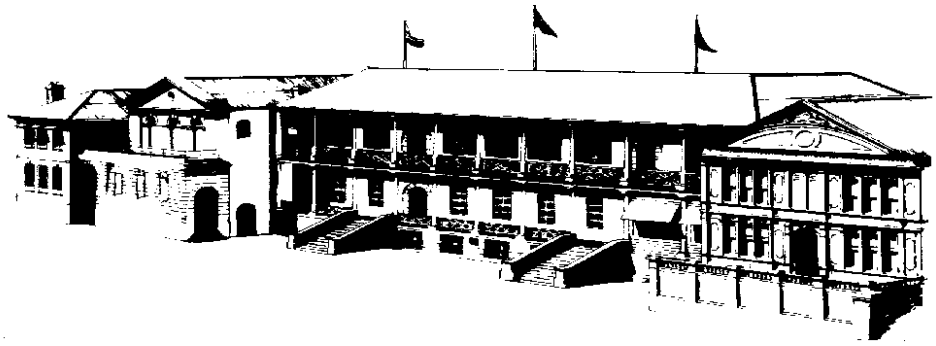
NEW SOUTH WALES



Legislative Assembly

PARLIAMENTARY DEBATES

(HANSARD)

FIFTY-FIRST PARLIAMENT
THIRD SESSION

OFFICIAL HANSARD

Thursday, 4 June 1998

AUTHORISED BY
THE PARLIAMENT OF NEW SOUTH WALES

LEGISLATIVE ASSEMBLY

Thursday, 4 June 1998

Mr Speaker (The Hon. John Henry Murray) took the chair at 10.00 a.m.

Mr Speaker offered the Prayer.

TRAFFIC AMENDMENT (PENALTIES AND DISQUALIFICATIONS) BILL

Bill read a third time.

ENVIRONMENTAL TRUST BILL

Bill introduced and read a first time.

Second Reading

Ms ALLAN (Blacktown—Minister for the Environment) [10.02 a.m.]: I move:

That this bill be now read a second time.

This bill deals with the operations of the environmental trusts. Specifically, it seeks to secure the future of the trusts' programs by replacing Sydney Water's trade waste charges with a standing appropriation from the Consolidated Fund as the principal source of revenue for the scheme. The bill also sets out a range of other changes to the operations of the trusts, foremost among which is the amalgamation of the three existing trusts—the Environmental Restoration and Rehabilitation Trust, the Environmental Research Trust and the Environmental Education Trust—into a single trust able to perform all of the functions of the existing bodies. These changes will establish a framework within which the new trust can determine allocations of funds according to the environmental priorities of the day and not, as is currently the case, according to how much money is available in each individual trust.

This is an important package of reforms. It concerns the long-term viability of the programs that have been run under the environmental trusts scheme since it commenced eight years ago. When the three trusts were set up in 1990 the Government of the day had support from the Opposition for the initiative. Notwithstanding that broad support, I raised a number of important issues from the other side of this Chamber. Not least among those was the philosophy of funding the trusts from trade waste charges. My questions were relevant then; even more so now. Since coming to office, the Carr Government has spearheaded an unprecedented level of reform in the area of environmental policy. One hugely significant initiative among the many has been the introduction of a scheme for load-based licensing.

When this Parliament enacted legislation to establish the load-based licensing scheme it created an important financial incentive for industry to care for the environment. Also, the inequities in the existing system of licensing were removed by these reforms. The Government believes that the commencement of the load-based licensing scheme later this year will raise legitimate questions about the present system of trade waste charges imposed by Sydney Water on its customers. This bill is needed to ensure that the environmental trusts scheme can continue to function properly regardless of the outcome of any future review of Sydney Water Corporation's trade waste charges. I stress the word "future" here. The Government's intention in introducing this bill is to say two things: that the environmental trust scheme is important and its future funding should be secured, and that the present source of revenue for the scheme may change in the future as a result of recent reforms.

What is being proposed does not pre-empt the outcome of any review. It simply ensures that the trusts will continue irrespective of when, in the near future, a review of trade waste charges occurs, or what its outcome is. The bill provides for the replacement of trade waste charges at any time up to and including the 2000-2001 financial year. Another of the Carr Government's initiatives with relevance to the trusts scheme is the Contaminated Land Management Act. That Act clearly applies the polluter-pays principle to the issue of the remediation of contaminated land. When the environmental trusts were established no such mechanism was available and, hence, a disproportionately large amount of the trusts' revenue was committed to achieving environmental restoration and rehabilitation.

The capacity to fund environmental research and environmental education adequately was greatly diminished because of this feature of the original

scheme. The Government believes that as a consequence of its contaminated land reforms the time has come to allow greater flexibility in the operation of the trusts. This bill is needed to ensure that this flexibility is built into the scheme and that scarce resources can be applied to whatever activity will achieve the best environmental outcome. In essence, the Government believes that the environmental trusts scheme needs to be preserved, but in a form that recognises the changes in environment protection since they were established.

Rather than three separate trusts, one is proposed. A single trust will be able to perform all the functions of the three existing trusts, but will provide a forum for informed discussion about which activities—rehabilitation, research or education—should be accorded the highest priority in a given year. A single trust will also be administratively more efficient than the present system. Each year this single trust will receive from the Consolidated Fund an amount of $13.5 million indexed. This represents the same level of funding as presently provided to the trusts through Sydney Water's trade waste charges. Minimum allocations for each of the areas of environmental rehabilitation, research and education are established by the bill—$1 million, $0.5 million and $0.5 million respectively. This will ensure continuity in each of the trust's program areas.

The proposed membership of the new trust deals with the issues I raised in debate on the original trust bills eight years ago. I expressed concern that these bodies were, perhaps, a little top heavy with Ministers. Under the proposals in this bill, the Minister for the Environment will chair the trust, with four other members drawn respectively from Treasury, the Environment Protection Authority, the environmental community and local government. The inclusion of local government demonstrates yet again the Carr Government's commitment to partnership with local government in environment protection. The new trust will continue to have each application to it assessed by technical committees. This will ensure that appropriate expertise is brought to the review of all applications and that trust decisions continue to be based on merit.

To further improve the transparency of the trust's grant decisions, the bill requires that the trust determine a grants program for each financial year and that this program set out the priorities for funding, amounts available in each program area and the limits on individual grants. This is an important improvement. Many community groups seeking funds from this type of scheme put a great deal of effort into the preparation of applications. The environmental trust must ensure that it does not encourage wasted effort on applications that have little chance of succeeding because they relate to areas of low priority for the allocation of funds. Improving the transparency of the trust's decisions will further enhance the good reputation of the scheme in the New South Wales community.

One extremely important program run by the Environmental Restoration and Rehabilitation Trust has been the emergency pollution clean-up program. The provisions for this in existing legislation confine the use of trust funds to situations in which immediate action needs to be taken in relation to serious pollution. The Government believes that this important program must continue, but be broadened. Local government has, over a long time, made representations about trust funds being available for use in some circumstances relating to the clean-up of orphan wastes. The Government accepts that there are some occasions when clean-up of these wastes should not impose an additional burden on councils. The bill allows for the trust to expend funds on this activity. This will be done in accordance with guidelines that the trust will develop.

The Forestry Restructuring and Nature Conservation Act limits the activities of the environmental trusts until the end of the 1999-2000 financial year. This Act will continue to apply to the modified trust scheme proposed in this bill. Overall, the Forestry Restructuring and Nature Conservation Act provides for the expenditure of approximately $130 million on three programs: forest industry restructuring, nature conservation and other high-priority environmental projects prescribed in the Act. These programs are proceeding. However, getting the right balance between conservation interests and productive interests in the forests is complex. The issues involved are subject to intense scientific review and consultation with affected stakeholders. This needs to happen; but it takes time.

Distribution of funding for forest industry restructuring is, of course, linked to this process. For this reason the Government believes that the period for which trust moneys may be used to reimburse the Consolidated Fund for forest industry restructuring should be extended. The bill moves the sunset for this from 30 June 2000 to 30 June 2001. The Government also wishes to amend schedule 1 of this Act to allow for the inclusion of three additional programs relating to nature conservation and forestry. These projects are detailed in the bill, and demonstrate the Government's continued commitment to improve the management of the

State's forested areas, as well as acquiring additional national parks and effectively resourcing their management.

In summary, these proposals ensure the long-term viability of the programs that have been run by the environmental trusts. The bill achieves this through securing a revenue base that is independent of any future changes to Sydney Water's trade waste charges. The move to a single trust will ensure a more efficient and more responsive structure for this important program. A single trust will have a very real capacity to be responsive to the environmental needs of the day. I commend the bill to the House.

Debate adjourned on motion by Mrs Chikarovski.

OFFSHORE MINERALS BILL

Second Reading

Debate resumed from 27 May.

Mr ROGAN (East Hills) [10.11 a.m.]: I support the Offshore Minerals Bill. Australia in general and New South Wales in particular are working hard to attract and retain exploration and mining activities in competition with the rest of the world. Therefore, it is of vital importance that we have streamlined legislative regimes that are conducive to modern exploration and mining. Companies are attracted to countries and States that have modern laws and procedures. This bill will ensure that there will be common legislation in regard to all offshore waters of New South Wales. Exploration and mining out to the three nautical mile line will be conducted under the provisions of this bill, and beyond that line the legislation will mirror the provisions of the Commonwealth Offshore Minerals Act 1994.

Care has been taken to ensure that provisions in other legislation implemented to protect and manage our coastal waters will not be affected by this bill. It simply ensures that our State, in unison with the other States and the Northern Territory, will have legislation that specifically applies to exploration and mining in coastal waters. The Mining Act 1992—which administers exploration and mining principally on land, but by convention has extended into the offshore environment—will now terminate at the coastal baseline. Beyond that line seaward the new legislation will apply out to the three nautical mile line. Savings provisions in the bill will preserve the rights of the holders of the five current exploration licences that exist offshore of New South Wales.

I am confident that this new legislation can only add to the potential attractiveness of exploration of the sea offshore of New South Wales and, hopefully, if mineral resources are found in mineable quantities, the ultimate development of responsible offshore mining operations. However, I hasten to add that any titles for exploration and mining would not be granted until a thorough consideration has been made of such proposals under the environmental laws. That is the position now and it will not be affected in any way by the improved legislative regime presented by this bill. I am pleased to support this bill, which will improve and streamline the mining legislation of New South Wales. I commend the Minister for the way he has approached his portfolio, for the Mines Inspection Amendment Bill and for this bill in particular.

Mr J. H. TURNER (Myall Lakes) [10.14 a.m.]: The Offshore Minerals Bill is uniform legislation that covers mineral, but not petroleum, exploration and mining in coastal waters three nautical miles or less beyond the low-water mark. As uniform legislation it is part of the offshore constitutional settlement of 1979, and mirrors the Commonwealth Offshore Minerals Act 1994. The activities provided in the bill are presently covered by convention by the New South Wales Mining Act. Unlike other States, however, the New South Wales Marine Parks Act 1997 precludes exploration and mining in marine parks. This bill recognises that situation. Additionally, mining or exploration cannot be carried out in aquatic reserves and where fishing closures have been ordered without the specific consent of the Minister. The Opposition concurs with those provisions.

The bill provides that the administrative arrangements before any licences can be granted for coastal waters mining or exploration must be considered by the Department of Mineral Resources, the National Parks and Wildlife Service, the Department of Urban Affairs and Planning, New South Wales Fisheries and the Department of Land and Water Conservation. The integration of many government departments, whilst certainly creating significant red tape, may assist in ensuring that the bill is not used indiscriminately by the Government by allowing mining within coastal waters to accelerate royalties to prop up its fanciful budget.

The Opposition wants to make it quite clear that although it does not oppose this bill, principally on the basis that it is uniform legislation and has been agreed to by all State and Territory governments and the Federal Government, it requires an absolute ironclad guarantee from the Government that indiscriminate mining will not

occur in State waters. The Government can start by confirming the 25-year ban on sandmining, which was imposed by the former Minister for the Environment, Chris Hartcher. The decision to impose that ban was made following a government test that showed mining may contaminate marine life with organochlorine pesticides and could lead to erosion of the beaches. That extremely responsible action by the then Minister and the Fahey Government was designed to ensure that our beautiful beaches are protected. If the Government were prepared to give that acknowledgment it might receive a letter such as the one received by the former Minister for the Environment, Mr Hartcher, in 1994, which stated:

> It is not often that I have cause to congratulate the NSW Government on decisions taken which have been strongly supported by the Labor Council of NSW.
>
> However, I hope you will accept my appreciation to you and the Government for the decision to reject Metromix's proposal to mine sand off Sydney's beaches.
>
> As you are no doubt aware, the Labor Council of NSW proposed an "aqua ban" on this mining development, taking the view that it was simply impossible to guarantee that such a huge extraction of sand from the ocean floor would not severely impact upon Sydney's greatest tourist attraction—its beaches.
>
> I appreciate the Government's decision has been the cause of some difficulty with your colleagues but you can be well assured that you have the overwhelming support of the local community, the Unions and the people of NSW.
>
> Might I add that we would certainly welcome an opportunity to develop further with the Government and the industry, alternative sand supplies for Sydney's needs; as we recognise the importance of this supply to the NSW building industry.

The letter is signed by no other than Peter Sams, then Assistant Secretary of the Labor Council of New South Wales. There will be many checks and balances under this bill. However, I assure the House that if I, as Minister, were to assume the general oversight of this matter and, in relation to the designated authority, the day-to-day administration of the Commonwealth's Mineral Act of 1994, I would not agree to mining in environmentally-sensitive areas or of the environmental biodiversity if it affected part of an ocean or created visual pollution. The last thing we want to see on our beautiful coasts are derricks, barges, drills and the like.

The bill exempts mining in marine parks where fishing closures have occurred and in aquatic reserve areas. The former is covered by the Marine Parks Act 1997, which the Opposition supported. The Opposition supports those exemptions and reiterates its commitment that the environment is paramount in the debate on this bill. In any event, in addition to the Marine Parks Act, the Environmental Planning and Assessment Act, the Coastal Protection Act and the Mines Inspection Act will still apply in the consideration of applications. As such, the Coastal Protection Act will require the approval of the Minister for Land and Water Conservation if development is to be carried out in a coastal zone, as well as intervention by the Minister for Fisheries, the Minister for the Environment and the Minister for Urban Affairs and Planning.

Clause 442 of the bill provides that the Governor may make regulations which, inter alia, will provide for the conservation and protection of the mineral resources of coastal waters, the remedying of damage caused to the seabed or subsoil in coastal waters by offshore exploration and mining activities, the remedying of damage caused by the escape of substances as a result of offshore exploration and mining activities, and the protection of the environment. The Governor has the discretion to make regulations for the previously mentioned items. However, the Opposition believes that clear, concise and exacting regulations should be in place to define all those activities that are necessary to carry out the protection of the environment, conservation and remedying of damage I previously mentioned. We must ensure our ocean environment is disrupted to the barest minimum. A further matter of concern is royalty payments. The bill does not prescribe the payment of royalties as set out in part 14 of the Mining Act. It appears that under this bill the royalty rate will not be prescribed or described in the regulations. Indeed clause 430 of the bill states:

> . . . the Minister may, by instrument in writing, determine the rate of royalty payable for a mineral of a kind specified in the instrument.

That could be something as simple as a letter. The bill does not provide for the Parliament to scrutinise the Minister's demand for a royalty payment, as would be the case if the determination of a royalty payment were as per the Mining Act—that is, the subject of a regulation. This is a dangerous precedent. The Opposition will move an amendment that requires the royalty rate to be set out in regulations to ensure transparency and scrutiny by the Parliament. We do not want this cash-strapped Government and inept Treasurer setting the royalty rate to suit themselves and without the scrutiny of the Parliament. The bill provides for joint authority in relation to major decisions to titles such as grants and refusals.

In the event of a disagreement, the views of the Commonwealth Minister will prevail. I am not attracted to that part of the legislation. There should

be State autonomy over our three-mile limit. As such I believe this matter has to go back to the Commonwealth heads of government for review. If the power is invoked by the Commonwealth Minister between now and when the coalition wins the 1999 election I would expect the Minister to stand up to his Federal counterpart and defend the right of the State to make decisions in relation to State sovereignty. The Opposition does not oppose this bill. However, I hope the Government will acknowledge the matters that I and other Opposition members raise.

Mr KERR (Cronulla) [10.22 a.m.]: I will speak briefly to the Offshore Minerals Bill because of its importance and history. However, I shall not repeat what was said by the shadow minister. Honourable members will recall that when the Labor Party was in opposition there were proposals for sandmining off the coast of Sydney. There was a public campaign to prevent that happening and the former Minister for the Environment, Chris Hartcher, imposed a 25-year ban on sandmining off Sydney's coast. During the election campaign the Labor Party promised that it would introduce legislation to ban offshore sandmining. However, this is the only legislation it has introduced that is relevant to that undertaking—and it does not prohibit the mining of sand off the coast. In relation to my electorate, the Minister for Mineral Resources, and Minister for Fisheries has gone public—I raised this matter in the House a couple of days ago—in relation to sandmining in Port Hacking. It was proposed that commercial sandmining be looked at. As I have said, I do not think that would be suitable because of the landing sites and what would happen when that sand was trucked.

Mr Martin: Do nothing!

Mr KERR: Doing nothing, as the Minister suggests, is not an option because the channels and public transport need to be maintained. If the Minister looks at the amount of data that has been collected in relation to Port Hacking he will see that there is plenty of material on which to make a decision. I think the Minister raised the prospect of taking the sand out to sea by barges. How much funding would be available for that purpose? It would be a considerable operation. The Opposition is waiting for the Carr Government to honour its promise of legislation to prohibit sandmining. The Opposition is also waiting for the Government to make clear whether it will maintain the sandmining ban imposed by the previous coalition Government. This bill is before the House because of an agreement between the Commonwealth and State governments. A considerable amount of work and expertise has been put into the bill. The overview of the bill states:

> The object of this Bill is to enact legislation dealing with the exploration for and mining of minerals in the coastal waters of the State, being legislation that is uniform with the *Offshore Minerals Act 1994* of the Commonwealth . . .

It is appropriate that there be uniformity between the States and the Commonwealth on this matter. The topic has bedevilled Commonwealth and State governments for some time. The legislation is a step forward. However, the public of New South Wales is concerned about the Government meeting its environmental commitments, which it took in good faith. This topic will remain unfinished business until the Government meets those commitments.

Mr MARTIN (Port Stephens—Minister for Mineral Resources, and Minister for Fisheries) [10.26 a.m.], in reply: I thank the honourable member for East Hills, the honourable member for Cronulla and the honourable member for Myall Lakes for their contributions to the second reading debate. The New South Wales Government must join other States, the Northern Territory and the Commonwealth to ensure that Australia has a modern legislative regime to cover mineral exploration and mining in waters offshore. Honourable members are aware of the importance of having good legislation in New South Wales, an example of which is the Mining Act, which was modernised by this Government in 1996-97. The result in no small part has been the expenditure of more than $100 million in exploration by private enterprise in New South Wales during the past year.

In addition to the measures contained in the bill, there will be maintenance of a strong administrative liaison between the Department of Mineral Resources and all other government authorities that have an interest in coastal matters. In respect of sandmining no new legislation will be required. The entire waters off New South Wales to the three nautical mile limit are currently covered by reserves under the Mining Act which prevent the granting of assessment leases, mining leases or mineral claims of any kind. These reserves are carried over by the Offshore Minerals Bill. The Government does not intend to degrade the environment. Everything has to have the strongest and most thorough scrutiny by not only my administration but others. There is no prospect of mining offshore at this point.

Motion agreed to.

Bill read a second time.

In Committee

Clauses 430 and 431

Mr J. H. TURNER (Myall Lakes) [10.29 a.m.], by leave: I move Opposition amendments Nos 1 to 5 in globo:

No. 1 Page 197, clause 430, lines 17-19. Omit all words on those lines. Insert instead:

(1) Subject to this section, the regulations may prescribe the rate of royalty payable in relation to a specified kind of mineral.

No. 2 Page 197, clause 430, line 20. Omit "determined". Insert instead "prescribed".

No. 3 Page 197, clause 430, line 23. Omit "determined". Insert instead "prescribed".

No. 4 Page 197, clause 430, lines 26-28. Omit all words on those lines.

No. 5 Page 198, clause 431, lines 2-11. Omit all words on those lines. Insert instead:

The regulations may prescribe a lower rate than that prescribed in accordance with section 430 for a particular kind of mineral, or for all minerals recovered under a particular licence, that is to apply in cases where the Minister is satisfied that recovery of the kind of mineral to which the rate applies would be uneconomic at the rates prescribed in accordance with section 430.

