I ask the honourable member for Ashfield how he obtained his. He certainly did not obtain it in a gentleman's school. I do not know where he got it, but he did not learn the basics of being a gentleman or of what should happen in this House. I hope that this is understood by each member of the Opposition, including the honourable member for Smithfield, who I know is a gentleman and does understand, as some members on that side do.

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Some members of the Opposition have the requisite skills and fundamental understanding of the basic concept of our society of innocence until proven guilty beyond a reasonable doubt. I implore them to explain that to their colleagues who do not have the experience or understanding of it. I implore them also to make sure that their colleagues do not vote in a simplistic way, in a way designed simply to bring this House into disrepute. The bottom line is that tomorrow we need to be able to inform the community that this is the origin and the fountain of natural justice and that there has been no denial of natural justice today. If tomorrow members of the Opposition are to be able to look honestly at their constituents and say that, they must be able to say that today they listened with some sense to the concept of the legal principles involved, understanding that the fundamental basis of our judicial system - which should also apply in our Parliamentary system - is that everyone is innocent until proven guilty. The Opposition members must consider each factor when determining how to vote on this motion. Members of the Opposition were somewhat cynical about the honourable member for North Shore holding up his computer hard disc. I should like to say in all sincerity and honesty that on Wednesday last week the secretary of my electorate office spoke with the electorate secretary of the honourable member for North Shore. I ask honourable members to listen carefully to this.

She informed me on Friday that those discussions had indicated quite clearly that the hard disc at the office of the member for North Shore had in fact crashed, as they say. I heard the honourable member for Ashfield indicating with cynicism that that would not be the case. He gave trite examples of school textbooks, perhaps in an attempt to reduce this debate to the school level. The reality is, as I am telling the House with absolute conviction, that the hard disc system did crash and it had crashed before this incident arose. I ask you to draw the conclusion that the honourable member for Ashfield's conclusion that everything else that flowed from that was a lie or incorrect is in fact without substance. I ask each of you when you consider the question before the House to consider that that one piece of evidence is the only piece of evidence that is capable of being independently verified. I have given that verification. And I have given that verification on the basis of what my secretary has told me, and I ask honourable members opposite to treat that as a very serious statement. When honourable members vote it should be on the basis of all of the evidence, and there is a reasonable doubt. In fact I would put that there is more than a reasonable doubt about the intent in the sense that no one is capable of proving intent. The honourable member for North Shore is allowed, and should be given, the benefit of that doubt.

Dr MACDONALD (Manly) [4.11]: I shall be brief on this matter; I certainly will not be taking 20 minutes. Towards the end I shall make a plea. It is not my intention to scream and shout during this debate; I think it is too serious a matter for that. I think it unfortunate that the debate has been dominated by lawyers. There are many lawyer members in Parliament, but most of the lawyers participating in this debate seemed to be using this as a court house. Indeed the last thing we want is for this to be a star chamber. So, I shall make no accusations as we should

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be addressing the issues. I believe that Parliament is on trial rather than individuals. It is the integrity of the system which, in a sense, is on trial. As an Independent it is important that I make a short statement on this matter because it has been pointed out, fortunately or unfortunately, that the outcome of this motion may depend on the vote of the Independents. I feel it important that I add my few words. The Independents have that responsibility with this balance of power.

The motion is in three parts. Of course, it starts with the question of censuring the Assistant Treasurer for purportedly misleading the House, then calls on him to resign, and then seeks that the Premier dismiss him. The first part really focuses on whether or not the honourable member for North Shore did mislead the House. Each one of us has to make a judgment on that. In a sense it is almost ironic that only a handful of members of this House will be asked to make a judgment because others will be voting according to the way their Party Whip tells them to vote. It is a very onerous responsibility for us, but we do have to make that judgment. The honourable member for Wakehurst talked about "innocent until proven guilty" and so on. We may never really know what the truth is. It is always difficult to establish; it becomes lost in the legends and myths. The media has a little go at it and so on. Ultimately as individuals we need to make a judgment. I would not seek to be in that position, but we are put in that position.

We look back at the events of last week. From the convolutions of words used by the honourable member for North Shore in this House, on television and in the press, I do not believe that his performance was very convincing. In fact, it was very unconvincing. But that, in a sense, is a very subjective matter. We should look also at the text of the letter, which is one piece of firm evidence. We are being asked to believe the honourable member for North Shore on the basis that he omitted the word "not" from the second paragraph of the letter. I will read it and ask whether it really makes sense. I have agonised over this for a few days. I think it is important because linguistics do tell us things. It would be very interesting to have a professor of linguistics rather than all these lawyers telling us whether there is an element of truth in this assertion. The letter, if amended, would read:

Eastern Creek is not a black hole out of which the Government now finds it impossible to climb. We are all hoping that the proposed Control Committee set up by Mr George Souris, the Minister for Sport, Recreation and Racing, and the new arrangements will lead to a financially more successful venture.

I do not believe that makes any sense. Ultimately we must make a judgment as to whether there is a chance that the honourable member misled the House on Thursday, 24th October. Parliament really is only as strong as its conventions. As I said, Parliament and its integrity is on trial here. I have only short experience in Parliament and perhaps as an outsider I may be allowed to make a few comments about the sort of antics that go on in this place. Some behaviour is disgraceful. We can forgive childish behaviour in some debates, but it is important to bear in mind the gravamen of this debate. Someone said, "It is not so important to be serious as

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it is to be serious about important things". Occasionally we can get away with antics and childish behaviour and someone playing the man and not the ball, but when it comes down to a

very important issue like this, we really must take it seriously. The integrity of the Parliament is paramount. If there is any doubt, Parliament must be given the benefit of it. I think there is an element of doubt. Part two of the motion of the Leader of the Opposition calls on the Assistant Treasurer to resign in accordance with the parliamentary convention of the Westminster system. We perhaps should look at the code of conduct for Ministers. There has been some debate as to whether this applies to an Assistant Treasurer. Again that is a matter of judgment. Does it or does it not?

Mr Hazzard: It does not.

Dr MACDONALD: There is an opinion that it does not. But all members of Parliament should be allowed to state an opinion. The code quite clearly states:

It is essential for the maintenance of public confidence in the integrity of the Executive Government of the State that Ministers of the Crown exhibit, and are seen to exhibit, the highest standards of probity.

[Interruption]

Dr MACDONALD: It may be a storm in a teacup but I believe it is more than that. Remember, small acorns from mighty oaks do grow. It continues:

But Ministers will be frank and honest in official dealings with their colleagues and will maintain the confidentiality of information committed to their secrecy.

These are guidelines within the code for Ministers of the Crown. I ask the Assistant Treasurer, the honourable member for North Shore, to resign. The member shakes his head. But that is my opinion and I am entitled to it. I believe he should resign. It is not the Greiner Government that is at risk; it is the integrity of our institution, that is Parliament. If the honourable member for North Shore fails to resign, part three applies, and that is that the Premier dismiss from office the member for North Shore. I believe the Premier should dismiss the honourable member for North Shore. If he fails to do so, again he must be guided by the question of whether there is an element of doubt. Honourable members have been asked to examine the issue from a judicial point of view, whether a man is innocent until he is proven guilty. That is not appropriate in this instance. If an element of doubt exists, the honourable member should be dismissed. The question has been raised as to whether the Assistant Treasurer is a Minister and whether there is any connection between that office and his comments about Eastern Creek. As a matter of judgment I believe there is that connection. There was an implication in his remarks about the financial dealings of the Government and whether Eastern Creek was a black hole. This does not involve a matter of confidence in the Government but the integrity of the Parliament. I end my remarks with a plea: I ask the Premier to dismiss the
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honourable member for North Shore. If he fails to do so, I call on the Premier to give a reason for not dismissing him.

Mr PHOTIOS (Ermington) [4.21]: As did my colleague the honourable member for Manly, I shall speak to this motion not from a legalistic perspective but in accordance with the concerns he expressed about this serious matter. The motion is not only a symbol and an example of what will follow in this House in these difficult times when the Government is placed in difficult circumstances, but it calls into question the integrity and the process of the Parliament and all honourable members. Also it will establish an important precedent. It will be a precedent because it does not follow the processes that have been adopted by the House in the past. I have done a careful search of the records of this House's proceedings in recent years. Under successive governments - Liberal Party-National Party and Labor Party - on 58 occasions that I have discovered Ministers of the Crown or senior frontbench members of the Opposition in one way or another, knowingly or accidentally, have misled the Parliament on issues of insignificance or great importance. In other words, there have been countless

occasions year in and year out on which Ministers knowingly or unknowingly have made an error in the House and have sought to correct it. In some instances they have sought to do so only days or weeks after the event, or after the matter has been made public.

I make that point at the outset because honourable members in this House today should not only be asking themselves whether the honourable member for North Shore misled the House and what were the circumstances surrounding that misleading - that is, did he of his own volition propagate a lie or did he in response under pressure mislead the House; honourable members should examine also the motive for any error. They should then address the issue of the honourable member's readiness or otherwise to accept responsibility and apologise, not just to the Parliament or to the public through the press, but to Ms Niblett. If honourable members are to address this motion with any extent of integrity, they need to discuss the degree to which this issue is so serious that censure is not simply the result but resignation, and if not resignation, dismissal is the consequence. Critical to the determination of all honourable members is whether as a matter of course, week in and week out as the Parliament sits, we will call for censure, removal and dismissal of honourable members who mislead the House, whether that be by virtue of an item of correspondence on member's letterhead as opposed to Executive Government letterhead.

I do not come to the House with any legal expertise, and I make no apology for that. I come to the House as one who must make a personal judgment about the seriousness of this issue that is germane to the integrity of all honourable members who will vote in this Chamber. The Leader of the Opposition in his contribution took up the issue in a theatrical way. It appeared to me, as I believe it did to most who sat in the public gallery and most other honourable members, to be but another example of an effective speech in theatrical style, driving home a point of little significance, an apology having been given, merely to score a point. If that is the

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sole justification for the motion moved by the Leader of the Opposition and goes to the heart of the reason why he would seek to make an incredibly momentous event out of an insignificant issue - important in principle and equally important having regard to the apology given - it smacks of a fraud and a sham. Given the nature of the position held by the Leader of the Opposition in this House, the integrity of the issue is equally a comment on his style and credibility.

The Leader of the Opposition ridiculed the quick and public apology made by the honourable member for North Shore in this House, on the basis that he offered excuses and not explanations. It is my view and that of most fair-minded members that the honourable member for North Shore got it wrong. He misled the House unknowingly. Despite that - and this is the central issue to be addressed in resolving this question - he quickly acknowledged his error on the same day. On the same day he acknowledged his mistake and provided a fulsome explanation - some might say too colourful an explanation - but nevertheless an explanation that was true, fair and accurate. Of almost equal significance as the explanation itself, the honourable member made an apology that was given unequivocally. When the honourable member for Ashfield addressed the House we reached the stage where we could call into question the integrity of the parliamentary process. To give the honourable member for Manly credit, he sought to deal with the issue in what he perceived to be a logical and serious manner. His colleagues who spoke in support of the motion have used it merely to pointscore. To suggest that the letter from the Assistant Treasurer, offered as a letter in his capacity as the member for North Shore, was tantamount to his writing as the Assistant Treasurer is an error in fact.

As is well known by honourable members and to the constituents of the honourable member for North Shore - in contrast to many of his ministerial colleagues, not his Cabinet colleagues - the honourable member for North Shore has chosen to write regularly to constituents in his capacity as a member of the Parliament. He did not simply write on the day

that he wrote to Ms Niblett but did so subsequently and prior to that on his Legislative Assembly letterhead and not on the letterhead afforded to him as the Assistant Treasurer. Who better to understand his role than he who put pen to paper and wrote. The honourable member distinguishes his correspondence and his role from that of the Assistant Treasurer. Most Ministers of the Crown write to constituents on ministerial letterhead. But the Assistant Treasurer in his capacity as the member for North Shore wrote to Ms Niblett in that capacity. That raises a vital question: on an issue as important in principle but as small as involving one letter written to one constituent, are we going to call for the dismissal, if not the resignation, of an Assistant Minister who is not a member of Cabinet? The issue involves the honourable member writing to a constituent as a member of Parliament representing an electorate, and on his constituency letterhead. Is that sufficient to call for his resignation? If it is, it is almost equal to saying that if any member of Parliament were to mislead the public in any way, shape or form, regardless of the import, there would be good cause to call for that member to resign, whatever office that member held, whether as a member of the Legislative Assembly, Assistant Treasurer, the honourable member

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for Manly, the honourable member for Ashfield or indeed the Leader of the Opposition himself, who should be setting an example on this issue and not playing politics with colourful and effective theatre.

Like many on this side of the House, I was enormously concerned about the handling of this issue by the honourable member for North Shore. I am probably the first - and I may be the last - to acknowledge that in this Chamber. I deliberately do so - and in the company of the honourable member for North Shore - because the principle is, as the honourable member for Manly has said, a very important one. If the letter came from the honourable member for North Shore with his signature, there was an absolute imperative for him to face this Parliament and the public and to acknowledge that fact. If he had, knowingly or otherwise, misled the Parliament, he had an equally important obligation and responsibility to acknowledge that fact in this House. It was probably equally important to do so in a public forum, and to face the music, as he has done for some four, five or six days. It seems to me that this issue was resolved fairly quickly on Thursday when the honourable member for North Shore, first at 12 o'clock, sought from the Government Whip, who is in the Chamber today, an opportunity to offer an explanation no more than an hour or two after the allegation was first made. The request was denied, and sensibly, for the due process of the Parliament did not accord with that request or offer that opportunity. Not long after at 4.30 p.m. I was party to a discussion held in the corridor between the honourable member for North Shore and the leader of Opposition business in this House, where an opportunity was sought to clear the air, to apologise and to explain the situation that afternoon. In a flippant style, not dissimilar to the style of presentation of the honourable member for Ashfield today, the offer was made for the honourable member for North Shore to clear his name in the context of the private member's bill on the senior executive service. As anyone in this Chamber, new or experienced, would know, that was not an opportunity for a point of privilege to be offered in any seriousness.

Although I cannot say this with any confidence, I believe that both sides of this Chamber would have arranged it so that at the first available opportunity on Thursday the honourable member for North Shore was ready to accept the blame, that he had made a mistake, and responsibility. There would have been some informal understanding of this amongst certain cross-bench members. He unequivocally apologised to this House later that evening after the dinner break. When I consider the 58 occasions that come to mind from my own small amount of research into issues of probity, integrity and honesty in this House, the 58 occasions when Ministers and shadow ministers have misled the House and - by their own volition or forced, early or late - offered an apology and a retraction, I cannot think of any occasion when this Chamber has moved not simply to censure them - particularly in relation to correspondence with a constituent but even in relation to a ministerial capacity - but to respond with the seriousness that we have seen today on such a matter. There have been bogus stories, colourful explanations and theatre, but there has been no consistency in the way this issue has

been brought before the House. If one thing is critical to the integrity and backbone of this Chamber, it is

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whether or not the honourable member for North Shore is ready to accept that he did the wrong thing and to face the music. I implore honourable members to take into consideration that the honourable member for North Shore was ready to say to his colleagues that he got it wrong, to accept responsibility and to apologise.

If we look at the motion in that context, we may see some justification for some members of this House arguing that a censure motion is warranted. I do not share that view. It could be argued reasonably intelligently that if a member has misled the House he or she ought to be censured. That is a matter of some principle and certainly one in which in many respects cannot be questioned, but this motion goes much further than that. It is not fair-minded and it is not balanced. It seeks to bring down a member who has, of his own volition, offered his own apology. It calls for his resignation and, if he fails to resign, it calls for the Premier to say of a member of this House, "Acting as a representative of your constituency, because of a letter with errors, as acknowledged and apologised for, we will call for your resignation as an office holder of the Government". Like the honourable member for Smithfield, I was concerned with the issue and the initial explanation offered by the honourable member for North Shore. It is fair to say that all members of this House would have been concerned with that. However, I can say in all sincerity that after having criticised the honourable member for North Shore, I now accept his explanation, which was given honourably and quickly to this Chamber. Regardless of the destiny of this motion, I - no doubt like many in this Chamber - will leave this Chamber at the conclusion of this debate with integrity intact. We recognised and acknowledged that a mistake had been made and reflected on the person who had made the mistake, but we were equally ready to accept an apology when it was offered. Who amongst us in private dealings - not just in this House but elsewhere, at home and amongst our family and friends - from time to time makes a mistake and is ready to apologise as quickly as the honourable member for North Shore? Few of us are prone to being perfect, but this motion calls for perfection. With some pride, I will vote no to this outrageous and theatrical attempt to make a big issue of something that rates high so far as principle but does not warrant this response.

Mr HATTON (South Coast) [4.36]: A challenge was put forward earlier in the day: would this matter have come forward if the numbers were different? There is no doubt in my mind that it would have come forward, certainly from my viewpoint. People will recall that just before the election the honourable member for Heffron was censured. I supported the Attorney General on that occasion. I do not believe that the censure motion moved on that occasion was anywhere near as serious as this motion. As a relatively young member of this Parliament I faced censure from the then Premier, the Hon. T. L. Lewis. It is a most uncomfortable and, might I say, frightening experience, especially as I was still frantically making notes whilst the honourable member was on his feet. I have moved censure and I have copped the flak for doing so. I have voted a number of times on censure motions, and I do not take such matters lightly. Lawyers will have a field day in this Parliament deciding what should and should not happen and what is the standard of proof and the onus of proof. They would have us believe that we cannot make a decision if

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we are not qualified in law because we do not have the requisite skills. Those same lawyers, however, would support to the death the jury system - this is what it is all about. It is a matter of a balance of probabilities and of making up one's own mind. The question is whether the honourable member for North Shore led the Premier to mislead the House, whether he knowingly misled the House and whether, on a second occasion, he did likewise.

Many of the points I have considered have already been raised: the press release and the letter; the computer fault; the staff error; the signature; the break-in and the time factor; the grammar and the omission. The point was made by the honourable member for North Shore

himself about impossible pace and pressures and, at this particular time, about the fact that I personally answered or my office answered more than 1,000 letters last September. I cannot claim, and no one else can claim, not to have made a mistake. We must all take responsibility for what we sign. But this was not a simple statement to the House where a member made a statement, made a mistake and then withdrew it. It was a motion. As anyone who has been here even a month or two would know, that is something a member should never do. He should never stand in this Parliament and move a motion - or even give notice of a motion - unless he has that speech prepared, unless he has done his homework, unless he is prepared to stand behind what he moves in this Parliament. This was not just a motion but a motion that attributed improper motives to others unnamed. The motion states:

That the House notes the matters . . . raised by the Honourable Member for North Shore on Thursday, 24 October, 1991, concerning the privileges of all Members and deplores the forgery of documents circulated purportedly in the name of the Honourable Member for North Shore.

So it was not just a simple statement and a simple denial - and the denial came after the event, after Ms Niblett's press conference - that there was any doubt in the mind of the honourable member. This motion is in three parts. The first part relates to the question of censure - and I do not believe there is any doubt about that. The next part calls upon the member to resign his office, not as member, of course, but as assistant to the Treasurer and, if he fails to do that, calls upon the Premier to dismiss the member. I think that each of those three parts should apply. I have come to this conclusion after very careful consideration. Last Thursday, after sitting in this Parliament, watching and listening very carefully, I had made up my mind on the question of censure. I have given the matter a great deal of thought since then. Naturally the Opposition has approached the Independents because it wants to assess whether its motion has a chance of support or not. We have to be extremely careful as Independents that we are not used as bludgeons to hit both sides, that in fact we do make up our own minds and that we can justify our actions to ourselves and to others.

The fact is this letter goes to the heart of the portfolio. I cannot say there is no more controversial matter in the Treasury portfolio than Eastern Creek, but there

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are certainly few more publicly controversial matters than Eastern Creek. To make a statement on Eastern Creek, whether that statement is made as a member or as Assistant Treasurer - when the member is one and the same - is a very serious matter. That matter is at the heart of that portfolio, particularly in the sense of public debate, where Eastern Creek has been sought to be played as the major ace by the Opposition in criticism of the Government. So any statement on Eastern Creek would not be made lightly. There is no doubt that that is central to the portfolio. What else is central to the portfolio is that the Treasurer or Assistant Treasurer has access to information which is confidential. To give just one example, commercial-in-confidence information is constantly referred to - and I believe originated in this Parliament and has been taken up in other parliaments - as being a central issue as to why the public's right to know should be denied on many occasions. Members have to make up their minds on the totality of this matter, the fact that the person occupying that office has access to information, and the trustworthiness that is involved. The last part of the motion calls on the Premier to dismiss the member of Parliament from office; that means that, in addition to the matters I have raised, the code of conduct comes into question - the particular code of conduct that Ministers will be frank and honest in official dealings with their colleagues and will maintain the confidentiality of information committed to their secrecy.

We have seen people stood down or asked to stand down in this Parliament based on that code of conduct. The Executive appoints and has constitutional power to appoint and to dismiss in particular, Cabinet secretaries. This power is given specifically under the New South Wales Constitution Act 1938. It is an untrammelled right of the Premier. If this motion is carried and the Premier chooses not to take action, that is where the matter should rest, in my

view. It is not on the individual statements as to whether the member misled the Parliament or did not mislead the Parliament. It is on the totality of those statements on which I have made up my mind. I believe that he did mislead the Parliament deliberately. I believe that in his explanation he did so again. I believe that the matter arises out of his duties as an assistant to the Treasurer. Therefore, I believe he should stand down. I do not believe that the explanation is credible. I believe if members look at the totality of it, this House must support the three elements of the motion.

Mr KERR (Cronulla) [4.47]: I wish to speak on this motion and to deal first with the issue at stake. What has been said here today is that the honourable member for North Shore has deliberately misled the House. On a number of occasions the Opposition has bandied about the term "lie". That is the essence of the charge against the honourable member for North Shore. Honourable members should first look up the definition of the word "lie". For that reason dictionaries are provided to the Parliament.

Mr McManus: To deliberately tell an untruth.

Mr KERR: To deliberately tell an untruth - I would accept that version. It is an intentional false statement. That is really what it is and that is the essence of

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the charge. The situation that occurred here was that there was no intention involved. One must look at the state of mind of the honourable member for North Shore when he came into this House late and was confronted with a series of questions concerning a letter he sent out, and he mistook that for a press release. The honourable member had been subjected to a break-in in his office. That does not have anything to do with this letter. It goes to his state of mind.

Mr Scully: More emotion.

Mr KERR: It does, because we have just referred to intent. The honourable member for North Shore had been subjected to a break-in. He had been subjected to a deliberate campaign to discredit him. There is no issue in relation to those two matters; and I hope no member of this House had any prior knowledge before the issue of those press releases and before that break-in. The honourable member has been subjected to that harassment, to that amount of discrediting. The honourable member for South Coast mentioned the motion moved by the honourable member for North Shore. That was the basis of his motion - two matters that are not in dispute. This letter did not form the basis of his motion. The basis of his motion in relation to privilege was the interference with his duties as a member of Parliament. That related to the break-in to his office and it related to press releases which sought to convey opinions that were not his. That could happen to any member of Parliament. It is an interference. It is a matter of privilege about which any honourable member should be entitled to speak. The honourable member for North Shore will maintain that it is a matter of privilege. When he got up to speak he did so on a matter of privilege and not in relation to the letter. That should be pointed out because it is an important issue. He did not do so in an attempt to mislead this House. He based this matter of privilege on a break-in and a series of press releases that sought to discredit his role as a member of Parliament. When he came into this House that is what he had been confronted with and that is what his mind immediately turned to. A person's state of mind is important when determining his intention.

The honourable member for North Shore realised that the letter and the signature on the letter may well have been genuine. He sought to correct what he had told the House and the Premier. He sought to answer frankly the inquiry of a constituent. He might not have used the best grammar - even inserting the negatives that were referred to earlier - but that is not what this issue is about. Had he ignored that and had he not chosen to perform his duty as a member of Parliament because he was embarrassed to talk about those matters, he would not have found himself in the dock today - which is really where he does find himself. The

honourable member for North Shore is the Assistant Treasurer, which position gives him a secretary and requires him to answer masses of correspondences. He has been dealing with matters such as land tax. Later I will say something about the character of the honourable member for North Shore, but I mention those matters because they are relevant and that he deals with a lot of correspondence, not just as a member of Parliament. The honourable member for South Coast will remember that a former member of Parliament, Mr Cox, when dealing with Ravensworth colliery, got it

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wrong on five different occasions. On 1st April, 1987, Mr Cox corrected the statements he had made. Unfortunately, he corrected statements that he had made in May 1986. The present honourable member for Auburn, Mr Cox's successor, and the honourable member for South Coast would know that Peter Cox is an honest man. He was an honest man at that time.

Mr McManus: He still is.

Mr KERR: I said that he is still an honest and honourable man. Why was Peter Cox not censured? It was clear - as it is probably clear in this case - that he had misrepresented the facts in this House. On five separate occasions Peter Cox told the House untruths about the Ravensworth colliery. No censure motion was brought against him because he believed at the time - on the basis of advice given to him by his officers - that he was telling the truth. In April and May 1987 he admitted that he had misled the House. It is hard to distinguish between that matter and the matter before us today. The honourable member for North Shore, on the same day and not nearly 12 months later, told the House that he believed his signature may well have been on the letter and the letter may well have been his. He still cannot prove that it was his letter because he does not have any genuine recollection of it. He does not have a copy of the letter and he has lost the computer disk. Members of the Opposition and the honourable member for Liverpool said that they believed his statement about the disk. The honourable member for Manly said that there is a doubt but, as a Parliament, we have to assert ourselves. I can understand a new member saying that. The power of the Parliament is not in dispute. We have the power to humiliate individuals and to ride roughshod over them.

Mr McManus: You often do.

Mr KERR: The honourable member for Bulli who just interjected is quite right; it has been done in the past. The honourable member for South Coast also knows that it has been done in the past. But that is not really what this is about. In the final analysis this institution is not as important as individuals. As a Parliament and as a Government we are concerned about a matter of justice. If we say that institutions are far more important than individuals, we are doing this State a disservice. Ultimately, as individuals, we bring a sense of justice to this place. What I am saying today is that this is an occasion when law can be blended with compassion to achieve justice. It is not a question of letting the honourable member for North Shore go off scott-free. He and his family have been humiliated. The honourable member for Ashfield read out all his qualifications and insultingly said, "I wonder who did your exams for you?" There is no evidence of that. No one would believe that the honourable member for North Shore did not study for and pass those examinations. No one would suggest that he did not forsake his business career in order to serve the people of this State.

Mr Cochran: And he is the most highly qualified accountant.