The amendments provide that the royalty rate prescribed in clause 430 and referred to in clause 431 is to be designated by regulation rather than by the Minister in an instrument in writing, which could be something as simple as a letter. Such an instrument obviously would not be open to the scrutiny of the Parliament as a regulation would be. The change in wording would help to make the Government's dealings with the industry more transparent. With the greatest respect to the Minister for Mineral Resources, and Minister for Fisheries, the present wording could be open to rorting by a cash-strapped government. It could impose a royalty rate in writing by letter, with a 45¢ stamp on it if necessary, and the industry would have no comeback. A regulation imposing a royalty rate could be scrutinised by Parliament to determine whether the rate is justified or onerous. The amendments would strengthen the legislation and make the government of the day accountable in relation to royalty rates it imposes.

Mr MARTIN (Port Stephens—Minister for Mineral Resources, and Minister for Fisheries) [10.31 a.m.]: The Government does not support the amendments. This is a fundamental component of public administration. The typical nonsense for minor political point-scoring purposes that goes on in the other place is an abuse of power and an abuse of the political process. I point out that money bills do not originate in upper Houses. The Government will not tolerate that sort of interference in the public administration of New South Wales and rejects the amendments.

Question—That the amendments be agreed to—put.

The Committee divided.

Ayes, 43

Mr Beck	Mr D. L. Page
Mr Blackmore	Mr Peacocke
Mr Brogden	Mr Phillips
Mr Chappell	Mr Photios
Mrs Chikarovski	Mr Richardson
Mr Cochran	Mr Rixon
Mr Cruickshank	Mr Rozzoli
Mr Ellis	Mr Schipp
Ms Ficarra	Mr Schultz
Mr Glachan	Ms Seaton
Mr Hartcher	Mr Slack-Smith
Mr Hazzard	Mr Small
Mr Jeffery	Mr Smith
Dr Kernohan	Mr Souris
Mr Kinross	Mrs Stone
Mr MacCarthy	Mr Tink
Dr Macdonald	Mr J. H. Turner
Mr Merton	Mr R. W. Turner
Ms Moore	Mr Windsor
Mr Oakeshott	*Tellers,*
Mr O'Doherty	Mr Fraser
Mr O'Farrell	Mr Kerr

Noes, 46

Ms Allan	Mr Martin
Mr Amery	Ms Meagher
Mr Anderson	Mr Mills
Ms Andrews	Mr Moss
Mr Aquilina	Mr Murray
Mrs Beamer	Mr Neilly
Mr Clough	Ms Nori
Mr Crittenden	Mr E. T. Page
Mr Debus	Mr Price
Mr Face	Dr Refshauge
Mr Gibson	Mr Rogan
Mrs Grusovin	Mr Rumble
Ms Hall	Mr Scully
Mr Harrison	Mr Shedden
Ms Harrison	Mr Stewart
Mr Hunter	Mr Sullivan
Mr Iemma	Mr Watkins
Mr Knowles	Mr Whelan
Mr Langton	Mr Woods
Mrs Lo Po'	Mr Yeadon
Mr Lynch	
Mr McBride	*Tellers,*
Mr McManus	Mr Beckroge
Mr Markham	Mr Thompson

Pairs

Mr Armstrong	Mr Carr
Mr Collins	Mr Knight
Mr Debnam	Mr Nagle
Mrs Skinner	Mr Tripodi

Question so resolved in the negative.

Amendments negatived.

Clauses agreed to.

Bill reported from Committee without amendment and passed through remaining stages.

MINES INSPECTION AMENDMENT BILL

Second Reading

Debate resumed from 26 May.

Mr J. H. TURNER (Myall Lakes) [10.43 a.m.]: This bill is to provide additional safety arrangements for mines other than coal and shale mines, which are provided for under a different Act. Mining operations in relation to this bill also cover processing plants associated with quarries such as ready-mixed concrete batching plants and asphalt plants. It does not include opal mines. The three main objects of the bill are to update the Act in line with modern mining practices, to incorporate the International Labour Organisation Convention No. 176 concerning safety and health in mines that were not already in the regulation, to regulate the appointment of mine managers and shotfirers and require production managers who hold a certificate of competency to undertake training to maintain standards and competency required to discharge their duties.

Let it be said yet again that the Opposition gives bipartisan support in relation to mine safety and therefore will not oppose the bill. The original legislation was formulated in 1901 and part of the amending bill is to take out some archaic wording and practices that are no longer applicable to mining. A number of matters were of initial concern to both the Opposition and the industry. These related to the necessity of the mines inspector approving the managers of mines, the appointment of temporary general managers and temporary production managers, and matters pertaining to risk management strategies, particularly in respect of ILO convention. Following discussions with industry and the Minister's office I understand that there will be significant amendments to the bill to which, if they are in accordance with the briefing note provided to me by the Minister's office, the Opposition will not object, with the exception of the proposed amendment to new section 46.

The amendments include changes to the appointment of a general manager of a mine and state that an owner of a mine must ensure that is a competent person is appointed as a general manager of the mine at all times, rather than have the situation which, under the existing bill, would have seen the necessity for the owner to have a general manager whose nomination as the general manager had been approved by the chief inspector. There was also a need for the chief inspector to approve the position of a temporary manager and a temporary production manager to act in periods of more than two months. An amendment will be submitted to remove the requirement for the approval of an acting general manager and will also incorporate matters pertaining to a temporary production manager.

If the section requiring the mine manager to be approved by the chief mines inspector had been retained, the chief inspector may have been liable for anything that occurred at the mine. One of the significant parts of the bill is the risk management strategies commencing in new section 46. In his second reading speech the Minister said that this was to bring the bill into line with the ILO convention. I have been told by the industry that the provisions of the bill are much wider than the ILO convention. It may well be that the bill is so wide that it would be unworkable and impractical and, in fact, might hinder rather than help safety. As the section stood it would have required a once-off identification and assessment for risk no matter how minor. That is an obligation that is not imposed by Article 6 of the convention, nor was the method of identifying an assessment of the risk set out. As I mentioned, it would have created great uncertainty and may have hindered safe operation where the section applied, because of that uncertainty and prescriptive nature.

I have seen a briefing paper from solicitors Allen Allen and Hemsley. Certain observations that I will make will be referrable to that brief. In the interim I refer to the amendments proposed by the Government, which will still make new section 46 broader than the ILO convention. I read onto the record the concerns of the New South Wales Minerals Council Limited and indicate that the Opposition may seek an amendment in the upper House, as time will preclude that from happening in this House, to new section 46 to bring it into line with the concerns of the council. The letter from Laurie Steller, the occupational health and safety manager of the Minerals Council, undated, was received by me on 3 June. It states:

As discussed, the comments I have passed on to Graham Terrey at the DMR on the proposed revision.

We still have significant problem with the proposed wording of Division 3 Clause 46 Risk Management Strategies.

The clause (as currently amended) requires that any foreseeable risk is identified, assessed and either eliminated or minimised to the fullest possible extent.

This clearly means that any foreseeable risk, no matter how likely or how serious, is to be subject to this process. This is unrealistic and impossible to achieve.

We submit that the clause still goes well beyond the intent of the ILO Convention—our original concern—and is unacceptable to the Council.

One possible option may be to modify 46(a) to:

"any reasonably foreseeable significant safety or health risk arising . . . "

*If necessary, "**significant safety or health risk**" may be defined as "**a highly likely event with the potential for serious harm to a person at the mine.**" Alternatively this definition could be left to guidelines etc.*

I understand that the Minister will be putting some boundaries around the issue in the address in reply.

It has been said that without the amendment the general manager of the mine would have significant liability because the general manager, as soon as is reasonably practical, must identify and assess any risk associated with the safety and health of persons whilst employed at the mine. This could mean from something as simple as a crack in the concrete on which somebody might trip to a major defect in the mining operations. Any oversight by the general manager, no matter how minor, would render him liable under that section for 20 penalty units. There may well be risks of which the general manager was unaware or simply could not assess and these may render him liable under that section.

As I understand it, Article 6 of the International Labour Organisation Convention provides that where preventative and protective measures are being taken, they should include assessment of risk in a certain order, having regard to what is reasonable, practical and feasible in the good practice and exercise of due diligence. As the legislation now stands, the manager must report any dangerous incident. Again, that is considered to be too wide and will be streamlined to strengthen the Act.

None of the amendments address shotfirers and perhaps the Minister in reply could deal with that matter. The bill provides that a shotfirer who does not have a certificate of competency granted in New South Wales has to be approved by the board of examiners of shotfirers. I am told by the industry that there is almost a uniformity in the competency of and training for shotfirers throughout every State. Therefore, consideration should be given to alleviating the necessity of going through a further examination by the board of examiners. All reasonable steps should be taken to ensure the safety of miners, and that applies in particular to shotfirers who have not received a certificate of competency from another State of Australia. The Opposition does not oppose the bill.

Mr ROGAN (East Hills) [10.51 a.m.]: I have pleasure in supporting the Mines Inspection Amendment Bill introduced by the Minister for Mineral Resources, and Minister for Fisheries. The bill makes amendments to streamline the application of metalliferous mine safety legislation. The Minister has detailed a range of amendments, and I will not spend time repeating them. Suffice it to say that I am particularly pleased that emphasis is placed on clarifying areas of responsibility in relation to mine safety. In this regard the importance of a mine's general manager cannot be understated, as he is the person responsible for making a commitment to safety.

The bill places a statutory responsibility on general managers for the safety and health of employees and it is imperative that general managers understand and appreciate their legal obligations. The general managers of larger mines, those that employ more than 20 people, must also have on site a production manager who holds a certificate of competency. For the past 30 years these certified people have, in reality, been production managers who have held statutory responsibilities in relation to the mines of the State. They currently have to develop specific site safety policies and put in place strategies to ensure that health and safety issues have been identified and implemented. This responsibility will now fall on the general manager.

The bill places the responsibility for safety where it correctly belongs, namely, on the most senior person at the mine site. For smaller mines, with fewer than 20 employees, the general manager and the production manager can be one and the same person. However, this does not mean that their understanding of their statutory responsibilities and level of competency will not be assessed. In such a situation these people will be examined by an inspector of the Department of Mineral Resources to ensure that they have a clear understanding of their responsibilities concerning the health and safety of persons employed at the mine. If they are considered competent, they will be issued with a permit to manage.

Owner operators of opal mines are exempted from these requirements, as they were under the Mines Inspection Act 1901. However, it will now be compulsory for people engaged in opal mining to undergo a training course on safety issues. For Australia to ratify the ILO convention concerning health and safety in mines, it is necessary for this State to ensure that its legislation meets the standard expressed in the Convention. This bill embraces the language and intent of the Convention. The changes brought about by the bill are part of this Government's package of improvements to ensure increased mine safety.

A number of these changes have already been introduced by the Minister, including the establishment of an industry safety committee to oversee the continued implementation of safety reforms, ensuring that all mines have mine safety plans. As well, changes are to be implemented within the Department of Mineral Resources by way of restructure of the mine safety and environment division so that there is a primary focus on safety. These reforms will ensure the implementation of a series of improved safety performance measures, the identification and development of documentation in relation to hazard and risk management, and the production of targeted safety handbooks and guidelines.

Further reforms will include a greater emphasis on training and the establishment of an investigations unit within the Department of Mineral Resources so that techniques, procedures and impacts of investigations into serious occurrences can be correlated and reviewed to prevent serious incidents from recurring. Another reform is the development of an enforcement policy and procedure in relation to prosecutions. These mechanisms will ensure that there are increased levels of understanding and commitment to safe mining. I believe that the substance of the bill, particularly the clear delineation of responsibilities for health and safety in the management hierarchy of metalliferous mines, is both timely and desirable. Accordingly, I support the Minister in his endeavours and commend him for his achievements to date concerning the important safety issues confronting the mining industry in this State.

Mr MARTIN (Port Stephens—Minister for Mineral Resources, and Minister for Fisheries) [10.55 a.m.], in reply: I thank the honourable member for Myall Lakes and the honourable member for East Hills for their contributions to the debate. It is important that issues concerning the responsibilities of site managers, ILO convention matters and the streamlining of non-coalmine safety legislation be addressed. This bill does that. Safety in our State's mines is of paramount importance to this Government and to me as Minister for Mineral Resources. Foremost for the Government has been the implementation of mine safety review findings and the independent report on mine safety commissioned by me in 1996.

The report presented 44 recommendations that addressed areas requiring change, including safety incentives, work force involvement, training, contractors, risk management, the inspectorate, legislation and regulation. As part of the extensive work undertaken by the various task groups to implement the recommendations, I announced in April the most extensive reforms in mine safety in New South Wales for more than 50 years. As a result of discussions with the Minerals Council of New South Wales, industry associations and the unions, a legal framework has now been established so that responsibilities for health and safety issues at metalliferous mines can be fully addressed.

This is the critical part. One of the most important requirements placed on the industry deals with risk management. Whilst legally the Government must impose a requirement for any reasonably foreseeable risk, I stress that it is most concerned with those significant risks that have the potential for serious harm to people. The Government will need some guidance from industry on this aspect and that is consistent with it raising standards realistically. All mineral mines employing more than four persons now have an occupational health and safety policy in place, with requirements for mine safety management plans to be introduced in the regulations for the metalliferous sector.

Currently 96 per cent of mines employing more than 40 persons have commenced or established management plans. As an interim step, work is now under way to develop guidelines for the management plan, especially for mines employing smaller numbers. In relation to the ILO convention, this State has ensured that its legislation has met international standards on health and safety of workers employed in mines. The Government will lead Australia in ensuring the safety of workers. I commend the legislation to the House. Honourable members can rest assured that the Government will work closely with the industry to achieve the desired result.

Motion agreed to.

Bill read a second time.

In Committee

Schedule 1

Mr MARTIN (Port Stephens—Minister for Mineral Resources, and Minister for Fisheries) [10.59 a.m.], by leave: I move Government amendments Nos 1 to 14 in globo:

No. 1 Page 3, schedule 1[2], line 25. Omit "serious injury to a person". Insert instead "loss of life to a number of persons".

No. 2 Page 4, schedule 1[2], lines 4-6. Omit all words on those lines. Insert instead:

general manager of a mine means the person nominated under section 5 as general manager of the mine.

No. 3 Page 8, schedule 1[12], proposed section 5, lines 9-12. Omit all words on those lines. Insert instead:

(1) The owner of a mine must ensure that at all times there is a person holding the position of general manager of the mine, being a person who has been nominated by the owner as general manager of the mine and who is competent to hold that position.

No. 4 Page 8, schedule 1[12], proposed section 5, lines 15-17. Omit all words on those lines. Insert instead:

(2) Nothing in this section prevents the owner of a mine from nominating himself or herself as general manager of the mine if the owner is competent to be general manager of the mine.

No. 5 Page 8, schedule 1[12], proposed section 5, lines 18-23. Omit all words on those lines. Insert instead:

(3) As soon as possible after the nomination of a person as general manager of a mine, the owner of the mine must notify the Chief Inspector in writing of the following details:

(a) the person's name and address,

(b) the date of the nomination.

Maximum penalty: 5 penalty units.

No. 6 Page 9, schedule 1[12], proposed section 5A, line 5. Insert "there is a vacancy in the position of general manager of the mine or" after "if".

No. 7 Page 9, schedule 1[12], proposed section 5A, lines 8-11. Omit all words on those lines.

No. 8 Page 9, schedule 1[12], proposed section 5A, lines 12 and 13. Omit "and approved".

No. 9 Page 10, schedule 1[12], proposed section 5B. Insert after line 23:

(7) The general manager of a mine does not commit an offence under subsection (1) by allowing a person who is not qualified to be a production manager of the mine to supervise the production operations at the mine if:

(a) the period of supervision is not more than 2 months (whether consecutive or non-consecutive) in any one year, and

(b) a person who is so qualified is unavailable to supervise the production operations at the mine, and

(c) the person supervising those operations is competent to do so, and

(d) there is no notice in force under subsection (5) in respect of the mine.

(8) If the general manager of a mine allows a person who is not qualified to be a production manager of a mine to supervise production operations at the mine as referred to in subsection (7), the general manager of the mine must notify the Chief Inspector in writing of the person's name and the date that the person commenced to supervise production operations at the mine.

Maximum penalty (subsection (8)): 5 penalty units.

No. 10 Page 29, schedule 1[62], proposed section 46, lines 5-14. Omit all words on those lines. Insert instead:

The general manager of a mine must ensure that as soon as is reasonably practicable:

(a) any reasonably foreseeable safety or health risk arising from the carrying out of operations at the mine is identified and assessed, and

(b) any such risk is eliminated, or if it is not reasonably practicable to eliminate the risk, the risk is minimised to the fullest extent that is reasonably practicable by measures that include the design of safe work systems.

No. 11 Page 29, schedule 1[62], proposed section 47, lines 22-26. Omit all words on those lines. Insert instead "to an inspector".

No. 12 Page 30, schedule 1[62], proposed section 47B, line 34. Omit "and". Insert instead "or".

No. 13 Page 31, schedule 1[62], proposed section 47B, lines 8 and 9. Omit "and check inspector are to report the result of their inspection". Insert instead "or check inspector is to report the result of the inspection".

No. 14 Page 38, schedule 1[87], line 28. Insert "and notification of the relevant details is taken to have been given under subsection (3) of that section as so substituted" after "mine".

The amendments have been circulated and well discussed. They finetune the bill, and I commend them to the Committee.

Mr J. H. TURNER (Myall Lakes) [11.00 a.m.]: I looked at these amendments only a short time ago. During my contribution to the second reading debate I indicated that the industry and I had some concerns about new section 46. The Minister in his reply indicated that that provision would be amended to include the word "reasonable". I note that amendment 10 includes the word "reasonably foreseeable safety or health risk". Although I indicated privately to the Minister that the Opposition may seek to amend this provision in the upper House, I am reassured by the inclusion of those words in the amendment. Therefore, the Opposition will not oppose the amendments.

Amendments agreed to.

Schedule as amended agreed to.

Bill reported from Committee with amendments and passed through remaining stages.

APPROPRIATION BILL

APPROPRIATION (PARLIAMENT) BILL

APPROPRIATION (SPECIAL OFFICES) BILL

APPROPRIATION (1997-98 BUDGET VARIATIONS) BILL

ELECTRICITY SUPPLY AMENDMENT (TRANSMISSION OPERATOR'S LEVY) BILL

PREMIUM PROPERTY TAX BILL

PUBLIC FINANCE AND AUDIT AMENDMENT BILL

STATE REVENUE LEGISLATION FURTHER AMENDMENT BILL

Second Reading

Debate resumed from 2 June.

Mr COLLINS (Willoughby—Leader of the Opposition) [11.02 a.m.]: According to Treasurer Michael Egan, the eagle has landed. That was his message when he handed down the Carr Labor Government's fourth and final budget on Tuesday. What the Treasurer perhaps does not realise is that in the book of the same name one of the central characters turns out to be a traitor, a double agent who gets most of his comrades killed. One by one they get shot, step on a mine, fall off a cliff or meet some other nasty, untimely end. There is one such traitor in the ranks of the Labor Party, a double agent leading his troops inexorably to their political death. This person graces this Chamber but once a year to sell out his party and the people of New South Wales. A master of doublespeak, this enigmatic figure boasts about "putting families first" in public but sniggers about "taxing families first" in private. Cloth cap in hand before the election; bespoke suits after. Beer with the boys at the Labor Council has become Bollinger in board rooms. The true double agent.

A decade from now in some obscure PhD thesis about the defeat of the Carr Government some wannabe academic will focus on him as the Minister who triggered a seismic split within Labor ranks not seen since the 1950s. This person is responsible for record tax growth in New South Wales. He has wound back capital works to a point at which our State schools and hospitals are, in his Premier's words, "ramshackle". The Treasurer promises budget surpluses every year and delivers massive deficits. This person, this traitor, is the New South Wales Treasurer Michael Egan. On Tuesday the Treasurer delivered his budget and said that if New South Wales was on the share market it would be the hottest stock in town. People used to say the same thing about Qintex. And just like Christopher Skase's Mirage Resort, it is too good to be true. The Treasurer proudly proclaimed that the eagle had landed. This budget is no eagle. This is all turkey, and the turkey will not fly.

The Carr Government's fourth and final budget will go the way of all the rest—heavily into the red. But it will deliver a great deal of pain along the way. Yet again the budget digs deep into the pockets of New South Wales taxpayers, with $800 million of tax increases. Yet again it massively cuts capital works spending by $500 million. Yet again the budget relies on unexplained and unachievable asset sales. Yet again spending increases in key portfolios will go into the pay packets of public servants rather than to the programs which so critically need the increases. One cannot trust Egan's numbers. One need only look at the record of the Carr Government to see why one cannot trust the latest budget produced by the Treasurer.