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Mr KERR: As I am reminded, the honourable member for North Shore is the most highly qualified accountant. He has made some sacrifices in order to serve the public. Members of the community might owe him the benefit of the doubt today. The Parliament can look after itself. It will look after itself and it will probably do so in the future. Honourable members should bear those things in mind when contributing to the debate. The honourable

member for North Shore and his family have had to put up with this. They will have to continue to put up with it. The one thing the Leader of the Opposition was right about is that the honourable member for North Shore will have to wear this for the rest of his public career. That is a pretty severe punishment for answering frankly, if incorrectly, an inquiry of a constituent. That is all he sought to do. He is not Minister in charge of Eastern Creek; he just expressed an opinion that was wrong about how the Government could trade its way out of a problem. That is really what this issue is about. All honourable members have had to deal with a range of policy matters which require an opinion or action to be taken. The honourable member for North Shore has taken quite seriously his duties as a member of Parliament.

We are talking about a human being - and that has to be taken into account - who has tried to deliver services to the State. I and all honourable members have seen the way in which the honourable member for North Shore works. We have seen letters that he has signed and we have seen the way in which he goes about his duties as a member of Parliament. I am sure everyone will agree that, whatever the merits of what he has said in this place, he goes about his duties energetically and he tries to help people to the best of his ability, using the training and experience that he has gained outside this House. He has used this experience for the benefit of people in his electorate and the people of this State. I know what he has tried to do in relation to the land tax and the anomalies we all know exist. He cannot prove how he phrased the letter even if he wanted to because of circumstances beyond his control regarding the computer. But he is prepared to accept that that woman had no reason to subject herself to a press conference. She is a genuine person. The honourable member for North Shore has apologised to her and to the Premier for misleading him. It is about time that we showed some compassion in this place. Honourable members opposite might laugh but the Government will not fall if this motion is carried. Honourable members opposite can do anything they want to the honourable member for North Shore, but this Government will continue. The honourable member for North Shore will have to live with the consequences. We will all have to live with the consequences. I, with a clear conscience, will vote in support of the honourable member for North Shore.

Mr Scully: Not the motion?

Mr KERR: I will vote against the motion. No dishonesty is involved. The honourable member for North Shore had no intention of misleading the House. He was entitled to raise the matter of privilege because of what had happened to him. Members of the Opposition are setting a new standard in this place - a standard that has never been set before - by unravelling the follies each of us has committed and

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will continue to commit. The Opposition has moved this motion purely for political reasons. But we should not forget the effect it will have on the lives of this member and his family. It will also affect the work he has been preparing for so long.

Mr SCULLY (Smithfield) [4.59]: I support the censure motion moved against the Assistant Treasurer. I ask also, as my colleagues have asked, "Where is the Premier?" I dare say that I would be most disappointed if a censure motion were brought against me and my Premier was not in the Chamber supporting me. One can only assume that the Premier is extremely embarrassed about this and he does not wish to stand by his Minister. When we were debating the Industrial Relations Bill - a matter in which many Government Ministers believe - Minister after Minister spoke in that debate. When a member of the Government is under attack his colleagues should have the decency to come into the Chamber and support him. All I can say is that they do not support the honourable member for North Shore. He should be disappointed by this lack of support. We heard some nonsense from the Government side of the House about the notion of different letters; that if I write a letter as a member of Parliament that would be quite different from my writing a letter as a Minister; that if in my electorate I speak as the honourable member for Smithfield, the onus is not as strong as if I speak elsewhere as a Minister. I cannot accept that. That would be to develop a ridiculous

test of accountability. We are always members of Parliament until we are defeated at an election. We are always Ministers until we resign or are removed. It is a nonsense to suggest that one can write correspondence as a member but not as a Minister. If last week the Premier had merely answered, "No. No.", that would have been the end of the matter. I think the honourable member for North Shore concedes that. That might have received a byline on page 15 of the *Daily Telegraph Mirror* and it would have been forgotten.

However, the Premier launched a tirade of political invective against the Opposition. He alleged that the letter had been purportedly written, not written, by the honourable member for North Shore; that the letter, like the Leader of the Opposition, was a complete fraud; that on another occasion a fraudulent press release had been placed in press gallery boxes; and that the Leader of the Opposition relied on a letter that is a fraud. Then came the pièce de résistance of the Premier. He said: "This undermines the whole process of parliamentary democracy in this State. It has very serious implications and it is totally unfair to members". The Premier acted either incompetently or recklessly in accepting the assurances of the honourable member for North Shore on this issue. The Premier embarrassed himself and allowed himself to mislead the House. In that process he undermined his very words and totally and unwarrantedly launched an unsubstantiated attack on the Leader of the Opposition.

It is important to look at the course of events. The Leader of the House has suggested that members need consider only whether there has been a wilful misleading of the House. I accept that that is an important consideration. However, members should consider also whether the House has been recklessly misled. It is

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not enough for the honourable member for North Shore to say he did not know that he had made a mistake, and therefore all should be forgiven. If the Leader of the House is half the lawyer he suggests he is, he is aware of the test of reckless indifference - as are the honourable member for Cronulla and the honourable member for Eastwood. It is important for members to consider whether the honourable member for North Shore acted so recklessly that he did not care less about the consequences of his action. If he can say genuinely that he did not know and that he made a mistake, that is one matter, and it is for the House to decide whether to accept that explanation. However, members must consider also whether the member's actions were so reckless that he did not care what the consequences were. If that is the case, the honourable member deserves the dire consequences that follow such reprehensible conduct.

The honourable member for North Shore did not just say, "This is not my letter". He did not just say, "I did not do it". He did not just say, "I do not know about it". With the Premier he partook in launching a blistering attack on the Opposition. He referred to two previous bogus press releases, the circulation of letters bearing his name that were not his, break-ins of his office, files being tampered with and stationery disarranged. One must consider that this was a two-pronged attack by the Premier and the Assistant Treasurer to in some way use the question last Thursday about Eastern Creek to denigrate the Opposition. That is what happened, and it was the biggest boomerang that I have seen the Government throw since it was elected in 1988. One really had to be in the Chamber last week to see the behaviour of the Premier and the honourable member for North Shore to decide just how reprehensible their behaviour was. By implication the honourable member for North Shore attempted to suggest in some way, by innuendo or implication - I concede he did not make the direct accusation - that somehow the Labor Party had launched some kind of Watergate break-in, stolen his letters, typed up this bogus letter, sent it out, and then had the Leader of the Opposition rely upon it.

Mr Cochran: You have a malicious imagination.

Mr SCULLY: I saw the Premier and the honourable member in this House. The Premier launched a most despicable, scathing attack on the Leader of the Opposition. That could have been based only on the assumption that the Premier and the honourable member

were trying to establish that the ALP somehow had been responsible for the problems in the office of the honourable member for North Shore. That is an absolute disgrace. I never thought I would see someone pour a bucket on themselves, but that is what happened last week. The honourable member for North Shore in his personal explanation simply put his foot further in it. His explanation was not plausible or overly believable. Most members to whom I have spoken told me they keep hard copies of letters; that an office entry is kept of any correspondence that leaves their office. That is certainly what I do. I accept the assurance of the honourable member for North Shore that his computer broke down; I have no reason to disbelieve that.

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However, it is not enough simply to say he does not have a copy of the letter. One must look at that statement in combination with the outrageous attack launched by the Premier on the alleged fraudulent actions of the Leader of the Opposition. Let us look at the suggestion about the word "not" in the letter. It is simply not plausible for the word "not" to be put into that sentence. I cannot believe that is how the sentence would have been worded if one wished to assert that sort of opinion. If that is the case, the honourable member needs a course in English. He seemed so confident about what should have been in the sentence. I do not believe that he could be so certain about that, but then not so certain about the letter itself. In any event, we do not really care about the honourable member's view about Eastern Creek. That is not really the issue. The Premier said in response to my colleagues earlier that the honourable member is not a Minister. However, he has the car, he has the salary and the phone. He will probably get the trips.

Mr Smiles: I certainly did not get the salary.

Mr SCULLY: You were supposed to receive an additional salary of \$10,000.

Mr SPEAKER: Order! The honourable member for Smithfield will address the Chair.

Mr SCULLY: I assumed the honourable member received more than just the title of Assistant Treasurer. I assumed something more would go with the job, other than being merely a backbencher or a Parliamentary Secretary. There must be something more than just the title. It is not for the Premier to say that the honourable member is not a Minister. The Premier appointed him as Assistant Treasurer, and under the Westminster system the honourable member should act in a certain way if he misleads the House. The Leader of the Opposition quoted the 1989 edition of Erskine May's *Parliamentary Practice*, which states:

The House of Commons resolved that in making a personal statement which contained words which he later admitted not to be true, a former member had been guilty of a grave contempt.

The honourable member for North Shore has been guilty of a grave contempt. We all remember the years of Malcolm Fraser, when the concept of the Westminster tradition mostly was mauled and denigrated, but occasionally upheld. There were some examples of Ministers doing the right thing and resigning. During the bottom of the harbour scandal Senator Durack was under tremendous pressure for not having launched prosecutions in Perth. Senator Durack said:

I believe that in the Australian system Ministers do not resign unless some personal failing is involved.

The Leader of the House has tried to convert this into some sort of court case. Absolute nonsense! I am a lawyer by trade. The Leader of the House gets carried away with his legal qualifications. This is not a court. The Leader of the House is attempting to suggest to us that we have to establish elements of an offence, look at the gravity of the matter and the mitigating circumstances.

[Interruption]

Mr SCULLY: The Premier should go and have a look at Barbara Page's article entitled "Ministerial Resignation, 1976 to 1980". I am glad the Premier commented on it because she refers to the reality. We may offer pious concepts of parliamentary text about how we must look at elements of the offence, the gravity and mitigating circumstances, but she referred to a study in 1956 of 100 years of ministerial resignation and had this to say:

Whether a Minister is forced to resign depends on three factors: on himself, his Prime Minister and his party. For a resignation to occur all three factors have to be just so. The Minister compliant, the Prime Minister firm, the party clamorous.

What have we got in this case? The Minister defiant, the Premier indifferent and the party simply embarrassed, with no resignation and he is going to follow the maxim, as the Premier will - I forget who actually coined the phrase - never explain, never complain, never resign.

Mr Greiner: Neville Wran. Laurie Brereton told us about it.

Mr SCULLY: I thought it might be one of us. The Minister must footnote that. The thing is the Premier has that all along given this pretence of this higher level of accountability, this pretence of supporting parliamentary integrity. It disappoints me that his reputation as a result of this experience - because I know that he will not take the decent line and have the Government support this motion - is that he will be seen to be just another smutty politician opposing a motion that should be passed to maintain the integrity of Parliament. His authority and your position in the community will be substantially tarnished as a result. This is not about a law case. This is not about a trial by jury or by peers or, as the Leader of the House would say, a trial by five Independents. It is about integrity, ethics and honour. It is not about proof beyond reasonable doubt. It is about this: if the honourable member for North Shore survives this, which he well may, his motto in politics will simply be, weather the storm. It does not matter what the issue is, weather the storm. If he does, that will be to all his political credit. They say he has a thick skin. But the Premier should not get up here and give us this nonsense that it is about the issues; it is about the offence. It is simply a matter of whether the Government has the numbers on the day. It is confident it has and will get through, but reputations have been tarnished. I accept what was said by the honourable member for Cronulla that whether or not the censure motion is passed the member will have to live with this. He will have to live with his colleagues. It was a very embarrassing moment for

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him - I think that all honourable members concede that. To his credit he did apologise.

Mr Greiner: This is a good case for our side.

Mr SCULLY: It is not. Obviously the Premier were not here when I was talking about your outrageous conduct.

Mr Beckroge: He has been flushed out.

Mr SCULLY: He has been flushed out. Did he read *Hansard* today? Did he read his speech last week?

Mr Greiner: I certainly will not read what you said.

Mr SCULLY: Well, read what you had to say. One question is simply: did he deliberately mislead the House? The answer is: probably. We are not sure. He said he did not.

Mr Greiner: Exactly right.

Mr SCULLY: All right, I accept that but the next question is: did he recklessly and indifferently mislead the House? On the available evidence I think we are able to draw the inference that he did.

[*Interruption*]

Mr SCULLY: The honourable member for Cronulla concedes that possibility. If we are able to draw the inference from the combined behaviour of the Premier and the honourable member for North Shore that the member behaved recklessly and indifferently, we are entitled to support this motion to censure him for misleading the House. We have not called on him to resign from Parliament. We have called on him to resign as a Minister which, for him, is the only decent thing to do. Bear in mind that it was the Premier who launched the allegation of Watergate-style break-ins, the allegations of fraud and tampering with letterheads. That had nothing to do with the member's denial, so the two obviously got into collusion and worked out some disgraceful allegation. That must be looked at. Will the member get up and deny that? The Premier, might read speech in *Hansard*! In the past 18 months I have noticed that when he sits down and puts that smug little smile on his face it means that he is in a very difficult and uncomfortable position. Tell us that you are not in an uncomfortable position, that you are proud of what the Minister has done. Will he get up here and honestly say that.

Mr Beckroge: Give it to him, Carl.

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Mr SCULLY: He needs it. We cannot believe anything he says. I used to think he was just a liar but the man is sick. The Premier is sick. He needs help. With anything he does, he gets up in this House and he lies and lies so that we cannot believe anything he says. He is going to get up in this debate and have something to say about this issue. We cannot believe it. We cannot believe anything he tells us on Eastern Creek. He told us it was only going to cost us \$2 million. No one does believe him. How can we believe him on this issue? He needs help. What the House ought to do after this issue is dealt with is move that we provide some assistance to the Premier to help him with his problem with telling the truth because he does not know the difference between telling the truth and telling a lie. We need to do that immediately. The State of New South Wales is at stake. The Premier is sick and the sooner we look after him, the better.

Mr GREINER (Ku-ring-gai), Premier, Treasurer and Minister for Ethnic Affairs [5.17]: I have known the honourable member for North Shore for something like 25 years. I have had

my disagreements - not as many as members of the press would like to imagine - but in that time I have had disagreements with the honourable member for North Shore as to style, as to substance. We have differences on matters of policy. I have to say to the House simply as an individual, not only as Premier but just as Nick Greiner, that since 1964 when I first had the pleasure of meeting Phillip Smiles, I can never, never remember him telling an untruth or a lie, to my knowledge. He has on many, many occasions differed with me publicly, in the party room, privately. He has never, to my knowledge, not once, erred on the side of telling a lie. In fact if anything I would wish, as his political leader, that occasionally he had said nothing rather than got up and said the things he has said. But that is the fact and that ought to be the fact accepted by members of this House, if they are fair dinkum - of whom some are but certainly not the honourable member for Ashfield. The motion is a serious matter - I accept that. The House ought to take what I have just said as being literally the truth; in that quarter of a century across a whole range of student politics, Liberal Party politics and since we have both been members of this House I can never recall the honourable member erring on the side of saving himself or trying to save himself embarrassment by telling a lie.

Mr Nagle: Until last Thursday.

Mr GREINER: I will come to that. I will not be tempted. That really is at the heart of this matter. What we are asked to believe, and what people like the honourable member for Manly, the honourable member for South Coast and the honourable member for Liverpool, for whom I have some time assert - they do not say - is that it is a deliberate untruth, a deliberate mislead. There is absolutely not one scintilla of evidence of this. There is a differing opinion, no doubt an honestly held opinion, among some of those members identified - as opposed to that of the Leader of the Opposition and the Leader of the House on the other side who are sitting there, playing a very mean, very nasty and very superficial political game. I shall deal briefly with the contributions made by the first few speakers from the other side of the House. First, the Leader of the Opposition gave us a litany of
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failed Labor Ministers under Gough Whitlam and Neville Wran. The reality clearly is that on any criteria this case bears no comparison with Mr Connor, no comparison with Mr Cairns, no comparison with John Brown, and no comparison with Rex Jackson. That was the whole guts of the speech made by the Leader of the Opposition.

One must take into account the position of the person. It is clear that the honourable member for North Shore is not a Minister, not a member of the Executive Council, and not commissioned by the Government as a Minister. Indeed parliamentary secretaries explicitly do not attend Cabinet meetings, are not subject to the convention of collective responsibility, are unable to answer questions in the Parliament on behalf of the Executive Government, and therefore there is no question of the application of the convention of individual responsibility to the Parliament. The Leader of the Opposition was mock serious. He puts on his mock gravity expression. The whole of his argument was based on the fact that when a bunch of Labor Party Ministers in Canberra and here were found by the Prime Minister or Premier to have misled the Parliament they were told to resign. There is absolutely no comparison whatsoever. Frankly, all there was in the contribution by the Leader of the Opposition, the main prosecutor in this case, was simply to say "Look at what we did when we were in government. We were different. We had a different standard". So much for the Leader of the Opposition, other than to ask one thing: how serious is he? I thought the most relevant thing was said by the *Sunday Telegraph* last Sunday:

It was common knowledge around Parliament: the Opposition leader let Michael Egan out of his box on this particular matter because, as Sue Quinn reported, Mr Carr admitted he couldn't keep a straight face.

If this was really serious, as he suggested, why was the Leader of the Opposition not at the press conference? He holds a press conference at the drop of a hat, on any subject one could

think of. He was not there. This is serious enough to take three hours of the time of the Parliament - and it is as a motion. The Leader of the Opposition did not even come out of his box to make the attack, to say what should be done. He sent Michael Egan, as he always does and as he did yesterday on another matter, when he knows he is not serious. That is the truth. Mr Carr admitted he could not keep a straight face. He thinks this is some sort of a joke, a political point-scoring exercise, and away he goes. That is fair enough; it is well and good, but let no member of this House think for a minute that the Leader of the Opposition is genuine, serious or fair dinkum. Clearly, and indeed by his own admission, he is not. That is the reality of the situation.

The basic proposition put by the honourable member for Ashfield, the honourable member for Liverpool, and I guess by implication the Leader of the Opposition, was that the honourable member for North Shore told a deliberate lie about a letter which, by definition, was in the public domain. I have to say to those honourable members who have simply made a leap of faith - and there are some

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among the Independent members and Labor Party members who say "We believe it was deliberate" - forget the law and forget all the legal points made on both sides - there have been some very good speeches; it has been a good debate - they should ask themselves simply as a matter of common sense: does anybody believe that the honourable member would stand up and tell a deliberate lie about a letter which was in the public domain and which by definition, being a letter, if true and if he knew it to be true, was in the hands of the person who received it? One would have to be totally bereft of one's senses to believe that, and certainly one would have to be totally bereft of one's senses to get up and once or indeed twice, as was suggested by the honourable member for South Coast tell a deliberate lie about something that was totally outside his control, which was in the hands of people who by definition had provided this letter to his political opponents. We are asked to believe that the honourable member did this.

It does not matter about the law, though I should have thought that on the merits the legal argument has been won overwhelmingly by the Leader of the House, the member for Cronulla and the member for Wakehurst. Leave the law out of it; simply on the basis of common sense members cannot believe what they are asked to believe. Members are asked to believe a proposition that is 100 per cent incredible, in the true sense of that word. It is beyond credibility in every conceivable way that the honourable member for North Shore stood up and in regard to a document which had gone from him, that he knew according to the argument put by members from the other side was out there, that he knew he had written, said "I did not write it", knowingly. One only has to think about that for 10 seconds to realise that it is an absurd, totally ludicrous proposition. Of course the honourable member was wrong in what he did. He has apologised for it and said it was wrong. He said it was wrong at the first opportunity.

There is no doubt that the honourable member misled me. He concedes that; I have conceded it. But we must go much further than that if we are to take this seriously. As my colleague the Leader of the House said, the overriding impression from the speech of the honourable member for Ashfield was simply that yelling proves nothing. And it does not prove anything. He had no case. He was the only member opposite who at the back of his mind had legal matters. He tried to dig up a motive. He suggested that the motive was that the honourable member wanted to dig himself out of trouble; he had written this letter, which would be embarrassing to the Government, that said that Eastern Creek was not a huge success - a matter that I have oft conceded - and was going to dig himself out by telling this deliberate lie on one or two occasions and pretending. Come on, be serious! Get real, as my children would say. That was the only attempt to create a motive by members opposite, the only attempt to create an intent, the only attempt to explain why this deliberate act would take place. Really it is a joke, nothing short of a joke.

Let me come to the contribution by the honourable member for Liverpool. He yelled some more and then re-ran some Federal and State Labor Party Ministers who had failed and been thrown out. He said - and he is right - "The issue is a

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deliberate mislead". He conceded the points made by the Leader of the House in his defence seven, eight or nine years ago of people from the same side of politics as the honourable member for Liverpool. He said "What the honourable member should have said was "I don't know". The honourable member for Smithfield let the cat out of the bag. He conceded for their side that the answer on the proposition on which other people want to hang the honourable member for North Shore, as to any deliberate misleading, was "We don't know". At least he was honest enough to say that. That is what the honourable member for Smithfield said, and it is 100 per cent spot-on accurate. At very least, the very minimum, one must accept the proposition as a Labor member, an honest, young, new Labor member - no doubt he will learn from their side - that he got it 100 per cent right. He is a lawyer and he said "On the whole guts of the case, the core of the case, we don't know".

If the honourable member for Smithfield does not know - and he is absolutely correct about that - in good conscience he has absolutely no option but to vote with the honourable member for North Shore, simply because he does not know. And that is the truth. The honourable member for Liverpool made exactly the same mistake. He said "He should have said 'I don't know'". Perhaps he should have said "I don't know", but the reality is that the House does not know and cannot prove it, either on the basis of legal criteria or on the basis of common sense - and I am with my colleague or non-colleague from Manly on that point. One can apply common sense as much as one can apply legal principle and get exactly the same conclusion, and that is, that at the very minimum level we do not know. I put it to the House on the basis of common sense - which a lot of members from both sides have - that if common sense is applied to the situation, then you do know. You know that the honourable member for North Shore would not have been so stupid, nor would any other member of the House, as to tell a deliberate lie about a document which was supposedly out in the public domain.

I have just dealt with what the honourable member for Manly had to say. He said that we should use our common sense. I invite the honourable member to use his common sense about the question of motive and intent. If he does that, he can reach only one conclusion. The honourable member also said that we have to be serious about this. That is exactly right as well. If we are serious about this, we cannot reach the conclusion that the honourable member for Manly has reached. If we are serious, as he has said, we must have the proper criteria. On any proper criteria the Labor Party case fails completely. More importantly in my mind, it fails simply on the basis of common sense. The honourable member for South Coast also said that we do not need lawyers but we need common sense. I agree with him as well. He used the word "knowingly".

Mr SPEAKER: Order! It being 5.30 p.m., pursuant to sessional orders the debate is interrupted.

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PRIVATE MEMBERS' STATEMENTS

LIDDOMBE RAILWAY STATION INCIDENT AND Mr AND Mrs ISSA

Mr NAGLE (Auburn) [5.30]: I raise what happened to two constituents of mine, Mr and Mrs Issa on 6th April, 1991. At approximately 6.40 p.m. Mr and Mrs Issa were on a train which, after stopping at Lidcombe station, proceeded approximately 100 metres along the track and came to a halt. The guard asked Mr Issa whether he was aware that this train terminated at Lidcombe, to which Mr Issa replied no. The train then moved to the depot between Lidcombe and Flemington stations. At this time the guard allegedly told Mr and Mrs Issa that they would have to alight from the train. The driver asked the guard to move the ladder located near the driver's carriage to allow Mr and Mrs Issa to alight. However, the guard allegedly stated that the ladder could not be pulled through the train. Consequently, Mr Issa climbed down to the track but he was not tall enough to offer much assistance to his wife, who had to slide down the side of the train, allegedly injuring her shoulder and neck. It is then alleged that the guard told Mr and Mrs Issa that they had two choices - either to walk alongside the track back to Flemington station or to walk to the roadway. The track was bound by a wire fence on either side which Mr and Mrs Issa could not negotiate in order to get to the roadway. When Mr Issa protested the guard allegedly told Mr and Mrs Issa to board the train via the ladder on the driver's side and to stay in the carriage behind the driver until the train again reached Flemington station.

When the train did reach Flemington station, the carriage housing Mr and Mrs Issa halted where the station inclines away from the main platform. To alight here would entail Mrs Issa again sliding off the train without assistance. Mr Issa allegedly refused to alight from the train and the train then journeyed to Woolloomooloo station. At this time Mr Issa inquired of the guard where the train was going, but the guard allegedly replied: "I don't know. Just go and sit down". Mr Issa states that at Redfern station the guard gathered up his bag, locked the door and walked through the carriages. When the train arrived at Central station, all the train doors opened except the door to Mr and Mrs Issa's carriage. Mr Issa forced open the door and alighted, but the door closed and he had to force it open again to allow his wife to alight. Mr Issa was most distressed with the whole incident and proceeded to take a pen from his wife and to write down the details of the carriage and train. It is then alleged that the driver said words to the effect that they were wasting their time and could not do anything. Mr and Mrs Issa then went to the station master and recounted their story. The station master advised Mr and Mrs Issa to complain to the railway authorities as soon as possible. Mr Issa attended my electorate office within a matter of days of this incident occurring and advised that his wife had had to attend her medical practitioner as a result of her alleged injuries arising from this incident.

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Attached to the letter is a doctor's certificate. It is undated but it states that Mrs Issa was injured from 6th April to 24th April. Details of an X-ray taken of Mrs Issa's right shoulder are attached, showing that an account for a fee of \$52 had been rendered to Mrs Cecilia Issa. I wrote to the Minister for Transport on 17th April. The Minister is usually very prompt in responding to this type of matter. I do not know what happened to the correspondence between his office and my office. Today the Minister's office was again contacted and sent a copy of the letter. I raise the matter because Mr and Mrs Issa are still extremely upset. I tried to contact the Minister prior to speaking on this matter in the Chamber, but I appreciate because of the circumstances that the Minister was unable to reply. I was guaranteed by staff members of his office that one of his officers would be listening to the matter and would hopefully take it up. It is very serious for anybody to be asked to walk along a railway track back to a station or to be sent to a roadway when that person has stayed on a train that was to terminate. It is one big mess for the Issas. I ask the Minister to carry out an investigation and to report to me in writing so that I can tell the Issas the current situation.

Mr PHILLIPS (Miranda), Minister for Health Services Management [5.35]: I thank the honourable member for Auburn for bringing this issue to the attention of the Parliament. As he has indicated, he has raised the issue with the office of the Minister for Transport. One point

that the honourable member for Auburn made and that I would like to emphasise is the normal response of the Minister for Transport is very prompt and efficient. Now that the honourable member has brought the overdue matter to the attention of the Minister's office, I am sure that he will get a very quick response on what is obviously an important matter.