The fact is that the Treasurer has never been right in his budget forecasts. It is not that he has

missed by a few million dollars or even tens of millions of dollars. The Treasurer consistently gets it wrong by about $450 million, and always on the wrong side of the ledger. The Treasurer's first budget was the closest he came to his actual forecast, and he was still out by $373 million. He promised a $238 million deficit and delivered a $611 million deficit. That was the budget he said would "set things right, right from the start". The following year he promised a $5 million surplus and delivered a $452 million deficit. That was the budget about which the Treasurer said:

> For the first time in eight years, NSW will pay its way . . . without any tax increases.

What he did not tell the people of New South Wales was that the big tax increases would come the following year. Last year he promised a $27 million surplus and delivered a $416 million deficit. That was the budget that taxed people for living in their own home, introduced a bed tax and slugged New South Wales clubs the length and breadth of the State. Michael Egan called it his Robin Hood budget. I would have said, as I have said on previous occasions, that it has been more a case of men in tights. On Tuesday the Treasurer promised a $45 million surplus and he promised to put families first. He said it was AAA all the way, as if it were the Carr Government which had just won back that rating, not the Kennett Government.

The AAA rating for New South Wales is an accolade, but that accolade was won and held by a coalition Government through the Keating recession—the recession he said this nation had to have. That AAA rating was part of the economic legacy of the previous State coalition Government. All this Premier and Treasurer can lay claim to is that it has not yet been taken from them. Michael Egan's prediction will go the same way as his last one and the one before that and the one before that—hundreds of millions of dollars in the red. Obviously that is the reason Ross Gittins wrote in the *Sydney Morning Herald* of the Treasurer's purported $45 million surplus:

> Take a good look at it because today may be the last day you see it.

Every year the Treasurer says, "This is every inch a Labor budget." Sadly, for New South Wales, that is just what it is! The Opposition argues that, far from delivering a $45 million surplus, the Carr Government's fourth and final budget will end up with a deficit of at least $862 million. This figure is based on the Government achieving only half of its planned asset sales—running true to form—making cosmetic and unrealistic changes to calculations on capital expenditure and overinflated revenue projections. The Government's projected asset sales of $745 million in 1998-99 are more than double the figure set out in last year's budget. Of course, these asset sales include a number of one-off components, such as poker machine licence fees and the $100 million sale of Grosvenor Place.

Those sales should be classified as abnormal items and excluded from the true underlying result. It is an accounting trick! The Government failed to realise $100 million of its anticipated asset sales last year and there is no reason to assume that the same will not happen this year. In fact, given the way the Government has inflated the asset sales figure, the shortfall in this coming year will be more dramatic. The Carr Government has made unsustainable cuts to capital works that severely impact basic maintenance. Every inch a Labor budget, it cuts out maintenance, and cuts out rebuilding of vital public works and public services across New South Wales. It is an all too familiar pattern.

Mr Schipp: Remember the chicken wire!

Mr COLLINS: This is the chicken wire exercise all over again, as the honourable member for Wagga Wagga so correctly interjects. The last time Labor was in office, for 12 years, it left behind hospitals held together literally by chicken wire. Labor has learned nothing from history or from its mistakes. The Government has cut capital works expenditure significantly as a proportion of the gross State product. The community cannot sustain such cuts in tough times. Max Walsh wrote in the *Sydney Morning Herald*:

> The figure for capital spending looks suspiciously as though it was derived as the balancing item as setting the Budget surplus.

It is just an accounting trick! The Opposition argues that minimal maintenance of existing infrastructure must be ensured. The dreaded infrastructure refers to public schools, public hospitals, public roads and police stations. An additional $178 million over the budgeted figure will be required to maintain that infrastructure, but it is not there. Why? Because Labor keeps repeating its mistakes, and learns nothing from government each time it gets a go at it. The Government has projected a 5.7 increase in revenue when economic growth is assumed to be only 3 per cent. Today's *Australian Financial Review* questions that 3 per cent forecast and AMP asset management puts the figure at just 2.25 per cent.

The Opposition argues also that economic uncertainties such as the impact of the Asian

financial crisis will erode this revenue growth to at best just 3 per cent. The Secretary to the Treasury told an upper House inquiry recently that Treasury estimates that the downturn in the residential property market has already begun. Based on last year's receipts, that represents a revenue overstatement by the Government of $357.6 million. These three items alone total $907 million, without even factoring in the pressure of Olympic expenses. After taking into account the Carr Government's budgeted $45 million surplus, this leaves the budget with an underlying deficit of $862 million—another black hole!

This budget, the last Carr budget, leaves a deplorable legacy to the people of New South Wales and a real mess to be sorted out after the next State election. The budget does not reach into the new millennium. Rather, it reaches back to the 1980s in Victoria, South Australia and Western Australia and the discredited financial mismanagement of people like John Cain, Joan Kirner, John Bannon, Brian Burke and Paul Keating. Governing New South Wales carries with it a great responsibility. So much of this nation's economic fortune rests on the performance of this most populous State, which has an economy similar to that of Malaysia or the Philippines. New South Wales is and always will be, more so in the next millennium, the jewel in the Australian crown. If New South Wales thrives, the nation flourishes; if it falters, the rest of the country is dragged down with it.

In government the coalition always understood that responsibility. The coalition came to office in 1988 determined that New South Wales should lead the way. Under our administration it did. After seven years in government New South Wales was at the forefront of public sector reform. We rebuilt public services that had been run down by the Wran and Unsworth governments. The coalition spent $2 billion in health alone rebuilding hospitals that, as the honourable member for Wagga Wagga reminded us, were held together by chicken wire under Labor administration. We stopped the haemorrhaging losses in State Rail of $3 million a day. We delivered record spending in health, education, law and order, transport and community services.

That was all achieved in the middle of the Keating recession. We stopped the blow-out in taxes. Under the coalition Government our tax growth was the lowest of any State. We cut water and electricity costs by up to 17 per cent to make business more competitive and efficient. We drove down the deficit from a peak of more than $1.2 billion at the height of the recession to within striking distance of a balanced budget, which, I again remind the House, would have been achieved this year on a sustainable basis without the tax increases the previous three Carr Government budgets introduced. The balanced budget would have been achieved under the coalition's budget policy. We relieved the State of $19 billion worth of contingent liabilities through the sale of the State Bank and we did not include that asset sale in the budget at that time or at any other time.

We sold the GIO and again did not include the sale proceeds to try to prop up budget figures. The coalition recognised they were one-off sales. Labor does not recognise asset sales in that way. It uses asset sales to wallpaper over the cracks in its budgets. One of the coalition's crowning achievements was that it survived the recession without cutting services and without introducing the sort of tax hikes that Labor has produced over the last three years. By contrast the Carr Government has taken New South Wales into a financial backwater. Other States are setting the pace. While New South Wales is in neutral, Victoria and Queensland have gone into competitive overdrive. Those States have delivered benefits, restrained taxes, and stimulated jobs and investment.

Other States will enter the new millennium in a more competitive and financially robust position than New South Wales, unless there is a change of government at the next New South Wales State election. The Queensland coalition Government achieved an underlying surplus of $735 million last year and delivered significant tax cuts this year. The Kennett Government brought Victoria back from the dead, back from the political graveyard where Joan Kirner had buried it. The Victorian Government now predicts a surplus of $165 million, again with substantial tax cuts. The very year that Premier Carr introduced land tax on private homes in New South Wales Jeff Kennett got rid of them in Victoria.

Victoria won back its AAA rating and New South Wales has never lost its AAA rating. By contrast, Michael Egan was so relieved that New South Wales had retained its AAA rating that he rang the Premier in mid-flight to break the unexpected news—no doubt expecting the plane to fall out of the sky! I might add, by way of digression, that that might please a number of members of the Labor Party, given the rumour that the Premier is so on the nose within his own ranks that they are now looking at alternatives. Certain factions within the New South Wales Labor Party are already exploring alternatives, looking around for other people who might take over the reins from this

confused Premier. I do not want to embarrass the Minister for Transport but some commentators have suggested that he might have greatness thrust upon him.

Mr Photios: He is a bit wet behind the ears, but he will make the grade one day.

Mr COLLINS: That day may be coming, according to Piers Akerman in today's *Daily Telegraph*. The day of change may be coming faster than even the Minister for Transport realises.

Mr Scully: Do you always believe Piers Akerman?

Mr COLLINS: Do we always believe Piers Akerman? The Minister should quit while he is ahead. I will give him a bit of advice. He should just sit back and take all the praise, because there is not much coming his Government's way. If he can get a bit, he should lap it up. The State's AAA rating should not be questioned; it should be a matter of public record. It was in place from 1988 to 1995 when the coalition was in office and it remains in place, but the fact that the Treasurer made the urgent phone call across the ocean showed how precarious he thought this State's AAA chances were. There was stunned relief on the part of the Treasurer, who had to find the Premier in mid-flight to say, "We have still got it. Somehow we have bluffed our way through. We have got it for another year."

At the Federal level the Howard Government has turned Paul Keating's $10 billion deficit into a $2.7 billion surplus in just two years. In New South Wales we do not even look like getting out of the red under the Carr Government. Three years ago Labor came to office in New South Wales, preaching jobs and investment, and fiscal rectitude. The Labor Government was going to cut spending so that it could deliver tax relief. It was going to give business a $1 billion payroll tax cut to stimulate jobs. It was going to take on the rest of Australia and win. Honourable members will recall that the Carr Government was going to mount cross-border raids on Kennett country. The Treasurer said they would go down to Victoria and fill their saddlebags with jobs and investment.

Honourable members will remember the flashy Cisco and Pancho act in 1995. They were going to go down to Victoria, fill their saddlebags, get back on their horses and come back up to Sydney. Honourable members will be able to work out which was Pancho and which was Cisco. The flashy Cisco and Pancho act, the true classic television image of 1995 conjured up by Michael Egan's speech writers, has given way to an isolated and politically doomed pair in 1998—it might actually have been a Bob Ellis speech. It was probably too good for Michael Egan's speech writers. Premier Carr and Treasurer Egan have lost their way in Labor's privatisation wilderness. They are doing their own amateur re-enactment of Burke and Wills.

Mr Scully: You did not write that.

Mr COLLINS: I did write that. They are the Burke and Wills of New South Wales politics—waiting for rescue, pleading for rescue, wandering in the wilderness, hoping that someone will show them the way, hoping that someone in the Labor Party will give them relief, hoping there will be some good news coming from their own party in this political wilderness. If rescue comes at all from this point on, it will come too late, because three years after Cisco and Pancho headed south—

Mr Jeffery: In tights.

Mr COLLINS: I have to say, in deference to the honourable member for Oxley, that I did not write that. Three years later that entire strategy has been abandoned. For the Carr Government it is all too hard, and it is too late. Time has moved on and the budget brought down a couple of days ago will make no difference to Labor's political fortunes. I will give credit where credit is due—the Treasurer will make history with this budget. He will make history with his record-breaking tax grab. This budget confirms once and for all that New South Wales is the highest taxed State in Australia. This budget gives the Carr Government the dubious and unique distinction of being the first State in Australian political history to break the 7 per cent barrier for taxes as a proportion of what we produce each year.

A big tick. Remember that one, Carl. We do not hear a lot about big ticks any more. I know the Government is not giving itself many big ticks these days—a big kick is coming from the electorate next year—but a big tick for Michael Egan because he has made the history books. He has broken the 7 per cent of gross State product barrier. Michael Egan has made it. A lot of people in the Carr Government might not make the history books, but Michael Egan will make the history books in a big way for breaking through that barrier.

Mr Photios: He is our man.

Mr COLLINS: "He is our man", interjected the honourable member for Ermington. I refer again

to the double agent analogy, the eagle has landed. It was a Freudian slip when the Treasurer said the eagle had landed. Like the Premier, who is a devotee of the film *The Candidate*, Michael Egan is obviously a true devotee of the film *The Eagle has Landed* and is living out that fantasy even in this Parliament. New South Wales taxpayers pay $2,224 a year each in taxes, fees and fines—about $1,063 more than Queenslanders pay and about $417 more than Victorians pay. That amounts to $2,224 every year from our take-home pay. In New South Wales we pay 11 per cent more in tax per person than Victoria. That equation is set to get worse, because while the Carr Government is going on a tax binge, other States are driving down their taxes. Victoria has cut taxes by $343 million in the past two years and Queensland has cut taxes by $103 million.

Mr Schultz: What is that going to do to investment?

Mr COLLINS: It is going to drive investment away. By contrast, the Carr Labor Government has increased taxes by a massive $2.5 billion a year. This budget increases tax revenue by a further $800 million, or almost 6 per cent—that is, $363 in extra tax for every New South Wales family. Families first? Not under this budget. Tax families first! Before this budget New South Wales families were already paying about $1,100 a year more than was the case when the coalition was in office. On Tuesday the Premier and the Treasurer added $363 to the family bill and families are now more than $1,400 a year worse off under Labor.

During the Carr Government's period in office taxes have risen by 33 per cent. This budget will take an extra $103 million in gambling taxes this year, an extra $106 million in land tax and an extra $24 million in drivers' licence fees—all this from a government that promised no new taxes and no tax increases all those years ago, before the last election and before Pancho and Cisco headed south. In recent days honourable members have heard about car registration. Even in regard to its promised tax relief the Government is playing fast and loose with the truth and the so-called car registration relief is a very good example. The Treasurer said that during the next four years—he will not be around to see it—he will phase out the $43 levy on car registration.

Mr Photios: It is an April Fools' Day joke.

Mr COLLINS: The honourable member for Ermington interjected that it is an April Fools' Day joke. Perhaps the budget should have been delivered on 1 April. The Premier is paying for that relief with a second tax that he levied on New South Wales motorists which was supposed to be abolished in July next year. Now Michael Egan proposes to keep that tax: it will not be abolished. That tax will cost New South Wales motorists $56 million a year. It will add $125 to the purchase price of a $25,000 car. As Max Walsh said in the *Sydney Morning Herald*, the so-called car registration relief is:

> . . . basically an exercise of Michael Egan filching money out of your left pocket and returning it to your right pocket as a supposed act of generosity. To call this a family concession is an insult to the intelligence of the electorate.

If members add to that the $132 a year increase in green slip premiums since the Carr Government has been in office they will realise that motorists are heavily out of pocket. The Motor Traders Association has said:

> Even taking $43 off still leaves the average motorist about $100 worse off than three years ago.

That is when the coalition was last in office. At the end of the day, New South Wales families are worse off than they were before Bob Carr came to office. We have heard a great deal about land tax in recent months, and we will continue to hear about it, despite the Premier and the Treasurer thinking that the issue had gone away. The Carr Government's land tax on family homes starts right at the front door. Land tax revenue under the budget will increase by $106 million. Land tax has just made life a whole lot tougher for the people of this State. The citizens of New South Wales now pay more land tax per capita than those in any other State in Australia. They pay $58 per person more than the citizens of Victoria and Western Australia and $89 more than those in Queensland. In other States land tax is decreasing; in New South Wales it is increasing.

The Carr Government's failure to slash land tax in this budget sends a clear message to New South Wales voters: if the Australian Labor Party is returned to office, the threat of land tax to property-owners will be greater than ever. It will be more immediate and more frightening than ever. The people of this State should not be fooled by the so-called land tax concessions in this budget. They will remember that the Treasurer and the Premier promised no new taxes and no tax increases. That is after taking more than $3 billion. The great lie of that promise is now evident. The Treasurer should not be believed when he says that no more families will pay land tax on family homes. Do not believe him. When his lips move on financial matters, he is beginning to lie. That promise will go the way of all his other promises.

If Labor is re-elected, land tax on residential and investment properties will increase. The present pause is only momentary. The cash is flowing in; the money from land tax is increasing. The so-called concession in this budget is a momentary pressing of the pause button, which will be released the instant the Australian Labor Party is re-elected. I predict that if it is given another chance, land tax will be the massive growth tax for New South Wales from 1999 to 2003.

Mr Armstrong: It is a death tax by stealth.

Mr COLLINS: It is a death tax by stealth. The Premier and the Treasurer will pursue it single-mindedly. He will deny it, but the Treasurer has to explain why Treasury has already done the figures on a $500,000 threshold. Those figures show that an extra 20,000 properties will be liable to land tax. That will raise an extra $140 million per year. Treasury has already done the homework: it is ready to go. Those costings were produced in March this year. The coalition says if there is a cap on the number of families paying land tax on their homes, that cap should be set at zero. We say there should be zero tolerance of land tax on family homes. By not slashing land tax the Premier has ensured that this budget will be the last will and testament of the Carr Government. Even if the Government had done everything else right in the past three years and three months—and I believe the Government has made a few mistakes along the way—on the land tax issue alone it deserves to be, and should be, swept from office.

State income tax is the big issue. The Treasurer wants a new tax, a State income tax. That is camouflaged at the moment but he would introduce it in the next term of Parliament, 1999 to 2003, if the Australian Labor Party is re-elected. That will mean that the people of New South Wales will have to pay one income tax bill to the Federal Government and an extra one to the State Government. Tax will be doubled. It is yet another Michael Egan tax grab. In 1976 Neville Wran came to power in New South Wales after campaigning against a State income tax. The double agent, Michael Egan, is about to re-enact history twenty-two years later.

During the current national tax review the Premier and the Treasurer should have been pushing for a thorough, top-to-bottom overhaul of Commonwealth, State and local taxes that will give New South Wales a fixed share of the revenue collected by the Commonwealth. That would be in the best interests of the people of New South Wales. But the Premier and the Treasurer are not worrying too much about that. Why? Because they will be going for the big land tax grab and a State income tax grab if they are re-elected.

Taxes are up but services are in decline. Key services have not been improved. In fact, they are going backwards. Hospital waiting lists are at record levels. Police are being taken off the streets. An increasing number of police stations are unmanned. The Department of Community Services is dogged in controversy, and it is our children who are suffering. Trains are more unreliable. Crime is soaring. The budget does not address those problems. It is more of the same; in fact, it goes backwards. After the Premier has levied record taxes and spent nearly $100 billion during his time in office, the people of the State have to ask themselves whether they are better off. The answer is a resounding no!

The Treasurer says he will provide 100 extra police. But a close look at the budget papers reveals that police numbers are shrinking and that there will be fewer police in 1999 than there were in November last year. It is the same story in the State's hospitals. The Government's own figures show that this year 26,000 fewer people a day will be treated. The elderly and low-income earners will be hit hardest by that cut. Any funding increase for education will be swallowed up by salary increases. There is no additional funding for education programs. The budget does not deliver the Carr Government's promised 1,400 extra teachers. In fact, the Government has not budgeted for these positions until the 1999 budget. What is worse, money is borrowed from next year's budget to fund this year's education allocation. That is like asking the pay officer for next year's pay to pay this year's bills.

The budget has cut funding for refuges, child protection, family and individual support. Transport funding has been cut by $122 million and 1,000 railway jobs will go. Train services in Sydney, Wollongong and Newcastle will go. The Minister for Transport, and Minister for Roads knows that. The Carr Government's treatment of the bush in this budget is deplorable. A paltry $6 million has been provided this year for job creation in the bush—$6 million across the whole State for a third of the population of the State. That is a disgraceful figure. At a time when farmers are struggling to get back on their feet the budget contains no boost for the rural sector. Funding for the Discovery 2000 program, which was initiated by the coalition Government to encourage mineral exploration and job creation in country New South Wales has been cut again. The Labor Government has claimed credit for that program and has denied that it was initiated

by the Opposition. Funding for the program is now being cut. Staff have been cut from land and water conservation despite the Minister's assurances that he would make the Native Vegetation Conservation Act more workable by increasing resources.

The Treasurer's so-called budget surplus comes at the expense of capital works. It is the same trick Labor used last time it was in government. As a result the coalition inherited run-down hospitals. Roads ended in the middle of nowhere. On the Premier's own admission they were ramshackle, a disgrace. This year's budget rips a massive $500 million out of capital works, more than 10 per cent of the total. That will mean fewer schools, hospitals, roads and new police stations. That will mean less maintenance of buildings and equipment. It will mean that major projects will be simply put on the never-never.

The redevelopment of Nepean Hospital, which was started by the coalition Government in a massive improvement to western Sydney health services, has been delayed three years in the budget. The Maitland Hospital upgrade has been postponed by 12 months—and I know that the honourable member for Maitland will want to pursue that matter later in the debate. The Labor Party understands that it will not win the seat of Maitland. The hospital at West Wyalong also faces a delay, in the order of two years. Such inequitable treatment for the people of this State is a disgrace.