STATE RAIL AUTHORITY KROVAR CHEMICAL USE

Mr SCHULTZ (Burrinjuck) [5.36]: I rise on what I believe to be a very important matter relating to public health. It centres around the use of a chemical called Krovar by the State Rail Authority when it carries out weed eradication programs on railway sites. In January, February and March of this year the Yass shire president reported to the State Rail Authority some problems associated with what he believed to be the effects of the chemical Krovar on properties in the Binalong area. When the shire president spoke to someone from the State Rail Authority, he was informed that it was spraying Krovar on weeds on railway land and that an on-site inspection took place on 13th February, 1991. Trees were found to be dying. Milk from cows was severely affected. Some cows were shedding hooves. I understand that a dog on a property died. Another dog was very sick. As a result of that, stock was removed from the property. A veterinarian diagnosed the ailment as ketosis. Treatment was given to the cow, but it did not respond when it should have. Blood and milk samples were tested for bromacil. Overall, the tests proved inconclusive and nothing more was done. In the last 48 hours I have had a phone call from the Yass shire president once again to advise me that there had been a re-occurrence of the problem and a severe leaching. A fluid containing the

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chemical Krovar leached in an area south of the Binalong village over approximately 300 metres, extending from the main southern rail line. That severe leaching emanates from that railway land. The leachate is reported to affect an area approximately five metres in width. It is leaching into Illalong Creek, which forms part of the Binalong water catchment area.

Yass shire council today took soil and water samples to identify the chemical. Those samples will be despatched to the Department of Agriculture in Goulburn for analysis. I have also been advised by the Yass shire president, Mr John Glover, that a number of property-owners are concerned about this. One property-owner in particular who owns the Illalong station at Binalong has had problems with this in the past. I bring this matter to the attention of two Ministers - namely, the Minister for Transport and the Minister for the Environment - and request that those Ministers, in the interest of public safety, instruct their departments to co-operate very closely, efficiently and quickly with the Yass shire council to identify whether there is a problem with this chemical which may affect the health of the residents of Yass shire. The Illalong Creek flows into the Binalong water supply and it is highly likely that some chemical or herbicide residue in the leachate material could affect the local people. Whether or not it makes them sick is immaterial. The fact that the residents are concerned about it should be enough to ensure some drastic remedial action is taken instantly in the hopes of allaying the fears expressed by local residents to the Yass shire council.

WYONG RAILWAY STATION UPGRADING

Mr CRITTENDEN (Wyong) [5.41]: I raise an issue of major concern to the Wyong electorate, that is, the upgrading of Wyong railway station and the rail services provided from that station, in particular for senior citizens. It is no secret that the Wyong electorate has a high proportion of senior citizens, many of whom like to avail themselves of opportunities to visit relatives and friends in the country. The XPT to Murwillumbah stops at Wyong railway station. Unfortunately, the Brisbane XPT and the Northern Tablelands XPT do not stop there. People from Wyong have to travel to Gosford very early in the morning in order to use the Northern Tablelands XPT and the Brisbane XPT late in the afternoon. That causes major inconvenience to these people. Even more confusing is the policy of the State Rail Authority relating to

luggage for those who use the XPT services. Those who travel from Wyong on the Murwillumbah XPT cannot book in their luggage on the previous day. They must be at the station at least 30 minutes beforehand and book their luggage in on that day.

For the other two services, the Northern Tablelands XPT and the Brisbane XPT, luggage be booked in the previous day either from Wyong railway station or from Gosford railway station between the hours of 10 a.m. and 3 p.m. Passengers have to make two trips. They have to take their luggage in one day, usually to Wyong railway station, then travel to Gosford railway station the next day.

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Obviously the problem would be obviated if the Northern Tablelands XPT and the Brisbane XPT stopped at Wyong railway station. The problem is even more complex when someone from Wyong travels to a part of the State in the south, such as the Riverina. People who travel from Wyong to, say, Cootamundra - if there is still a rail service provided to that destination - must buy a CityRail ticket to book in their luggage on the day of travel. There are two types of rail services provided in this State, one by CityRail and one by CountryLink. They seem to be in major competition with each other rather than providing the best possible service to the people of this State.

People travelling to, say, Cootamundra must buy a CityRail ticket or book their luggage in on the previous day. The staff at Wyong railway station are very good and assist passengers wherever possible, but I understand they are constrained by Government policy. We hear much about profit centres and cost centres, but we must provide an adequate service to the public and a service that allows people to avail themselves of opportunities. If those passengers do not buy a CityRail ticket, they must book the luggage in the day before. If they do buy a CityRail ticket, the railway staff voluntarily take their luggage to the Sydney platform, where it is loaded on to the train and the passengers are responsible for the luggage from disembarkation at Central railway station and to book it in on the CountryLink service at Central, Strathfield or wherever it might be. Obviously this causes anguish to senior citizens and, indeed, to any passenger. It is something that should be avoided if at all possible. Senior citizens are also disadvantaged by virtue of the fact that the upgrading of Wyong railway station has been put back. The Minister for Transport visited the Wyong electorate during the State election and promised an upgrading of the pedestrian footbridge so that ramps would be provided in place of the present footbridge.

Mr SPEAKER: Order! The honourable member's time for speaking has expired.

WINGHAM MEMORIAL HOSPITAL HYDROTHERAPY POOL

Ms MACHIN (Port Macquarie) [5.46]: I raise an issue regarding the Wingham Memorial Hospital and I am pleased that my colleague the Minister for Health Services Management is in the Chamber. This is a matter I raised when I wrote to the Minister earlier this month and is something I feel strongly about, given that it is an issue that has been running for a long time in my electorate and one that I am glad to be able to put before the House this evening. This revolves around funding for a hydrotherapy pool at the Wingham Memorial Hospital within my electorate. I should like to remind all members of the fake list that the shadow minister for health, the Deputy Leader of the Opposition, touted around New South Wales three years ago, scaring to death all those connected with small hospitals in New South Wales, suggesting that because they were under 20 beds or so they would be closed automatically by the Government. That was not the case. It was a

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mythical list, but that is how the shadow minister operates. Since that time we have seen the opening of a unit for the confused and disturbed elderly at considerable cost to the Government. I think from memory it cost in the vicinity of \$600,000, and that has enhanced not only the services available through the Wingham Memorial Hospital but the services available

to all the people of the Manning District. As the Minister would know, the Manning district is large, with a big catchment area. It is growing rapidly and is one of those areas that is benefiting from the changes proposed in Sydney at present. However, the issue today is the hydrotherapy pool. I guess I should declare an interest in this as my mother is the secretary of the auxiliary for the hospital.

Mr Hartcher: Hear, hear!

Ms MACHIN: I will convey the support of the honourable member for Gosford to my mother when she returns from holidays. The auxiliary has been doing a tremendous job, and so has all the hospital community, in working hard to raise the funds to construct a hydrotherapy pool at Wingham Memorial Hospital. There are very few of these pools on the North Coast. I think the closest to the south would be at Newcastle and the next one north is at Kempsey which is almost two hours' drive from Wingham. The proponents of the pool have been fairly realistic. They have not set about building an indoor Olympic complex, as some of these pools tend to be. They have simply tried to build a pool that will provide the essential rehabilitation services for people of the Manning district. These pools have a large role to play in A and R. The hospital's main users are people who seek rehabilitation and a large proportion of them are elderly patients. However, they are not all elderly and if such a facility was available in the Manning, it would service not only Wingham - which is only a small town but a fantastic town, being my home town - but would service that catchment from, say, the Great Lakes to south of Kempsey where there are now no services.

At present when people are involved in accidents that result in brain injuries they must go away from the area for treatment. One facility that is commonly used is Coorabell Hospital and I had a friend who went there. The problem is compounded. Not only do these people suffer injuries and disabilities that can be overcome with regular therapy, but if there are no facilities locally they either go to Newcastle or to Sydney. That makes it difficult for families who probably have an extra financial burden in trying to support these people in the first place, let alone adding on the extra costs of travel. The community has essentially raised the capital funds for the pool. What we now seek is for the Minister to give us some help on a recurrent basis. I know many people ask him for lots of money all the time but it is not possible for the hospital community at present to fund the pool on an ongoing basis. The Manning district hospital is very efficient. The Minister would be aware that it is looking at making savings of about \$430,000 this year. On past records it will most likely meet that target. However, it is hard to expect that hospital to find an additional \$30,000 per annum to fund this service. It would be a shame if all the work that has gone on for many years which has had community support for a long time is wasted simply because the hospital has the money to build the pool but it does not have the money to run it. I ask the Minister to give sympathetic consideration to assisting with ongoing costs for this hydrotherapy pool, given that it will provide a service locally that is not available in the Hunter and Macleay regions. I ask for the Minister's support. I know the community would appreciate any help that he can give.

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Mr PHILLIPS (Miranda), Minister for Health Services Management [5.51]: I congratulate the honourable member for Port Macquarie for raising this matter with me. As she has said, she wrote to my office regarding this matter about a month ago. I am awaiting a response from the region concerning the priority that has been given to these matters. Due to substantial reductions by the Federal Government in funding for hospitals in New South Wales and due to pressures on our health system it is difficult to take quantum leaps in regard to these matters. There is significant pressure on the Government for other hospital facilities in the electorate of the honourable member for Port Macquarie. The Government is moving in that direction. I know that hydrotherapy pools are an important part of rehabilitation and physiotherapy programs. Unfortunately, that matter is low on our list of health care priorities. Notwithstanding that, growth areas such as the electorate of the honourable member for Port Macquarie will need hydrotherapy pools and other services in the future. Once again I will ask the region to

advise me and the honourable member for Port Macquarie when that hospital will get funding to run hydrotherapy pool services.

MAGISTRATE TRIAL INTERFERENCE

Mr WHELAN (Ashfield) [5.53]: I am concerned about an incident involving Mr Joe Morris. This matter has been completed by the courts so it is not sub judice. I question the role of the then deputy chief magistrate, Mr Ian Pike. Mr Morris has been severely and detrimentally affected. He has been acquitted of a charge of assault. It cost him a great deal to be represented by legal advisers. In January 1989, following a trivial motor accident, Mr Morris and Mr Watkins - he plays an important role in this event - got out of their cars and had an altercation. It is alleged that, during this altercation, Mr Morris assaulted Mr Watkins. The following day Mr Morris left for Queensland and Mr Watkins reported the incident to Constable Ryan at Paddington police station. Constable Ryan also figures prominently in this event. In September this year Mr Morris wrote to Mr Collins, New South Wales Attorney General, asking him whether he considered it appropriate for a senior magistrate to ask questions or request advice of police during a criminal investigation. The present Chief Magistrate of New South Wales has given evidence to the effect that Mr Ian Pike contacted the original complainant, Mr Watkins. It is not denied that Mr Watkins is a friend of Mr Pike. For reasons unknown to me and to those involved Mr Pike contacted Constable Ryan and asked her why she was taking action. Mr Pike also admitted that he had spoken to Mr Ken Williams, a
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senior police prosecutor, and asked him for information on the matter which was then the subject of a court hearing.

On face value these circumstances are very serious. I have asked the Attorney General for a reply but no reply has been forthcoming. No explanation has been given as to why a person in a judicial position made telephone calls and inquiries on behalf of a complainant in a criminal proceedings. This matter has to be referred to the Judicial Commission of New South Wales to investigate these serious allegations. The allegations are not ill-founded; they are derived from evidence acquired throughout court proceedings. An admission has been made that a senior magistrate of this State contacted a sergeant of police, Sergeant Williams who, in turn, contacted the arresting officer, Constable Ryan, prior to the arrest of Mr Joe Morris. Why would a magistrate take up the cudgel on behalf of a friend? We do not know the answers. The Government has been reluctant to come forward with the answers; therefore the matter should be referred to the Judicial Commission for investigation. There was a detailed explanation and a transcript of the evidence in the *Sun-Herald* of 1st April, 1990. No one will give Mr Morris a refund of the money that he has paid to prove his innocence. The assault summons has been dismissed, but it may not have proceeded if there had not been this interference by a magistrate in New South Wales. No public explanation has been given as to why a magistrate contacted the police involved in this matter. These grave matters go to the heart of the judiciary in New South Wales. No honourable member would expect a magistrate to pick up the phone and to ask a police sergeant why a matter was proceeding. The Government has ignored this matter but it cannot continue to do so. I have asked questions of the Attorney General in this Parliament but I am awaiting replies. Perhaps I might get replies as a result of this speech.

Mr SPEAKER: Order! The honourable member has exhausted his time for speaking.

Private members' statements noted.

HONOURABLE MEMBER FOR NORTH SHORE

Censure

Debate resumed from an earlier hour.

Mr GREINER: Earlier I was discussing the speech made by the honourable member for South Coast. I simply say to him, in addition to what I had to say earlier, that it would be ludicrous to suggest that the honourable member for North Shore would move knowingly - to use the honourable member's words - a motion of privilege in those terms, given the honourable member's intention to go ahead with that motion. I say to the honourable member for South Coast and to the House that

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we could not in good conscience believe that the honourable member for North Shore would deliberately lie about the initial matter and then move a motion in the terms in which he moved it and make a statement in the terms in which he made it. I do not accept that any person, in good conscience, seriously considering the matter, could believe that this was what the honourable member for North Shore did. Despite all the nonsense Eastern Creek is not part of the responsibilities of the honourable member for North Shore as Assistant Treasurer. As the initial press release said, he is responsible for work in the Office of State Revenue, where he is doing a most outstanding job. He has had no access to information about Eastern Creek other than the access that honourable members have through the interminable reports that have been made by the Auditor-General and others.

Finally with regard to the speech of the honourable member for South Coast, I say that if I believed that the honourable member for North Shore had deliberately lied to me on a public matter such as this I would have no hesitation in dismissing him; no hesitation at all. However, quite simply there is absolutely no basis for such a belief, and of course I shall not be dismissing the honourable member for North Shore. The final speaker from the Opposition side of the House to whom I wish to refer - I have done so already in passing - is the honourable member for Smithfield. The honourable member for Smithfield made the best speech; he got it 100 per cent right and he should be given credit from members on both sides of the House for that. The honourable member for Smithfield, like a good lawyer should, went to the heart of the matter. He asked, "Is this a deliberate or knowing misleading?" With much seriousness and a great deal of contemplation he said, "We do not know". He was correct, and every member of the House, every member of the media present tonight and each of the small number of media people outside the House who are paying any attention to this matter know that the honourable member for Smithfield is correct. As he said, "We do not know". That destroys absolutely, without any equivocation, the arguments put by the Leader of the Opposition and other members on the Opposition side of the House.

I turn briefly to my view of the matter, and shall put it in context. Contrary to the views of those opposite, loyalty has its place in politics. That is certainly my belief. So do judgment and so do balance. I pride myself on my loyalty to my colleagues - but not at the expense of judgment or at the expense of balance. Both from the bottom of my heart and on the basis of reasoned analysis I believe that the motion moved by the Leader of the Opposition grossly oversteps the mark of judgment and the mark of balance. Members of the Opposition and some members on the crossbenches are the modern day equivalent of the people in the biblical story who said, "Stone him, stone him". Honourable members are saying: "Stone him, stone him", that is, "Dismiss him, dismiss him". One ought remember what happened to those people in the Bible.

[Extension of time agreed to.]

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We are not about stoning people unless they deserve to be stoned. We are not about dismissing people unless they deserve to be dismissed. Very clearly, this motion represents a tremendous overstepping of the mark, purely and simply for the basest of political motives, as the honourable member for Cronulla said so well. The motion fails every single test that was set out by the honourable member for Liverpool in 1983. It fails the test of responsibility; it fails the test of gravity; and it fails the test of deliberation. The motion fails, fails, fails on each of the tests set out quite accurately by the honourable member for Liverpool on a previous occasion. To put it quite simply, there is absolutely no proof of deliberation, of deliberate intent. Indeed, the opposite conclusion is intuitively obvious, and it is correct. Quite simply the member was wrong. He said so as soon as possible and he apologised as soon as possible. In good conscience the matter ought to be left there.

There has been much talk about the values, traditions and conventions of the Parliament. Each of them is important, and because they are important and because they are vital to the good function of the Parliament and the reputation of the Parliament, they must be dealt with in a mature, serious and considered way. This motion is not mature, it is not serious and, most assuredly, it is not considered. If the values, traditions and conventions are trivialised, if they are seen as a joke by the mover of the motion, if the traditions set a hurdle so low as to demean the value of the convention, we would do a great disservice to what some members on all sides of the House have said they are seeking to uphold. The truth is that to pass this motion is to trivialise these values. It would be to take the convention as a joke - because the Leader of the Opposition most assuredly and self-admittedly takes it as a joke. Perhaps most important, passage of the motion would set so low the standard at which one is stoned that it would make a farce of the proceedings of this House. Whether we have been members for 20 years or five months we all know that the reality is that unknowing and accidental misleadings, and on occasions knowing misleadings of this House, occur on a regular basis. Anyone who denies that simply denies what we all know to be the truth.

The reality of this motion is that, if it were passed, it would set a standard of which the House would be sorry for ever and a day. If the House chooses to make this motion a hanging offence - that is what the motion suggests; it is the second most serious motion that can be moved, the second most serious attack that can be made upon a member of the House - it would set a standard that it cannot and which it should not aspire to. It is very important for those who really believe in the values, traditions and conventions of the Parliament that they be observed in a way that is real. The motion is unreal in every sense of the word. No member of the House - certainly no member of the Labor Party - does not know that it is unreal. I shall not delay the House much further, other than to return to where I began my remarks. The one thing that is certain in my mind about the honourable member for North Shore is that whatever his strengths and whatever his weaknesses, both as a person and as a member of this Parliament, he, more than anyone I know in politics and in public life, tells the truth and says what he believes. The motion, for really transparent and shallow political purposes, seeks to suggest the contrary, and seeks

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to do so on the basis of no evidence at all. It fails the test of the law. It fails the test of logic. It fails the test of common sense. The motion should be defeated.

Mr MOSS (Canterbury) [6.8]: I enjoyed the comments of the Premier, particularly when he quoted from the Bible. The Premier told us about a fellow of whom the crowd was yelling, "Stone him, stone him". I think the Premier got it wrong. If I remember correctly it was a woman who was about to be stoned. The Premier was very select in his biblical quote; he did not continue with that passage. If my memory serves me well, when the woman was not stoned and everyone walked away, the woman was told, "Go your way and sin no more". In this instance the honourable member for North Shore misled the House and went his way, but later the same day he moved a privilege motion deploring the forgery of documents circulated purportedly in his name, implying that the document was forged. The honourable member for North Shore did not learn by his earlier mistake. We have heard much in this debate about

members who have attempted to stray from the original intention of the motion, which is one of censure. The Opposition suggests that this motion should be carried because the honourable member for North Shore misled the House. The honourable member for Liverpool said that all members should read last Thursday's *Hansard* to refresh their recollections of exactly what happened. I did that, and it was interesting to read *Hansard*. Initially the Premier said that the honourable member for North Shore had advised him that the letter was a complete fraud. That is the main point of this whole debate. We are advised by the honourable member for North Shore that a letter was a complete fraud. Then the Premier accused the Opposition of forgery by saying that fraudulent letters had been placed in gallery boxes. He then more or less said that the Opposition's actions were unjust to the person who had purportedly written the letter. The Premier tried to turn the tables by implying that somehow this letter emanated from Bob Carr's office. He said that it is one thing for the Leader of the Opposition to rely on this letter as a fraud. Again, based on advice from the honourable member for North Shore, the Premier agreed that the letter was a fraud. He said that it undermines the whole process of parliamentary democracy in this State. I put it to this Parliament that the actions of this Government in refusing to censure the Assistant Treasurer undermines the whole process of parliamentary democracy in this State. Later on in the day the honourable member for North Shore told the House that his office had been broken into. He said written material may well be circulating which not necessarily represents his views - implying again that the letter was a forgery and that someone had written using his letterhead. As I said in my earlier remarks, he went further by asking this House, as a matter of privilege, to carry a resolution deploring the forgery of documents purported to be in the name of the honourable member for North Shore.

It must be pointed out that honourable member for North Shore did not get up and merely say, "It is wrong; I did not send the letter". He went on and on and on. Later in the evening we were told that the honourable member for North Shore was willing to accept that, if Ms Niblett said she had a letter written in his name, that was the case. He agreed that it was his letter, but he did not recall it. He did

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not recall actually writing it or sending it. While he says he does not recall signing the letter, he says that the word "not" is missing from it. How can he not recall signing a letter or writing a letter but state in this House that there is a word missing? That does not follow. Of course, he then made the ultimate of statements, "I did not intentionally mislead this House". We are told that the letter is a fraud. We are then told that he admits he must have sent the letter. He does not remember actually writing it, yet he realises that the word "not" should have been in it. The letter does not make sense grammatically if the "not" is inserted. The contribution of the honourable member for North Shore to this debate was pathetic. He spent nine-tenths of his time telling us of the advantages of Eastern Creek, telling us about journalistic errors and about bogus press releases. Though his contribution was pathetic, nonetheless I do feel sorry for him.

If ever a motion of censure against me is debated, I hope I receive more support from my parliamentary colleagues than did the honourable member for North Shore. The fact that he had to lead for the Government in this debate just shows what his colleagues are doing to him. I think that members on the Government side have said to the honourable member for North Shore: "Well, Mr Smiles, you put your foot in your mouth this time. Well, Mr Smiles, you have shot from the hip. Well, Mr Smiles you have lied to this House. You get yourself out of it". It shows a gutless response by this Government that no one was prepared to lead for the Government other than the very member who is being censured. We have heard from only one Minister. The Premier came into the Chamber to speak in this debate only because he was goaded into doing so by the comments of previous speakers on this side of the House. There may be another reason why the Government or prominent members of this Government are not bothering to support the honourable member for North Shore. It could be that they are pretty bitter towards him for the comments he made in the letter. It is one thing for a member of the Government to write a letter to a constituent to try to toady support from that constituent and agree that the Government may have made an error, but it is another thing to write a letter and

talk about his Government falling into black holes - a letter which incidentally the honourable member cannot recall writing. If I wrote a letter to a constituent and said that someone falling into a black hole, I would not forget what I said in a hurry.

Let us look at why the Government considers this censure motion should not be carried. It has given a number of reasons. First, we have been told by the honourable member for North Shore - and at length by the honourable member for Ermington - that the member for North Shore wrote the letter in his capacity as the honourable member for North Shore and not as the Assistant Treasurer. What the Government is trying to tell us is that the honourable member for North Shore has a split personality, and therefore it is okay for him to write a letter in one capacity and get away with it. The Government is trying to have us believe that if he writes a letter in his capacity as the local member, when he is asked to justify that letter in his capacity as Assistant Treasurer he is permitted to lie because he was not wearing his Assistant Treasurer's hat at the time. I remind the honourable member for North

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Shore that he is not a part-time treasurer, nor is he a part-time local member. He holds both positions all the time and is responsible for both roles all the time.

Another argument that has been put up against this motion is that the convention is that only Ministers should be censured if they mislead the House. The honourable member for North Shore is not a backbencher either. That argument was adequately disposed of earlier in this debate. He holds a position somewhat of an executive capacity within this Government. Even if he were not an Assistant Treasurer, why should he get away with misleading the House by just apologising? Does this mean that backbenchers may mislead this House but get away with it by merely apologising and that a Minister should be censured? That would not be fair. The other argument is that the member for North Shore apologised for misleading the House and, for that reason, he should not be censured and the matter should end there. If we agreed to that time and again we would be condoning members of this Parliament for misleading this House and for deliberately lying to it. I daresay members would try to pick up a cheap headline in the evening paper and some time later, in the remote hours of the evening, would say, "Oh, by the way, I misled the House earlier today and I apologise for it". That is just not good enough. If we are to maintain the precedence of this House and any sort of decorum we should maintain the rule of censuring members who mislead this Parliament.

The privilege motion moved by the honourable member is interesting. It convinced me more than ever that before a member moves such a motion he should get his facts right. If a member's privilege has been infringed in some way, he has every right to move a motion calling on the House to deplore that infringement of his privilege. Often the privilege of an individual member can have a steamroller effect on the privilege of all members. In this instance the member for North Shore moved a motion of privilege that called on the House to the fact that a document had been forged when it had not been. Not only did the honourable member try to mislead the House; he asked honourable members to back him in that lie by supporting a motion of privilege which deplored the forgery of a document that turned out not to be forged. At that time on 24th October I believe you, Mr Speaker, did the Government a great service, probably the greatest service you have done the Government in the past three years. You deferred debate on the privilege motion. Your comments were that the matter should be deferred for sober consideration. If ever you gave a ruling that got the Government out of a pickle, it was at that time.

Mr Phillips: That is disgraceful.

Mr MOSS: If the motion had been considered there and then, Government members would have supported it and sanctioned the lie, suggesting that the letter had been forged. You, Mr Speaker, saved the Government from ending with egg on its face.

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Mr Cochran: On a point of order. The honourable member is casting aspersions on the Chair and on your judgment. He should realise that your ruling at the time was in the best interests of the Parliament.

Mr Moss: On the point of order. I had finished my remarks on that matter, but for what it is worth I should say that I was not questioning your ruling but rather praising it. You saved the Government considerable embarrassment by deferring consideration of the motion.

Mr SPEAKER: Order! The unfortunate aspect of what was said by the member for Canterbury is that he suggested partiality on the part of the Chair and that the Chair had a role in saving or otherwise assisting the Government. That is not the intention of the Chair in any of its rulings. The practice I followed is common in this House. If the member for Canterbury reads the standing orders, he will understand that after a notice has been given of a motion for privilege debate is generally set down as an order of the day for the following day, having precedence of all other business. Though I said at the time that the motion of the member for North Shore required sober consideration by the House, that was an observation. Unless a motion involves matters affecting the conduct of the Chamber at a particular time, all matters of privilege should be debated on the day following the giving of notice. I followed the normal procedures of the House.

Mr MOSS: The member for North Shore did mislead the House. He went further than simply misleading the House by continuing with his motion of privilege concerning a forged document when in fact the document was not forged. He admitted writing the letter and said he did not intentionally mislead the House. He and the Government want to get away with that by merely offering an apology. If the member for North Shore is not censured, a precedent will be set that will allow members to deliberately lie and later apologise. Also that would break an important convention and allow members to mislead the House without any disciplinary action being taken against them. That would fly in the face of the procedures of the Parliament acting as a responsible legislative chamber.