Mr Schipp: Wagga Wagga was written off.

Mr COLLINS: As the honourable member for Wagga Wagga says, the hospital at Wagga Wagga has disappeared off this Government's radar screen, despite the fact that the coalition initiated stage one of that hospital. Development at the new Lithgow Hospital has been delayed by two years. I saw the mayor of Lithgow, down here no doubt to plead the case for the reinstatement of that development. Obviously, it will not be reinstated by the Carr Government. The people of Lithgow have been betrayed. That issue will be of relevance to you, Mr Acting-Speaker, as you are the member for Bathurst. The people of Lithgow have been betrayed by the two-year delay of the new hospital at Lithgow. I know that you, Mr Acting-Speaker, would say that was appalling were you in a position to contribute to this debate. No doubt at a later stage you will want to speak about the new hospital at Lithgow. Funding for the Sutherland hospital redevelopment is so low that the Opposition estimates that at the current rate it would take more than 130 years to complete the project.

Mr Hartcher: One brick every year!

Mr COLLINS: Yes, about one brick a year. Education capital works under the Carr Government now get $70 million a year less than they were allocated under the most recent coalition budget. That is from the so-called, self-styled education Premier. The title of "education Premier" got left behind with the saddlebags. As a result, there are not the 90,000 computers in schools that were promised by the Carr Government—they are at least 13,000 short. There are no new passenger trains. In fact, there has been a 50 per cent cut to the capital budget of State Rail. I know that the Minister for Transport, and Minister for Roads, cannot comment on this because he is bound by Cabinet solidarity, but what a deplorable thing to do to him. The Minister has tried to argue the case for State Rail, yet the Government has cut the capital budget by 50 per cent. Surely that puts the Minister in a very sad and sorry situation. The Warragamba Dam spillway has been delayed for two years. This was the cheap, quick-fix option of the Carr Government. The people of western Sydney are being given a message: all those people in the area below Warragamba Dam, that is, about one million people—

Mr Hartcher: About 15,000 lives are at risk.

Mr COLLINS: The Government has a report stating that as many as 15,000 lives in greater western Sydney could be at risk. There has to be an improvement to the Warragamba Dam. The coalition has said, "Raise the dam wall." The Premier has rejected that call, and has chosen to go for the cheap option—the quick fix. Even the spillway is being delayed for two years. Funding for the country town and water supply and sewerage scheme has been cut by 33 per cent, or $25 million. The forward estimates reveal a darker picture on capital works. They show that the Government's building program is not keeping pace with economic and population growth. For any responsible Treasurer, the general rule of thumb is to maintain capital outlays at about 1.8 per cent of gross State product to ensure that infrastructure keeps pace with the expanding economy and population. In other words, without an outlay of 1.8 per cent, one goes backwards.

Michael Egan's forward estimates cut that outlay to 1.4 per cent of gross State product in 2001-02. That means that, as the State's economy and population grow, hospitals, schools, roads and police stations will become more run down and antiquated. The cut in outlay to 1.4 per cent will save—if honourable members would forgive the misuse of that word—the Government $950 million

a year by 2001-02: the precise figure of the Treasurer's budgeted surplus in that year. Isn't that an amazing coincidence? It is a so-called financial result achieved at a massive price for the people of New South Wales in terms of services.

The Opposition has major concerns about the blow-out in Olympic costs, which it estimates to be more than $1 billion. Of course, the Opposition supports the Olympics. After all, it was the coalition Government that won the Olympics. Despite Government assurances, there is still insufficient information on Olympic costs provided in the budget papers. The details remain sketchy, the figures are vague and illusory. The detail has never been provided. Whenever the Government is asked for detail about Olympic expenditure, it gives out another glossy brochure, but the detail is not forthcoming. Opposition members will continue to pursue this issue in public so that everyone can be informed of the total cost, the whole-of-government cost, of the 2000 Olympics.

Next comes the issue of electricity—that issue on which the Premier keeps begging for a question. Yesterday in the House he was asked a question about electricity. Did he not give a revealing answer? Was it not a body blow of an answer? The Premier has not asked for further questions about electricity, but there may well be a few coming. Question time yesterday caused a black-out in the Government. In yesterday's *Australian Financial Review* Alan Mitchell wrote, "What yesterday's Budget really shows is that the Carr Government badly needs to privatise the electricity—to cover for its fiscal failings." As we know, the Premier wants to privatise electricity, but for all the wrong reasons. He is desperate to get his hands on some quick cash to plug the hole in his budget, rather than seeking to achieve a sale that is in the best interests of the people of New South Wales.

I have made no secret of the fact that the coalition would sell the electricity industry after the election next March. But we would undertake that sale as a responsible financial measure, with a clear strategy. We would not simply go for whatever desperate opportunity the Carr Government may be able to bring before the public. That is the fundamental difference between the coalition and the Labor Government. The coalition would sell the electricity industry properly; the Carr Government will do it anyway it can get away with. Already, having been thoroughly rolled on the issue of full privatisation, the Premier has gone around talking up the benefits of partial privatisation, gradual privatisation.

Mr Schultz: No forward planning!

Mr COLLINS: That is right, the Government has no forward planning, and it should be understood that that is a tremendous risk for the people of this State. First the Premier said there would be no privatisation. He said that he would be a bulwark against privatisation. In April 1995, when he was able to go to the Labor Council, the triumphant returning former education officer for the Labor Council who had been elected Premier said that his Government would be a bulwark against privatisation. We can all imagine the Premier standing there at the Labor Council with everybody applauding, giving him a standing ovation. He said, "My Government will be a bulwark against privatisation—never ever!"

Mr Schultz: Those are not the words used now.

Mr COLLINS: Things have changed. A few months went by and now any sort of privatisation of the electricity industry will do—gradual, partial, whatever the Labor Party will let him get away with. Partial or gradual privatisation would cut the value of the electricity industry as a whole, and therefore the potential return to taxpayers, by as much as $6.2 billion. The weakened Carr plan would lose more money than the entire cost of the Sydney Olympics. If the Government wants a weakened sell-off of the electricity industry, the Opposition will not support that. Coalition members will not support some deal cobbled together for election purposes, for pork-barrel purposes at the last second.

The privatisation of the electricity industry should be either done properly as part of a full strategic plan or not done at all. It is that simple. The Labor Party may be prepared to squander $6.2 billion in the interests of its own political survival but it is not prepared to sell such a vital public asset at such a loss. Such a program requires a focused approach, a committed strategy, strong leadership and the governing aim that at the end of the day, in every way, New South Wales taxpayers and consumers will be better off. It has been more than a year since the Carr Government first raised the idea of privatising the electricity industry. At first the Premier said he was merely going to be the umpire on the issue. He was not prepared to roll up his sleeves and commit himself to the hard work. He then jumped on board because for a couple of weeks—a few days; a couple of hours, anyway—it was looking all right.

Mr Photios: Five minutes of sunshine.

Mr COLLINS: The sunshine lasted at least until he got to the office that day. The Premier proclaimed the issue had to be resolved quickly and he said in no way would he let the issue drag on

until October. He did not say what year, because it dragged on until October. But what happened in October? Burke and Wills of the Labor Party went down in a unanimous vote and were done cold by the Labor Party. They stood there, looking for the tree outside the Town Hall I suspect. In June the following year they are no closer to achieving their goal.

While the Labor Party dithers on privatisation, the New South Wales electricity industry suffers fierce competition, particularly from Victoria. That was evidenced yesterday in the matter of public importance brought forward by the honourable member for Maitland about job losses in the Hunter Valley. That competition will cost jobs at the Liddell power station in the Hunter, and it has massively eroded the return of electricity dividends to taxpayers. Dividends and tax equivalents will fall to $54 million from $300 million last year. While the Premier dithers, the value of the industry is eroding every day. Last week the Auditor-General was interviewed on *Stateline* on the Australian Broadcasting Commission. He said that the Premier had an obligation to move on the sale if he thought it was in the best interests of the State. He also said:

> He [the Premier] does not have any obligation towards the Labor Party which is superior to his obligation to looking after the interests of the State . . . He is appointed as the Premier of the Government, he is not the head of the ALP in New South Wales."

That is stinging, blistering criticism but it did not come from the coalition.

[*Interruption*]

The Minister for Transport is laughing at the Auditor-General. That sort of contemptuous attitude towards the Auditor-General's attempts to safeguard the financial interests of the people of this State is indicative of the Government's attitude. For the Minister for Transport to deride the Auditor-General in that way does his prospects no good as a potential leader of the Labor Party. Given the factional insurrection in the Labor Party, it seems that the Premier will be kicked out. The Auditor-General added that there would be a continuing erosion of the value of the industry in government hands "because the State can't manage this competing industry" and "poor management means that the taxpayers lose value in those assets—that would be a tragedy".

Had the Premier been able to persuade his colleagues to support the privatisation of the electricity industry, on Tuesday he might have been in a position to offer some meaningful tax cuts. He may have been able to talk about the funds of between $500 million and $1 billion in interest payments that would be freed up if the electricity industry were privatised. He may have been able to abolish land tax on family homes and start delivering the payroll tax cuts he long promised but never delivered. He may have been able to talk about increased capital works. But he could not do that, because he has not been able to get his Labor colleagues or his party to the negotiating table. They simply do not trust him. Why would they? After all, someone who was a bulwark against privatisation has become an advocate of the biggest privatisation of them all in the space of a few months.

The coalition has achieved something the Premier has not in relation to electricity. The coalition is debating the guarantees and the safeguards that the community and workplace rightly demands of the privatisation of the electricity industry. Many coalition members of Parliament have discussed the matter with me, with the shadow Treasurer and with shadow Ministers who are committed to evolving a privatisation plan that addresses certain issues. They include job creation in regions affected by the privatisation; ensuring proper compensation for power industry workers; protecting the rights of consumers in relation to prices and appeal mechanisms with electricity—that is of extreme importance; ensuring quality service standards; guaranteeing access and supply; enforcing strict environmental regulations; and appropriately regulating industry participants.

That debate is ongoing among members of the coalition. We want to get the detail of the framework right and that is why we are consulting with all of the interest groups, including power unions. It is not merely a matter of asking how fast we can flog it off or what we can get for it. We do not want people thrown on the bonfire; we want them looked after. Members on this side of the House want to address the issue and that is why a healthy debate is taking place in the coalition. We want to ensure that the sale achieves the right price for taxpayers and the right conditions for consumers and workers.

My colleagues have rationally discussed the need to protect jobs and electricity prices, to ensure supply and to assist communities, mainly those in rural New South Wales, that will be affected by privatisation. The coalition has talked about the use of the proceeds of the sale and it is important that I detail that. We have talked about the need to consult properly. The coalition will sell the electricity industry. We will completely retire the State's $13.6 billion budget sector debt. Furthermore, the people of this State need to understand that we will use a substantial part of the remaining proceeds to establish a development fund which will address

such issues as job replacement and training opportunities, regional development, and rebuilding the ramshackle infrastructure that the Premier has conceded, especially in regions such as the Hunter, Lithgow and the central coast.

We want to use those funds to do something unique for New South Wales and once and for all to address regional development in a meaningful way, not simply drag everything and every government job into Sydney and cause the collapse of country towns and cities. This is an opportunity to start afresh, to start the new millennium on the right foot and to start looking outward rather than inward. That is the way we propose to use some of those surplus funds. My colleagues have rightly demanded that they be given more information during the next six months. A framework for electricity privatisation will be developed under a coalition government.

Mr Schultz: Forward planning.

Mr COLLINS: With a forward planning component, including regional development for jobs in those areas that are now being stripped of jobs under the Carr Government. We want to outline to the people of this State the details of our plan and the deal we will take to the negotiating table.

Mr Hartcher: Nothing to hide.

Mr COLLINS: We on this side of the House have nothing to hide. We are having a constructive and positive ongoing debate about electricity privatisation while the Premier and the Treasurer are gnashing their teeth in the wilderness.

Mr Armstrong: Behind closed doors.

Mr COLLINS: Behind closed doors, without a political ally to come to their aid. In case anyone thinks I have been a little bit critical of the budget brought down by the Treasurer, there are others who are critical of the Carr Government's fourth and final budget. Take this commentary for example:

> Treasurer Michael Egan's Budget shows NSW pays scant attention to the philosophy that smaller governments lead to smaller taxes. The Budget shows insufficient attention is given to making existing funds work better. There is continued reliance on cash—our cash—to solve problems . . . it is clear Mr Egan and Premier Bob Carr have taken the easy option. They have chosen to drain a bit more from wage and salary earners, employers, builders and entrepreneurs.

That is not some dry economist talking; that is yesterday's *Daily Telegraph* editorial, the punters' paper, saying that punters are paying through the nose. Alan Wood wrote in the *Australian*:

> Bob Carr and his Treasurer Michael Egan have turned NSW into the highest taxed State in Australia. They have snatched the dubious honour from Victoria, where high taxes were an unavoidable part of hauling back from the brink of a debt spiral. However, NSW has no such excuse—its high taxes are a matter of deliberate government choice.

Ross Gittins wrote in the *Sydney Morning Herald*:

> His planned Budget surplus of $45 million is the rabbit. Take a good look at it because today may be the last day you see it . . . Does it sound a bit too good to be true? It is . . . It's not just unsustainable, it's unrepeatable.

Piers Akerman, who was mentioned earlier by Minister Scully, speaking of the budget in the *Daily Telegraph*, said:

> It is really an exercise in tokenism rather than a display of inspirational budget management . . .
>
> Score it as a florid document, rich with rhetoric, optimistic about the fallout from the Asian crisis, but light on convincing fiscal strategies that will put in place long-term savings.

Max Walsh continued the theme in the *Sydney Morning Herald*:

> Although Mr Egan has produced a set of figures which promise a surplus for the financial year, the components that deliver this are rubbery . . .
>
> Mr Egan's too-clever-by-half style might be tolerable if it could be said that his stewardship has been as successful as he claims. It falls well short.

Alan Mitchell in the *Australian Financial Review* said:

> O Lord let us be pure but not until the forward estimates.

David Humphries sounded an ominous note in the *Sydney Morning Herald* when he wrote:

> Michael Egan's self-congratulation may prove to be a tad premature. The Government's record is one of dropping the ball, not so much in Budgets, but in what happens subsequently. Either the revenue side is hit by backdowns on measures unpopular with this or that sectional interest, or Ministers and their senior bureaucrats are allowed to slip the reins of fiscal discipline.

There it is, the Premier's record, for all the world to see, his fourth and final budget! It is a budget that is a turkey with an underlying deficit of $862 million, when the Commonwealth and other States have budgeted for real, significant, sustainable surpluses. It is a budget that does not put families first, it is a budget that taxes families first, a budget that makes New South Wales the highest-taxed State in the nation with a record 33 per cent increase in taxes under this Premier. The budget breaks the 7 per cent barrier for taxes as a proportion of what we produce; it is a budget that takes an extra $363 from the take-home pay of ordinary families: $363 less for groceries, $363 less for the phone bill and $363 less

for the car service. It is a budget that brings the Premier's tax take to a record $2,224 from the take-home pay of each family each year. The only good thing about the Carr Government's fourth budget is that it is its last budget. It is the last budget that slugs taxpayers so wilfully; it is the last budget that dresses up public sector pay rises as spending increases in key services. It is the last budget that savagely cuts capital works spending, especially in country New South Wales.

In March next year New South Wales taxpayers will have a choice between responsible financial management, demonstrated repeatedly by the coalition, and the Carr Government's proven mismanagement. Taxpayers will have a choice between the low-taxing coalition and the high-taxing Carr Government. They will have a choice between the coalition, which provides strong services and maintains capital works, and the Carr Government, which drives both into the ground. They will have a choice between the coalition that really puts families first and the Carr Government that taxes families first. The Opposition believes that people will choose wisely. We believe that in March next year they will drive the Carr Government from office. The Treasurer said at the end of his Budget Speech on Tuesday, "I'll see you next year". I say, "Don't bet on it."

Debate adjourned on motion by Mr Phillips.

BUSINESS OF THE HOUSE

Order of Business

Mr WHELAN (Ashfield—Minister for Police) [12.05 p.m.]: I move:

> That standing and sessional orders be suspended to allow consideration of general business notices of motions (general notice No. 131) forthwith.

Mr HARTCHER (Gosford) [12.06 p.m.]: It is typical of this Government to say that it has no time for private members' day to take place. Yesterday the Opposition agreed that private members' day would be suspended for the Leader of the Opposition to reply to the Treasurer's Budget Speech and for Government business to take precedence. There is a long agenda before this House and standing order 100, the famous guillotine, has been applied to a large number of important bills, including the Police Integrity Commission Amendment Bill introduced on Tuesday. It was not debated and at 3.30 p.m. the guillotine fell on a bill introduced by the Minister for Police relating to the reforms by the Wood royal commission.

Mr Whelan: I'll put it over if you like.

Mr HARTCHER: All right. That undertaking is recorded in *Hansard*, that it will be put over.

Mr Whelan: Oh, no, you can't change your mind, though.

Mr HARTCHER: Yes, the Minister has just given an undertaking. Instead we now have, and I thank the Minister for his courtesy in supplying me with a copy of the motion, the usual stunt to try to beat up on the National Party about water rights, which also seeks—

Mr Whelan: More.

Mr HARTCHER: More than that, according to the Leader of the House, to try to beat up on someone else about water rights. Thursdays are set aside for private members' days, except in exceptional circumstances when the Government feels its business needs priority. This is another stunt like the one witnessed last night concerning One Nation and race, which was a waste of the Parliament's time. This is a classic job on a ridiculous proposal. It is significant because the motion seeks to go back into history and intrude on representations that members of Parliament have made on behalf of their constituents, the very responsibility that members have to bring the issues of their constituents before the Parliament and seek redress from Ministers.

Mr Whelan: No, it is not about their constituents, it is about them.

Mr HARTCHER: Yes, it is. It is an attempt to go back into history and to try to find one example which might be distorted and used against a member. This motion goes back to 1988, and one wonders why 1988? Why would the Labor Party want to go back to 1988? Simply because it wants to turn Parliament into a hunting ground to look back through old records, to try to find something that might be used against someone. That is not the purpose of Parliament; that is why we have ICAC. That is why a long line of Labor members are appearing before ICAC. Because the Government cannot get these issues addressed by ICAC it wants to turn Parliament into an inquisition chamber and seek to embarrass people under parliamentary privilege by selectively distorting records and representations that they have made and dragging them before this House. This is a classic case. The motion is Stalinist in that it uses past records for distortion. This motion will deny the processes of the Parliament. The Government is attempting to subvert what happens in this House for party political purposes.

The Opposition does not agree with the suspension of standing orders and will strongly oppose the motion. Matters of far more significance are waiting to be dealt with. Notice has been given of a motion for the papers relating to the east Circular Quay development to be tabled in the House under Standing Order 310. Why has that motion not been debated? The Opposition is happy to look at what happened in 1988 in terms of the east Circular Quay development. What was the Premier doing in 1988 that was so urgent that five days before the March election he called for the file from the Director-General of the Department of Urban Affairs and Planning so that he could consent to the east Circular Quay development? Why has that matter not been debated?

Mr Whelan: We will do that.

Mr HARTCHER: When will we do that?

Mr Whelan: In due course.

Mr HARTCHER: The Leader of the House says "In due course." In other words, it will be dealt with in April 1999.

Question—That the motion be agreed to—put.

The House divided.

Ayes, 47

Ms Allan	Mr McManus
Mr Amery	Mr Markham
Mr Anderson	Mr Martin
Ms Andrews	Ms Meagher
Mr Aquilina	Mr Mills
Mrs Beamer	Mr Moss
Mr Carr	Mr Neilly
Mr Clough	Ms Nori
Mr Crittenden	Mr E. T. Page
Mr Debus	Mr Price
Mr Face	Dr Refshauge
Mr Gaudry	Mr Rogan
Mr Gibson	Mr Rumble
Mrs Grusovin	Mr Scully
Ms Hall	Mr Shedden
Mr Harrison	Mr Stewart
Ms Harrison	Mr Sullivan
Mr Hunter	Mr Watkins
Mr Iemma	Mr Whelan
Mr Knowles	Mr Woods
Mr Langton	Mr Yeadon
Mrs Lo Po'	*Tellers,*
Mr Lynch	Mr Beckroge
Mr McBride	Mr Thompson

Noes, 45

Mr Beck	Mr O'Farrell
Mr Blackmore	Mr D. L. Page
Mr Brogden	Mr Peacocke
Mr Chappell	Mr Phillips
Mrs Chikarovski	Mr Photios
Mr Cochran	Mr Richardson
Mr Cruickshank	Mr Rixon
Mr Debnam	Mr Rozzoli
Mr Ellis	Mr Schipp
Ms Ficarra	Mr Schultz
Mr Glachan	Ms Seaton
Mr Hartcher	Mr Slack-Smith
Mr Hazzard	Mr Small
Mr Humpherson	Mr Smith
Mr Jeffery	Mr Souris
Dr Kernohan	Mrs Stone
Mr Kinross	Mr Tink
Mr MacCarthy	Mr J. H. Turner
Dr Macdonald	Mr R. W. Turner
Mr Merton	Mr Windsor
Ms Moore	*Tellers,*
Mr Oakeshott	Mr Fraser
Mr O'Doherty	Mr Kerr

Pairs

Mr Knight	Mr Armstrong
Mr Nagle	Mr Collins
Mr Tripodi	Mrs Skinner

Question so resolved in the affirmative.

Motion agreed to.

REGISTER OF DISCLOSURE FARM ASSISTANCE DOCUMENTATION

Mr McMANUS (Bulli) [12.17 p.m.]: I move:

> That this House, pursuant to Standing Order 310, calls on the Minister for Agriculture to obtain all documentation, including memos, letters, directions, emails and other correspondence, and provide details relating to representations and benefits given in respect of grants, subsidies and financial support provided to farming businesses and operations listed at any time by members of the Legislative Assembly in the Register of Disclosure by members and to include, but not limited to, all information in relation to structural adjustment or other assistance provided by the Rural Assistance Authority made by the Ministers for Agriculture from 1988 to the present.

The House should support this motion because it is about open and accountable government. The people of New South Wales expect every member of Parliament and Minister of the Crown to act honestly on their behalf. In my frequent travels around New South Wales many country people have complained about preferential treatment to local members and their families. This motion will put that to the test. This motion is about process and objectivity and assures the people of New South

Wales that Ministers and members of Parliament are motivated by the public good and not by lining their pockets or putting their snouts into the troughs.

Mr HUMPHERSON (Davidson) [12.20 p.m.]: I move:

That the honourable member for Bulli be not further heard.

The House divided.

Ayes, 43

Mr Beck	Mr D. L. Page
Mr Blackmore	Mr Peacocke
Mr Brogden	Mr Phillips
Mr Chappell	Mr Photios
Mrs Chikarovski	Mr Richardson
Mr Cochran	Mr Rixon
Mr Cruickshank	Mr Rozzoli
Mr Debnam	Mr Schipp
Mr Ellis	Mr Schultz
Ms Ficarra	Ms Seaton
Mr Glachan	Mr Slack-Smith
Mr Hartcher	Mr Small
Mr Hazzard	Mr Smith
Mr Humpherson	Mr Souris
Mr Jeffery	Mrs Stone
Dr Kernohan	Mr Tink
Mr Kinross	Mr J. H. Turner
Mr MacCarthy	Mr R. W. Turner
Mr Merton	Mr Windsor
Mr Oakeshott	*Tellers,*
Mr O'Doherty	Mr Fraser
Mr O'Farrell	Mr Kerr

Noes, 49

Ms Allan	Mr McManus
Mr Amery	Mr Markham
Mr Anderson	Mr Martin
Ms Andrews	Ms Meagher
Mr Aquilina	Mr Mills
Mrs Beamer	Ms Moore
Mr Carr	Mr Moss
Mr Clough	Mr Neilly
Mr Crittenden	Ms Nori
Mr Debus	Mr E. T. Page
Mr Face	Mr Price
Mr Gaudry	Dr Refshauge
Mr Gibson	Mr Rogan
Mrs Grusovin	Mr Rumble
Ms Hall	Mr Scully
Mr Harrison	Mr Shedden
Ms Harrison	Mr Stewart
Mr Hunter	Mr Sullivan
Mr Iemma	Mr Watkins
Mr Knowles	Mr Whelan
Mr Langton	Mr Woods
Mrs Lo Po'	Mr Yeadon
Mr Lynch	*Tellers,*
Dr Macdonald	Mr Beckroge
Mr McBride	Mr Thompson

Pairs

Mr Armstrong	Mr Knight
Mr Collins	Mr Nagle
Mrs Skinner	Mr Tripodi

Question so resolved in the negative.

[*Time expired.*]

Mr SOURIS (Upper Hunter—Deputy Leader of the National Party) [12.27 p.m.]: This issue strikes at the very heart of the privacy to which we, as members of Parliament, are entitled. This Parliament is not the Independent Commission Against Corruption. The Labor Party is trying to turn this Parliament into ICAC. The motion is a gross abuse of our privilege and of the power of numbers in this place. It is an attempt to besmirch my colleagues in this place, all of whom I am proud to defend. A basic tenet of our Westminster style of government and democracy and of our permanent public service is that the bureaucracy has an arms-length relationship to the constituency. That fundamental principle, which is upheld in this State, guarantees that everybody has an entitlement within the bureaucracy irrespective of any other position or privilege they may have. This motion deals with the class of that entitlement. If a member of Parliament has entitlements under other arrangements, he or she should not be excluded from making an impartial application. Our system of democracy does not allow selective exclusion.

Mr Whelan: It is an exercise about partiality.

Mr SOURIS: The Minister should not start talking about partiality. It is incredible that the Minister for Police claims to be holier than thou and to have an arms-length relationship in his business dealings and with the way the bureaucracy handles his businesses, yet he has the hide to cast aspersions on my colleagues who have never done a thing wrong and who have always applied impartiality.

Mr BECKROGE (Broken Hill) [12.30 p.m.]: I move:

That the question be now put.

The House divided.

Ayes, 47

Ms Allan	Mr McManus
Mr Amery	Mr Markham
Mr Anderson	Mr Martin
Ms Andrews	Ms Meagher
Mr Aquilina	Mr Mills
Mrs Beamer	Mr Moss
Mr Carr	Mr Neilly
Mr Clough	Ms Nori
Mr Crittenden	Mr E. T. Page
Mr Debus	Mr Price
Mr Face	Dr Refshauge
Mr Gaudry	Mr Rogan
Mr Gibson	Mr Rumble
Mrs Grusovin	Mr Scully
Ms Hall	Mr Shedden
Mr Harrison	Mr Stewart
Ms Harrison	Mr Sullivan
Mr Hunter	Mr Watkins
Mr Iemma	Mr Whelan
Mr Knowles	Mr Woods
Mr Langton	Mr Yeadon
Mrs Lo Po'	*Tellers,*
Mr Lynch	Mr Beckroge
Mr McBride	Mr Thompson

Noes, 45

Mr Beck	Mr O'Farrell
Mr Blackmore	Mr D. L. Page
Mr Brogden	Mr Peacocke
Mr Chappell	Mr Phillips
Mrs Chikarovski	Mr Photios
Mr Cochran	Mr Richardson
Mr Cruickshank	Mr Rixon
Mr Debnam	Mr Rozzoli
Mr Ellis	Mr Schipp
Ms Ficarra	Mr Schultz
Mr Glachan	Ms Seaton
Mr Hartcher	Mr Slack-Smith
Mr Hazzard	Mr Small
Mr Humpherson	Mr Smith
Mr Jeffery	Mr Souris
Dr Kernohan	Mrs Stone
Mr Kinross	Mr Tink
Mr MacCarthy	Mr J. H. Turner
Dr Macdonald	Mr R. W. Turner
Mr Merton	Mr Windsor
Ms Moore	*Tellers,*
Mr Oakeshott	Mr Fraser
Mr O'Doherty	Mr Kerr

Pairs

Mr Knight	Mr Armstrong
Mr Nagle	Mr Collins
Mr Tripodi	Mrs Skinner

Question so resolved in the affirmative.

Mr Hartcher: On a point of order. The honourable member for Bulli has the right to speak in reply.

Mr SPEAKER: Order! I intend to put the question, That the motion be agreed to.

Question—That the motion be agreed to—put.

The House divided.

Ayes, 47

Ms Allan	Mr McManus
Mr Amery	Mr Markham
Mr Anderson	Mr Martin
Ms Andrews	Ms Meagher
Mr Aquilina	Mr Mills
Mrs Beamer	Mr Moss
Mr Carr	Mr Neilly
Mr Clough	Ms Nori
Mr Crittenden	Mr E. T. Page
Mr Debus	Mr Price
Mr Face	Dr Refshauge
Mr Gaudry	Mr Rogan
Mr Gibson	Mr Rumble
Mrs Grusovin	Mr Scully
Ms Hall	Mr Shedden
Mr Harrison	Mr Stewart
Ms Harrison	Mr Sullivan
Mr Hunter	Mr Watkins
Mr Iemma	Mr Whelan
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Mr Merton	Mr Windsor
Ms Moore	*Tellers,*
Mr Oakeshott	Mr Fraser
Mr O'Doherty	Mr Kerr

Pairs

Mr Knight	Mr Armstrong
Mr Nagle	Mr Collins
Mr Tripodi	Mrs Skinner

Question so resolved in the affirmative.

Motion agreed to.

DRUG MISUSE AND TRAFFICKING AMENDMENT (ONGOING DEALING) BILL

Second Reading

Debate resumed from 2 June.

Ms MOORE (Bligh) [12.40 p.m.]: Drug misuse and trafficking is an important issue for my electorate of Bligh. In the 10 years that I have represented the area my office has never had so many complaints about crime and safety issues as it has had in the past six months. In Kings Cross and Potts Point business people and residents are distressed by the overt drug dealing and street violence, and by threats and intimidation from intoxicated and drug-addicted people. People cannot sleep at night because of the noise of drunks and drug addicts in the streets. Anyone who complains is threatened and bottles are thrown at them.

In Woolloomooloo, worsening car break-ins, vandalism and drug dealing are causing anger and distress. People who report incidents to police get bricks thrown through their windows. In Darlinghurst there are numerous complaints about soliciting on residential streets and near schools. Parents are concerned about their children's safety on their way home from school and about them walking past prostitutes. In Oxford Street there has been a spate of hold-ups of shop owners at knife point. Some staff are so traumatised they will no longer work there. As the member for Bligh I am confronting these sorts of issues on a daily basis. Most of these problems relate to drug activity and drug crime, so I am very interested in this bill.

I note that the bill follows on from a recommendation of Commissioner Wood from the police royal commission. I support efforts to combat drug dealings on the streets and to enable police to target effectively big-time dealers who deliberately avoid harsher penalties. However, I do have concerns about this legislation, given the very serious problems facing residents of Bligh electorate. In his second reading speech the Minister for Local Government said the measure is targeted at dealers who arrange their activities to avoid the harsher penalties that apply to the offence of supplying, and to supplying larger quantities of drugs in particular.

The first problem is that the legislation is more likely to catch small-time user-dealers who may be dealing just to support their own addiction, rather than catch the big-time operators. User-dealers are likely to be the most visible and the most readily detected by police surveillance tactics, and that is significant because the proposed penalty is very severe. Offenders dealing in small amounts will be liable to a penalty currently reserved for the supply of commercial quantities. The 1997 report of the Standing Committee of Attorneys-General, which dealt with this very problem, concluded that while an ongoing dealing offence needed to be created to catch bigger operators who deliberately seek to avoid the system, it should be accompanied by a defence for user-dealers so they can escape unfairly punitive penalties.

However, the bill provides for the offence but does not provide for the defence recommended by the Attorneys-General committee. As such, the measure would fail to target the big dealers, the source of the problem, and would be unjustly harsh to user-dealers, the victims of the problem. The second flaw in this legislation is its legal endorsement of entrapment. In his second reading speech the Minister for Local Government said that police would use surveillance and undercover work to detect when the required three offences had been committed by any one person before making an arrest, because making an arrest after only one or two offences would allow the offender to wait out the 30 days before dealing again, and thus avoid tougher penalties. In practice, police can use discretion in their pursuit of offenders. That does not have to be put into legislation, and it is a dangerous precedent to do so. This legislation will also work against existing arrangements under which offenders who are charged can come clean on other offences and have them cleared. If penalties are increased, offenders will not admit to other recent offences.

My third concern about this legislation is that it creates an offence that is inconsistent with the tenor of the Act it amends. Since the Act ranks offence severity in terms of drug quantity supplied, the proposed amendment creates an inconsistency by increasing penalties according to frequency of offending. To apply that provision consistently would involve increasing penalties for all offences that are committed repeatedly. The legislation needs to be amended. Therefore, I call upon the Attorney General to amend the proposed legislation to ensure that a scale of maximum penalties related to drug quantities will be applied, rather than just one

extreme penalty, thus bringing the measure into line with the rest of the Act that it is amending; to safeguard out-of-proportion penalties for dealers of smaller quantities; and to create a defence for user-dealers against the harsher penalties, as recommended by his own committee just last year.

I also call upon the Government to put resources into effective preventive measures. Adequate resourcing is needed to enable regular uniform police patrols, particularly in areas with a high incidence of street violence and drug-dealing activity, such as Darlinghurst, Kings Cross, Woolloomooloo, Oxford Street and Surry Hills. The Government also needs to provide adequate resources for the community safety action plan it launched recently, and which I very strongly support, to enable police to work pro-actively with the community and other agencies on localised crime prevention strategies. Further, I call upon Parliament to look again at effective prevention measures for the serious problems that the community faces through ongoing escalation of drug use and drug trafficking. Parliament should revisit Commissioner Wood's recommendation to establish safe injecting rooms as a gateway to other drug addiction treatments and, most importantly, for counselling and rehabilitation of young people who are addicted.

Dr MACDONALD (Manly) [12.47 p.m.]: I support the bill, which is derived from recommendations in the Wood royal commission report. The Government is being selective in its support for the commission's recommendations, and I find that objectionable. One either believes in this report, in the work put into it, and in the merit of its recommendations, or not. However, given the politics of this place, contentious recommendations for injecting rooms or heroin trials have been selectively rejected, whereas other recommendations, particularly those that will allow the Government to say it is getting tough on drugs, have been selectively supported. That approach shows lack of courage by the Government, and I am very uncomfortable about it. No doubt the coalition would have adopted the same position if it were in office. Commissioner Wood said at page 229 of his report:

> Regardless of the approach taken to the personal use of prohibited drugs, this Commission considers that a need remains for active law enforcement which targets suppliers.

I agree with that. I am as critical of the Government giving selective support to the recommendations as I am of it placing undue emphasis on supply selling rather than demand selling. The bill is aimed at reducing supply, but any strategy to reduce drug use and the harm associated with it must be multifaceted. We must target supply and we must target demand. On the side of demand, it is important to examine both education and rehabilitation. I am happy to be corrected by the Government if I am wrong on this, but it is my understanding that health expenditure in the budget is not giving the right message. It is important to give the right messages in relation to the grants and subsidies being made to various groups.

I note that the national campaign against drug abuse was allocated $3.5 million in last year's budget. The Government spent only $3.348 million. This year that budget has been reduced to $3.324 million. The campaign represents an opportunity for the Government to put money into drugs rehabilitation, which is a responsibility of the Minister for Health. However, it appears that is not happening. Every opportunity must be taken to deal with the demand-use equation. I am concerned that not enough is being spent on drugs education. The honourable member for Bligh has referred to this matter. The budget allocates a piddling amount for education on the harms and the risks associated with drug use. Page 4-105 of the budget, within the health portfolio, states:

> The Government is providing a further $1.1 million in 1998-99 as part of a total program of $5.3 million for an enhanced drug and alcohol strategy . . .

Every dollar is welcome, but it should be a sum of $50 million or $500 million being spent on that program. We must educate youngsters about the harms associated with drug taking. If the Government is to be seen to be real on this issue, it needs a consistent approach on both sides of the equation. Commissioner Wood was clear in his distinction between the drug trade and drug use. We have to make that distinction if we are to be mature about the drug problems facing the community. At page 224 of the commission's report, in reference to the concept of a war on drugs, the commissioner said:

> . . . rhetoric based upon a 'war on drugs' or similar notions, is empty, and incapable of fulfilment. The problems associated with 'drug use' require a different approach to the issues related to the 'drug trade'. Law enforcement should continue to aggressively target the drug trade and heavy criminal sanctions should be applied to those who supply narcotics.

Commissioner Wood has put it well. I have a very clear view on drug policy: those who supply should be subject to criminal sanctions; for those who are users—on the demand side—we should hold a review to determine whether they should be subject to criminal sanctions. All of the evidence, including the evidence from the Royal Commission into the

New South Wales Police Service—suggests that applying a paradigm of criminality and law and order to those who use drugs is not only failing but is also doing enormous harm. I have no difficulty with criminal sanctions being applied to those who supply drugs. In question time in the House yesterday the issue of Anna Wood was raised. I put it to the House that had there been a different strategy and were there a lack of criminality associated with drug use, Anna Wood may well be alive. Her death may have been prevented. Assistance was delayed in her case because youngsters are discouraged, because of criminal sanctions, from seeking assistance.

There are lessons to be learned from that tragic loss. One lesson is that we need to look at the way in which we deal with drug users. Exactly the same thing happened to Tony Trimingham's son, who died of a heroin overdose in some back street because he was fearful of the criminal sanctions associated with drug use. Tony Trimingham has also become a champion of reform of drug laws and policy. I anticipate that a major battle will take place in my electorate over drug policy and drug law reform. I am very clear about the direction that should be taken. I have no sympathy for those who supply drugs; I have enormous sympathy for those who become victims and become drug users. It is important that we apply the medical paradigm, not the law and order paradigm.

Making that change in approach will take a great deal of courage and it will be very difficult, but it has to happen. The commission's report referred to the war on the drug trade, in other words, the war on supply. I support that. However, as I have said, I would like from the Government a package, preferably a package derived from a national drugs strategy. Commissioner Wood emphasised the need for a national strategy on drugs. At page 227 of the commission's report it is argued that any move in the direction of drug law reform must be made on the basis of a national strategy. I agree with that. I want the Government to come out not only with strategies that make it appear to be tough but with strategies that will really go to the heart of the problems in our community.

This bill will enact recommendations 2.31, 2.32 and 2.33 of the commission's report. For that reason I support the bill. I acknowledge that it represents a commitment to that element of the commission's report. There are other aspects that need to be considered. I ask the Minister what the impact of the bill will be. Will it reduce supply? I do not know. At page 224 of the commission's report Justice Wood raised interesting questions about supply. He queried how much gain there can be from tackling the supply side. I am not objecting to this bill, but I am saying that we should keep our eyes wide open and acknowledge the evidence that pouring resources into supply does not work. Surely this bill ought to contain some evaluation clause that progress will be reviewed in 12 months.

Commissioner Wood has spoken about the supply side and about the enormous profits to be gained from the drug trade. He has said that the risks of detection are not great, particularly regarding the entry of drugs to this country. He has referred to modern techniques of money laundering and to the ease of movement of funds. Justice Wood has said that there is absolutely no limit to the number of foot soldiers prepared to be engaged in the supply of drugs. Particularly in relation to hard drugs, he has talked about the need in countries of origin for continued production. It is important that we do not overestimate the likely impact of this bill. It may not work. We must consider what will happen if we clamp down on the supply side with very heavy sanctions. Will prices for drugs increase markedly? Will the profits being made decrease? Will there be more recruits, more foot soldiers? I do not know.

I ask the Minister in his reply to address the questions I have raised and acknowledge the need for an ongoing assessment of the impacts of legislation. We in this place, particularly crossbench members, have for many years argued the need for a review of the social impacts of this kind of legislation, both prior to its enactment and subsequently. I foresee some difficulties in the amendments foreshadowed by the Opposition and I shall speak to those later. As I understand it, the Opposition intends to move an amendment bringing cannabis within the scope of this legislation. I will be very interested to hear arguments one way or the other on that proposal. I think there are compelling arguments for including and for not including cannabis within the scope of this bill. Indeed, cannabis is already dealt with in a somewhat different manner in existing legislation. There is also the 30-day issue. I will be interested to hear what the honourable member for Eastwood has to say about that.

I am not sure why 30 days has been stipulated rather than 20 or 25 days. Justice Wood certainly made his views clear when he talked on page 228 of the report about the distinction that needs to be made between drug use and the drug trade. I want to make it clear that the supply of drugs must remain subject to criminal sanctions, and I support the legislation to that extent. I would like to hear

someone in this House give some support to innovative ways of dealing with demand and with users who deal in drugs. In that regard Justice Wood said:

> The Commission received a number of submissions urging that the personal use of prohibited drugs be dealt with as a medical problem and not as a criminal offence . . . The commission considers that a cautious move towards this approach is well worthy of consideration.

Justice Wood realised the concern connected with the words "associated with criminality". He was talking about the collateral damage of criminality. I understand that and he understood it. Different ways of dealing with the demand-user side have to be looked at. I support the legislation.