Mr COCHRAN (Monaro) [6.25]: It will probably come as a surprise to some members on this side of the House that I should speak in support of the honourable member for North Shore. Some members will know that for some time there has been no love lost between us, since he dropped a bucket on me in the *Canberra Times*. When I left the Chamber last Thursday night at a late hour, causing me to remain in Sydney overnight and miss a function at home, I was not particularly concerned whether the member for North Shore sank or swam. Since then three incidents have occurred that have confirmed beyond all doubt in my mind that the honourable member has no case to answer. I draw the attention of honourable members to those three matters that I believe give evidence that accidental errors can occur as he has described. The examples I shall give lend credence to the evidence presented by the honourable member in his defence. Though I have said the relationship between the honourable member and me is one

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in which I do not have a great deal of time for him, I respect the fact that he is a grass-roots member, a door knocker, a head kicker, a prolific letter writer and a member who is concerned about his constituents. He is diligent in his operations, honest and forthright. Sometimes, to his detriment, he is a little too forthright.

I should mention an incident that happened in my office yesterday morning. My assistant secretary and I were putting together a letter to send to my constituents in Nimmitabel. We printed about 80 letters about the water supply of residents in Nimmitabel. After we had printed the 80 letters and I had signed 40 of them I realised that the address on the letterhead showed Nimmitabel ACT instead of Nimmitabel NSW. That demonstrated to me that I was capable of making an error in identifying a letterhead similar to what happened to the member for North Shore. My assistant secretary immediately related the error to the position facing the honourable member for North Shore. I then reflected on his position as a result of

having allegedly neglected to include the word "not" in his letter. My assistant secretary is considerably experienced; she has had 14 years working as a legal secretary, is highly regarded in the Queanbeyan district and, as you, Mr Speaker, have been told frequently, is worth a damn sight more money than she receives now. Her statement about this incident supports mine. She is willing to swear on oath that the incident occurred and that the incorrect State was placed on the letterhead. I believe that the member for North Shore did not deliberately or wilfully mislead the House. As I sat in the Chamber on the day the letter was introduced into the House I and many others on this side of the House thought it was a press release. Until the letter was produced I had that impression, and I understand that the member for North Shore had that impression also.

The second point I raise relates to the statement by the member for North Shore that some scurrilous, misleading and false press releases were floating about in the press gallery in the weeks leading up to this incident. I can confirm that was so because yesterday a second incident led me to the conclusion that the member for North Shore has no case to answer. A journalist from Australian Associated Press rang me to confirm a press release issued in my name. Why did he do that? He did that because he said there had been some bogus press releases floating around in Sydney. This changed my mind. I was then prepared to listen again to the case that the honourable member for North Shore had presented because the journalist from AAP quite clearly stated to me that bogus press releases had been floating around in Sydney. That confirmed in my mind that the honourable member for North Shore was once again telling the truth. This whole question relates to justice. We agree that an error has occurred. An apology has been given and the honourable member for North Shore has acted in an honourable manner and has already been punished for the error that he has freely admitted. This brings me to my third and final point, which was raised in the House by the honourable member for Manly. This is a very pertinent point of law which should be recognised by the honourable member for Auburn. The honourable member for Manly in his address often referred to proof beyond reasonable doubt. I am not legally qualified but, as a former member of the

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police force, I know sufficient of the law to know that something must be proved beyond reasonable doubt. The honourable member for Manly said:

We may never know what the truth is.

That was a confession that there is doubt in his mind. After having made that statement in this House, he cannot say that he has no doubt in his mind. I ask the honourable member for Manly to seriously consider that statement and the following statement, which he made in conclusion:

If there is any doubt, we have to give Parliament the benefit of the doubt.

Parliament comprises the members of the House, including the honourable member for North Shore. Those three incidents drew me to the conclusion that the honourable member for North Shore has no case to answer; that he indeed is telling the truth. This should place the House in a position where it has no choice but to refute this motion and throw it out as the cheap political stunt that it is.

Mr NAGLE (Auburn) [6.32]: This debate does not bring me any pleasure or joy. I assure the House that a great many people on this side of the House are in the same position. That feeling was expressed by the honourable member for Liverpool and, to some extent, the Leader of the Opposition. This matter is important in that it relates to telling the truth or a lie, misrepresenting a situation or not fully understanding a situation: it is not simply about a mere mistake. On the day when a question was asked by the Leader of the Opposition about a letter the Premier, in reply to both parts of the question, said "No" and "No". That should have been the end of it. Once we had that answer, that should have been the end of it. Someone may

have written on page 10 of the *Daily Telegraph Mirror* or on page 8 of the *Sydney Morning Herald* a note about what the letter said and that would have been the end of it, but it is what happened after that question time that brings us here today. The Premier has said in this Chamber that this is not a question of law; this was an honest mistake made by an honest man. The Leader of the House, the Minister for the Environment, said that this is a matter of law. He talked about the nature of law and the elements of a crime. He said that the honourable member for North Shore did not have a mental intention to commit the crime. Mens rea is not always a basis for guilt or innocence. A deliberate intent may create a situation, or some action may be unintentional but may disregard the rights of an individual. This is dealt with at page 23 of Roulston's *Introduction To Criminal Law* which states:

The general common law as to mens rea is clear and plain. An act is not criminal unless it is the product of a guilty mind and thus mens rea has two elements (1) a mind (2) which is guilty.

On the many occasions that I have spoken to the honourable member for North Shore he has shown that he has a very intelligent mind. The question is: is he guilty? He said, "No, I did not lie to the House. It was a mistake. I misunderstood what was

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happening in the Chamber". If he understood that there was something going on that he did not fully understand he should have taken it up with the Premier at a later stage. He should have said, "Listen, I came in late. I did not understand what that was all about". Mens rea goes further. A person can be guilty without having lied. I quote what was said by the Supreme Court of Appeal in Gunter's case in 1921 which goes to the very matter at hand:

. . . such a degree of culpable negligence as to amount to an absence of that care for the lives and persons of others which every law abiding man is expected to exhibit. Short of this he may be blameworthy because he has not exhibited the caution reasonably to be expected from an ordinary prudent person in the particular situation, and this would expose him to an action for damages. But the charge of a criminal offence based on negligence must be supported by a culpable recklessness in taking risks at the expense of other people's lives or limbs.

We are not talking about people's lives and limbs here, but the law has been raised by the Leader of the House, the Minister for the Environment. He says that we should look at the matter not on the basis of reasonable doubt but on the balance of probabilities as to whether or not the member lied to the House. When one reads what the Premier, and later the honourable member for North Shore, had to say, we realise that there is no need to look for a motive. If the honourable member did not lie to the House he was so incompetent in the way he handled it that he should be censured because he misled the Premier or, alternatively, they conspired so that they could lie to the House or mislead it. I would prefer to believe the former option. The Premier, based on the information conveyed to him by the honourable member, said that someone had put out bogus press releases and that his office had been broken into. He said that Parliament did not know who was doing this but that it should stop and that the letter was a forgery. Later that night, we found that that was not the case at all and the member had to retract his statement and give an explanation. What is in question is not whether the word "not" was in the letter or whether the honourable member wrote the letter; it is that when the honourable member found out that the letter was his, at a time most convenient to himself and the House - in the afternoon - he should have told the House what the true situation was so that we could understand it.

Mr Smiles: That is exactly what I did.

Mr NAGLE: The honourable member did not come into the Chamber until 8 o'clock that night.

Mr Smiles: I requested three times to make that statement. I was finally allowed on at 8 o'clock. You are seriously misrepresenting me.

Mr NAGLE: In that case, the honourable member for Ashfield is not telling the truth when he says that he invited the honourable member for North Shore to speak on three occasions.

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Mr Smiles: Yes, I could understand that.

Mr NAGLE: That is what the honourable member is really saying. He is telling a lie or other people are telling a lie to the House. That is the more important issue. The honourable member for Ashfield has said that he had discussions with the honourable member for North Shore and the Leader of the House, the Minister for the Environment, about going into the Chamber that afternoon and giving an explanation, but the Leader of the House would not allow the honourable member to make that statement until later that night. That is the truth of the matter. After those lies, I have become very concerned whether the whole thing is a lie. There are two ways of working out whether the honourable member has lied to the Parliament. First, where are the statutory declarations from either his secretary, his electoral secretary or his assistant electoral secretary stating that one of them typed that letter and that it was accidentally released? Why have these declarations not been presented to the House? It is now some five days down the track. Alternatively, if the computer has packed up, as the honourable member has said, why have we not heard some information from Peak Pacific, the people who repair these computers?

Mr Smiles: You are welcome to it.

Mr NAGLE: The honourable member can hold up that parcel, but where are the people who repair these computers? That company's telephone number is 9010000. That is an easy number to remember. Why does the honourable member not have a statement from it saying that it repaired the honourable member's machine, at least substantiating what he has had to say to the House? That is an important issue. The honourable member knew that the motion was coming up today. He could have got that information and made a stronger case, with Peak Pacific giving a statutory declaration saying that the computer packed up and it had to be fixed. That would have been compelling evidence for the House and that would have had some influence on me when I was talking to my colleagues about the matter. A statutory declaration stating what happened would have been compelling and would have assisted the member in the arguments he has put to the House.

This is not a pleasant situation. The Premier talked about ethics and honesty, but this important matter has not been satisfactorily resolved by the House. The honourable member for South Coast has suffered as a result of a censure motion. The honourable member for Manly said that he was not sufficiently appraised of the truth of the matter as to convince him to support the motion of the Leader of the Opposition. The Minister for the Environment referred to Erskine May and the John Profumo matter and the misleading of the House of Commons about an important issue. This is an extremely important matter and it is important to determine whether the honourable member for North Shore actually wrote the letter or whether the word "not" should have appeared in the letter. Earlier the honourable member had convinced me that the letter and a press release were forgeries, that people were trying to do him some harm in his professional capacity. Why was the honourable

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member so foolish as to write out a lengthy document during question time and hand it to the Premier so that a motion could be put to the House? This showed that the honourable member is incompetent. If that is so, one might be forgiven for thinking that he might be a man who would mislead the House. Why jump into the fray when the matter had been resolved?

Mr Hartcher: Because he is honest. If he were dishonest he would have stayed out of it.

Mr NAGLE: The other day the honourable member for Gosford lied to this House about the way he voted in a division.

Mr Hartcher: On a point of order. I demand that the honourable member for Auburn withdraw his allegation that I lied to the House.

Mr SPEAKER: Order! The member for Gosford has taken offence at the remark of the member for Auburn. I ask that the member for Auburn withdraw the remark.

Mr NAGLE: I withdraw the word "lie", but the honourable member knows the truth of what happened.

Mr SPEAKER: Order! The member for Auburn will not qualify his withdrawal. He will withdraw the allegation without qualification.

Mr NAGLE: I withdraw. The word "lie" has been bandied about in this debate. The only conclusion that one can come to is that someone has lied about what happened and about the letter. As I said earlier, I was convinced that the letter was a forgery and I accepted what had been said about that. Numerous precedents have been set, in particular the John Profumo incident in the British House of Commons and the incident that brought Rex Connor undone in the Federal Parliament. In 1974 the Minister for the Environment referred to deliberate prefabrication, half and twisted truths, of truths and mistruths, in relation to which Rex Connor paid the penalty. The Minister referred also to mens rea, an intention to commit an offence and the presence or otherwise of a guilty mind. He said that we should look at the notion of mitigation. The Minister did not fully explain that concept, but mitigation seems to rely on the fact that the honourable member for North Shore stood before the members of this House last week and said, "I am sorry, I made a mistake. It may be my letter, I cannot say. The tapes are broken. I cannot say for sure but it looks like my signature". I fail to understand how that can go to mitigation. What would go to mitigation would be if the honourable member had said, "Yes, I wrote the letter. Yes, I misled the Premier. Yes, I am sorry. It has been a mistake". Instead, he commenced a mishmash of confusion with his press conference and repeated in this House what he told the press. I acknowledge that members of Parliament write numerous letters and many pressures

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are applied in managing an electorate office. I acknowledge that one can skip over little words like "not".

Mr Smiles: Thank you for your acknowledgment.

Mr NAGLE: There is no acknowledgment. The difficulty arises with what flows from such an oversight. Some members of Parliament are saying that the honourable member for North Shore deliberately lied to the Parliament. Others have said that his was an honest mistake. However, if he misled the Parliament because of an honest mistake, surely he should step down from his position. His penalty will be mitigated as a result of the contrition that he shows. He should step down until such time as he has paid the appropriate penalty - and that penalty may be imposed tonight by force by this Parliament.

Mr Smiles: What about the past five days?

Mr NAGLE: I have seen the honourable member's face. I realise that he has been in some agony about this matter. I have felt sorry for him.

Mr Hartcher: They are crocodile tears.

Mr NAGLE: It is a matter for yourselves.

Mr Phillips: Why does the honourable member not bring the issue into perspective?

Mr NAGLE: The Minister should not interject. The number of lies he has told about hospital closures has made a mockery of this Parliament. I return to the honourable member for North Shore.

Mr Phillips: On a point of order. I ask the honourable member for Auburn to withdraw the allegation that I have lied to the Parliament.

Mr SPEAKER: Order! The member for Auburn has heard the point of order taken by the Minister. I ask the member for Auburn to withdraw his remarks.

Mr NAGLE: I withdraw the word "lie". Honourable members have been asked to consider this matter having regard to two levels of evidentiary proof: first, reasonable doubt; and, second, on the balance of probabilities. Should honourable members give the honourable member for North Shore the benefit of the doubt or should they say that on the balance of probabilities he misled the Parliament? I am not fully convinced that he has not misled the Parliament. It is not a matter of whether the word "not" was contained in the letter or whether the letter was the letter of the honourable member for North Shore. The question is whether he misled the House. He has not discharged that onus. I concede that he has said that he was forced on, so to speak, because of what he believed were bogus press releases. I

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know how the honourable member feels in that regard. A Minister and a backbench member of this Government have, to my detriment, published a bogus press release in my name. The Minister, however, was silly enough to hand me a copy of that press release in the Chamber, so I was able to identify those who released it. That practice causes considerable embarrassment for many people, and it must stop. The credibility of Ministers and shadow ministers can never be secure unless they sign press releases or communicate individually with journalists. The Premier said that if he were convinced that the honourable member for North Shore had misled the House he would have no hesitation in dismissing him. I submit that on both onuses - on the balance of probabilities and reasonable doubt - the honourable member did mislead the House. Bonnie Niblett gave her side of the story. She produced a document.

[Extension of time agreed to.]

She came in here and put the matter into perspective. Had she not come to this Parliament, would we still have had such an exculpatory -

Mr Smiles: I was attempting to make my explanation long before that media story.

Mr NAGLE: So the honourable member for Ashfield has misled the House, has he, when he said he would have let you on any time in the afternoon?

Mr Smiles: That is true.

Mr NAGLE: The allegation was made previously that the honourable member for Ashfield did not. The Premier referred to what I thought was not a good cliché, that this was a motion for the purpose of hanging someone. The standard joke going round the corridors of this place at the moment is what the Premier will give the honourable member for North Shore when he gives him the rope to hang himself, and someone says it is a knot. Well, he raised the issue, not me. It is that "not" that brings you here. Either you lied to the Parliament or you deliberately misled the Parliament, or innocently misled the Parliament, but because of your

reckless indifference to the information you were conveying to the Premier and to the House, the whole basis of your case falls apart.

Mr Smiles: One day you will hang by your own words.

Mr NAGLE: Well, I may. So may everyone who has spoken in debate. The situation is that the debate is proceeding. You can threaten as much as you like. Anything can happen in the future. The fact is that it is the honourable member for North Shore who is facing the demise and dilemma of this situation. Many on this side of the House gain no pleasure from what is happening. In fact this causes a great deal of concern. Somewhere along the line the Premier, through the honourable member, misled the Parliament and convinced a large number of

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members that the letter was a forgery until later on that afternoon when Bonnie Niblett came into this Parliament and gave her explanation. As I said before, it is not only that, it is also the words of the Court of Appeal in the case of Batman in which it is stated:

But whatever epitaph be used and whether an epitaph be used or not in order to establish criminal liability, the facts must be such that in the opinion of the jury the negligence of the accused went beyond a mere matter of compensation between subjects and showed such a disregard for the safety of others as to amount to a crime against the State and conduct deserving of punishment.

That is what happened in this situation; either the member lied or was so grossly and recklessly indifferent to what he was doing that he misled the House. That is one of the problems we face in regard to this matter. It is sad that we have to debate this issue but it is being debated to finality. It is a warning to all honourable members to be very careful, not only in relation to the letters they write and what they say, but also in relation not to jumping into the fray without realising the consequences, because their actions can lead to a censure motion being moved in this House. The honourable member for North Shore might recall that a censure motion was moved against me but I was not given the four or five days that he had in which to prepare. I was given only 20 minutes to prepare in order to refute a serious allegation made against me. It was totally untrue and was proved eventually by the House not proceeding and by what the then Attorney General had to say in exoneration of the situation. I understand what it means to face a censure motion and the stress and strain it brings. It is a warning to all members to be careful about their correspondence. It is a warning to the House that, if a member is going to lie to the House, that member will be caught out. If a member is so indifferent to the consequences of his or her action as to act indifferently in advising the House of the true situation, that member deserves a censure motion such as this.

Mr RUMBLE (Illawarra) [6.54]: I support the censure motion. I am not quite sure if the member in the Chamber is the honourable member for North Shore or the Assistant Treasurer. However, this is a serious matter where the House has been misled. We are not talking of a humble backbencher who has made a statement but of the Assistant Treasurer of New South Wales and, by implication, the Premier. The Premier must have been very gullible and naive, to use the most charitable interpretation one can put on it, when he regurgitated in this House the explanation given to him by the Assistant Treasurer. The explanation given by the Assistant Treasurer was made to this House last Thursday at about 8 p.m. The question arises: why the long time elapse between question time earlier in the morning and 8 p.m? The Assistant Treasurer told the House that if the word "not" were inserted in the sentence in the letter it would more correctly represent his views. If the letter sent to that lady, and signed by Phillip Smiles, were so altered it would read:

Eastern Creek is not a black hole out of which the Government now finds it impossible to climb.

Obviously that type of English is not acceptable. I am sure the honourable member for North Shore did not learn that when he learnt English at school. The Assistant Treasurer stated:

I am prepared to accept that the letter could have been written by a staff member and that I signed it without reading it word for word and without picking up the contradiction. I accept full responsibility.

I believe it is outrageous to make the comment that a staff member might have written it. If I were a member of the Government, even though I was known as a maverick member of Parliament for the Liberal Party, I would find it untenable if a staff member of mine wrote a letter on his or her own volition and put that up to me to sign. Staff members draft letters for members of Parliament but on a sensitive and controversial issue such as Eastern Creek, so far as this Government is concerned, I would find it incomprehensible if a staff member unilaterally wrote a letter for the Minister's signature. I do not know who the Assistant Treasurer is kidding. We all know that he is known as a maverick within the Liberal Party. We know that he most probably put that scenario around at the time of the last State election because he was up against a high profile Independent, the former member for North Shore. Obviously the Greiner Government was on the nose and at that time it was in his interests to portray himself as not toeing the Government line, to be able to put the point of view that, even though he was a Liberal, he was a foremost member for the constituents of North Shore. Most probably in his mind he thought that with that he was able to defeat the previous member for North Shore. Following on from that, he thought that by sending out such a letter to the constituent he was reinforcing the point that he was a maverick member, not realising that he was also the holder of a quasi-ministerial position. The Premier said that the honourable member is not a member of the Cabinet. He is certainly not a backbencher, so he is somewhere in between.

Later that day, when the honourable member did give an explanation, he bobbed up with these extraneous reasons. If he had nothing to hide, why did he not just come back and say that he signed the letter instead of going on with all this business about computers and about the office being broken into? Why did he not come clean and say, "I signed the letter". Why did he not let it go at that and not muddy the waters with these other excuses? By doing that he made a bit of a dill of himself at the press conference. I believe I am quoting the member correctly when he said today that Eastern Creek would be a good investment in the long term, notwithstanding the fact that he signed the letter earlier stating that Eastern Creek is a black hole out of which the Government now finds it impossible to climb. How can one reconcile those two statements? He made a categorical statement on 9th October, referring not to the short term or to the long term but saying that it would be impossible to climb out of this black hole, and now he comes to this House and says it is a good investment for the long term.

To compound the matter, the waters have been deliberately muddied by what were said to be bogus press releases and a genuine letter. The Leader of the Opposition, when he asked his question in the House, did not make any reference to bogus press releases: he mentioned a letter. Obviously, Government members, or those who stayed in the Chamber to support the honourable member for North Shore, wanted to dredge up matters irrelevant to the central motion. The Premier, after he had given his "No, No" answer, returned at the end of question time to attempt to turn the issue back onto the Leader of the Opposition. Part of the Premier's later explanation in the House, after he had given his "No, No" answer, was:

The honourable member advises me that the letter, like the Leader of the Opposition, is a complete fraud. It raises a serious question. This is about the fifth occasion in recent times that people have placed totally fraudulent press releases or letters in the press gallery boxes.

That is a tactic typical of the Premier, when caught out, to attempt to turn the tables by accusing the Leader of the Opposition of fraud. The Leader of the Opposition had a genuine letter. The honourable member for North Shore made the Premier look like a mug. The Premier would not have given that later advice to the Parliament if he had not received it earlier from the honourable member for North Shore. The matter has been compounded by the Premier stating that the letter was a fraud. The House was told also that the honourable member for North Shore took until about 8 p.m. to come into the House to contradict or to make a statement about the true position. The Premier and other Government members said in this House that the honourable member for North Shore had come into the Chamber, given a personal explanation and apologised.

The question must be asked, however: to what extent would those two gentlemen, in particular the honourable member for North Shore, have come clean had the letter not been produced and, moreover, had Ms Niblett not been brought into the press gallery, as I understand, to give her version of the events? They knew that, with those two things operating in tandem, the game was up, that they would have to come clean and let the Parliament know what was going on. The Minister for the Environment said that Mr Profumo three months later in that sequence of events wilfully and deliberately misled the House of Commons. During that day the honourable member for North Shore had the opportunity, at the invitation of the Leader of the House, to come into the Chamber and give an explanation, but that offer was rejected.

Mr Moore: I hope you learn to understand the standing orders a bit better.

Mr RUMBLE: Government members may deny that but before the Minister for the Environment came into the Chamber the Opposition Leader of the House was present and said that that was the case. In other words, well before the tea break on that day the honourable member for North Shore was invited to come into the House

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to give a personal explanation. The Minister for the Environment also stated that he observed the body language of the honourable member for North Shore and that the letter, when tendered, produced in that member a bit of a jolt. The inference could be drawn that the honourable member for North Shore knew that the game was up and that it was time for him to come clean. It should be remembered that the Premier had a part to play because he was the one who misled the House, though on the advice of the honourable member for North Shore. The Premier should apologise for misleading the House and supporting the honourable member for North Shore in also misleading the House.

All honourable members can make inadvertent mistakes. We all make mistakes. The honourable member for Liverpool recited what happened when he was a Minister in the previous Labor Government. Honourable members when found out should own up, not cover up. Last Thursday - I cannot emphasise this enough - the Government moved so quickly because it was flushed out only because Ms Nesbitt came into the parliamentary precincts and the original letter was produced. Only at a very late hour the House was given an explanation. I emphasise again that the honourable member for North Shore could have come into the House earlier to give an explanation but he chose not to do so. An uncharitable view of his inaction could be that he was trying to think up ways and means of covering up the previous comments that were made in this Chamber that misled this House. The honourable member for North Shore put his position as Assistant Treasurer on the line when he told the House that the letter was a fraud. No other interpretation could be made of that statement. The Premier also sneered in the House that the letter as well as the Leader of the Opposition were frauds. There is no getting away from that. Once the Premier did that the position of the Assistant Treasurer was put on the line and he had to come back later and apologise to the House. I wish to refer also to a comment made by the honourable member for Wakehurst in the Chamber that a person is innocent until proved guilty. I am sure that all honourable members agree with that proposition. The point, however, is that the Premier answered "No, No" to a question asked by the Leader of the Opposition.

The Premier, together with the honourable member for North Shore, had 45 minutes to get their act together. My understanding is that the Leader of the Opposition, as generally happens, asked the first question in question time. The Premier returned at the end of question time. The duration of question time is not mentioned in *Hansard* but I understand it would be at least 45 minutes. Then they came back and put up the other proposition about forged media releases being issued, that the letter was a fraud, and so on. I do not think any honourable member would disagree that media releases were fraudulently handed out, but one would be drawing a long bow to link that with the letter. The Opposition says that the honourable member for North Shore should have come clean in the House when the evidence did emerge. The honourable member for North Shore no doubt will say that he did not have an opportunity to do that. The Opposition is assured, however, that the Leader of the Opposition, in the presence of honourable members on both sides of the House, gave an opportunity to the honourable member for North Shore some

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time during that afternoon to come into this House to explain. The honourable member for Ermington said that the honourable member for North Shore would have liked to have made a quick apology. As I said earlier, he had an opportunity to make a quick apology. The honourable member for Ermington said also that any member writing letters to constituents who misled those constituents should resign. I cannot vouch for the correctness of all the letters I have sent to my constituents.

Mr Smiles: Thank you for that admission.

Mr RUMBLE: I said I cannot vouch for all of them.

Mr Smiles: Thank you for that admission. Now wait until one turns up and you, too, face six days of the media.

Mr RUMBLE: The honourable member for North Shore interjects but I would say that most honourable members would find it odd if copies were not kept of letters that were sent to constituents. This is the first time I have heard of a member of Parliament sending a letter to a constituent and not keeping a copy of it in his files.

Mr Smiles: You criticised me for that explanation earlier.

Mr RUMBLE: When mistakes are drawn to our attention generally we own up to them. Of course, this is the whole crux of the matter that we are debating. The honourable member for North Shore deliberately delayed giving this House an explanation. The implication of that is that the honourable member was trying to think up excuses -

Mr SPEAKER: Order! I draw the attention of the honourable member for Illawarra to the fact that this is the fourth time he has canvassed this matter. If he continues in that vein of tedious repetition I will have to ask him to resume his seat. He should turn to some new material.

Mr RUMBLE: Mr Speaker, which part are you referring to?

Mr SPEAKER: The honourable member for Illawarra said that the honourable member for North Shore should have been able to bring this matter to the attention of the House earlier. I have distinctly heard him saying that four times already.

Mr RUMBLE: The honourable member for Cronulla, another lawyer on the Government benches, tried to muddy the waters. He mentioned the problems concerning the press releases and he referred to bodgie releases that were issued. We have acknowledged that, but the matter we are discussing is the letter. The Premier said that he had known the

honourable member for North Shore for 25 years and he had never known him to have told a lie. Is this one of the reasons why the
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Premier does not like the honourable member for North Shore or is it one of the reasons why the Premier is reputed to have said that he would never become a member of the Cabinet? Obviously, the Premier should come into this House, state his views and explain why he also misled the Parliament. The Premier did say that the letter was a complete fraud. I would have thought that the Premier would have been in the Chamber all afternoon.

Mr Moore: Where was the Leader of the Opposition who moved the motion? He was a coward. He wimped out.

Mr RUMBLE: The Leader of the Opposition is not on trial; the Premier and the honourable member for North Shore are on trial. I would have thought that the Premier would have been in the Chamber. As an earlier speaker said -

Mr SPEAKER: Order! The honourable member has exhausted his time for speaking.

Mr KNIGHT (Campbelltown) [7.14]: Originally I was not going to speak in this debate because I confess that I actually like the honourable member for North Shore. He is an engaging and interesting character. I recall one memorable occasion when the Minister for the Environment organised a breakfast at the zoo. My family shared a table with the honourable member for North Shore - or the honourable member for Mosman as he was then. I thought at that time that any man who put orange juice on his rice bubbles was the sort of eccentric that the New South Wales Parliament needed. The honourable member for North Shore is a person who is prepared to say what he thinks. It was interesting to hear about his relationship with the Premier. I was intrigued when the Minister for the Environment interjected a few moments ago and suggested that certain members of the Opposition were wimps. One of the nicest things I remember about the honourable member for North Shore is the occasion when Frank Walker was trying one day to source a comment that had been made around the press gallery by a member of the Liberal Party suggesting that the then Leader of the Opposition, Nick Greiner, was a wimp. The consensus in question time was that the person responsible was the honourable member for North Shore. The honourable member for North Shore loudly interjected and said that he was not guilty and that he would never have said anything that mild about Nick Greiner; what he said in fact contained several expletives.

Notwithstanding the engaging nature of the honourable member for North Shore, I, a number of members of this side of the House, and a number of people in the press gallery, like him. However, a much more serious issue is at stake - the question of the responsibility of the honourable member for North Shore and the even greater question of the responsibility of the Premier. Will they face up to their responsibilities? Throughout this debate the Government has put up a number of straw persons and then demolished them. The Government has tried to sidetrack the issue by asking whether or not Eastern Creek is a good thing. It is rather hard to

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defend Eastern Creek, but by shifting the argument into an argument about Eastern Creek the Government has diverted attention from the central issue. We have heard statements about whether the word "not" should have appeared in the letter that the honourable member for North Shore now acknowledges he sent. The central question is: did he or did he not mislead the House? If he misled the House, as everyone in this House believes, was it accidental? Was it something that happened and, as soon as he realised his mistake, did he try to correct it? Was it a more devious and active misleading of the House which he sought to cover up and correct in some form only when there was no alternative?

This misleading of the House was not something where the Assistant Treasurer was caught on the hop by a question asked by the Opposition; tried to reply; fumbled and got it wrong. He had 45 minutes' notice of this matter. So he not only had ample opportunity to quiz the Premier and his colleagues in the House to find out the substance of the allegation that was made against him; he also came back into this Chamber, gave a false statement to the House and sought to move a motion attacking other persons. Indeed, he conspired with the Premier to come into this House and attempt to attack the Leader of the Opposition in a most undignified fashion. That is what happened and that is where the honourable member for North Shore is in error. He conspired with the Premier not to come into the House and give an apology and not to explain the truth of what was going on. The Premier made a pathetic attempt to kick heads. In fact, the Premier, in attempting to kick heads, fell on that part of his anatomy which the honourable member for North Shore had persistently refused to lick in the past because he had been passed over for promotion. That is the real issue here. Who will take responsibility - the honourable member for North Shore for what he did with malice and forethought, or the Premier for his failure to act on this indiscretion, in which he was an active and conspiratorial party?

Mr CARR (Maroubra), Leader of the Opposition [7.20], in reply: Two issues stand out as a result of this debate. First, there is the issue of Eastern Creek itself - white elephant or black hole, take your pick . . . but either way a symbol of Greinerism. Whether honourable members like it or not, Eastern Creek is now entrenched, thanks to the assistance of the Assistant Treasurer, as a great public symbol of Greinerism. The second issue is the deceit of the Minister misleading the House and the implications of that misleading. In this debate there has been no rebuttal of that principle or its applicability in this case. No detailed review of the facts is required; they have been combed over thoroughly. But one is compelled to comment, first, on the flat assertion by the Premier on 24th October: "The honourable member advises me that the letter, like the Leader of the Opposition, is a complete fraud". The Premier was saying to the House, "The letter is a complete fraud because I have been advised of that by the honourable member". The second thing that stands out is that the honourable member had the better part of 45 minutes - the period of question time - to read the letter.

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In that miraculous press conference - the press conference of nine excuses trotted out one after the other - the honourable member had no justification for dragging out the argument that he was confused and befuddled about whether it was a press release or a letter. He had 45 minutes to read the thing. The argument that he was confused because he had not recovered from showing a party of schoolboys around Parliament House was about as convincing as the excuse that the computer came down, the hard disk vanished, the office had been burgled - honourable members will recall that the staff were blamed - the secretary made a mistake, and so on. The honourable member for South Coast said it all. He summed it up adequately when he said in a short but pointed intervention in the debate, "Yes, I believe the Assistant Treasurer did mislead the House", and: "His explanation, or explanations, are not credible. He did mislead the House, and his explanation for misleading the House was at no time - in the press conference or in the explanation in the House - credible". The honourable member for South Coast said, "In its totality the position of the Assistant Treasurer cannot be accepted". I have quoted the honourable member for South Coast at some length because he has been a member of this Chamber for some time.

As I said in my speech when moving the motion, last week the honourable member for South Coast went on the record saying: "I saw him speak twice in Parliament. In my view he lied the first time. He tried to cover it up and obfuscate the second time". In those two quotations, the first from his speech today in the House, the second from his contribution last Friday to the media, the honourable member for South Coast summed it up. Whatever way one looks at it, the Assistant Treasurer misled the House, and his explanation for so misleading

the House is not credible. That is the final word on the whole soggy saga, the final word on this latest episode in the adventures of Phillip Smiles. I am sure there will be more to come. This is only a curtain raiser. Down the track there will be more misunderstandings, more explanations. One thing is certain: if he survives today, the controversy down the track will follow him. He will be like that character in "Li'l Abner" with the black cloud perpetually over his head. Nothing is more certain.

Last week I said that the excuses of the honourable member for North Shore reminded me of the schoolchild's whinny of complaint, "The dog ate my homework". Today his speech reminded me of something else - another schoolchild excursion, "What I did on my holidays" - because from the honourable member we had everything except an adequate explanation of his performance as Assistant Treasurer. Honourable members heard, would you believe it, an economic justification of Eastern Creek from the Assistant Treasurer, as if it were relevant to this matter. He dropped two excuses that he trotted out last week - blame on the staff and the collapsed computer. Thankfully, honourable members were spared a rerun of those excuses. As Paul Mullins commented tonight on Channel 10, it was "an unconvincing rambling performance".

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Honourable members should remind themselves again of the essential point. The honourable member for North Shore sat on the treasury benches for 45 minutes consulting the letter that had been circulated and still insisted to the Premier that the letter was a fraud, emboldening the Premier to make his imputation against me of dealing in a fraudulent item of correspondence - for which there has been no apology. The honourable member persisted with his explanation - a terrible apologia recorded in *Hansard* - and his speech on a point of privilege. The honourable member has put forward the lamest possible defence. The guarantee underlying it all is that this will not be the last controversy surrounding the honourable member; they will continue, if he survives this day, so long as he holds ministerial office for this reason: like the rest of this Government, he has no character; he has no respect for this institution; and he has a narrow view of politics and public affairs that is based on the arid managerialism that the Greiner Government has come to represent. An arid managerialism does not accommodate a respect for this institution or for the traditions of the House. That is what this whole affair represents. It is the revelation contained in the Smiles affair, or the latest manifestation of the Smiles affair.

Mr Smiles: I apologised for my mistake. You do not apologise.

Mr CARR: I have nothing to apologise for. The honourable member has been caught out appallingly. So long as people are interested in this institution, they will play a cassette tape of the honourable member's press conference. No performance by W. C. Fields or Harpo Marx will rival that; one after the other the honourable member constructed the excuses like obstacles on an obstacle course. He set them up and his audience roared with laughter at him and his appalling, incredible, characterless performance. But what a symbol he is of the Government of which he is part. Like him, the Government has no character, no principles and no respect for this institution, just the Master of Business Administration, Harvard babble that has characterised and condemned this Government from day one, but has worn out its welcome with the people of New South Wales. If the honourable member has done anything, he has entrenched Eastern Creek as a symbol of the rottenness, gullibility and foolhardiness of the Government of which he is a part for this moment but may not be later this evening. One thing is certain: when this Government goes down, as it inevitably will, people will talk of the contribution the honourable member for North Shore made to its demise.

Question - That the motion be agreed to - put.

The House divided.

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Ayes, 48

Ms Allan
Mr Amery
Mr Anderson
Mr A. S. Aquilina
Mr J. J. Aquilina
Mr Bowman
Mr Carr
Mr Clough
Mr Crittenden
Mr Doyle
Mr Face
Mr Gibson
Mrs Grusovin
Mr Harrison
Mr Hatton
Mr Hunter
Mr Iemma

Mr Irwin
Mr Knight
Mr Knowles
Mr Langton
Mrs Lo Po'
Dr Macdonald
Mr McManus
Mr Markham
Mr Martin
Mr Mills
Ms Moore
Mr Moss
Mr J. H. Murray
Mr Nagle
Mr Neilly
Mr Newman
Ms Nori

Mr E. T. Page
Mr Price
Dr Refshauge
Mr Rogan
Mr Rumble
Mr Scully
Mr Shedden
Mr Sullivan
Mr Thompson
Mr Whelan
Mr Yeadon
Mr Ziolkowski

Tellers,
Mr Beckroge
Mr Davoren

Noes, 48

Mr Armstrong
Mr Baird
Mr Blackmore
Mr Causley
Mr Chappell
Mrs Chikarovski
Mr Cochran
Mrs Cohen
Mr Collins
Mr Cruickshank
Mr Downy
Mr Fahey
Mr Fraser
Mr Glachan
Mr Graham
Mr Greiner
Mr Griffiths

Mr Hazzard
Mr Jeffery
Dr Kernohan
Mr Kerr
Mr Longley
Ms Machin
Mr Merton
Dr Metherell
Mr Moore
Mr Morris
Mr W. T. J. Murray
Mr Packard
Mr D. L. Page
Mr Peacocke
Mr Petch
Mr Phillips
Mr Photios

Mr Rixon
Mr Schipp
Mr Schultz
Mr Small
Mr Smiles
Mr Smith
Mr Souris
Mr Turner
Mr West
Mr Windsor
Mr Yabsley
Mr Zammit

Tellers,
Mr Beck
Mr Hartcher

Pair

Mr Tink
Mr Gaudry

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Mr SPEAKER: Order! The numbers being equal, in accordance with principles established by previous Speakers I cast my vote with the noes, and the question so passes in the negative.

Motion negatived.

APPROPRIATION BILL

BUSINESS FRANCHISE LICENCES (PETROLEUM PRODUCTS) AMENDMENT BILL

MOTOR VEHICLES TAXATION (AMENDMENT) BILL

PUBLIC FINANCE AND AUDIT (NET APPROPRIATIONS) AMENDMENT BILL

ROAD IMPROVEMENT (SPECIAL FUNDING) AMENDMENT BILL

Second Reading

Debate resumed from 23rd October.

Mr SCULLY (Smithfield) [7.38]: This is the last budget of the Greiner Government, and it is a sick one. Honourable members would have seen media reports recently that Moody's will review the Government's triple-A credit rating, and rightly so. According to Budget Paper No. 2 the total net debt is alleged to be \$21.5 billion, or 16.2 per cent of gross State product. The reality, as the Government knows, is that the total net debt is \$23 billion, or 18.5 per cent of gross State product. In one year the State net debt has increased by \$2 billion. Government members have often spoken fondly of the triple-A credit rating, and again rightly so. Labor had that rating for 12 years and it was our legacy to the coalition.

Mr lemma: It is looking pretty sick.

Mr SCULLY: It is looking pretty sick, as the honourable member for Hurstville points out. The Premier now has to face the ire of the international investment community in assessing whether or not the triple-A credit rating will continue. One must consider how the Premier defines politics. He defines politics as public finance, beginning and end. Those two words are his definition of politics - public finance. The Premier's political performance must be assessed on his own territory, on public finance. His performance does not necessarily have to be assessed on that basis, but for the purpose of this exercise let us assess the

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Premier's record in New South Wales on his own turf. Last week the proposed privatisation of the GIO was debated. At that stage I thought that if the sale did not proceed, the triple-A credit rating of New South Wales would be lost. The Opposition took the responsible view that, as it will be forming Government in the next few months, it did not want to be left with the legacy that will be left to it by the present administration. The Opposition wanted the economy to be at least a little healthier. The Opposition reversed its philosophical opposition to the sale of the GIO. We thought: all right, we will cop it. The Government has mismanaged the economy so badly that it has put the Opposition in a no-win situation. The Opposition cannot maintain its philosophical opposition to the privatisation of one of the State's most important assets. We had to support the sale of the GIO to maintain New South Wales' triple-A credit rating.

Harold Wilson said that a week is a long time in politics. One week later we are now told that, even if the GIO is sold for \$1.7 billion, the triple-A credit rating may still be lost. So the Premier on his own definition of public finance, beginning and end, is a failure. The Budget leads to no other conclusion than that New South Wales is bankrupt. The cupboard is bare and the Premier is the Alan Bond of politics. When he goes to London to join Neil Pickard in a swanky job trotting around the investment houses, he will not have to face the ire of the people of New South Wales. He will leave the Opposition as the Government in waiting, waiting to pick up the pieces. I have looked through some of the capital works programs outlined in the Budget. Although the State's finances are not healthy, the Government still has a reasonable amount of room to manoeuvre when allocating dollars. Times are as bad as they could ever be. I could not imagine how the Government could make the situation any worse than it is. When I examined how the Government has allocated capital works projects I was flabbergasted. Throughout the capital works projects there is an outrageous emphasis on government electorates and rural electorates. For members on the Government side of the House to suggest that that sort of thing happened only during the Wran years is a complete nonsense. Government members always criticised the Labor Government for doing the wrong thing when it was in office; but, now that it is in office, it does the things it said the Labor Government should not do. I ask Government members to show me if and where I have got it wrong. Unless I have misread the Budget Papers in regard to the allocation for roadworks, hospital construction - all kinds of things involving capital works projects - all the emphasis is on Government electorates and not on Opposition electorates.

Mr Fraser: What about western Sydney?

Mr SCULLY: I will come to Eastern Creek.

Mr Fraser: What about the hospitals in western Sydney?

Mr SCULLY: The honourable member for Coffs Harbour will hear about that. I have an interest in the environment and I wish to refer to the Government's

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record in that regard. During the past three years the Leader of the House has fought hard to build up a reasonable record with the environmental community. He has spent about three years trying to convince the environmental community that he had good credentials in that area. What happened? The Premier threatened to give control of the environment portfolio to the National Party. That was the worst possible thing he could have thought of doing.

Mr Fraser: The National Party has been looking after the environment for the last 50 years.

Mr SCULLY: That is nonsense. The environment portfolio should not be given to the National Party. One could not possibly think of doing so. The Premier even thought of giving responsibility for national parks to a National Party Minister. The first law of politics must be not to let the National Party near the Treasury or the environment. However, the Premier faltered. I do not know what pressure he was subjected to in Cabinet. I know he backtracked a bit and

gave responsibility for national parks to the Minister for the Environment, but the Government is now as popular with the environmental movement as is the French secret service with Greenpeace. The Minister for the Environment is out on a limb. The Opposition always suspected that, but the honourable member for Davidson, Terry Metherell, confirmed that. Eastern Creek is interesting. I suppose the Premier's promise in relation to Eastern Creek is similar to promising that the cheque is in the mail. Initially he claimed Eastern Creek would cost New South Wales only \$2 million. The figure then became \$75 million. It then became \$80 million. It then became \$82 million, and the Opposition anticipates it will be in excess of \$92 million. I ask honourable members to look at the other promises made by the Premier. He promised that there would be no government misuse of advertising, no jobs for the boys, that there would be a surplus this year and next year and that the GIO would not be sold. However, the best promise still has to be the promise he made in relation to Eastern Creek: that it would only cost \$2 million.

Mr Fraser: What did Darling Harbor cost?

Mr Souris: What did Darling Harbor start out at? I can tell the honourable member that it started at \$200 million and ended up at \$2 billion.

Mr SCULLY: If the Minister wants to debate Darling Harbor, we can do that on another occasion. Commissar Souris has the responsibility for nationalising -

Mr Souris: Let us debate it.

Mr ACTING-SPEAKER (Mr Chappell): Order! Discussion will be addressed to the Chair, not across the table.

Mr SCULLY: This dill across the table wants to talk about -

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Mr Souris: On a point of order. Mr Acting-Speaker, I am opposed to that reference and I ask you to direct the honourable member for Smithfield to withdraw it. It is an insult.

Mr SCULLY: Without question I withdraw any implication that the Minister is a dill.

Mr Souris: The withdrawal should be unreserved.

Mr SCULLY: It is an unreserved withdrawal that he is a dill. What more does the Minister want? The real deficit is \$2 billion. The financial myth created by the Premier has been exploded. I am glad the honourable member for Wakehurst is in the Chamber. He is a gentleman. I did not hear his maiden speech but I read it with interest.

Mr Hazzard: Did you agree with it?

Mr SCULLY: No, I cannot say I did.

Mr Hazzard: Did you like it?

Mr ACTING-SPEAKER: Order! Debate will be conducted through the Chair and not across the table.

Mr SCULLY: The maiden speech of the honourable member for Wakehurst developed the whole concept of the Ayn Rand philosophical point that the Minister for Sport, Recreation and Racing and Minister Assisting the Premier and the honourable member for Wakehurst wish to follow. This Government has presented itself as a good manager and has been concerned

with developing nothing other than economic indicators. The problem for the Liberal Party, and I think the honourable member for Wakehurst will be interested in this -

Mr Fraser: No one else is.

Mr SCULLY: The honourable member for Coffs Harbour is listening. He does not have to stay in the Chamber. He can go and get drunk or get his snout in the trough like his National Party mates. If the Liberal Party is not successful in economic management, it has lost its rationale for government. The Liberal Party has no other agenda.

Mr Fraser: You have one.

Mr SCULLY: The Opposition does have an agenda. That interjection shows how ignorant the honourable member for Coffs Harbour is. He knows full well that the Opposition has an agenda. We have a policy on almost every aspect

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of government. The National Party does not. The only policies the National Party has are on white cars, keys, chauffeurs, superannuation and the old snout.

[Interruption]

Mr ACTING-SPEAKER: Order! Discussion across the table will cease and will be addressed to the Chair.

Mr SCULLY: Earlier the honourable member for Coffs Harbour spoke about this Government being good to the people of western Sydney. That is where we return to Eastern Creek - the old white elephant. I am glad the Minister for Sport, Recreation and Racing and Minister Assisting the Premier is present in the Chamber. Hopefully the Minister has read a recent press article by Alan Kennedy. The Minister should listen to this with interest. It stated:

The walls have tumbled down in Eastern Europe, socialism is dead, a new day has dawned.

Except at, the now ironically named, Eastern Creek....

Great Socialist leader Comrade Greiner has decided that governments should be involved in motor racing. And if it costs \$80 million, maybe even \$100 million, then what the heck . . .

This week, poor old Comrade Greiner handed the Minister for Planning the Great Leap Backwards, Commissar Robert Webster. . . the Eastern Creek People's Raceway was fast-tracked when it didn't need to be.

The rush into this was simply a disgraceful tacky grab at the dispute over tobacco sponsorship. Look at the hypocrite! This Minister for Sport is criticising the Victorian Government for backtracking on its approach to tobacco sponsorship when it was this Government that jumped on the dispute in the first place and fast tracked it.

Mr Souris: And gave a \$2 million guarantee.

Mr SCULLY: Mr Minister, the fast tracking of Eastern Creek Raceway was typical of this Government's approach to any development. Mr Kennedy asked why, if we were to have an international raceway, the Government did not do it properly, establish a committee, send people overseas and have a decent track built. Mr Kennedy stated:

From being almost a replica of the fast-flowing, exciting Phillip Island to being a Mickey Mouse track with too many constant radius and first-gear corners.

They boast sensational sponsors areas and a good press room. Sadly, the garages are too narrow and not deep enough to satisfy a Formula One team. If you don't believe me, go and look at what Adelaide or other F1 tracks for that matter provide.

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Then they had the novel idea of putting the pit lane below the track. It's impossible to stand outside your garage, as team bosses love to do, and see their cars go past.

The signalling pits are now up the track east of the control tower. Great idea, specially when it rains or when the team bosses' two-way radio goes on the blink.

The track has no licence for Formula One cars nor, do I believe, will it ever get one . . . as the People's Track becomes a reality, and white elephant is the word tripping lightly off most people's lips, Sports Commissar George Souris has to find some uses for it.

I reckon with \$30 million I could fix Eastern Creek.

What an indictment of the Government. This Minister is trotting around the city trying to give the pretence that Eastern Creek is something of value to western Sydney. Clearly it ain't. The people who are telling us that Eastern Creek is good for western Sydney are the honourable member for Upper Hunter, the honourable member for Ku-ring-gai or Hornsby -

[Interruption]

Mr SCULLY: I do not mind talking about this because not one of my constituents has ever said to me that they want Eastern Creek. We want expansion of our hospitals, more teachers -

Mr Fraser: You are getting it.

Mr SCULLY: We are not getting that. The honourable member for Coffs Harbour is all right because he got in at a by-election with an outrageous list of promises and is getting great roads, hospitals and schools built on disgraceful largesse, such as only the National Party has perfected. The honourable member's electorate is close to Queensland. He knows what the National Party used to do in Queensland. Good old Premier Joh used to say: "If you return a candidate for the National Party, it will be snouts in the trough for as long as that member is in there". He used to live up to that reputation. He said: "If you do not elect a member of the National Party, you get nothing" and that is exactly what happened. The honourable member for Coffs Harbour is close to his Queensland National Party colleagues so he should not tell me that we are receiving a fair deal in western Sydney. The Minister smirks and says I should be embarrassed about bagging the Eastern Creek Raceway. I am proud of bagging it. It should never have been built and, Minister, you can laugh. Honourable members on the Opposition benches saw the Minister laugh. He thinks it is a joke, for \$90 million! We wanted to have a choice in how that money was spent. Why did the Minister not come out to western Sydney and say to the people: "Here is \$90 million. We are going to chuck it away. Do you want to wash it down the drain or do you want to build something?"

[Interruption]

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Mr SCULLY: Down the black hole. It was a sick joke! The modern day snake oil merchant is this Mr Barnard. He displayed his charm before the Minister. They thought, "Yes, we will believe him".

Mr Souris: How many western Sydney supporters were there over the weekend?

Mr SCULLY: I would like to see the statutory declarations. I ask people across the length and breadth of my electorate and almost to a man, woman and child they say: "Blow Eastern Creek. We do not care about it. We do not want to visit it. We are not interested in motor racing. We want the resources. We want teachers, hospitals, roads and police".

[Interruption]

Mr ACTING-SPEAKER (Mr Chappell): Order! The Minister will respond at a later time.

Mr SCULLY: It is a gross embarrassment for the Government.

[Extension of time agreed to.]

It amuses me that the Minister must be similar to the Minister for Health Services Management. The Premier said to him: "You are a young lad with promise but you have got the short straw. I tell you what. I will soften it up. We will give you the trips; we will give you the car. You will have the Olympic bid, you will have some fun but you have to justify Eastern Creek". So he justifies it with a big smile and a laugh. I do not know whether he has used the words used by Minister for Planning and Minister for Energy. That Minister used the words "This is good news for western Sydney". If the Minister for Sport, Recreation and Racing and Minister Assisting the Premier ever says that in this House he must be prepared to cop the consequences of the ire of all honourable members and the electorates of western Sydney and the loss of Camden and Badgerys Creek. The honourable member for Camden is in the Chamber. I shall be interested to hear what her constituents feel about being denied their basic services and having all those dollars washed down the drain at Eastern Creek. For the past three and a half years the Premier has announced what he perceives to be the good news. Surprise, surprise! This item of good news is announced by Minister Webster, not the Premier. I shall be watching you very closely, Minister Souros.

Mr Souris: Souris.

Mr SCULLY: I shall move on from Eastern Creek to something of a more local nature, the downgrading of some services in my electorate. First I shall mention hospital services. Fairfield District Hospital was built, thankfully, after decisions made by the former Wran and Unsworth administrations. This

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Government took the credit. It opened it and said, "Aren't we great. We have opened a hospital in western Sydney". What did it do? Firstly, ophthalmic services were transferred to Liverpool Hospital. We copped that on the chin. Then neurological services on the weekend were transferred to Liverpool Hospital. We were told Liverpool Hospital was going to be a great teaching hospital and we copped that to a certain extent. It upset some of my constituents. I said: "All right, it is okay. It is nice to be parochial. You want all the resources in your electorate but let us be a little more regional. Let us look at the resources within southwest Sydney. I do not want to be too parochial". I did suspect it might have been a budget fiddle. However, I was prepared to give the Government some credit in stating it would upgrade Liverpool Hospital to a teaching hospital standard.

Mr Irwin: That was a mistake.

Mr SCULLY: It was, as I found when the honourable member for Davidson defected. He told us the truth. The Premier conceded that the money allocated to build up Liverpool Hospital as a full teaching hospital had no hope of meeting construction targets. We were hoping that at least we would have a decent regional hospital at Liverpool and now we are told we are not even going to get that.

Mr Irwin: A packet of bandaids.

Mr SCULLY: That is exactly right. Consider the helicopter services at Fairfield District Hospital. Do honourable members know what happens at present when a helicopter has to land overnight in an emergency? They will not believe what happens.

Mr Downy: Does it land?

Mr SCULLY: I am glad the honourable member asked that. The staff have to go into a paddock in their cars and turn on the car lights so that the helicopter pilot can see where to land. That is reprehensible. When I heard it I could not believe it. Minister Phillips said that was okay because the local Lions Club conducted some chook raffles, did a bit of fund raising and will be providing the night lights for the helicopter. How many times will fund raising be left to local community organisations? I laud the efforts of members of the Fairfield Lions Club for getting off their butts and working hard as they do in electorates across New South Wales. This was a worthwhile community project and the club raised \$6,000 or \$7,000 for the night lights. I had never thought of those organisations raising funds for government instrumentalities. I had regarded them as best serving in fund raising for non-government organisations. The Government does not provide services to the hospital in my electorate but leans on local community organisations to provide the bandaids for the services it refuses to provide.