Mr RIXON (Lismore) [1.01 p.m.]: The village of Nimbin is in my electorate of Lismore and I daily come in contact with users of drugs, their families and communities closely affected by drugs. Having been so closely involved, I have come to the conclusion that a many-pronged attack is needed on the problem of drug abuse in our society. The education processes in schools and in the community at large have to be looked at. To make people more aware and more responsible for their actions advertising is used to reduce cigarette use and controls are put on the use of alcohol.

Matters that need to be considered are rehabilitation services to help users to get off drugs; the restriction of supply; the social conditions which place some people at risk of becoming involved in the drug culture; and various ways and means of assisting people to understand the difficulties and horrors of drug abuse. The bill deals with restricting supply, and because of the philosophy behind it I strongly support the bill. Some changes are needed. The overview of the bill states:

> The object of this Bill is to amend the *Drug Misuse and Trafficking Act 1985* to create a new wholly indictable offence of supplying prohibited drugs on an ongoing basis.

That is to be commended. The overview states:

> Under the proposed section, a person will be guilty of an offence if the person supplies a prohibited drug (other than cannabis) for financial or material reward on 3 or more separate occasions over any period of 30 consecutive days.

I will deal in greater detail with "other than cannabis" and "30 consecutive days" shortly. The overview further states:

> It does not matter whether the same drug is supplied on each of those occasions, and the amount that is supplied (whether on each such occasion or in total) is not relevant to the offence.
>
> The term ***supply*** currently has an extended meaning under the *Drug Misuse and Trafficking Act 1985*, and accordingly the new offence will cover the sale of prohibited drugs (***sell*** is also widely defined at present to include barter, exchange or dealing in) as well as any other act of supply so long as it is for financial or material reward.
>
> The new offence can only be prosecuted on indictment, and the penalty for the offence is 3,500 penalty units, (currently $385,000) or imprisonment for 20 years, or both. This penalty is the same as for an offence under section 25(2) of the Act for supplying a commercial quantity of a prohibited drug (eg 250g of heroin).

If people are to be kept away from drugs and drug abuse, drugs must be more difficult to obtain. If those lower down the chain are targeted it will be harder to recruit sellers at the lower levels. Thus higher level suppliers will be easier to find. It will go right to the top and eventually the people who are making the huge profits will be gaoled. The bill takes a step in the right direction. However, I am extremely concerned about the words "30 consecutive days"; it may be difficult to catch lower level users on three occasions in such a short period of time. The period should be extended to at least 12 months, or perhaps eliminated altogether. Cannabis should be included in the provisions of the bill. Those who use cannabis will always rubbish all the medical research and claim that it has not been done properly. The truth is that cannabis is acknowledged as dangerous more and more frequently by people who do not use it.

If a person with schizophrenic tendencies smokes marijuana the chances are that those tendencies will be magnified. It has been proven in medical research that marijuana seems to melt the inhibitions of many younger users and gradually their decision-making processes are not as sharp or as well defined as they may have been. The life of people who use marijuana may well be destroyed in a number of ways, not the least of which is that cannabis makes them more readily susceptible to using injectable drugs.

The provisions of the bill should include cannabis because cannabis is equally as dangerous as any of the other drugs; some people would claim it is even more dangerous. My constituents are extremely concerned about drug abuse and they would support cannabis being included in the provisions of the bill. Parents of drug users are often forgotten. At present I am on a committee that is forming a support group for parents of drug addicts. The organisation is called "Parents in Pain". It is a mutual assistance, self-help organisation offering friendship and understanding to families who have a child involved in drug abuse. The primary purpose of the group is to assist them with their isolation,

stress and pain by giving them loving support. The group's secondary purpose is to provide information and education to families and friends.

I draw that organisation to the attention of the House not because it will lobby for increased penalties but because it will simply give loving support to parents who are suffering as a result of one of their children or a member of their family abusing drugs. Parents and families of drug addicts suffer greatly and are often neglected when the subject of drug addiction is dealt with. Although they may not express an opinion as to whether they support a bill such as this, they need our understanding and support. I strongly support the sentiments in the bill, which has to be looked at as part of a large package. The whole package cannot, of course, be presented in one bill. However, the bill deals with restricting the supply of drugs. That is an important part of a range of measures that need to be implemented if the impact of drug abuse in the community is to be reduced. However, I repeat that the provision relating to "30 consecutive days" is not good enough, and cannabis ought not be excluded from the provisions of the bill.

Mr KERR (Cronulla) [1.10 p.m.]: I should like to speak briefly in support of the bill, which results from the Wood royal commission. I have said before that the drug menace is probably the greatest danger facing our nation today. It is a menace to which our nation is particularly susceptible, given its broad coastline. The bill makes sensible recommendations about law enforcement. I will not repeat the sentiments expressed by previous speakers, because the Opposition has indicated its support for the bill. However, the Opposition will move amendments. Those amendments have been circulated and will be dealt with in the Committee stage. In my electorate a group has been set up to assist addicts and their families. I am pleased that Judy Gibson, the wife of Jack Gibson, the well-known rugby league coach, is actively involved in that group.

Members of this House and members of the public should be aware of a recent publication relating to the menace posed by drugs entitled *Drug Precipice*, authored by the Hon. Athol Moffitt, a former President of the Court of Appeal, Craig Thompson, a serving magistrate, and John Malouf, a former President of the Pharmacy Guild of Australia. The honourable member for Manly and the honourable member for Bligh have spoken about the need for greater resources to be provided for education. I share that sentiment. The amount provided in the budget for the funding of law enforcement agencies, the Health Department and youth and community services is inadequate.

That lack of funding must be remedied. If people can be prevented from getting on to drugs the resulting problems which have to be dealt with by government agencies, families and communities can also be prevented. Tony Blair and New Labour have set up a successful drug prevention campaign that provides a focus and a spokesman. The drug experience in Sweden has resulted in that country moving from an extremely liberal position to one of fairly tough law enforcement. Those who have taken drugs know the horrors of drug dependency. That is what prevention is all about: communicating the truth about what happens to people who start taking drugs.

I have previously mentioned the experiences of Eric Clapton, the rock star, who asked, "Why is the message not getting through to young people that taking drugs is not cool?" The honourable member for Manly spoke about innovative ways to send out that message. One way is by educating young people that taking drugs is not cool, that it is a gateway to unimaginable torture and horror. People can talk to schoolchildren and to community groups and explain the effects of drug taking. The Opposition supports the bill but will move amendments to make those provisions more effective.

Mr RICHARDSON (The Hills) [1.15 p.m.]: I want to say a few words about this important legislation, which has sprung from recommendations of the Wood royal commission. Chapter 2 of volume II of the royal commission report, under the heading "Difficulties in Current Law Enforcement", states:

> 2.31 The other issue which arises in this context is a recognition of the difficulties police face in enforcing the law. Those who deal in drugs are seldom foolish enough to carry their supplies on their person. Street dealers in places such as Kings Cross and Cabramatta leave their working supplies nearby. When a sale is effected they deliver the commodity in a quantity generally less than the commercial or indictable amount. Surveillance on the dealer may make it plain that he or she is, in truth, selling large amounts of the drug on a regular basis, yet it is often effectively impossible to prove a case for supply of more than a single deal.
>
> 2.32 Further, in the example outlined above and in similar situations, if the police identify the location of the dealer's 'stash' the likelihood is that it will be a place to which in theory at least, others have access. In such cases the Crown faces difficulties in proving possession, in the sense of exclusive physical control, of the drug. The proof of this element in supply and possession cases is often daunting and some police have sought to overcome the difficulty by lying about the circumstances of the finding.

> Thus, heroin found under a car seat might be said, for the purposes of the brief, to have been on the suspect's person. There were many such examples in the course of the Commission's hearings. The frustration for police arising from these circumstances is such that they may 'solve' the problem by 'loading up' the dealer with a larger quantity of drugs, or alternatively engage in theft or extortion to 'punish' the dealer.

Justice Wood recommended that consideration be given to amending the Drug Misuse and Trafficking Act 1985 to create an indictable offence of engaging in commercial supply. The purpose of that recommendation was to catch those who are obviously engaged regularly in the supply of drugs. They are presently able to minimise their criminality by holding and dealing in drugs in quantities less than the indictable or commercial quantity. Recently I visited Cabramatta and spoke to the police there. They made it clear to me that in the past that was one of the ways in which dealers evaded the full force of the law. Drug dealers are street smart. They have street savvy and clearly understand the ways in which they can get around the law. Of course, they use the law to their own ends. The legislation is welcome because it deals with hard drugs and amphetamines. The Opposition is concerned that the bill does not apply to cannabis.

Last year I conducted a survey of my constituents and found that 80.5 per cent of them identified marijuana as harmful or extremely harmful, a percentage only slightly below that for LSD and ecstasy. In the community there is a clear understanding that the use of marijuana is undesirable. The strength of the drug has increased exponentially over the past decade. That should be borne in mind by the Government, which recently moved to decriminalise the possession of five marijuana plants or up to 4,000 joints, which it described as a small amount of the drug.

The Government denied Castle Hill High School, in my electorate, the right to exclude two students who had been dealing in marijuana—one was buying and the other was selling—in the school toilets. The Opposition deplored the Government's decision. In this instance the school should have been able to set its own fair discipline code and to abide by that code. All students who attend the school and their parents clearly understood that the school is drug free, that the school will not tolerate drug dealing or the use of drugs on school premises. However, the Government and the Minister for Education and Training saw fit to overrule the decision of the school principal, supported by the school council and the parents and citizens, and those girls were not transferred to another school. Perhaps it is not surprising that cannabis is specifically excluded from this bill. I shall quote briefly from information I collected last year when I was writing my paper on drugs entitled "No Quick Fix". In a document entitled "Marijuana Update 1996" Janet D. Lapey, an American doctor, said:

- Marijuana causes many mental disorders, including acute toxic psychosis, panic attacks, flashbacks, delusions, depersonalization, hallucinations, paranoia, depression, and "uncontrollable hostility".

- Increased aggressive behaviour after smoking marijuana has been reported in inner city males.

- Marijuana has long been known to trigger attacks of mental illness, such as bipolar (manic-depressive) psychosis and schizophrenia. It has been shown that marijuana users are six times more likely to develop schizophrenia than are non-users.

That has been well-documented in assault cases in recent years. Dr Lapey further said:

- Marijuana use is associated with the development of Amotivational Syndrome. Often the relationship of impairments and symptoms to marijuana use becomes evident only when the user is persuaded to stop, shows clear-cut improvement in mood and behaviour, and describes a feeling of "coming out of a fog".

- Marijuana impairs perception, judgment, thinking, memory and learning. Memory defects may persist six weeks after last use.

Dr Lapey went on to say:

- Marijuana causes both dependence and addiction. "Marijuana is an addictive drug . . . Addictive use is defined by compulsive, repeated use in spite of adverse consequences. Marijuana's effects include tolerance, leading to dependence, and then inability to cease use.

Dr Lapey's words have been strongly supported by research carried out and reported on subsequently. An article in the *Australian* of 28 June last year stated:

> Chronic users of marijuana may be leaving themselves open to addiction to heroin and cocaine . . .
>
> Scientists from the National Institute on Drug Abuse in Rockville, Maryland, claim to have found a "common essence" for drug addiction that might result in a finding that marijuana—at least in some individuals—is an addictive drug.

That runs counter to the popular belief that marijuana is a soft drug and that in some respects it is a safer drug than amphetamines, heroin or cocaine. Indeed, marijuana may cause personality changes in heavy users who have a predisposition to schizophrenia. It has now been revealed that people can become physically addicted to marijuana,

particularly in the context of the much stronger, potent strains of marijuana now available in Australia. Yet the Government still has not seen fit to include marijuana in this bill.

A study conducted by a team from the University of Cagliari in Italy showed that THC, the active constituent of marijuana, increases brain levels of dopamine, a chemical component of the nervous system. That is further evidence of the fact that people can become physically dependent on the drug. Last year I attended an address by John Anderson, a pharmacologist from Westmead Hospital. He is perhaps the leading authority in Australia on the physical effects of marijuana. According to my notes he said:

> Marijuana is not a soft drug. It is fat-soluble, it is not excreted from the brain quickly. Everything else is. You have one joint—we pick it up five days down the track. It has a physiological effect on the brain. People who are heavy marijuana users have attention deficit disorder; the blood flow to the brain is affected. If you have two joints a week for six months we will find brain disorders five years down the track. There are 61 cannabinoids apart from THC; two of them (CBD, CBM) decrease T-cell counts (affecting the immune system). Yet some people want to give those with AIDS marijuana! It goes to the gonads—affects testosterone production—which leads to extra aggression. Malforms sperm. Affects the production of normal female hormones.
>
> Marijuana in relatively small doses alters the structure of the genes, including those implicated in ADD. Marijuana has between 50 and 75 per cent more carcinogens than tobacco.

Honourable members will be aware that marijuana tends to be inhaled by those who do not smoke tobacco. For all those reasons the Government should support our proposed amendment to include cannabis in the provisions. I am extremely concerned about the 30-day rule which will apply under this bill. As I have said previously, dealers are street smart, street wise; they understand how to get around the law. Inclusion of that restriction will result in dealers who have been caught twice not dealing again until the 30-day period is over. It sticks out like a sore thumb that that is exactly what dealers will do. That will render the legislation far less effective than would be the case if it did not have that provision. The Opposition supports the bill. However, it hopes that the Government will accede to the proposed amendments.

Mr WHELAN (Ashfield—Minister for Police) [1.26 p.m.], in reply: I thank honourable members for their contributions to this important debate. The bill aims to create a new indictable offence of supplying a prohibited drug on an ongoing basis. A specific provision is to be inserted into the Drug Misuse and Trafficking Act 1985 to make it an offence for a person to supply any prohibited drug, other than cannabis, for financial or material reward on three or more separate occasions during a period of 30 consecutive days. The bill is based upon an important recommendation of the Wood royal commission. The new offence plugs a potential loophole under the existing law. It targets dealers who have organised their affairs in such a way as to limit the full effect of the Drug Misuse and Trafficking Act 1985. Presently, it could be argued that dealers who carry small quantities of prohibited drugs can avoid serious penalties under the Act as the penalty structure is largely based on quantity.

The bill differs in crucial respects from the private member's bill introduced by the honourable member for Eastwood. As has happened so often in the past, the Opposition's bill was ill-conceived and hastily cobbled together. Despite all the honourable member's efforts, the overall legal effect of his bill would have been nil. The Government is at pains to emphasise that an essential plank of this bill is that persons who supply a prohibited drug on three or more separate occasions within a 30-day period will be guilty of an offence. The 30-day period is based on an appreciation of the operational aspects of modern policing and the social responsibility that goes with government. Put simply, the offence of commercial dealing will facilitate and feed into police surveillance and undercover work.

Members opposite referred to entrapment. The Government dealt with that issue in the Law Enforcement (Controlled Operations) Act 1997. This legislation carefully controls the circumstances in which police engage in unlawful behaviour because circumstances demand this course of action. If police do not bring themselves within the terms of that Act they risk charges being thrown out of court. The amendments flagged by the Opposition are not based on the recommendation of the Wood royal commission. The three occasions in 30 days formula was decided upon after lengthy negotiations and consultation between the Attorney General's Department and the police ministry, including an experienced member of the Police Service. The police have been consulted about providing a time frame, and they are happy with it. The current formula is based on the interrelated considerations of making the new law work and maintaining the moral and social responsibility of government.

The 30-day period is crucial if the new law is to work properly. The period is based on an appreciation of the operational aspects of modern policing. Put simply, the offence of commercial dealing will facilitate and feed into police surveillance and undercover work. The suggestion is not that the police will use this power to arrest

suspects on one or two occasions, thus allowing the suspect to wait out the relevant time frame. Rather, it is expected that the police will gather information on three or more occasions through surveillance and undercover work, and only then arrest the suspect. Otherwise, the new law would not work. In short, if drug pedlars were on notice, by virtue of being charged or convicted, they would obviously avoid breaking laws dealing with ongoing drug dealing.

The second part of the new law is based on the moral responsibility of government. As the law relies on surveillance to be workable, the police will gather evidence to catch criminals and drug pedlars. There is a danger that, without any time limit, criminals and drug pedlars will continue to ply their trade while the police seek to gather enough evidence. It is unthinkable for the Government to in any way encourage the drug trade, however inadvertently. The Government has a real concern that drug pedlars could sell drugs such as heroin, LSD and ecstasy for months before the police feel they have enough evidence.

Under the Government proposal, the police will have a new weapon to fight the trade in illegal drugs. Furthermore, under the new law, there is nothing to stop the police from falling back on the already existing provisions and arresting criminals if the 30-day period expires. It is noted that the already existing provisions carry substantial gaol and monetary penalties. The bill has been technically difficult and has undergone numerous drafts to make it work. Despite what are no doubt the best intentions of the Opposition, its amendments risk creating loopholes and allowing drug dealers to run free.

The legislation already deals with cannabis under a different sentencing structure. The exclusion of cannabis thus simply extends the logic of the present system. The flagged amendments to include cannabis do not differentiate between cannabis and other prohibited drugs and thus create an anomaly in the penalty structure. If cannabis has to be included, there would also be complications in relation to a bifurcated sentencing structure due to the ongoing nature of the offence. In other words, it would be difficult to differentiate between, on the one hand, one offence of supplying cannabis plus two offences of supplying ecstasy, and, on the other hand, three offences of supplying cannabis, and so on. The new law does not exist in a vacuum. Rather, it will complement existing laws under the Drug Misuse and Trafficking Act. No pre-existing offences are to be deleted. Obviously, existing provisions under the Act that carry substantial penalties can be triggered when a dealer operates in this way. I commend the bill to the House.

Motion agreed to.

Bill read a second time.

In Committee

Schedule 1

Mr KERR (Cronulla) [1.33 p.m.], by leave: I move Opposition amendments Nos 1 to 3 in globo:

No. 1 Page 3, schedule 1, proposed section 25A(1), lines 9 and 10. Omit "during any period of 30 consecutive days".

No. 2 Page 3, schedule 1, proposed section 25A(1), line 11. Omit "(other than cannabis)".

No. 3 Page 5, schedule 1, proposed section 25A(10), lines 14 and 15. Omit all words on those lines.

I note what was said by the Minister when replying to the second reading debate. However, it is still the opinion of the Opposition that the words "during any period of 30 consecutive days" should be omitted. I note also what was said by the honourable member for Manly in relation to a period of 20 days, or indeed any other period. His is precisely the view of the Opposition: any time period would be quite arbitrary. For that reason, "during any period of 30 consecutive days" should be omitted from the bill. The amendment will make proposed section 25A(1) much more enforceable. The risk is that if the bill were passed in its existing form drug dealers would be able to commit a couple of non-indictable offences, have a month-long holiday, wipe the slate clean, and then resume their illegal activities.

The illegal drug trade is highly organised. We are not talking about a group of amateurs. Any legislation passed by this Parliament will be studied in detail by drug trade organisers. It seems to me that the bill as drafted will provide a loophole for drug dealers. For that reason, the Opposition supports the notion that the measure comes into play when three offences are committed in any period. I cannot see any purpose in limiting the period. To do so is to provide an opportunity for the drug trade to continue with its illegal activities. The honourable member for The Hills spoke about the dangers of cannabis. It is the opinion of the Opposition that these measures should extend to the supply of cannabis. For those reasons the Opposition commends the amendments.

Dr MACDONALD (Manly) [1.36 p.m.]: I support the Opposition amendments. Those who would oppose the amendment to delete the 30-day period are probably not taking into account that juries will be guided by the intent of the legislation. Whether a drug supplier is picked up, say, three times in three or six months, as opposed to three times in one week or two weeks, is a matter that will be taken into account. I cannot see a need to build in a 30-day provision. In fact the Minister's second reading speech referred to the role of police surveillance and reporting requirements. I think it would be frustrating if police caught somebody twice within 30 days but, because a third offence was committed outside that period, the police were not able to charge the offender under this provision. I think the inclusion of a time period is being over-prescriptive.

The cannabis problem is very difficult because the penalties in existing legislation suggest a quasi acknowledgment that cannabis should be treated differently. My view, expressed during the second reading debate, is that there is no need to make such a distinction with respect to supply of illegal drugs, but, rather, that we need to clamp down on the supply of all illicit drugs. Any person supplying these drugs for profit should come within the ambit of the bill. Concern has been raised that small-time cannabis suppliers—those supplying a joint here and there, perhaps at a party—would be caught by these provisions, and that that is an unintended consequence of the inclusion of cannabis within the provision.

One is either serious about reducing supply or one is not. I think the supply provisions should cover ecstasy, cocaine and cannabis. A more discretionary view might be adopted when it comes to the demand for and use of cannabis, but that is not the issue before the Committee. I sought some guidance on this matter from the report of Commissioner James Wood. However, his comments were somewhat equivocal, and did not help me to clarify the issue. He spoke about the need to apply law enforcement measures to the supply side, and at page 229 he said:

> The Commission considers that a need remains for active law enforcement which targets suppliers.

But at page 224 Justice Wood said:

> Law enforcement should continue to aggressively target the drug trade, and heavy criminal sanctions should be applied to those who supply narcotics.

So Justice Wood made the distinction between narcotics and cannabis. I do not think Commissioner Wood clarified what his intention was. I am merely applying an argument that I have consistently applied—that we need to clamp down on the supply of drugs. If unintended consequences flow from the legislation—for example, if there are innocent victims of it—the jury will take them into account. Heavy penalties by way of fines and jail sentences will apply at the upper limit, but there is no requirement for a jury to apply law enforcement measures in relation to breaches of the Act relating to the supply of cannabis.

Mr RICHARDSON (The Hills) [1.40 p.m.]: In my previous remarks I addressed at length why I believe cannabis should not be excluded from the provisions of the bill. I want now to revisit the 30-day period. The Minister for Local Government said in his second reading speech:

> The 30-day period is based on an appreciation of the operational aspects of modern policing and the social responsibility which goes with government. Put simply—

I do not think it is simple—

> the offence of commercial dealing will facilitate and feed into police surveillance and undercover work. The suggestion is not that the police would use this power to arrest suspects on one or two occasions, thus allowing the suspect to wait out the relevant time-frame. Rather, it is expected that the police will gather information on the three occasions through surveillance and undercover work and only then arrest the suspect. A time frame is thus a necessary component of the offence to accommodate public health and community safety concerns.

The Minister for Local Government seemed to be saying—as the Minister for Police said in his reply—that the police will have to wait until they have sufficient evidence to have a dealer charged and convicted three times, presumably at the one hearing. I have some concerns about that. I wonder whether that will not render the entire bill unworkable. The Minister for Police said that the dealer could continue to deal while police gathered evidence. If the police were to operate in that way that would be correct, but if police were to arrest a dealer and charge him twice, presumably at the very least that would prevent the dealer from continuing his noxious trade. I would have thought that would be to the benefit of policing and the society and not against our best interests.

Mr WHELAN (Ashfield—Minister for Police) [1.43 p.m.]: I have listened with interest to the contributions of members and I believe there is a misunderstanding. The Opposition has suggested that if the words "during the period of 30 consecutive days" were to be deleted, the penalties would apply to a person who supplies a prohibited drug on three or more separate occasions at any time over a

number of years rather than within a maximum of 30 days. The Opposition must understand that that is a trigger. We are talking about police surveillance. If a person under police surveillance is observed to do a deal on one occasion, that person could be prosecuted for selling a prohibited drug on that one occasion. The bill provides a time frame within which people who sell drugs can be prosecuted by the police. This is not conviction-based; there is no requirement for three convictions. When evidence of three offences of supply is obtained, the offender will face a penalty of 3,500 penalty units or imprisonment for 20 years.

The Government expects the police to prosecute if they find evidence that over a period of 45 days or 50 days or two years a person has supplied once or twice. The aim of the bill is to increase the penalty for a person who supplies three times within 30 days; that person will incur a fine of 3,500 penalty units or imprisonment for 20 years. I am aware of the Opposition's motivation, but I do not think it has looked at all aspects of the bill. If a person supplies drugs on one occasion, I expect the police to prosecute that person. If a person is caught on three occasions in 30 days, he or she will incur a fine of 3,500 penalty units or imprisonment for 20 years, which is a lengthy gaol term.

The bill relates to operational measures and was considered by the Attorney General, an experienced member of the Police Service and me. However, no-one should be under any misapprehension about the bill. Supplying drugs is a very serious offence. Supplying drugs once or twice is serious, but the Government believes that if a person supplies on three occasions in 30 days, the person should pay a fine of 3,500 penalty units or be sentenced to imprisonment for 20 years. The Opposition proposes that that provision be deleted. Such a measure would, unwittingly, enable people who are smart and commit an offence on one or two occasions in 30 days to escape police prosecution.

The Opposition's amendment would enable those persons to think that they can continue to supply. Suppliers change their usage, their site, their method, their retailers and sales people, all the way down the line. The Opposition suggests we should say to those people, "We will give you two chances, and don't go for the third." If that were to happen they would disappear. Instead of going to Sydney, they would go to Melbourne. When the police design a bill to meet operational needs, the enforcement of it should be left to them. The bill targets the major drug criminals. As I said, there is a danger that without a time limit, criminals and drug pedlars will continue to ply their trade while the police continue to seek to gather enough information to enable them to lay charges. I believe there may be a misunderstanding about the bill.

Mr KERR (Cronulla) [1.47 p.m.]: I do not think there is a misunderstanding. As the honourable member for Manly said, there is no shortage of foot soldiers supplying drugs. The Opposition seeks to delete the time frame. We are talking about a highly organised trade that does not involve dealers simply going from one State or capital to another after a period. The Opposition seeks to remove the 30-day period, and to have the full force of the law apply if a third offence, particularly a non-indictable offence, is committed. However, the Opposition seeks to visit heavier penalties because the supply of drugs is a commercial activity, as the honourable member for Manly said. I am sure that everyone would want offenders to be dealt with in the most severe fashion. We are not talking about addicts on the demand side; we are talking about people on the supply side. Very often those people engage in such activity purely for monetary gain. The Opposition appreciates what the Minister has said but persists with its amendments.

Dr MACDONALD (Manly) [1.48 p.m.]: Further to the point raised by the honourable member for Cronulla, I do not understand what the Minister has said. Much of it was aimed to confuse. So I went back to the second reading speech, which clearly provides that it is an offence for a person to supply any prohibited drug on three or more separate occasions during a period of 30 consecutive days. That provision also appears in the legislation. I draw the Minister's attention to page 230 of the royal commission's report, where this matter is dealt with by Commissioner Wood. The commissioner spoke about amending the Drug Misuse and Trafficking Act to create an indictable offence of engaging in commercial supply, with a view to catch those suppliers who are obviously engaged in a regular business of supply, but who at present are able to minimise their criminality by holding and dealing in drugs in quantities less than the indictable commercial quantity. I do not see anything in the report that suggests the imposition of time limits. If Justice Wood believed they were important, he should have sought their inclusion. The content of the second reading speech and what the Minister has been saying are inconsistent.

Question—That the amendments be agreed to—put.

The Committee divided.

Ayes, 39

Mr Beck	Mr Peacocke
Mr Blackmore	Mr Phillips
Mr Chappell	Mr Photios
Mr Cochran	Mr Richardson
Mr Debnam	Mr Rixon
Mr Ellis	Mr Rozzoli
Ms Ficarra	Mr Schipp
Mr Glachan	Mr Schultz
Mr Hartcher	Ms Seaton
Mr Hazzard	Mr Slack-Smith
Mr Humpherson	Mr Small
Mr Jeffery	Mr Smith
Dr Kernohan	Mr Souris
Mr Kinross	Mrs Stone
Mr MacCarthy	Mr J. H. Turner
Dr Macdonald	Mr R. W. Turner
Mr Merton	Mr Windsor
Mr Oakeshott	*Tellers,*
Mr O'Doherty	Mr Fraser
Mr D. L. Page	Mr Kerr

Noes, 47

Ms Allan	Mr McManus
Mr Amery	Mr Markham
Mr Anderson	Mr Martin
Ms Andrews	Ms Meagher
Mr Aquilina	Mr Mills
Mrs Beamer	Ms Moore
Mr Carr	Mr Moss
Mr Clough	Ms Nori
Mr Crittenden	Mr E. T. Page
Mr Debus	Mr Price
Mr Face	Dr Refshauge
Mr Gibson	Mr Rogan
Mrs Grusovin	Mr Rumble
Ms Hall	Mr Scully
Mr Harrison	Mr Shedden
Ms Harrison	Mr Stewart
Mr Hunter	Mr Sullivan
Mr Iemma	Mr Watkins
Mr Knight	Mr Whelan
Mr Knowles	Mr Woods
Mr Langton	Mr Yeadon
Mrs Lo Po'	*Tellers,*
Mr Lynch	Mr Beckroge
Mr McBride	Mr Thompson

Pairs

Mr Armstrong	Mr Knight
Mr Collins	Mr Nagle
Mrs Skinner	Mr Tripodi

Question so resolved in the negative.

Amendments negatived.

Schedule agreed to.

Bill reported from Committee without amendment and passed through remaining stages.

COASTAL PROTECTION AMENDMENT BILL (No 2)

Second Reading

Debate resumed from 2 June.

Mr D. L. PAGE (Ballina) [2.00 p.m.]: As the shadow minister indicated, the Opposition does not oppose this bill. As a member of the parliamentary coastal committee, under the previous Government and for a time under the current Government, I take this opportunity to place on record some of the history of the evolution of this State's coastal policy. It is important to note that a coalition Government introduced coastal policy in 1990. It was designed to guarantee public ownership of and access to beaches and generally to restrict the height of buildings to four storeys. Former planning Minister Robert Webster asked the coastal committee to review the policy as part of an evolutionary process. No constraints or restrictions were placed on its deliberations.

The committee formed a task force and examined a number of issues, including the definition of "coastal zone". Under the previous coastal policy "coastal zone" was defined as an area one kilometre landward and three kilometres seaward. Under the new coastal policy the definition is broader and essentially encompasses the concept of catchment management with greater emphasis on water quality. Much of the work undertaken by the previous administration was taken up by the new administration. The present coastal policy is the result of that evolutionary process. I congratulate the committee on its efforts. In particular I thank Professor Bruce Thom for his chairmanship and leadership of the committee and for delivering a coastal policy that essentially protects the coastline and requires ecologically sustainable development along the coastal strip.

Although the bill excludes reference to the central coast, the coastal committee did not recommend such an exclusion. Concern has been expressed about the exclusion of the Sydney metropolitan area but there are arguments that support that exclusion. However, there is no logic in excluding the central coast from the policy, given the continuing population growth of the region. It is

being put under a lot of pressure. The central coast needs the protection of an enhanced and broad coastal policy. I can only conclude that the decision to exclude the region was to allow approval to be given for a 25-storey building at The Entrance—an approval completely at odds with any coastal policy, whether it be that of the previous Government or the present Government. It will be a sad day if the Government approves the development.

The decision to exclude the central coast reflects badly on the Government and only gives weight to the suggestion that it was excluded to enable approval of development contrary to coastal policy. Reporting procedures are also of some concern. In his manifesto prior to the election the Minister indicated that the newly appointed coastal council would be required to report directly to the Parliament. No such requirement is provided for in the bill. The coastal council reports directly to the Minister, who may, in pursuance of the provisions of the Statutory Authorities Act, report to the Parliament. Therefore, the Minister has an opportunity to intervene in the reporting process of the coastal council, and that is unfortunate. The bill provides for the Minister to appoint members to the coastal council, so that all council members owe their existence, as it were, to the Minister.

Mr Knowles: Don't you want to be on the committee?

Mr D. L. PAGE: The point is, Minister, that you appoint the members. Therefore, if you are not comfortable with a recommendation of the council, you could ask the council to reconsider its position.

Mr Knowles: Have I ever done that while you have been a member of the committee?

Mr D. L. PAGE: You have not. However, future Ministers may not have the same level of integrity as the Minister and I. It would be more appropriate for the coastal council to report directly to the Parliament, as the Minister promised would happen in his election campaign. I shall summarise briefly the difference between the two bills. An important inclusion in the second bill was the concept of ecologically sustainable development. Obviously that notion was overlooked when the first bill was being drafted. Another worthy inclusion is the provision relating to the nomination of environmentalists. I have no difficulty with the Minister choosing one person from three persons nominated by the Nature Conservation Council to serve on the council.

However, I have some concern about the method of drawing boundary lines. As I interpret the provisions of the bill, the Minister may make a change, administratively, to boundary lines, if it is decided—as it inevitably will be—that some lines were drawn inappropriately. One has only to refer to State environmental planning policy 14 to realise that at some point in time amendments have to be made to boundaries. An appropriate mechanism must be available to facilitate such amendments. I realise that is the responsibility of the Minister, but if the definition of "coastal zone" as provided for in new section 4 is to be given effect to, the Minister will have to amend the Act further. The process may constrain future governments, particularly in the context of what the coastal policy is designed to achieve.

The object of the coastal policy is to protect water quality and coastal environments. Unless lines on maps have some sensible catchment-based purpose, they may be inappropriate, and although at present it may seem that the purpose of the new section is to protect the coastline, there may be problems in future. It is often not the best approach to be too prescriptive with resource management. The bill is somewhat prescriptive, particularly having regard to the benefits of satellite imagery technology, through the use of which the Government may wish to redefine coastal zones because of sand movement in coastal estuaries. The best solution might be not to include a provision that only the Parliament may redefine the term "coastal zone".

Has the Government given much thought to the ramifications of this proposed legislation? The members of the committee have gone about their task enthusiastically, but has any serious thought been given to the impact of this proposal? The bottom line is that the coastal policy is already in place. However, it must serve a better purpose than making its draftsmen feel good about it. At the end of the day the Government must be willing to use section 117 of the Environmental Planning and Assessment Act if, for example, a council approves development that is not consistent with the coastal policy.

At the end of the day the Government has to rely on section 117 of the Environmental Planning and Assessment Act in order to give the coastal policy teeth. I wonder whether this matter has been thought through. If the Government is serious about implementing the coastal policy, a number of local environmental plans across New South Wales would

probably require amendment. I wonder if the Government knows what the impact is going to be. Paragraph (ii) of new section 4A(3) defines "coastal zone" as the area one kilometre beyond the tidal limit of a river. I made some inquiries in relation to the likely impact of this legislation on the coastal rivers system in New South Wales and I am happy to acknowledge the assistance I received from the Minister's office in that regard. I have been told that only one coastal river has no recognised mangroves.

As honourable members know, "coastal" is defined as an area beyond the limit of any recognised mangroves or, if they do not exist, one kilometre beyond the tidal limit of the river. I have been told that the Bega River is the only river that does not have mangroves. That being the case, the impact will probably not be as great as some people believe. It has been suggested that because of the tidal limit Grafton will be in the coastal zone. However, the advice I received from the Minister's office is that that will not be the case. If that is so, perhaps we do not have such a problem. I am concerned about whether we have really thought through the impact of this legislation or considered the number of LEPs that will have to be amended.

If the Government is serious about implementing the coastal policy, proposes to amend the local environmental plans, and wants the coastal council to be fair dinkum in its protection of the coastline, it must provide the coastal council with adequate resources to enable it to do its job properly. The coastal council needs a decent secretariat to support the committee and Professor Thom, who I assume will continue as chairman; at least I hope he will. Considerable mapping will have to be done and the compliance aspect of the legislation must be taken into account.

As I said, if it is the Government's intention to amend the LEPs, adequate resources will have to be provided. In that regard I have been advised that the Premier's office may allocate the sum of $380,000 each year to ensure that sufficient resources are available. I seek clarification from the Minister about whether that will be the extent of the resource allocation. Will other government departments contribute resources? If so, how much? Will we be able to support the coastal policy with adequate resourcing? Those are my concerns.

Mr KNOWLES (Moorebank—Minister for Urban Affairs and Planning, and Minister for Housing) [2.12 p.m.], in reply: I thank honourable members who have participated in the debate. In particular I thank the honourable member for Ballina, not only for his participation in today's discussion, but also for his valuable and well-regarded contribution on the coastal committee during the past years. As testament to his commitment and his bipartisan attitude, he and I agreed some years ago that despite being in opposition he should remain as the parliamentary representative on the committee to carry through the work he commenced when the coalition was in government. That arrangement has proved to be non-controversial and constructive.

Because I cannot do so in the limited time available to me, I undertake to respond to the specific issues raised by the honourable member for Ballina, particularly his concerns about resourcing and administrative matters. I will seek to do that as soon as I possibly can, but within the week. I also place on record my thanks to Professor Thom, as I did in my second reading speech. He has, without doubt, been a great stalwart of the development of coastal policy in this State for many years. It is my intention to ask that he serve as the first chairman of the coastal council. He has undertaken to assume that role and, in fact, has already started work in anticipation of the smooth passage of this legislation. Once again I thank honourable members for their contributions to the debate and I commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

COURTS LEGISLATION AMENDMENT BILL

Bill received and read a first time.

Second Reading

Mr KNOWLES (Moorebank—Minister for Urban Affairs and Planning, and Minister for Housing), on behalf of Mr Whelan [2.15 p.m.]: I move:

That this bill be now read a second time.

This bill was introduced in the other place on 21 May and the second reading speech appears at page 35 of the *Hansard* proof for that day. The bill contains a Government amendment which can be found at page 6 of the Legislative Council *Hansard* proof for 3 June 1998. I commend the bill to the House.

Debate adjourned on motion by Mr Hartcher.

PETITIONS

Governor of New South Wales

Petitions praying that the office of Governor of New South Wales not be downgraded, and that the role, duties and future of the office be determined by a referendum, received from **Mr Blackmore, Mr Brogden, Mrs Chikarovski, Mr Collins, Mr Debnam, Ms Ficarra, Mr Glachan, Mr Hartcher, Mr Hazzard, Mr Humpherson, Dr Kernohan, Mr Kerr, Mr Kinross, Mr MacCarthy, Mr Merton, Mr O'Doherty, Mr O'Farrell, Mr Photios, Mr Richardson, Mr Rozzoli, Mr Schipp, Mr Schultz, Ms Seaton, Mrs Skinner, Mr Smith** and **Mr Tink**.

Surgical Visiting Medical Officer Dr James

Petition praying that the appointment of Dr Alan James as surgical visiting medical officer at the Mullumbimby and District War Memorial Hospital be continued indefinitely, received from **Mr D. L. Page**.

Ryde Hospital

Petition praying that Ryde Hospital and its services be retained, received from **Mr Tink**.

Land Tax

Petition praying that land tax on the family home be repealed and that the land tax threshold on investment properties be doubled from $160,000 to $320,000, received from **Mrs Skinner**.

Central Coast Crime

Petition praying that, because of the increase in the incidence of crime on the central coast, courts impose tougher penalties and that adequate policing be made available to the region, received from **Mr Hartcher**.

Surry Hills Area Policing

Petition praying that police foot patrol numbers in the Surry Hills area be increased and that a permanent police van be located in the Taylor Square area, received from **Ms Moore**.

Moore Park Passive Recreation

Petition praying that Moore Park be used for passive recreation after construction of the Eastern Distributor and that car parking not be permitted in Moore Park, received from **Ms Moore**.

Coffs Harbour Jetty

Petition praying that a platform be constructed on Coffs Harbour jetty for the purposes of jetty jumping, received from **Mr Fraser**.

Northside Storage Tunnel

Petition praying that plans to construct a storage tunnel from Lane Cove to North Head be abandoned, and that the allocated funds be used to find a long-term sustainable solution to sewage disposal, received from **Dr Macdonald**.

Public Housing

Petition praying that the Government protect the interests of New South Wales public housing tenants and defend their rights to housing by retaining and expanding existing levels of public and community housing; reject the reallocation of Federal Government funds away from the provision of public housing; reject the replacement of rental rebates with direct subsidies; and undertake not to sell off public housing stock, received from **Ms Moore**.

Tresco House Conservation

Petition praying that, because of the important heritage and historic value of Tresco House, the interim conservation order on the property, covering the house and grounds, be made permanent, received from **Ms Moore**.

Manly Wharf Bus Services

Petition praying that plans to move bus services from Manly wharf to Gilbert Park be abandoned, received from **Dr Macdonald**.

Transrapid Australia Superspeed MagLev Train

Petitions praying that the Transrapid Australia Superspeed MagLev very fast train project be supported, received from **Mr Harrison, Mr McManus, Mr Markham, Mr Rumble** and **Mr Sullivan**.

Moore Park Light Rail System

Petition praying that a light rail public transport system be established to serve sporting venues and the Fox entertainment centre at Moore Park, received from **Ms Moore**.

[*Notices of Motions*]

Mr SPEAKER: Order! The notice of motion of the member for Ermington seems to be out of order. I ask him to hand the notice to the Chair. I will give the matter further consideration and, if the notice is in order, I will allow the member to proceed at the appropriate time.