The other matter I should raise is beds to the west. In the earlier debate honourable members might have heard that the Premier is sick. I honestly believe

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that he has so bastardised the words "truth" and "lie" that we cannot believe him. The Minister for Health Services Management was given his riding orders. He was asked whether he wanted to take the ministerial spot or do the dirty work on hospitals. He accepted his riding orders. The promise of beds to the west is not believed. I know that the Chief Secretary and Minister for Administrative Services and the honourable member for Camden do their honourable duty to their parties and argue that beds will still go to the west. But the facts are that the Government's program to cut back expenditure on health services will reduce the number of beds in New South Wales from 21,000 to 17,500 over 10 years. I do not believe the promise that a closure of resources in the inner part of Sydney and elsewhere in New South Wales will result in beds going to western Sydney. Where will that happen? I agree it is the best thing. Who could argue with the principle of transferring resources to where they are needed? No matter to which party they belong, members will agree with that policy. But I do not believe the promise.

Mr Photios: Get behind the policy.

Mr SCULLY: I do not believe the Government. It has lied about so many things that its promises must be taken with a grain of salt. The people of New South Wales do not believe the promises and are eager to put coalition members on this side of the House.

Mr J. J. Aquilina: It will happen in a couple of months.

Mr SCULLY: It will only be a couple of months. Consider the promise that there was to be no reduction in the number of jobs. Recently I addressed a meeting of about 200 nurses at Westmead. They were not too impressed. When they took on the three years of training they were given an indication that they would have jobs, but then were told that they had not lost a job because they had never had one. That did not impress them. My colleague the honourable member for Riverstone well knows the problems with the western Sydney area assistance scheme. I acknowledge that the honourable member for Coffs Harbour did some work in an endeavour to get the Premier to honour his promise to set up an area assistance scheme on the far North Coast. What happened? In July that proposal was abolished and then it was brought back. We asked about pickups. That was another backdown. We were told that we

would be given pickups for existing projects. Then we asked about new projects. Again the Government backed down and there was a huge blue. The Government said that money would be allocated for new projects under the area assistance schemes.

I have been asking the Minister for some time about the allocation of supplementary funds for new projects. The honourable member for Coffs Harbour does not care about his area assistance scheme. He is not worried that Treasury officials have told the Department of Planning that when the new projects funding has expired after two years no further funds will be allocated. The member should not kid himself that his neck of the woods will be getting a great new scheme.

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Instead of area assistance schemes getting seeding funds to provide much needed infrastructure in areas of New South Wales that suffer from a host of characteristics that are peculiar to them, they will no longer receive those funds. That is the purpose of the area assistance scheme. If honourable members opposite do not understand that, they should read about it. The purpose is to provide seeding funds to diminish some of the disadvantages suffered by a lot of areas of New South Wales, particularly those in western Sydney. Those funds are picked up by the Department of Planning after the two-year funding has cut out. If supplementary funds are not allocated, the scheme is completely different from what was originally intended. Organisations in my electorate are screaming for funds. What does the Minister do? He does nothing. He simply hopes it will all go away and people will not realise what has happened.

[Interruption]

Mr SCULLY: The member for herbariums interjects. In his contribution to the budget debate he said he has a herbarium in his electorate. How many government members have herbariums? Have any members of the Opposition got herbariums in their electorates? We have been singularly unsuccessful. We want herbariums in our electorates! When will we get them? This is an outrage. What contact has the honourable member for Ermington got in the Government to enable him to get a herbarium? I demand one. He is a disgrace and should resign. He is the only member of this House that I know of who has a herbarium in his electorate. He walks around with great pride. On a serious note, the honourable member for Ermington would know well the F4 Freeway. There are no herbariums along that freeway, just misery. He might well smile. Once again we have been told that the F4 Freeway is good news for western Sydney. I can almost hear Minister Webster's words. He should speak to the people who have to pay the toll.

Members opposite do not have electorates in which the people are hurt. People in their electorates are quite comfortable. They think: what is a buck fifty toll each way? Who cares? What is 15 bucks a week or 30 bucks a week? They should talk to the people of western Sydney. The Premier has acknowledged that the tollways are part of the reason why he lost the seat of Parramatta and the seat of Penrith. But in his own inimical style he bulldozed that proposal through. How can the Opposition finance the abolition of the tollway? I have one thought in mind: why not return the tollway to the Berowra freeway? Why not put a special noise board levy on those people in northern Sydney who got those beautiful noise boards along the Berowra freeway? Why not impose an environmental style levy on those people so that they can contribute to the cost of the F4 tollway? We will abolish the tollway. In my electorate funds have not been provided for the much-needed works on The Horsley Drive between Mimosa Road and Ferrers Road where \$10 million is needed. Minister Souros drove along Ferrers Road.

Mr Souris: It is Souris.

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Mr SCULLY: Minister sewers -

Mr Hazzard: On a point of order.

Mr Downy: Sit down.

Mr Scully: I do not have to sit down when a point of order is taken.

Mr ACTING-SPEAKER (Mr Chappell): Order! The member for Wakehurst has the call on a point of order.

Mr Hazzard: I ask that the honourable member for Smithfield be directed not to use offensive or unbecoming language, as referred to in Standing Order 151. I am sure as a gentleman of the House he would like to comply with the standing order.

Mr Scully: I can assume only that the honourable member misinterpreted or misheard what I said.

Mr ACTING-SPEAKER: Order! I do not think he did. I heard clearly what the honourable member said.

Mr Scully: To any extent that there was a misunderstanding, I did not intend it to sound that way and I withdraw.

Mr ACTING-SPEAKER: Order! Does the honourable member withdraw the comment unreservedly?

Mr Scully: Yes, I do. Another impost is the environmental levy on western Sydney, which is of no value to the people of that area. They pay \$80 a year only to see -

Mr ACTING-SPEAKER: Order! The honourable member has exhausted his time for speaking.

Mr DOWNY (Sutherland) [8.9]: I take this opportunity to congratulate the Premier, Treasurer and Minister for Ethnic Affairs on the Government's fourth Budget. All commentators have passed favourable comment on it, unlike some members opposite, particularly the honourable member for Smithfield who seemed to spend the last 30 minutes doing nothing but insulting Government members. Given the Federal Government's policies that have led to the recession we had to have, and given the shift in demographics and the narrowing of the Government's revenue base, the Budget is tailored to the times in which we live. The criticisms made by members of the Opposition are hollow indeed. No political party can afford to ignore the pressures being brought to bear on government institutions in this State. No political party can afford to ignore the pressures that are being brought to bear

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on government institutions in this State. First I refer to a couple of comments made by the honourable member for Smithfield. He made great play of the deficit in this Budget. Maybe we should remind the honourable member for Smithfield of the \$46 billion deficit that the Labor Government left for us to clean up, because it has been a long time since we have talked about the deficit left by the Labor Party when it was unceremoniously dumped in March 1988.

Mr Scully: That's a lie.

Mr DOWNY: Who is lying?

Mr ACTING-SPEAKER (Mr Chappell): Order! I call the member for Smithfield to order.

Mr DOWNY: We should also remind the honourable member for Smithfield and other members of the Opposition that it is pretty obvious from speeches that they delivered in this place on the Budget that they have not even read the Budget Papers. The last paragraph of page 15 makes quite clear what this Government has achieved, namely, a reduction in the debt servicing ratio. That is the most important thing because, by reducing the debt servicing ratio, more money is made available for expenditure on the community. I will speak further on that when I talk about what has been given to my electorate of Sutherland in the three years that the Greiner Government has been in power. The debt servicing ratio has declined from 12.5 per cent in 1987-88 to 10.3 per cent this year. That is a most significant figure. What is needed in this State is responsible financial management. The problems we face will not evaporate overnight and it is important that the budget strategy which has been outlined by the Premier and Treasurer be implemented.

If we look at some of the revenue pressures facing this Government, the problem with the economy is obvious. We have had a declining property and share based revenue of \$519 million. We have had cuts in Commonwealth general revenue grants of \$685 million. At the same time, this Government is facing expenditure pressures brought about by, first, the legacies of previous administrations, particularly the Labor Party in its 12 years in office; second, the effects of the recession, once again brought about by the Federal Labor Government; and, third, what is most important and not often talked about by the Opposition, the demographic shift in population in this State. Let us look at some of those expenditure pressures. First, over \$364 million has been paid in compensation for staff redundancy; \$280 million has been spent on superannuation payments; the school student transport scheme will cost \$64 million this year; and, most importantly, as a result of the most misguided policy that was ever introduced by the Labor Party, unfunded third party motor vehicle claims will cost the taxpayers of this State \$1,400 million.

As I said at the outset, it would be very easy for any government to take politically palatable options. However, we would be selling this State and its people
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down the drain if we took that step. The whole purpose of the Government's Budget is to ensure responsible financial management for the State. As Budget Paper No. 2 points out, it is essential to maintain confidence in the State's financial management. Only then will living standards be protected and enhanced. Once again we had the honourable member for Smithfield talking about Moody's and its decision to place this State on credit watch; it has not downgraded us yet.

Mr Scully: It will.

Mr DOWNY: I doubt that it will. The honourable member obviously has not read the statement put out by Moody's yesterday. It is worth reading. One of the reasons given by Moody's for its action is the political instability of the State. Who is causing the political instability in this State? The Labor Party and four of the five Independents, every time there is the smell of a crisis, go down to the press gallery on level 6 and try to get in a cheap story. I will read what the press statement issued yesterday said of the triple-A rating, which puts Moody's position into perspective:

. . . the review is motivated by New South Wales' current financial position and future borrowing requirements in light of the deterioration of the state's revenue base experienced in recent years -

The Government has admitted that the revenue base is deteriorating. It continues:

- and the potential for continuing weakness in the state's budget results; the negative outlook for various revenue items, including those affected by the condition of the property market and those stemming from the Commonwealth; and the impact of the ongoing recession in the national economy. The ratings agency's action is also the result of concern over the large degree of political uncertainty confronting the present coalition government, which will ultimately affect the direction of the state's economic policy.

Reading between the lines, one could suggest that Moody's is saying that the last thing it wants is for the Labor Party to get back in. It raises the question of what will happen if the Labor Party gets back in power in this State and whether the responsible economic direction of this Government will dissipate overnight. The report goes on to say:

Given the recent budget initiatives, Moody's review will evaluate the further ability of the state to overcome these negative trends without damage to its creditworthiness.

Finally, Moody's will continue to examine the effect of the evolving relationship between the Commonwealth government and the Australian states, especially the possible risks involved in a further expansion of the independent taxing and spending powers of the states.

We must recognise three facts. First, New South Wales now has the second lowest ratio of debt to gross State product. The cost to budget revenue of our debt is below

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11 per cent. Second, the budget strategy will see further improvements with a planned fall of \$600 million in real terms in the budget sector net debt. Third, the economy of New South Wales is the strongest, most diversified and most resilient of State economies.

Mr Knowles: It has always been like that.

Mr DOWNY: New South Wales has a strong economy because of this Government and certainly not because of the Labor Party. The honourable member for Moorebank should listen to what some of the Government members have to say and not the propaganda of the other side. The Budget Papers are very clear on the budget strategy and some of the areas where there is pressure. They emphasise that most of the factors upon which decisions are being made are external and beyond the direct control and influence of the Government, though a few decisions can be influenced by policy changes. Property revenue has declined by \$830 million in real terms. There is no doubt that the recession has impacted on a range of revenue sources, especially payroll tax. Most importantly, Commonwealth net payments have been cut in real terms. Total Commonwealth net payments are \$1,151 million less in real terms this year. In particular - and this should be of concern to all parties in this Parliament - the process of fiscal equalisation will see New South Wales and Victoria, the two largest States, subsidise the smaller States to the tune of \$2.3 billion.

As I said at the outset, we have the problem of common law third party and, to a lesser extent, workers' compensation funding. It should also be remembered that superannuation costs are projected to increase significantly in the coming years due to the impact of retirements and redundancies. The downsizing of government and improvement of its efficiency have significant benefits in the long term in the cost of government. A good example is the State Rail Authority. The work force was reduced to less than 27,000 in June of this year. I should like to turn to initiatives that have been implemented in the electorate of Sutherland and what the Budget has in store for the electorate. The Sutherland electorate has benefited from the direction of previous budgets of the Greiner Government. Schools in my electorate have all benefited from cyclic maintenance and upgrading of facilities.

Mr Beck: Since 1988.

Mr DOWNY: That is right, since 1988, as the honourable member for Murwillumbah rightly points out. This Budget continues funding for the Lucas Heights community school. That is a most exciting concept because it will be one of the few kindergarten to year 12 schools in the State. What is probably even more exciting is that the school will open a full 12 months earlier than originally anticipated. My congratulations for that go to the Public Works Department and the contractors. The new Jannali high school, as it will be from January 1992, will be upgraded with funding of \$1.92 million. I place on record my congratulations to the staff of both schools. I place on record also my congratulations to the parents of

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pupils at both schools and to the students and other members of the community who have facilitated this amalgamation of Jannali boys and girls schools so that it will be from January 1992 the Jannali high school with first-class facilities.

Mr McManus: Grovelling will not save you.

Mr DOWNY: The honourable member for Bulli might be surprised. I am the big survivor around here; I will be here for years.

[Interruption]

Mr ACTING-SPEAKER (Mr Chappell): Order! Debate will be directed through the Chair and not across the table.

Mr DOWNY: At Alford's Point a demountable school will be established from the beginning of next year and, in addition to the costs of providing the demountables, an additional \$300,000 will be provided. Also money has been set aside in this Budget for minor works and maintenance for the upgrading of Yarrawarra public school. That is not before time. The administration block will be upgraded to provide better facilities for the staff at the school and internal repairs and painting will be undertaken as well, as will be the case at Sutherland North public school. All in all, \$3.23 million will be spent on major works in the Sutherland electorate in the coming year. I should point out at this stage another exciting new initiative that is to be implemented this year. Once again it shows what can happen when governments change priorities. Approximately \$13 million will be distributed directly to schools throughout New South Wales this year for staff development. That represents a 400 per cent increase over the allocation made last year.

From that money just over \$100,000 will be allocated to schools in the Sutherland electorate. That means that local schools will be able to choose professional development courses and activities best suited to their individual school management plans and to individual teachers, ancillary staff and parent and community groups. The grants range in amount according to the size of the school and its distance from the nearest educational resource centre. It has also been pointed out to me that the grants for some schools in the more isolated parts of the State include additional funding as part of an incentive package formulated to attract and retain teachers in difficult to staff areas. But the important point, as I said, is the 400 per cent increase in funding for in-service training of teachers in our schools and that definitely is a step in the right direction.

I turn to another area in my electorate that receives a great amount of publicity. I refer to roads in the Sutherland electorate. One thing that can be said, because it is there on the ground for everyone to see, is that the Greiner Government has done more to improve the conditions of roads in the Sutherland-Menai area than any previous government, with the exception of the Askin Government, which built

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the Alford's Point Bridge about 20 years ago. Notwithstanding differences of opinion about where the money should be spent, everyone acknowledges that the Greiner Government has poured millions of dollars into upgrading roads in the Menai area. I well remember when I was a

councillor on Sutherland shire council in the early days we used to go to the former Labor member for that area to ask what the government was going to do about roads. He would throw up his hands and say he did not know. That was because the previous Labor governments never did a damn thing to improve the roads in the Sutherland area. Once again, despite the fact that we are in the middle of the worst recession we have ever had and that there have had to be cuts to capital works programs, the Government has still been able to provide funding for the Woronora Bridge. I will say right here and now, as I have said on a number of occasions - and the honourable member for Bulli full knows and will agree - the Woronora Bridge is the most important road project in southern Sydney.

[Interruption]

Mr ACTING-SPEAKER (Mr Chappell): Order! The honourable member for Bulli will have his opportunity to contribute to debate.

Mr DOWNY: The honourable member also knows that since the improvements have been made on Heathcote Road there have been no fatalities and the incidence of accidents has dropped dramatically, and the local police have the figures to prove it.

[Interruption]

Mr DOWNY: I stand corrected. I was talking about the section of Heathcote Road in the Sutherland electorate. The point is that the Woronora Bridge is the single most important road project in the Sutherland area. It is good to see that the Government has allocated \$1.36 million in this Budget towards the construction of that bridge. Apart from that, another \$3.43 million has been allocated for the completion of a second stage of the Menai motorway. The first stage has been miraculous in speeding up the traffic through the Menai-Alfords Point area and I am sure the second stage will go a long way towards improving the situation further.

[Extension of time agreed to.]

A total of \$766,800 has been allocated to Sutherland shire council for the maintenance of its roads. Recently I raised in this House a problem that residents of Lucas Heights had with Old Illawarra Road up near Australia Road. I hope those comments filtered through to the council. I understand the Sutherland traffic committee intends taking action with regard to the intersections along Old Illawarra Road. I hope some of the money is used to improve the intersections along Old Illawarra Road at Lucas Heights. Another project that has been of benefit to the constituents of the Sutherland electorate has been the station upgrade program

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conducted by CityRail. Over the last three years quite a sum of money has been expended on railway stations in the Sutherland electorate. For instance, we had the opening of the Jannali railway station and residents are most impressed with the work that has been undertaken. When Kirrawee was in the Sutherland electorate, we had the total upgrading of Kirrawee station with new buildings and the like. Apart from some problems with wind shelters, it has proved to be a success. An amount of \$700,000 has been set aside this year to upgrade Sutherland railway station. This work will include a new ticket office and retail centre on the overhead bridge above the station, as well as renovations to buildings on platforms 1, 2 and 3. A new ramp will be built from the car park to platform 1 and canopies will be constructed over the stairs. This will be a most welcome improvement. I note that a further \$100,000 will be spent to upgrade the station footbridge. That money will be well spent because the footbridge has deteriorated dramatically over time.

The Government also proposes to upgrade the bus-rail interchange at Sutherland in East Parade. An amount of \$380,000 has been set aside for that purpose. That is most important because a number of commuters from the Menai area have to catch a bus to

Sutherland station. Schoolchildren also travel to schools in the Menai area and they need shelter in inclement weather. The Minister for Housing has released details of areas in his portfolio where money from the Budget will be spent. An amount of \$17.9 million has been allocated for works currently in progress and for new works in the Sutherland electorate. I believe that is money well spent. Since becoming a member of Parliament I have become aware of the need to provide housing for those who cannot provide it for themselves. I refer in particular to retired citizens - pensioners. There has always been a need in the Sutherland shire to upgrade accommodation for senior citizens. It is pleasing that some of that money will be set aside to build retirement units at Jannali and at Kirrawee, which is no longer in my electorate. It is important to provide accommodation for senior citizens in the Sutherland area. I wish now to comment generally on the education portfolio. In the past two years or so it has been my privilege to be chairman of the Minister's backbench committee on education. As a former teacher I have a great deal of interest in education. Since the Greiner Government has been in office one of the most exciting things it has achieved in the education area is the schools renewal program.

[Interruption]

Mr DOWNEY: It is very exciting. The other day a teacher approached me and said: "Two and a half years ago I was not too sure what your Government was up to in the education area. But now I can understand what your Government is about. Things are going quite well". This year \$23.7 million will be spent on the schools renewals strategy plan.

[Interruption]

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Mr DOWNEY: It is being spent in the Sutherland electorate. School-based budgeting will be expanded this year - an exciting move. We will also see the further devolution of authority to school principals on issues such as employment of casual teachers, industrial relations matters and building maintenance. Local selection on merit will also be introduced this year and the external school review process will be implemented. These are exciting initiatives. One of the greatest achievements of this Government has been the dismantling of the centralised system of education, which made the New South Wales education system the largest outside the Soviet Union. I imagine that, with the disintegration of the Soviet Union, that might not now be the case. That giving of responsibility to the local community can only benefit the teachers, parents and students of those schools. They will have the responsibility for making decisions about their local schools. The Government cannot be too bad if it has achieved that. I reiterate my support for the Budget brought down this year by the Premier and Treasurer. It is important to realise that these days nothing is easy. This Budget is definitely tailored for the times in which we live. Future generations will thank this Government for the job that it has been doing.

Mr McMANUS (Bulli) [8.35]: It never ceases to amaze me that every time the Liberal coalition Government brings down a budget honourable members opposite hark back to the Labor Government 12 years ago and to the problems experienced four years ago.

Mr Photios: There is nothing wrong with that.

Mr McMANUS: The honourable member for Ermington will end up getting his father-in-law's helicopter the way he is going. He is going very well. After four years the Liberal Party-

National Party coalition should start to accept some sort of responsibility for the mess in which it has placed this State. It has been in office for two terms and it is still harping about a deficit left to it by the Labor Party. Experts in finance have proved time and again that this Government was left a surplus, but it messed it up. It put all its eggs in one basket. The Premier and his advisers decided to balance the Budget through the sale of assets. Honourable members opposite fell on their backsides. They should tell honourable members in this House and the people of New South Wales the truth. The people of New South Wales realise that honourable members opposite are a bunch of bunglers. The so-called great financial managers that came into office three and a half years ago are not as smart as they thought they were. They sit smugly on the Government benches trying to pretend that they are in control, but they are in a mess. We witnessed that today when honourable members opposite would not come into the Chamber to support one of their own colleagues after he had made yet another bungle. We did not see the Premier in the Chamber. His face went white and he took off. Honourable members opposite scampered out the door and left the honourable member for North Shore to the crows.

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Mr Downy: Why would you waste the Premier's time with something so trivial?

Mr ACTING-SPEAKER: Order!

Mr McMANUS: Earlier the honourable member for Sutherland mentioned the Woronora Bridge, which will affect my electorate of Bulli. Once again, the honourable member for Sutherland is on the wrong track. He has made incorrect statements which have been recorded in *Hansard*. Earlier, my colleague the honourable member for Moorebank mentioned the deaths that have occurred on the Heathcote Road and at Deadmans Creek. Only a couple of months ago a truck was impaled on the Heathcote Bridge. Desperate measures need to be taken.

Mr Downy: He was drunk.

Mr McMANUS: I do not care whether or not the truckdriver was drunk. People known to my family have been killed on Heathcote Road. Honourable members opposite have done absolutely nothing. If honourable members opposite want to take pressure off their electorates, they had better start thinking about widening the Heathcote Road and they had better start thinking about safety measures. At one stage I was a member of the Staysafe committee. I believe that Heathcote Road should be given priority. There will continue to be more deaths and more accidents on Heathcote Road. If Heathcote Road is widened half the Government's problems will be solved. More people will use this road; Illawarra traffic will be diverted towards Bankstown; and we would have a safer, more accessible road. Honourable members opposite do not want to hear about the problems connected with Heathcote Road. But the people of Bonnet Bay are not real keen about a 30-metre bridge. We will continue to tell the people of Bonnet Bay what this Government is about. They know that this Government -

[Interruption]

Mr ACTING-SPEAKER (Mr Chappell): Order! The honourable member for Sutherland has had his opportunity to speak in this debate. I will hear the honourable member for Bulli.

Mr McMANUS: The honourable member for Sutherland also referred to the upgrading of Sutherland station. I have to admit that Corrimal and a number of other stations have been upgraded. Thirroul, which is in my electorate, has also been upgraded.

Mr Photios: That is the first time you have given us any credit.

Mr McMANUS: No, I give the Minister credit. In my electorate he has provided plenty of shelter so that my constituents can keep out of the rain while waiting for late trains to arrive. I shall inform the House about late running trains

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in my electorate, which stand as a monument on the South Coast to the Liberal Party.

Mr Photios: Are they Liberal Party drivers?

Mr McMANUS: Is the honourable member blaming the drivers for the late running?

Mr ACTING-SPEAKER: Order! The honourable member for Ermington will cease interjecting and the honourable member for Bulli will address his remarks to the Chair.

Mr McMANUS: I have a letter from the Illawarra Commuters Association. During the last three years Mr Rahmar Khan of that association has been in constant contact with me. He is not a member of a political party, but he has been most astute in taking a daily record of train running. On Monday, 14th October, the 7.20 a.m. service was six minutes late reaching Thirroul which is in my electorate, and held that time through its journey. This resulted in commuters who were relying on connections at Sutherland and Hurstville being 15 minutes late. On Tuesday, 15th October -

Mr Photios: On a point of order. The House is debating the Budget. The honourable member for Bulli clearly is discussing irrelevant information. The matter of train timetables, either in detail or in general, has absolutely nothing to do with the Budget. I ask that the honourable member be requested to indicate at least how detailing one late train after another - which is little different from the record of the previous administration - is relevant to the Budget.

Mr McManus: On the point of order. The Budget debate allows for wide-ranging discussion. Obviously I am leading to the necessity for funding for proper signalling systems and for the need for more trains in my region. I was giving examples of the need for services and equipment that the Government does not supply.

Mr ACTING-SPEAKER: Order! The honourable member for Bulli is in order. I accept that he is making only passing reference to this matter as part of his overall comments on the Budget.

Mr McMANUS: I shall not relate the detail of train running because the honourable member for Kiama, who so ably assisted me recently, has indicated that the problem goes on and on. People who travelled from Wollongong this afternoon told me the same thing about late trains today. When will the Government do something about this? The Minister for Transport continually espouses that the Liberal Party has done great things with transport, including the provision of new ferries. However, the problem of late train running in the Illawarra has continued since 1988. In 1986 Mr Greiner, then the Leader of the Opposition, visited Thirroul

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to open a campaign office for his Liberal Party candidate. On that occasion he said to the people of the Illawarra, "I know that when our party was in office last we did not do much for the Illawarra people so far as transport and trains are concerned, but that will change if you vote for Allan Andrews". Of course they did not vote for Allan Andrews.

[*Interruption*]

Mr McMANUS: He won the seat of Heathcote and the Premier had the opportunity to keep that promise. I can tell honourable members what has happened: the system has got worse. We have a few nice stations, but the train running continues to be abysmal, and the trains have no toilet or drinking water facilities. In 1991 we travel in trains built in the 1940s.

Mr Photios: The Tangara was developed by the Unsworth Government.

Mr McMANUS: This Government will not introduce the Tangara on the Illawarra line. Why do you not deliver the Tangara to us? Why are we still travelling on red rattlers? Why are pregnant women forced to travel on trains that do not have toilet facilities? Why are drinking water facilities on trains not available for elderly passengers? What is wrong with this great financial management system that prevents the Government supplying the Illawarra with an adequate train service?

Mr Photios: Why did you not do something in the previous 12 years? You did nothing.

Mr McMANUS: We certainly had a better system than there is now. I turn to one of the biggest disgraces of the Greiner Government, a matter that has come to attention only recently. The Government has made great play about its provision of medical resources. I have received from a medical practitioner in the Helensburgh area a letter of a most serious and significant nature. In July the Minister, in his wisdom, decided that the Garrawarra Hospital kitchen would be closed and that the hospital would be supplied with chill-cooked food. I was advised that that would save Garrawarra Hospital's budget approximately \$370,000. That advice has now been revised by the Southern Sydney Area Health Service. It seems that the change will result in a loss of \$100,000 - though, as I say, the decision was made only in July. Even more serious is the result of the introduction of this chill-cooked system. When that system was introduced I warned that in a public hospital system it would not be managerially sensible, especially at this time. This doctor in Helensburgh has a special interest in the care and support of elderly in their homes. She has a large number of patients who receive food from Meals on Wheels, delivered from the Garrawarra Hospital chill-cooked system. The main complaints this doctor has registered with the area health board are that small and inadequate portions of vegetables and meat are supplied; that the vegetables are not cooked; that the meals are unpalatable and inedible - in fact some food was not able to be identified; lunch deliveries have been late - at 2 p.m. - requiring meals to be reheated

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in the evening; and some elderly recipients were not able to eat their meals and had threatened to cancel them.

Mr Photios: On a point of order. I am reluctant to interrupt the honourable member for Kiama again, but at the very least he is taking licence with your ruling and in many respects is flouting it. This matter may well be of a serious nature and would be appropriate to be raised in a private member's statement. Clearly it is outside the purview of a budget debate. I ask that the honourable member be counselled that his remarks are inappropriate and that he be directed to return to matters relating to the Budget.

Mr McManus: On the point of order. First, I am the honourable member for Bulli and I take exception to being called the honourable member for Kiama. Second, I am leading to a major problem with the management of Sutherland Hospital. I have documents that prove -

Mr Photios: The management of the hospital is not relevant to the budget debate.

Mr ACTING-SPEAKER (Mr Chappell): Order! The honourable member for Bulli will address the Chair on the point of order.

Mr McManus: It is relevant because the management of Sutherland Hospital implemented the chill-cooked system, promising to save money for the public hospital system.

Mr ACTING-SPEAKER: I am concerned that the honourable member for Bulli is speaking at some length and in some detail about a matter that at best can be described as of only passing relevance to the motion, which relates to the Budget for 1991-92. I ask the

honourable member to keep his passing remarks brief and to return quickly to the subject-matter of the main bill.

Mr McMANUS: I have dealt with the doctor's concerns and I shall return to budgetary matters. I am concerned about the introduction of the chill-cooked system at Garrawarra Hospital, because I understand that the Illawarra Area Health Service has been hoodwinked into thinking that the system is good for the public hospital system and that the chairman, Mr McKenna has expressed interest in expanding the service to the Illawarra region. My concern is that, if that happens and the Government is not aware of it, there will be a major budgetary problem. More importantly, I am concerned for the health and wellbeing of the patients. We must ensure that they are safe and well. Bain-maries of food are delivered from Sutherland Hospital to Garrawarra Hospital. I have a record of the food delivered last month and I am concerned that with some food, particularly protein items, the quantity of food delivered is 17 per cent less. That forces the management of Garrawarra Hospital to provide smaller portions both for hospital patients and for Meals on Wheels recipients.

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Time and again through this three-day repertoire my concern has been that the management system must be upgraded. Protein items are down 6.8 per cent yet food such as beans and bread and butter pudding are increased by 40 per cent. It is an absolute waste. This is of major concern. It worries me seriously that the management of Garrawarra Hospital has written to the health board about a major problem on its hands. The hospital has been conducting a survey of the weight of patients since the inception of the chill-cooked systems last July. I have been advised that the weight of patients at Garrawarra Hospital has declined significantly. That should be of concern to the Minister and the Government because these are not people in hospital because they are sick. They are aged, fairly healthy and with appetites. Why is it that under this budget system patients who are aged, but normally healthy, are losing weight within our hospital system? This is the reason: because the system of management of the quality of food services at Sutherland Shire Hospital has not got it right. I give credit to chill-cooked systems. One is run by the Illawarra Time and Trust. Complaints have never been followed up but when complaints are received from patients, families and doctors saying that our system of food quality to our public hospital systems is inedible and unpalatable, we have a serious problem on our hands.

[Extension of time agreed to.]

I move now to environmental issues. Last week I mentioned the Bundeena walking trail and the reduction in funds allocated to the National Parks and Wildlife Service. The Government must look seriously at upgrading and allocating funds for walking trails from Bundeena to Garrawarra Flat. An extensive amount of money was allocated to national parks under the Unsworth Government. The then Minister for the Environment was Mr Carr, our Opposition leader. In 1986 I walked those trails and they were magnificent. Only a month ago with 200 environmentalists I walked them again. Money was not available to upgrade the tracks. Little money is available to extend staffing for the national parks. I was horrified to learn that the complement of staffing for the National Parks and Wildlife Service consists of 12 people between Ku-ring-gai down through the Royal National Park to the Illawarra and out to Thirlmere.

Mr Photios: That is absolute rot.

Mr McMANUS: I start to wonder why. The Water Board has also done the same thing.

Mr Photios: There are 30 people working in the Lane Cove State Recreation Area.

Mr McMANUS: This has come from your own people. They have 12 people to maintain these areas. I am only relating to this House what I am being told by the administration so if those people do not know, how does the honourable member know?

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Mr ACTING-SPEAKER (Mr Chappell): Order! The honourable member for Bulli will address his remarks through the Chair.

Mr McMANUS: In the past couple of weeks I have received further information which underlines the cutbacks and sneaky way these cutbacks are being done. I understand that the ranger force within the Water Board has been cut back. I have a letter from someone who has just completed some contracting work for the Water Board and was horrified at the amount of fishing in the catchment areas, camping, collection of bush rocks and firewood, dumping of rubbish, lighting of fires and illegal bush walking. The Government must allocate funds for the Water Board for this purpose. If the Government is serious about environmental issues it must be fair dinkum. The reduction of funding to the Water Board and for staff, especially in the employment of rangers, cannot continue. This State desperately needs to maintain a good quality of water. If rangers do not patrol the catchment areas of the Water Board we are looking for trouble. I suggest the Minister take heed of the fact that he is responsible for the quality of water in this State. Major problems will occur in our water system if this continues, for the sake of not putting on a few staff to maintain patrols.

Last weekend I spoke at length at a public meeting on drainage issues and other matters raised in the past 12 months involving the Illawarra region. All honourable members would remember the catastrophe at Coledale where a woman and child lost their lives as a result of which it was necessary for \$40 million to be spent urgently to upgrade a failing railway line. Those problems still exist. The old culverts are still there. I thank the Minister for appointing a technical working party to ensure priority for a drainage system in the northern suburbs of Wollongong. Only last Sunday the working party produced its report stating that funds in the vicinity of \$8 million to \$31 million are needed to be expended in a small area to ensure that the lives and well-being of people in the northern suburbs of Wollongong are protected. It concerns me that though the working party has been in action for a couple of months and has produced its first draft report, there has not been one thing addressed in the Budget Papers about any allocation of funds. If we have anything near the deluge the Illawarra region experienced a couple of years ago the potential exists for another disaster. It is easy for the Government to allocate funds to country areas for flooding when roads are damaged. For four years now we have been calling for some protection for my constituents and those of the former member for Heathcote. This effort should have been bipartisan and more pressure should have been put on the Government. No one in the Liberal Party worried about the northern Wollongong suburbs. I give credit to the Minister for Transport because he came to the area. However he is the only Minister who has come and taken the flak, accepted some responsibility and stated that he will do what he can.

Mr Photios: He is a good Minister.

Mr McMANUS: I would not go that far. Funds have not been allocated. The working party has given a clear indication that at least \$8 million will be

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required to a maximum of \$31 million. It is incumbent on this Government to provide funds, not after the final report has come out from the technical working party about how much is needed, but at least of the lower figure of \$8 million. This should be evidence of good will. It disappoints me that the Government knew funds in the order of some millions were need, yet no one on the Government benches bothered to allocate any funds in the Budget Papers.

Mr Baird: That is the way it works.

Mr McMANUS: Minister, you have had a catastrophe in the Illawarra and you were able to find \$40 million without going through the Budget Papers, to upgrade the railways.

Mr Baird: One receives a special allocation for that.

Mr McMANUS: This situation could again turn out to be catastrophic at any time. The Minister has completely ignored it and is frightened of legal action between himself and Kembla Coal and Coke. Can the Minister not understand that the working party has accepted that a minimum of \$8 million will be required? At the recent public meeting the biggest concern was about a waffly letter from the Minister for Transport saying that there may be a commitment of money. Why can he simply not say he will fix it?

Mr Baird: There is no easy solution.

Mr McMANUS: I can go back -

Mr ACTING-SPEAKER (Mr Chappell): Order!

Mr McMANUS: I wish to speak about the Woronora Heights region of my electorate which has a need for community services, a matter dismally overlooked by the Greiner Government. Members opposite will not know that Woronora Heights is situated along a ridge and has a housing estate that is two kilometres in length and 1.6 kilometres at its widest part. It includes steep hills. It is expected that Woronora Heights will be fully developed residentially by 1992. In 1988 a council estimate suggested that construction had commenced on 600 lots of a predicted 810 residential blocks of land. By January 1989, 420 of those homes were occupied. The Government must make forward plans. The region has an isolation problem. The little hamlet is 4 kilometres from the Engadine township. It suffers from a serious lack of transport, especially for those in employment and in regard to recreation. Landcom owns much of the land in the region and is selling it rapidly. However no ancillary services have been provided for those who live there. People who are moving to Woronora Heights are mostly young couples with families. They need to have day care centres, youth facilities and a shopping centre in particular. Landcom owned the area designated for the shopping centre. The township is growing rapidly and the land should have been put up for auction years ago to ensure

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that the shopping centre development proceeded so that people could shop and do their business locally instead of having to trek 4 kilometres to Engadine. I seek a guarantee from the Minister that in the near future the land designated for commercial use at Woronora Heights will be released for auction.

Mr Photios: A land sale? The honourable member was complaining about that in the beginning of his speech, the selling off of assets.

Mr McMANUS: The difference is compassion. We are not talking about raising funds for the honourable member's mates.

Mr ACTING-SPEAKER: Order! The honourable member for Bulli will address his remarks to the Chair and the honourable member for Ermington will cease interjecting.

Mr McMANUS: I am not talking about raising funds for the Government's mates. I am talking about raising funds so that people who have bought homes from Landcom can have the services to which they are entitled. The Minister should note that this development needs to be approved and the people of the region should have the opportunity to have the shopping centre they were promised that is included in plans held by the Sutherland shire council, as approved by the Department of Lands. I ask that the Minister for Housing heed my remarks. I conclude

by saying that I am concerned at having to raise these issues regarding my electorate and to plead for money from a government that is heartless. It is demoralising for a local member to come to this House and see some of the waste of which members opposite have been guilty in the past four years. When one considers the money expended for a speed reading workshop in the Department of Agriculture and Fisheries, it is appalling that people in the community do not have available things that are necessary -

Mr Moore: What about diction lessons?

Mr McMANUS: The Minister should go and have a look at that track, it is a mess. I can understand that a speed reading workshop is necessary because the Government has reduced the number of staff in the public service so much that those who remain need a speed reading course to be able to keep up. It is a waste. Legal advice for Eastern Creek has been allocated \$293,000 in the budget for the Premier's Department. That is a joke; five workshops on communicating with the media - one would expect that heads of departments -

Mr ACTING-SPEAKER (Mr Chappell): Order! The honourable member has exhausted his time for speaking.

Mr MERTON (Baulkham Hills) [9.5]: The New South Wales Budget was introduced in the most difficult economic conditions experienced since the Great Depression of 1931. Today the community lives in an atmosphere and environment

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that has not been seen by many Australians. The boom of the heady days of the 1980s has become a vicious downturn that has brought individuals, families, businesses large and small to their knees. Tragically we have seen a new generation of poverty-stricken people emerge, many of whom, if not all, had never required welfare assistance. The Budget is designed to assist those people. Opposition members for 12 years in times of boom and financial prosperity failed to make the necessary long-term plans to put New South Wales on a solid financial footing. It has been left to the Greiner-Murray Government to take the necessary steps, going back to 1988, and to sow the seeds for responsible, sound financial management in New South Wales.

This Budget is a logical extension of those policies, fundamental concepts and beliefs that have been displayed over the past three years. Unlike other governments in Australia, the New South Wales Government has bitten the bullet, taken the hard action and made the decisions. Unfortunately it is a reality that governments, like individuals, suffer from the economic downturn. In the past 12 months the State's revenue has fallen as a result of the virtual loss of stamp duty revenue and the decrease in Federal Government payments by an amount of \$1,200 million. However, we are not about to do a back flip or to go down the same road that led Victoria, South Australia and Western Australia to a legacy of massive debts, huge price increases for government services and unstable financial institutions - a picture of total despair.

Let me deal specifically with some of the aspects that arose from the recent State Budget. I refer specifically to health about which the Opposition has told lies. In their usual manner Opposition members from the humblest backbencher to the Leader of the Opposition have told lies and said there have been cuts in health services and in expenditure. That is incorrect. Spending on health amounts to a \$4.56 billion increase on the previous year, or 4.7 per cent. Some of the areas that concern the western Sydney area include the Wentworth Area Health Service which received increased funding of \$31.5 million, or 27.7 per cent in real terms above the 1988 allocation. Included in the health allocation is \$87.9 million for a teaching hospital at Nepean; \$13.7 million for associated developments at Nepean Hospital; the building of a children's hospital at Westmead that will involve a total of \$300 million, of which \$44 million will be spent this financial year. A new hospital is to be built in the Hawkesbury district and will be commenced this financial year.

The upgrading of the Nepean Hospital has been allocated \$88 million this year. That will assist in the provision of 18 beds at the Nepean hospital. Pathology services at the Nepean hospital will be upgraded, as will special care nursing at Blacktown. Additional intensive care beds will be provided at Westmead and a CT scanner will be commissioned at Blacktown hospital. Liverpool Hospital is to be built and will have a 650 bed capacity. The Government will spend \$5 million that will be transferred from the inner city restructuring and the closing of Parramatta hospital. Those funds will go to Westmead. I support the freeing up of \$30 million from the inner city areas to allow those funds to be used in the growth areas where

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the hospitals are needed. What was the Labor Party going to do to health services in western Sydney? In 1988 it produced a marvellous document; the only thing marvellous about it was the title, namely, *Health 2000*. That promised a miserable sum of \$5 million to be spent between 1988 and the year 2000 on major hospitals in western Sydney. It is interesting to note that the Government's idea of rearranging services and having more emphasis on the areas of Sydney where the people are is not unique. In fact, we have a strange ally in this respect. I refer to none other than Brian Howe, the Deputy Prime Minister of Australia. He is a person whom I seldom quote and who is not high on my invitation list; nevertheless, he said something that I will agree with:

In November 1990 the location of public hospitals is a major issue. Most of our major hospitals are in the centres of our cities while rapid population growth has taken place in the outer urban areas. Because of the ad hoc development of the hospital system, there is a concentration of services in the major metropolitan hospitals. This has led to many services that could be provided in a community centre being provided in large, costly hospitals.

The Government agrees with that. There is no logic otherwise. It is exactly what we are about - bringing more hospital services to the people of the west, southwest and northwest of Sydney, where the people are. Consider housing in the Budget. As honourable members well know, I am the chairman of the Government's housing committee. One must never underestimate the important part that the housing portfolio and the Department of Housing play in the provision of social welfare services to the people of New South Wales. Rental rebates and subsidies for disadvantaged public tenants are expected to be around \$507 million. Eightyfive per cent of tenants in public housing receive rental rebates. A sum of \$21 million has been allocated to mortgage and rental assistance. This is up 13 per cent on last year. Rebates on water rates for pensioners and tenants will be around \$35 million. A deposit assistance scheme has been allocated \$7 million. The Government has continued to emphasise the importance of pensioner aged housing in its capital works program. In 1991-92 about 1,495 aged units to a value of \$55 million will be developed, and that is part of an overall allocation of \$111 million.

About \$1.5 billion will be spent this financial year on our record HomeFund project. That will bring home ownership to 18,750 people who would not buy a home if it were not for the HomeFund project. It has benefited about 40,000 people over the last three years. It has not only benefited people who buy homes; it has also allowed tenants of Department of Housing properties to buy a house in the private sector, freeing up that home so that another family can utilise it. That has affected 9,000 people during the last three years. The waiting list for Department of Housing properties has fallen by about 13,000 applicants in the years that the Liberals have been in government. We inherited a waiting list of about 77,000 applicants; there are now 64,000 applicants. This covers the names on the list. If that number is multiplied by the number of individuals in families, this would represent about 300,000 people. We have continued to be a major contributor to the

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coffers of local government. The Department of Housing pays about \$113 million to local government in rates. In the western suburbs there is a vast program of building for people who need Department of Housing accommodation. About 1,000 units of construction with a total value of \$115 million are being built, of which 34 per cent will be for pensioner housing. The

Minister for Housing is a man of compassion, conviction and commitment. He has a conviction to help the people of New South Wales who, through no fault of their own, have fallen prey to the vicious cycle of the Federal Government's recession-prone policies.

I draw the attention of the House to what I described previously as the new poor. The creation of such a group is inevitable when there has been a recession for two to three years, when there is absolutely no light at the end of the tunnel, when there is a picture of despair, when people are slowly giving up, when families are being crippled, when businesses are being bankrupt and when homes are being lost. People are wondering what is around the corner. There is no message of hope, no news, from the Federal Government - only that it will look at interest rates soon. It would be cynical of me to say that any subsequent fall in interest rates will coincide with a Federal election. For plain political expediency, the lives, incomes and general feelings of many members of the community are being sacrificed. Consider the practical measures that the Greiner Government has instituted in its last Budget. The recession support program is to assist the new poor, those who have never been in strife before, those people in their middle years who have found that they no longer have a job and that their families are under great pressure. In my area of Baulkham Hills, many families are doing it tough - and they have never seen it worse - but this Government, being kind, caring and compassionate, has introduced a recession-support program. This Government provides \$4 million in block grants to community-based organisations such as Care Force, St Vincent de Paul Society, Wesley Mission, the Sydney City Mission, the Salvation Army, the Smith Family and Centre Care - all compassionate organisations with a fundamental commitment to assisting those in need. There is a one-off supplement of \$2 million to non-government organisations providing emergency cash assistance to those in need. I have the pleasure of advising the House that I presented a cheque to one of these institutions in Baulkham Hills. It can use it to alleviate the problems of the people who have come to the end of the road and do not have enough money to pay the electricity or buy the groceries on the weekend. In addition to that, we have allocated \$1.75 million to providing mortgage and rent relief assistance to the unemployed. This adds to the existing amount of \$21.1 million allocated by the Department of Housing of which I have already told the House. Also \$2 million has been provided for additional support to existing welfare recipients. An amount of \$250,000 has been allocated to funding a toll-free credit line which will provide financial crisis counselling. Indeed it is necessary for people in financial need and in despair to have the benefit of financial counselling. In addition the land tax for 1992 will exempt boarding-houses. This will cost about \$6 million, but will allow boarding-houses to provide necessary accommodation, particularly for those who are down on their luck. The Labor Party seems to have claimed a monopoly on what has been referred to as social justice. This claim is simply wrong. The reality is

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that to pursue social justice it is not sufficient only to increase public expenditure on welfare payments. This, by necessity, can only provide a minimum standard of living. The only real way to obtain social justice is to radically change attitudes, management and equality of access to opportunities for advancement.

Our Government has embarked upon a program of microeconomic reform. What this simply means is making Government agencies manage better so that the real cost of services is reduced, allowing more money for the provision of government services such as police, schools and hospitals. Notwithstanding the recession, the Greiner Government has reduced our income by \$1.2 billion during the past 12 months and has brought forward a budget with a deficit of \$1.089 billion. However, the Labor Party criticizes that it was \$158 million last time and now it is \$1.089 billion. That criticism, just like everything else from the Labor Party, is false, phoney and without substance. The Labor Party is comparing two entirely different sets of figures. The deficit of \$1.089 billion is the total budget sector result, whereas the \$158 million was a Consolidated Fund result and that was the way it was shown last year. The Labor Party does not worry about these things. It just tells another lie, spins it and hopes that the more you say it, the more people will believe it. But the people out there are not as naive as the Opposition might think. The reality is that people know where their bread is best buttered.

They know the realities. Many of them have friends in Victoria, in South Australia and in Western Australia. Those States are on the skids - not New South Wales. Since we came to office in 1988 we have repaid \$4,000 million of foreign debts left by the Labor Party. That money has been paid back in full so that New South Wales, unlike the Federal Government, which owes something of the order of \$132 billion, can be proud of its achievement because this State does not owe any overseas leaders one cent. That is the difference between this State Government and the Federal Government.

[Extension of time agreed to.]

Let me talk a little more about the recession - the recession we had to have. The reality is this: almost one million Australians are out of work. If things continue the way they are it will be something like 1.5 million, yet this comes from a Government which says it has a fundamental charter for employment; has the interests of the working-class at heart; and says there is equality for all. But those assertions are false, because Federal Government policy has plunged us into a situation not seen since the Great Depression of 1931. I could not personally belong to the Labor Party and I could not sit on the benches opposite in this State; I would hang my head in shame if I did. The tragedy is that the Opposition gloats when things seem to go wrong, when New South Wales suffers adversity. But that is not for us. We weep for New South Wales. We weep for the sunburnt country. We have that commitment and charter to pursue the policies that will make New South Wales a great part of Australia. Apart from Queensland, which for many years had an excellent government, New South Wales can be proud because it is the best-managed of all States, has the lowest debt ratio per head of population, has an

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overall debt that is one of the lowest in Australia, and has financial institutions of which we are proud.

It is not social justice when more than one million Australians are unemployed. It is not social justice when bankruptcies are increasing by almost 70 per cent per annum and the country has the largest overseas debt ever. It is not social justice when families lose their homes because they are unable to pay the mortgages. Social justice equates with employment. The unemployment rate in New South Wales is one of the lowest in Australia. Social justice equates with the stability of financial institutions. Unlike other States we have not had banks or building societies collapse. Social justice equates with government policies which assist families into home ownership. The HomeFund program has assisted 40,000 families buy homes during the past three years. I commend the Budget as a reasonable and responsible document. I commend the Budget as being the best possible Budget that could be put forward in difficult times.

Members of the Government have a deeply-founded and deeply-rooted conviction that New South Wales can be the best State in Australia; New South Wales will be second to none. We have heard the call to take the necessary steps, to make the tough decisions. Sure, not everyone has liked our decisions. Some people have been aggrieved but by and large we have made the tough decisions but the right decisions. We have given the people of New South Wales a ray of hope in a country that desperately needs hope. We have given New South Wales people the right to earn a living. We have created job opportunities. In fact, our rate of unemployment in New South Wales is one of the lowest in Australia. I commend the Premier and I commend the Ministers for making the decisions that are exemplified in the Budget document. I commend the Budget to the House.

Mr J. H. MURRAY (Drummoyne) [9.26]: It was interesting that the honourable member for Baulkham Hills sought an extension of time. He found it very difficult to use that extra 10

minutes. The reason for that was that a Government member supporting this Budget has great difficulty thinking up excuses - maybe North Shore style excuses - to present an even-handed approach to this Budget. Obviously the honourable member made up his speech some weeks ago, before Moody's came forward with its international assessment of the value of this Government.

Mr Hazzard: They have not made an assessment yet; they are reviewing it.

Mr J. H. MURRAY: They have made an assessment in that they believe there are problems in this State and they will review the performance of this Government. They do not do that unless they believe there is a problem. I can assure the honourable member that there is a 90 per cent probability that Moody's will come forward with a double-A rating rather than a triple-A rating. The Greiner Government's proudest boast is that it is managing New South Wales better.

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Mr Peacocke: And that is true.

Mr J. H. MURRAY: Wait on. For the most part it has been getting away with this simplistic assertion that it has a business-like approach to public administration, yet on occasion it is caught out. It was caught out yesterday by an international organisation that has a reputation second to none, which has said that the statements by the Government and by the Premier in particular need re-assessment. Moody's has said: "We, like your Auditor-General, believe a lot of those statements are incorrect. The Premier's Budget Speech, at page 2, contains this statement:

New South Wales is performing better than the other States both on the economic and financial management fronts.

Four weeks ago the Premier made that statement. He continued:

On the economic front, we are performing better than the 5-State average on 6 of the 9 monthly indicators and on 14 of the 15 quarterly economic indicators.

We have excelled in our financial restraint and we have substantially achieved our multi year financial strategy.

An international organisation, acknowledged throughout the world, disagrees with what the Premier said in this Parliament four weeks ago. That is the essence of this budget debate. We must look at Moody's assessment. It has confirmed the Opposition's claim that the Greiner Government is hiding the real level of the State's debt. The State's real net debt was \$23.373 billion. That is equivalent to nearly \$400,000 for each man, woman and child in New South Wales. We did not hear that in the Premier's Budget Speech, but we are hearing it from Moody's and from the Auditor-General. It was not reported in the press but we are hearing it loud and clear now. I have never seen the Premier so drained or performing at such a low level as he did on Thursday when he held his usual obligatory press conference. He was asked about Moody's assessment. He was drained because the facts and figures were all there; the big lie had been exposed. According to the Australian Bureau of Statistics spending under the Greiner Government has increased by 35 per cent, whereas revenue has increased by only 30 per cent.

This Government and this Premier have constantly tried to project an ethos of excellent management. They have been shown to be living beyond their means. I am just a common backbencher trying to juggle my standard of living by balancing my income with my expenses. If I overspend my Commonwealth Bank manager is on the telephone immediately saying, "Mr

Murray, you are in debit". An international rating organisation has said to the Government: "Your expenditure is up by 35 per cent and your income is only up 30 per cent. Therefore, you are 5 per cent over your standard of living, which has to be cut". The crux of the problem is that the consumer price index has risen by only 23 per cent. This Government, a big spender, has been caught short. The Greiner Government treated the bonanza

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of stamp duty revenues of the late 1980s as a permanent feature of State revenues. Anyone with any knowledge of the real estate industry would know that the Government should average its income over a 10-year period. This Government has been caught short. Stamp duty collections have fallen to their normal levels and this Government has been left high and dry, and does not have that revenue to spend.

Moody's has shown that the State debt is now \$2 billion more than this Government and this Treasurer have been admitting. The Budget Papers gave the total debt as \$21.55 billion, or 16 per cent of gross State product. However, the Auditor-General claims that the State debt has risen to \$23.37 billion. This is a huge increase of more than \$2 billion in the past year. The Greiner Government has underestimated the debt by presenting it at capital value rather than at face value. It is clear from Moody's and it is clear from the Auditor-General's Report that the Government has fiddled the figures. This is reinforced by the international organisation, which has brought things out into the open. Another rating organisation, Standards and Poor's, estimates that the net New South Wales debt is 18.4 per cent of gross domestic product at June 1991. Once again Standards and Poor's figures support Moody's and the Auditor-General. Those figures also support the Opposition's contention that this Government is fiddling the Budget figures.

The Auditor-General's Report showed that gross debt for the New South Wales public sector rose by almost \$2 billion in the past financial year. Quite clearly the Greiner Government's record is one of massive spending, despite its boasts of being a low-spending, well-managed government. As I say, it has been caught short. In the past financial year New South Wales government debt rose by almost \$250 for every man, woman and child living in New South Wales. That means that an ever-increasing proportion of taxes and charges paid by battling families in New South Wales will be eaten up by debt-servicing costs. Honourable members would remember the Curran report, which was presented in this House with great flair. That report stated that this Government was broke, but we still had all these debt problems to be solved. Let me tell honourable members how this Government has solved those problems. It has increased the debt and, as a consequence, increased the debt for every man, woman and child in New South Wales. As taxes are raised a greater proportion of them will go not to providing goods and services within New South Wales but to servicing government debt. In a lot of cases that money comes from overseas.

In its three years in office this Government has increased spending by 35 per cent. Despite its rhetoric on restraint, this week the Government has been proved to be one of the big spenders. The Greiner Government has used the bonanza in property taxes to finance its spending spree. Only a financial fool would assume, as the Treasurer and Premier appears to have done, that the growth in property revenue would continue to rise. It has not. As a consequence, the waste, mismanagement and extravagance of this Government have been exposed. It is important to look at the base document. Four weeks ago the Premier came into this

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Chamber and spent an hour delivering his Budget Speech, which was televised. He presented this document as though it were the citadel of good management. He said:

More significantly, any downgrading of the State's credit rating would produce a deterioration in the confidence of the business sector and of consumers, and feed into the level of economic activity and investment decisions. Unemployment would rise dramatically.

Such a development can produce a vicious cycle with the adverse economic consequences of loss of confidence reducing revenue and further exacerbating the State's financial position.

Those who would be hurt the most would be the working people of New South Wales and their families.

Four weeks ago the Premier predicted that, if there was a downgrading of our rating, that would happen. The Premier is a good economic manager when we listen to him speak but he really does not understand finances. On page 5 of his Budget Speech he predicted what will happen to New South Wales in the next 12 months because of his economic mismanagement and because Moody's has brought it home that this Government is bankrupt. This Government is bankrupt of ideas, and in the words of the Premier, the families of New South Wales will suffer. The Government asserts that it will consider maintaining school funding. I draw to the attention of the House the wonderful success that the Government has had with education, particularly in regard to the sale of its assets in Drummoyne. Drummoyne Boys High School was closed 18 months ago. It was to be sold off but Dr Methereil changed his mind. He decided instead to shift part of the correspondence school to Drummoyne and create a distance education centre on the high school site. Consequently the department was involved with the site, press releases were prepared, consultants were employed, and hundreds of thousands of dollars were expended in changing Drummoyne Boys High School - which has a wonderful tradition - into a quasi-correspondence school called a distance education facility. Lo and behold, two weeks ago another change was made. The Drummoyne site will not be used as a distance education facility. Instead that facility will be located at Ryde.

Drummoyne Boys High School - a multimillion dollar site - has been closed for 18 months and is being vandalised. The Public Works Department facility is still there and money has been expended. A proposal has been put to the local council to rezone the site, which is in a 2A area, to medium density. The Liberal Party dominated council, with a Liberal Party mayor, has not agreed to the proposal. Council has said that it will not bail out the Government; it will not cover up the Government's inadequacies. The council believes in proper planning and has rejected the proposal. A few weeks ago I visited the school site. There is barbed wire around the school and graffiti on the walls. The school looks like a concentration camp. Drummoyne Boys High School was one of the old traditional schools of this State; it was the centre of the Drummoyne community. It is sad to

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see a public building vacant and being vandalised because of the inept education policies of the Government.

Mr Hazzard: On a point of order. Standing Order 152 states quite clearly that members shall not digress from the subject-matter under discussion. Clearly the honourable member for Drummoyne has digressed to discussing barbed wire and school vandalism. I ask that he be directed to return to the subject-matter of the main bill.

Mr J. H. Murray: On the point of order. The Budget Papers refer to the maintenance of school funding. I am addressing that matter.

Madam DEPUTY-SPEAKER: Order! No point of order is involved. The honourable member for Drummoyne is in order.

Mr J. H. MURRAY: Drummoyne Boys High School is another example of why Moody's has determined that the Government is found wanting. It is another example of waste.

[Extension of time agreed to.]

During the past 18 months the New South Wales technical and further education system has been put through the wringer, under the guise of restructuring. As a result of

approximately \$30 million having been wasted on that restructuring, the system has been turned on its head, chaos has reigned, student numbers have declined, staff resignations are up 200 per cent, morale is at an all-time low, waste is rampant, and a bloated bureaucracy has emerged. More senior executive service staff are employed in TAFE than in all universities in New South Wales. Last week the House debated the senior executive service. I am talking about officers earning \$83,000 or more. In 1988 before the present Government was elected, TAFE had more students, more facilities and more staff, but only 12 people were earning a senior executive service salary. After three years of this Government, TAFE now has 57 senior executive service officers. That is, the number has increased from 12 to 57. The 57 staff did the same job but with fewer students and facilities. Consequently the Minister said he would have to put a stop to this. He admitted failure, that there had been a problem, but said he would reorganise TAFE. He did that and I am pleased to see that he reduced the SES numbers. He did not reduce them from 57 to the original 12; he reduced them from 57 to 53. Every member of this House and every member of the community is paying for the inefficiency and high salaries in a department that is crying out for efficiency. If this country is to be the smart country, it has to have a better TAFE system.

The Federal Government has received the Finn review and the Deveson report, both of which have acknowledged the need for a better TAFE system. All that the New South Wales Government has done is to give our TAFE a bloated bureaucracy. I could spend all day and night talking about rorts within TAFE. The

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sum of \$14 million has been spent on the catering college at Ryde, but that college has remained vacant for eight months. It should have opened in January, but is still not open. It will not be open until January next year. The many hotels in Sydney and the need for improved tourism and catering facilities in Sydney will be one year behind. A motel was to be constructed at the college. I do not disagree with that concept. That was a grand concept, but the motel has not been opened; it is 12 months behind time. The reason is that funds were cut back and air-conditioning was not installed in the motel. How does one cook or one invite people to a motel if air-conditioning is not provided. It was then decided to install the air-conditioning, but of course the original colour scheme was unsatisfactory and the motel had to be repainted. The repainting was done and then the consultant - there always has to be a consultant - said he did not like the new colour scheme; consequently the motel still is not open. The motel has been vacant for all this time; it has had its third paint job, but so far is unable to provide training for people in the motel industry.

I cite another example: last year TAFE spent \$250 on rented premises in Temora to conduct a shop fitting and detailed joinery course. It was decided that that facility was no good in Temora and would have to be moved to Wagga Wagga. The move to Wagga Wagga cost \$60,000. The \$60,000 was not sufficient, so they upped the ante. As a consequence, 12 months later this money has been wasted; this \$1 million facility is not being used. I wish to bring a local matter to the attention of the House involving Maritime Services Board charges. Occasionally I speak about harbourside matters and even about parks on the harbour. More than any other electorate the seat of Drummoyne has the largest area of Sydney Harbour waterfront. Over the past three or four months my office has been inundated with local residents complaining about the MSB and, more important, the savage increases in charges imposed by the MSB on clubs and individuals. One can always recall the utterances of politicians. I am certain that I can never be quoted out of context as having misled this Parliament. However, it seems that when it comes to MSB charges that does not apply to the Minister or the Premier who have both said constantly that no government charges will rise greater than the consumer price index. Despite this residents complain to me about MSB rental increases of \$1,000 to \$7,000 a year.

Mr Scully: It is a disgrace.

Mr J. H. MURRAY: It is a disgrace. The Minister should resign. One wonders why there is this increase. It was interesting to read in the Budget Papers that the Maritime Services Board brought about these massive increases at the same time it spent \$4.5 million on establishment fitouts at the Waterways Authority, Sydney regional office. It is spending a further \$1 million on general office fitouts. This \$5.5 million in increased charges is being spent on bureaucrats. The proposed charges show this is a rort. The MSB has written to each person who leases a property or berth in the area stating that there will be minimal rentals. Many of these people paid \$40 or \$50 a year for a small piece of land. Now the minimum rental will be \$500. No matter that on an area basis it is worth only \$100 or \$200, \$500 must be paid. On top of that lessees, when executing a new lease, will be

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required to provide a security deposit equivalent to one year's rental. A minimum deposit of \$1,000 and a maximum of \$5,000 will apply.

A constituent of mine, Mr Fred Fullerton, wrote that last year his rent was \$250. Because it is a minimum this year he will pay \$500 plus a further \$1,000. That rent has increased from \$250 to \$1,500. Remember this: no taxes and charges will rise above the consumer price index. Here we have a rise from \$250 to \$1,500. The Sydney Rowing Club has an increase from \$1,400 to \$7,000. We are hoping to do quite well in the Olympics. The Sydney Rowing Club is the oldest licensed club in Australia and obviously the premier rowing club in New South Wales. Those people are amateurs, rowing from 5 in the morning until 7 or 8 o'clock, seven days a week. They need help, but this club, one of five rowing clubs in my area, is receiving that sort of attention. Another constituent of mine, Miss McNiven, says she has two leases, one for land of \$40 per annum and one for a jetty and steps at \$8 per annum. I shall read a couple of extracts from her letter which stated:

Though the amounts for our present rental seem minimal, the Maritime Services Board land figures appear on our Municipal Council's and Valuer-General's Assessment Notices. Under the proposed changes to the rental of private foreshore leases . . . I have estimated that our future annual rental would be approximately \$7,000.

This is an increase of \$48 to \$7,000. I did not realise the consumer price index had increased to that extent. It is not a bad hike. I am complaining because the Premier said it would not happen. The Premier stood up in this House, appeared on television and said, "No increases above consumer price index". Can one believe a man who says that when these people are experiencing increases from \$48 to \$7,000? I doubt if many people with waterfront leases - a large number in the latter years of their life - can continue to pay such high rental costs. Miss McNiven stated, "We shall also have to pay a security deposit". This person could be up for between \$1,000 to \$5,000 on top of that \$7,000 for the security aspect. This Government has been found wanting. It is important that the Opposition brings to the attention of the Government that it is only here as a short-term government. This is so for a number of reasons but, more important, it is only here for a short period of time because it has not performed properly.

Madam DEPUTY-SPEAKER: Order! The honourable member has exhausted his time for speaking.

Mr MORRIS (Blue Mountains) [9.56]: I welcome the opportunity to join in the debate on the Budget. I congratulate those honourable members who have made their maiden speeches. This Government is to be congratulated on the 1991-92 Budget. It is sound management of the economy of this State in these troubled financial times. I have listened to the claptrap of my colleague opposite. It constantly amazes me that he never talks about his mates in Canberra. The Federal Treasurer has finally admitted that Australia is in the grip of the most severe recession since the Great Depression of the 1930s. That depression was caused

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largely by overseas factors. This depression is the home grown variety, engineered by the great mate, Mr Keating, who is barnstorming round the country telling a whole heap of lies and trying to destabilise money-markets. It has been deliberately manufactured and inflicted on us by the Hawke Labor Government - the recession we had to have, according to the former Federal Treasurer. What the honourable member for Drummoyne did not tell us is that we have one million people out of work, 10.4 per cent, thanks very much to his mates in Canberra. The honourable member stands up in this Chamber with that load of claptrap and never mentions that. We hear this claptrap all the time. As for their mate, Bob motorbike who goes out to the supermarkets and tells the big lies, let us call an election so that honourable members opposite will be well and truly out the gate where they ought to be.

Mr J. H. Murray: The honourable member will not be so lucky next time.

Mr MORRIS: Well, you might not be either. Under the Hawke Government Australia's overseas debt has quadrupled, threatening our credit standing in the world. Our manufacturing industries, which once employed 28 per cent of the Australian work force, have been systematically reduced by Labor's mates -

Mr J. H. Murray: On a point of order. The present debate relates to the State Budget. The honourable member for Blue Mountains has been speaking for two minutes but has referred only to the Federal Budget. I ask that he be requested to debate the State Budget and refer to it in detail.

Madam DEPUTY-SPEAKER: Order! The honourable member for Blue Mountains has been referring to the Federal economy, as did many honourable members in this debate. I have not yet heard him discuss the Federal Budget. He is in order in discussing the Federal economy by way of putting his contribution into context.

Mr MORRIS: It hurts when one tells the truth. Opposition members do not like to hear the truth. I had said that the work force in manufacturing industries had been reduced from 28 per cent to 16.5 per cent of the total work force. Imports have flooded into the country and increased the deficit and the balance of payments. Labor's only answer to the balance of payments problem is to reduce the purchasing power of the community and to plan decline of our living standards. The reduction in imports removes the ability to pay for them. The serious reduction in the State's revenue sources means that there is no other way the New South Wales Government can recover that immense loss than by reducing overall costs. Sadly that will result in a reduction in public programs and the public work force. The blame for those reductions lies fairly and squarely with the Federal Labor Government in Canberra. One does not hear Labor Opposition members protesting about these cuts and the actions of their mates in Canberra. All we hear from them is the usual Labor cry for more spending, creating more debt to drag the State back into the deep dark days of Wran-induced debt and a whole heap of lies.

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As a result of the Greiner Government's sound financial management since 1988 New South Wales has been spared the worst effects of the recession. This State has performed better than any other in regard to job opportunities, lower unemployment and sound public management. In its first term the Greiner Government managed the finances of New South Wales so well that the massive debt inherited from the former Labor Government was slashed and capital works programs to remedy the irresponsible neglect of roads, the environment, schools and hospitals were put in place. This Government can be especially proud of its record in my electorate of Blue Mountains. The Blue Mountains are a very special place. The area has great scenic beauty and attracts about 3 million visitors each year, mostly day-trippers from Sydney. For more than a century the Blue Mountains have been Sydney's lungs and playground. The fragile environment, harsh climate and unique pattern of the settlements

along the sandstone ridges mean that the electorate of Blue Mountains requires special services and consideration, all of which it has received from this Government after 12 long years of neglect by the former Labor Government.

In this 1991-92 Budget, despite Mr Hawke's recession, the Greiner Government commitment to the Blue Mountains electorate was \$73 million in real terms for capital works. The programs in the various portfolios include CityRail. More than \$30 million is being spent on upgrading, resignalling, stations, fencing, car parks, tourist promotion, lights for the car parks and other matters. I could go on and on. The environment has been one of the great spectacles in the Blue Mountains, an area that was left to rot by the Labor Government. On many occasions I have spoken in this House about the fragile environment and the absolute mess it was left in by that former Government. Nothing was put in place. This Government has allocated \$154 million for cleaning up the Blue Mountains streams. This year alone \$43 million has been allocated for capital works, including the backlog sewerage program and the sewage tunnel which will lead to more than 1,000 homes being connected to the sewer. The Greaves Creek Dam which supplied Medlow Bath and now Victoria Falls will have a filtration plant at a cost of \$3 million.

The water the people in that area had to drink was a disgrace. That program has improved the water in the area no end. Algae is growing in the reservoirs and work on reroofing most of them is almost complete. That was a massive program. Water mains have been relined. Work has been started on the cascade water treatment plant at North Katoomba at a cost of \$18 million, and \$13 million has been spent already to assist people in the mid-mountain region who had the same problem with poor water quality as did people in the upper mountains. The water was below world quality standards. That happened under the administration of these guys on the opposite side of the House who have the hide to go on with the claptrap that we hear every day. They should come to the Blue Mountains and see how they left that area. That is why they got the dog put on them up there.

[Interruption]

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Mr ACTING-SPEAKER (Mr Merton): Order! The honourable member for Blue Mountains has the call and will be heard in silence.

Mr MORRIS: The honourable member for Wyong will have the dog put on him in Wyong. He has a fair bit to learn about this place. He should learn a few manners to start with. The Greiner-Murray Government has made a commitment in regard to roads. Under the administration of the Labor Government in 1986-87 and 1987-88 total commitment was \$31.549 million. This Government has increased that funding by 28.812 per cent in the years it has been in office. An amount of \$27 million has been provided for upgrading of the highway; \$204,000 has been given to the council for minor works; \$776,000 for main trunk roads. For preservation and maintenance of roads in the electorate \$3.4 million has been allocated, as well as \$5 million of the \$10 million program for sealing of dirt roads, which were an absolute disgrace. The program introduced by the Premier and Wal Murray will stop the erosion of 400 roads that are not bitumenised. Over five years about 137 roads will be maintained. That is a great credit to the Government. From the fuel levy \$4.4 million will be spent this year on the Woodford bends. This project has been brought in six years ahead of schedule. Bob Debus and other Labor Ministers before him made promise after promise about that project. They could not get it started but the work is now proceeding.

When the coalition parties came to office there was no highway plan of management. This State was one of the first to introduce such a plan. The Roads and Traffic Authority would commence to widen the road and sail into a big deodar tree and the Blue Mountains city council would take out a court order against them. They were like two dogs between the wire: no

brains and no pack drill. We initiated community consultation, put them around the table and had one meeting attended by about 700 people. We brought in the highway plan of management. Just prior to the last election I was proud to have Wal Murray in the electorate to release this document which is a blueprint for everyone to see and in which the community has participated. Health services in the Blue Mountains were an absolute disgrace. The hospital and its board were politicised. People were leaving the Blue Mountains District Anzac Memorial Hospital, which was built by people who returned from the World War II. It is a community hospital. The Hon. Peter Collins, when Minister for Health, upgraded the maternity unit. Only 40 babies a year were being born in the maternity unit. The Government spent \$750,000 on the hospital. The ladies have returned to use the hospital and last year 440 babies were born at that hospital.

I pay tribute to the Leura Gardens Festival. The Hon. Jack Spellacy who has just celebrated his 90th birthday started the festival. That festival has been held for 20 years and has raised almost \$1 million for the hospital. The people of Leura throw open their gardens to visitors and the festival has become a national event. I pay homage to my great friend Bill Jensen who is now president of that organisation which was able to assist in the provision of an intensive care high dependency unit that cost \$750,000. That unit was opened recently by the Premier. Refurbishment was carried out at a cost of \$150,000 which was provided from those

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funds. That is a credit to the community and demonstrates the spirit that exists in the Blue Mountains when matters are not politicised. In the past fortnight the gardens in the mountains have been at their most beautiful for many years. The blossoms have been fantastic. Bill Jensen and his small community band have raised another \$150,000 that will go towards the children's ward. That is what the community can do when things are not politicised. The new area health centre at Katoomba was opened by the Hon. Peter Collins. Springwood Hospital has been upgraded. I should mention the Katoomba police station. I am a farmer, and I would not put pigs in that police station. The crowd on the other side had people working in conditions that were substandard. Under the Hon. Ted Pickering the Government spent \$4.5 million to bring that police station into the real world. The police strength was 26 and has been increased almost to full strength, with 60 personnel. We have a highway patrol car and a full complement of beat police. There is a great detective unit. Also we spent \$4.5 million completing the court house which the Labor Party did not complete.

A tremendous amount of money has been spent on education capital works in the Blue Mountains. An amount of \$850,000 was spent on the Hazelbrook school hall; \$1.5 million on the Lawson Community Centre; \$3.5 million on Wentworth Falls hall and classrooms for the school; and well over \$1 million on special education units at Lawson and Katoomba. The high school at Katoomba was a terrible place. The roof leaked for years. The carpet was rotten and the place stunk. Our Government spent half a million dollars putting in a new span-tech roof. We are still cleaning up the mess left by the Labor Party when in government. An amount of \$1.57 million was spent on painting schools. The technical and further education college is another story. We would not have put pigs in it. Now it has a record number of enrolments. The Government has seen fit to put \$11 million on the table up to 1995. We have just spent \$1.25 million buying 15 acres of land in Wentworth Falls to facilitate the long overdue improvement of the technical and further education college. Opposition members criticise what we are doing to technical and further education colleges. What a load of claptrap.

What did Labor administrations do for sport and recreation? They built a heap of monuments at Hazelbrook where their mates were. We started to spread the allocation over the electorate. My electorate goes from Jenolan Caves across to Rydal and down to Blaxland. Last year the Wentworth Falls, Mount Victoria and Lawson tennis clubs received money for clubrooms. An amount of \$10,000 was allocated to the Blue Mountains Pistol Club. In four years \$120,000 has been spent on worthwhile community groups, such as the group which organises the Leura Gardens Festival - on people who help themselves. The Lawson Community Hall and the mid-mountains out-of-school-hours care service are other

achievements in the electorate. The Premier has given \$150,000 for a community centre at Winmalee on a dollar-for-dollar basis with the city council and the community. Mountains community transport people were driving round in rotten old vehicles. They now have a new station wagon. Over \$1 million is granted annually to community groups in my electorate. An amount of \$20,000 has been granted to community groups

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from the Government's recession package to assist the needy. Katoomba Family Support Service has received \$10,000; St Vincent de Paul Society, \$3,000; and the Springwood Neighbourhood Centre, \$6,000. The Greiner Government has introduced policies and programs of great and enduring benefit to the people and the environment of the Blue Mountains.

I now mention a few small matters in relation to Hartley, where I live. The Cox River bridge was washed away. The reconstruction was not on the priority list for bridges. I went to the Deputy Premier, Minister for Public Works and Minister for Roads, got it on the priority list and just the other day the Dudawarra bridge became a reality. It plays a big role for farmers in Kanimbla Valley, as they need this bridge to get their produce out. This cost \$675,000. There has also been an upgrading of the road leading to that bridge. It is a vital road, not only for farming, but also for tourism. An amount of \$1 million was spent on that project. A tremendous amount of money has been spent on cleaning up the environment. On the subject of the Wentworth Area Health Board, the Nepean Hospital had been upgraded to teacher status and six neo-natal cots have been established. My colleague, the Chief Secretary and the Minister for Administrative Services, whose electorate covers Minchinbury, has done a lot of work in that area. Local members whinge and whine. I pay great respect to my colleague the Chief Secretary and Minister for Administrative Services for the work that she has done, assisting me in getting services for the people of western Sydney. I congratulate the Premier on his comment on the pack of lies that was told in the last election, which led to loss of Penrith for the coalition.

[Extension of time agreed to.]

I mention the scaremongering that went on in relation to the expressway. It is on record that Australians pay the highest taxes in the world to drive on the worst roads. What has the Greiner-Murray Government done this year? It has put \$1.7 billion into roads. This is the biggest capital works program ever undertaken in the history of this State. Nowhere is this more evident than in western Sydney, and particularly in my electorate. The improvement of the main road to the west was long overdue. Bob motorbike, as Doug Mulray calls him on 2WS, told a heap of lies about the Eastern Creek Raceway. He has been telling lies in this House every day that make me sick. He said that the Eastern Creek Raceway was one of the great achievements for the people of western Sydney. I agree with this. There is a great motoring community where I come from. The Labor Party does not realise that it is hurting a lot of people when it tells stories about Eastern Creek. It thinks it is being smart, but if it did a survey it would find out that between 20 and 40 per cent of men and women likes races.

Racing is a great sport. I was at the race meeting with a lot of other people to see two great Australian world-standard racers, whom we can be very proud of. Eastern Creek Raceway will bring credit to a great sporting nation. Our sons and daughters will look at it in years to come and it will be hailed as one of the great

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achievements of the Greiner Government, but all we get from the Opposition is one knock after another. We have Darling Harbour but no bridges or roads in the country. The Deputy Premier, Minister for Public Works and Minister for Roads and our National Party colleagues will tell us that neglect of the country paid for Darling Harbour. It is no wonder that the Blue Mountains did not have sewerage services and that we were drinking bad water. There were no lids on the reservoirs. The Opposition has a lot to answer for. God help us if the State ever gets into its hands. Business investment would cease to exist. Investors would go to

Queensland or possibly the west country. If the honourable member for Port Stephens were the Minister for Agriculture, he still would not know the front of a donkey from the back.

Mr ACTING-SPEAKER (Mr Merton): Order! The honourable member has the floor, but he should not bait members of the Opposition. There should be no further reference to donkeys.

Mr MORRIS: I conclude by thanking my colleague the Minister for Transport. Where I live tourism is one of the great money earners - a great employer and a non-polluting industry. The Minister for Transport has seen fit to trial the new Contura train. On Saturday we went to the mountains with the Inbound Tourism Organisation. The train was packed. There were 250 people on board. It was the centenary of the first train running from Central to Leura. It was quite a memorable day in the Blue Mountains. It was hosted by Fairmont Resort, under the management of Ulrich Leinichen. I place on record my thanks to the Fairmont Resort - to the owners, operators and management - for what it has done to tourism in the mountains. I place on record my thanks to the Minister for Transport, his staff and the staff of CityRail for the work that they have done in the Blue Mountains community. The CityRail staff are very much aware of the community. They go to all the meetings. The Rhododendron Festival is coming up this weekend. It is the longest running festival in the mountains. It has been running for 39 years. I think it is older than the Jacaranda Festival, which has not continuously run in the past. Our festival has run now for 39 years. The memorial park where the rhododendrons are planted is a monument to the memory of the soldiers who lost their lives in the 1914-18 war. It looks spectacular and I hope the weather holds so that we have another great flower festival in the Blue Mountains next Saturday and Sunday, culminating with the rhododendron ball.

I had the pleasure of opening the art show just recently and that is in its 25th year. Some beautiful artworks have been displayed by local artists. The Blue Mountains is a lovely place. I should like to thank the Premier and the Deputy Premier for the money that has been allocated and the work that has been done in the area. Last year the electorate received funding of more than \$92 million. This year, with the Budget tight, \$73 million will be spent on Blue Mountains capital works. It will be spent across the electorate, including upgraded signalling on CityRail and the upgrading of railway stations. It was a disgrace that stations were not upgraded and that trains were filthy. Now with the new washing machine for

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cleaning the trains, they look spectacular. These new rail works are a credit to our Government under the guidance of the Minister for Transport. I thank the Government for giving me the opportunity to serve as the local member for Blue Mountains. I place on record the achievements in our area under this Government.

Debate adjourned on motion by Mr Markham.

House adjourned at 10.22 p.m.