PRINTING OF PAPERS

Motion by Mr Whelan agreed to:

That the following papers be printed:

Half yearly report of the Rail Access Corporation for the period 1 July to 31 December 1997

Half yearly report of Delta Electricity for the period 1 July to 31 December 1997

Report of the Attorney General's Department for the year ended 30 June 1997

Report of the Ethnic Affairs Commission entitled "Ethnic Affairs Report 1997"

Interim Report of the Independent Pricing and Regulatory Tribunal of New South Wales entitled "Benchmarking Local Government Performance in New South Wales", dated December 1997

Statistical Return for the By-election held in Electoral District of Sutherland on Saturday 20 December 1997

Summary of Expenditure (under the Forestry and Native Conservation Act 1995) incurred by the National Parks and Wildlife Service for the years ended 30 June 1996, 30 June 1997 and the half year ended 31 December 1997

Report of the Technical Education Trust Funds (Technical and Further Education Commission) for 1997

Report of the Board of Surveyors for the year ended 30 June 1997

Report of the Parramatta Stadium Trust for 1997

Report of Macquarie University for 1997

Report of the University of New South Wales for 1997

Report of the University of Sydney for 1997

Report of the University of Wollongong for 1997

Report of the Serious Offenders Review Council for 1996

Report of Charles Sturt University for 1997

Report of Southern Cross University for 1997

Report of the University of Newcastle for 1997

Report of the University of Technology, Sydney for 1997

Report of the University of Western Sydney for 1997, Volumes 1 and 2

Report by the Attorney General of New South Wales pursuant to section 23 of the Listening Devices Act 1984 for 1996

Report of the Independent Pricing and Regulatory Tribunal of New South Wales entitled "Benchmarking Local Government Performance in New South Wales-Final Report", dated April 1998

Report of the Trustees of the ANZAC Memorial Building for 1997

Report of the Conduct Division of the Judicial Commission of New South Wales regarding complaints against the Honourable Justice Vince Bruce, dated 15 May 1998

Reasons of the Honourable D. L. Mahoney, A.O., Q.C., regarding the Honourable Justice Bruce, dated 14 May 1998

Response of the Honourable Justice Vince Bruce to the Report of the Conduct Division of the Judicial Commission, dated 26 May 1998

Report of the Conduct Division of the Judicial Commission of New South Wales regarding complaints against Magistrate Ian McDougall, dated 11 May 1998

[*Consideration of Urgent Motions*]

Mr Hartcher: On a point of order. With regard to the notice for urgent consideration by the Minister for Education and Training, I draw your attention to Standing Order 124, which requires that motions censuring a member be put forward by way of notice of motion in general business notices of motion and not by way of matters for urgent consideration. The motion sought to be moved by the Minister for Education and Training is out of order.

Mr Whelan: On the point of order. The matter is one of urgency. It is for the House to make that decision. I should have thought that the honourable member for Gosford would have a better understanding of the standing orders. A member or a Minister is not precluded at any time, just because there is division in this Chamber, from moving that a censure debate take place.

Mr SPEAKER: Order! At this stage the Minister for Education and Training has only given notice of his motion for urgent consideration. The honourable member for Ku-ring-gai has also given notice of a motion for urgent consideration. After question time the House will decide which motion should be debated.

QUESTIONS WITHOUT NOTICE

ELECTRICITY INDUSTRY PRIVATISATION

Mr COLLINS: My question is to the Premier. Did the Auditor-General say on the *Stateline* program last week that the Premier should sell the electricity industry regardless of opposition from his ALP colleagues because he does not have, "any obligation towards the Labor movement which is superior to [his] obligation to looking after the interests of the State"? When will he meet that obligation to the people of New South Wales?

Mr CARR: One, I have never in my life watched *Stateline*. Two, I refer the Leader of the Opposition to my earlier comments on electricity privatisation.

Mr SPEAKER: Order! I call the Deputy Leader of the Opposition to order. The Leader of the Opposition will remain silent. I call the Deputy Leader of the Opposition to order for the second time.

CRIME VICTIM GROUPS FUNDING

Mr MILLS: My question without notice is to the Premier, Minister for the Arts, and Minister for Ethnic Affairs. What is the Government's latest initiative to make criminals take responsibility for their crimes?

Mr CARR: I am proud to announce the beginning of a new program in our prisons that will see the profits from inmate labour used to support victims of crime.

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

Mr CARR: In gaols across the State inmates are employed on a daily basis in furniture making, uniform manufacture, horticulture, light industry, and even building fire trucks. Today I can announce that profits from prison labour will be used to fund victims of crime support groups. In the coming year that will mean $200,000 funding to victims' groups. One of the first organisations to receive that funding is Enough is Enough, a group headed by Mr Ken Marslew, who lost his 18-year-old son in a senseless shooting during a robbery in 1994. The group already tours schools with an anti-violence program.

Enough is Enough is now focusing its energy on the prison system. The group has already received development funding of $37,500 for its prison project. The balance of the $100,000 grant will be spent this coming year. The group will confront criminals, forcing them to deal with the effects of their crimes. It will be funded by the profits from inmate labour. Victims of crime will be telling inmates about the destruction they have caused to families and to neighbourhoods. A pilot program called the R program—R for responsibility—is already under way. The program is so named for its emphasis on inmates taking responsibility for their crimes.

The program will also help with reintegration, reform and rehabilitation of inmates. Enough is Enough will be working with prison officers to help them with antiviolence strategies. Ken Marslew has already visited the Berrima Correctional Centre. There he confronted a group of inmates with the tragedy of his son Michael's murder. He spoke about the devastating effect of Michael's death and of the suffering and despair of Michael's friends and family. He asked the inmates, "Do you understand the damage you have done to people like me?" During a trial of the program in the Campbelltown periodic detention centre Mr Marslew found that many offenders see themselves as being victims. During the session at Campbelltown many of the offenders reconsidered that view and began to understand that they had hurt people.

Enough is Enough is working with the most experienced practitioners of justice conferencing and has recently acquired international endorsement. Justice conferencing allows for victims of crime to come face to face with the man or woman who committed the crime. Overseas experience has shown that this can make a dramatic difference to both the recovery of the victim and the rehabilitation of the offender. With the full support of my Government, Enough is Enough and other victims groups are working to stop the cycle of violence. This is all about tackling the causes of crime. It is all about stopping that cycle of violence which is a feature of our society. I applaud their bravery and their initiative and I am proud to be able to support their initiative in a practical way.

PUBLIC SECTOR SALARIES

Mr ARMSTRONG: I ask the Premier whether it is a fact that New South Wales public sector salaries are increasing at a rate of 9.8 per cent per year, which is more than five times greater than wages growth in the State's private sector? Is that phenomenal growth in public servants' pay packets being funded by increased taxes and $500 million in cuts to the capital works budget of New South Wales?

Mr CARR: Here we have it, an honest question! Yes, under a coalition government police would not be receiving decent pay. Under the coalition nurses—let the word go out, get a circular out to the Labor Council within the hour—would be denied what I believe to be a just level of pay for them. I would like to be able to pay nurses more.

Mr Collins: So you can tax them more.

Mr CARR: The Leader of the Opposition says, "Cut pay for public servants."

Mr Collins: I did not.

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

Mr CARR: For teachers the negotiations were tough. The Government insisted on productivity gains, and that has been enforced. Teachers now have a level of pay that is coming close to being commensurate with what they contribute to our society.

Mr Hazzard: What does all that mean?

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

Mr CARR: It means that in New South Wales the Government wants to pay police, teachers and nurses a decent reward. This is a choice question. The coalition has signalled that it does not believe that police, teachers and nurses ought to be paid decent wages.

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

SPORT HOOLIGANISM

Mr McMANUS: My question is addressed to the Minister for Police. What is the Government doing to curb sport hooliganism?

Mr SPEAKER: Order! I call the honourable member for Baulkham Hills to order for the second time.

Mr WHELAN: Next week I shall be attending the Australasian Police Ministers' Council in Wellington, New Zealand. There are a number of important items on the agenda, notably, national uniform firearms laws and further discussion of the national heroin supply reduction strategy. New South Wales has three further items on next week's agenda: an update on security arrangements for the 2000 Olympics, criminal records checks of people applying for visitors' visas, and antisocial behaviour at sporting events. Today I advise the House that New South Wales will be asking the council to agree to a co-ordinated, national approach to dealing with antisocial behaviour at major sporting events. Bad behaviour at sporting events is unacceptable. It stops sports lovers—especially families—from enjoying a safe, entertaining day out. The Government believes that there is need for a co-ordinated approach to stop sporting hooligans at major sporting grounds across the nations. We must send a strong message that bad behaviour is not tolerated in New South Wales and is not tolerated anywhere in this country or in New Zealand.

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

Mr WHELAN: New South Wales will be asking all jurisdictions to amend their relevant legislation and administrative procedures so that: each jurisdiction runs a 12-month trial of the New South Wales initiatives at designated major sporting grounds; pitch invaders and other undesirables face the same tough penalties for bad behaviour as now exist in New South Wales, at all major sporting grounds throughout the country; police advice can be given to owners or proprietors of sporting grounds when considering whether to ban a person; each jurisdiction designates a police commander as a liaison person for transfer of information, including information about banned persons. This information will be used to exclude such persons from the designated grounds.

Honourable members will recall that in January 1997 I convened a summit in response to unsavoury behaviour at a one-day cricket match at the Sydney Cricket Ground. Co-operatively, all interested parties discussed the problem and positive solutions to bad behaviour at sporting events. I take this opportunity to thank the Minister for Gaming and Racing and the Minister for Sport and Recreation for their personal contributions. I ask them to convey my thanks to their respective departments for the great contributions that have been made. Representatives were drawn from the major sporting codes, including cricket, Australian rules, rugby union and rugby league, as well as from the police, media organisations, the Department of Sport and Recreation and the Department of Gaming and Racing, and the unions.

After the summit a working party delivered recommendations which were swiftly implemented. Those recommendations included: significant increases in the police and security presence at major sporting events; advertising at the ground to provide clear information about acceptable behaviour, prohibited items and penalties; strict bag searches to ensure that prohibited items were not brought into the grounds, and changes to the by-laws to enable confiscation; patrols of licensed premises inside the ground, to minimise intoxication and the irresponsible service of alcohol; a 12-month ban for first-time pitch invaders and a lifetime ban for repeat offenders; giving the Sydney Cricket Ground Trust the power to ban patrons—or to suspend or cancel memberships—who engage in offensive behaviour or breach the by-laws; increasing penalties for by-law breaches from $100 to $1,000, with a maximum $5,000 penalty for pitch invaders.

Before the most recent cricket season I launched the campaign known as, "Drunk . . . You're Out". That campaign was launched with the assistance of Shane Warne; Greg Blewett; cricket legend and former New South Wales captain and captain of the western suburbs team Alan Davidson from the Sydney Cricket Ground Trust—

Mr Hartcher: Who will you be voting for?

Mr WHELAN: It is a secret ballot, but I will be voting for him. Also involved were Alan Taylor, the Surry Hills local area commander. The campaign is aimed at reinforcing the tough new approach. The success of the strategy has been clear. In the 1996-97 cricket season 589 people were ejected from the Sydney Cricket Ground for drunk and disorderly behaviour, including pitch invasions, and a total of 76 people were arrested. In the following cricket season, in 1997-98, those figures more than halved. Superintendent Alan Taylor has advised me that fewer than 200 people were ejected from the cricket ground in the most recent season. That is still too many.

I note that the invasion of pitches at one-day matches has all but ceased. One man ignored the warnings. After being charged and convicted he said, "Just don't do it. It's not worth it." That is a message for everyone who is contemplating similar action. Police officers have worked extremely well with the Sydney Cricket Ground Trust to achieve the outstanding results. I have already thanked my ministerial colleagues. I extend my thanks also to the Sydney Cricket Ground Trust and to Superintendent Taylor, Surry Hills police officers, and other police officers from the city east region for their great season. Only last week the *Daily Telegraph* reported comments made by magistrate Graeme Henson in relation to the tough new fines. On hearing a case Magistrate Henson said, "Those penalties seem to have been somewhat effective as a deterrent. It has been a long time since I have seen a rash of people coming before the court for this type of conduct."

New South Wales now has the toughest anti-hooligan laws in this nation. A national approach is wanted because sporting hooligans are not restricted to New South Wales. In December last year 161 people were ejected from a one-day game at the Melbourne Cricket Ground. Similar reports of bad behaviour have arisen in other jurisdictions including the Western Australian Cricket Association ground—WACA—and in New Zealand. Next week, New South Wales will seek in principle support from all jurisdictions. We are leading the way in saying no to hooliganism at sporting events. I urge my colleagues from the other States to join with New South Wales to stamp out this sort of behaviour Australiawide.

PUBLIC SECTOR SALARIES

Mr PHILLIPS: My question without notice is directed to the Premier, Minister for the Arts, and Minister for Ethnic Affairs. Did his Government enter into a consent award with the Public Service Association which delivers 10 per cent pay rises to 60,000 bureaucrats during the coming year? Is the Government now unable to fund the $230 million cost of these pay rises and is it trying to back out of the pay deal?

Mr CARR: The answers are: no, no.

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

LEADER OF THE OPPOSITION QUEEN'S COUNSEL APPOINTMENT

Mr STEWART: My question without notice is to the Premier, Minister for the Arts, and Minister for Ethnic Affairs. What is the status of the missing Collins for QC file?

Mr CARR: On 28 May I spoke in the Parliament about how the Leader of the Opposition had become a QC.

Mr SPEAKER: Order! I call the honourable member for Wakehurst to order for the second time.

Mr CARR: I said that all attempts to locate the relevant file—for there must be a file on the matter—had at that stage proved unsuccessful. However, I am now able to report to the House that the file has been found in the State Archives, wedged neatly between a list of First Fleeters and the records of the Rum Rebellion. How it got there, I will leave the House to speculate. The file exposes the appointment of the Leader of the Opposition, then Attorney General, as a QC as an absolute sham. Indeed, it is one of the worst examples of conflict of interest and of self-enrichment that this House has ever seen, although that assessment may change when the files required to be released by the Minister for Agriculture are presented to the House. Bear in mind what John Fahey said about the magic letters "QC" in 1992. He asked:

> Why is a barrister twice as good overnight upon appointment as a QC so that $2,000 turns into $5,000?

The file explains the inexplicable: how, after being at the bar for only three years, the honourable member for Willoughby became a Queen's Counsel. The file shows that in October 1991 the President of the Bar Association submitted a list of names to the then Attorney General, who was Peter Collins. Note that there were 22 names on the list. Of those 22 barristers the least experienced had been at the bar for 12 years. They were nominated in accordance with the application rules of the Bar Association, that is, the names had to be submitted by a certain

date, they had to be accompanied by a curriculum vitae which included fields of practice, and they had to be submitted by the president of the bar. There were 22 names submitted on time by the president with curriculum vitaes attached.

Mr SPEAKER: Order! I call the honourable member for Davidson to order. I call the Deputy Leader of the Opposition to order for the third time.

Mr CARR: There were 22 names submitted to the Attorney General, and one would expect that as the recommendation reached the Executive Council there would have been 22 names on the list—that is the logical explanation. But while 22 names were submitted by the Bar Association to the Attorney General, it will surprise the House and the press that the number of names submitted by the Attorney General to the Executive Council had been augmented. Instead of 22 names there were 23.

What was the twenty-third name? It was Peter Edward James Collins. The next question that arises is: was that name accompanied by a curriculum vitae, as the other 22 were? The answer to the question is, no. The next question logically following is: was the name submitted on time in the usual way? The answer is, no. The third and final question is: was it made on the recommendation of the bar? The answer is, no. The curiosity is that while Peter Collins was the twenty-third entry to go to the Executive Council, when the list emerged he was number one on the list, and I am told the ranking was not alphabetical. How could that happen? How might it have come about, especially as according to Australian Associated Press reports last Thursday the Leader of the Opposition claimed that the Bar Association had to approve appointments and, by implication, had approved his. His name appeared without any record of approval by the Bar Association.

Mr Collins: Lies. You lie. You are a liar.

Mr CARR: Lies, lies, lies, he says. Just to show who is telling the truth and who is lying, the Government will release the document. The file that was wedged down in the archives between the records of the First Fleeters and the arrest rate of the rum corps reveals it all. A letter from Peter Collins to the then Premier, Nick Greiner—it is a lovely letter, a sobbing letter, a sincere letter from Peter Collins to the then Premier, Nick Greiner—says, "Let me make myself a QC." In all the files in the archives of the State there is none more touching than that of the now Leader of the Opposition.

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

Mr CARR: Interestingly, the letter is undated. Hey presto! His name goes to the Executive Council and he is a QC—not on the list recommended by the Bar Association, as he implied: 22 names on the list that went to him and 23 names on the list that left his office.

Mr SPEAKER: Order! I call the honourable member for Vaucluse to order. I call the honourable member for Vaucluse to order for the second time. I call the honourable member for Wakehurst to order for the third time.

Mr CARR: In his letter the Leader of the Opposition attempted to advance the fiction that the title QC stays with the office and does not leave the office with the person who holds it. Of course, he has never adhered to that principle. The House can say to the Leader of the Opposition, "Give the title back. You never earned it."

PUBLIC SECTOR SALARIES

Mr SOURIS: My question without notice is addressed to the Premier, Minister for the Arts, and Minister for Ethnic Affairs. Will public servants in the Department of Energy who currently enjoy average salaries of $67,700 receive pay rises of almost $7,000, which will bring their average pay packet to more than $74,000 a year? In view of the $14 a week pay rises awarded to New South Wales workers, how can the Premier justify giving his bureaucrats increases of $128 per week?

Mr CARR: How can the Deputy Leader of the National Party justify sitting in this House when he lost $50 million of taxpayers' money on Luna Park? Someone said to me the other day, "Just as well he was a qualified accountant. Imagine how much he would have lost without the qualification." I will seek the relevant information from the Minister for Energy.

COMMUNITY SERVICES FUNDING

Mr LYNCH: My question without notice is addressed to the Minister for Community Services, Minister for Ageing, Minister for Disability Services, and Minister for Women. What has been the response to the increase in community services funding outlined in the 1998-99 budget?

Mr Hartcher: On a point of order. I submit that the question is out of order, consistent with your

ruling, Mr Speaker, disallowing the question by the member for Vaucluse last week. You will recall that the honourable member for Vaucluse asked a question of specific detail which anticipated debate on the appropriation bills now before the House. This question is of specific detail relating to the appropriation in the estimates for the Department of Community Services. It is not a general question; it is a specific question on appropriation. It is specific to this Minister, her department and her appropriation. In line with your ruling I ask you to disallow the question.

Mr Whelan: On the point of order. It has been a longstanding tradition of this House that members can ask questions to elicit information. The honourable member is incorrect for two reasons: firstly, because of a ruling on page 7 of *Decisions of the Chair* which states, "A question seeking information about matters that may be debated on consideration of the Budget or the Estimates does not infringe the rule prohibiting anticipation of debate"; and, secondly and very importantly, the same sort of question was asked yesterday.

Mr SPEAKER: Order! The question is in order.

Mrs LO PO': On Tuesday when the Treasurer said that the 1998 State budget puts families first, he meant all New South Wales families, including those forgotten or ignored by coalition governments both State and Federal. The New South Wales Council of Social Service is one of the most trenchant critics of all governments on social policy matters—and properly so. It is a very vocal advocate for its sector and few governments can add praise from NCOSS to their list of achievements. However, on Tuesday evening I was most gratified to hear NCOSS Director, Mr Gary Moore, utter the words, "we welcome" in regard to the major funding boost for community services in the budget. I was also delighted to read a media release from the Association of Children's Welfare Agencies—ACWA—which stated:

> The increase in the budget of the Department of Community Services is welcome and shows the Government is listening to groups like ACWA . . . We were pleased to hear about the money for prevention announced two weeks ago under the Families First initiative. This is the kind of thing ACWA was calling for . . . and at last we seem to be building a comprehensive range of services to meet the future needs of children and families.

It is an undisputed matter of record that when the Carr Government took office in 1995 it inherited a Department of Community Services that could best be described as a smoking ruin—more than a thousand sackings, a quarter of its offices closed, child protection gutted, staff morale absolutely shattered. I cannot put it better than the *Sydney Morning Herald* did a few weeks ago when it said that the origins of the crisis in DOCS can be traced to the disastrous policies of the Greiner Government. The task of rebuilding DOCS after the wholesale destruction by the last coalition government is hard to comprehend; but that is exactly what we set out to do, because as a Labor Government the wellbeing of our children and families is at the forefront of our concerns. It is almost beyond belief to me that the last Liberal-National Government got rid of every child protection specialist in DOCS. I repeat: the coalition got rid of every child protection specialist in DOCS.

The people who specialise in saving the lives of beaten and brutalised children were sacked to save money. That is what the coalition did; but the Government is putting them back. The community is taking note of the massive effort of rebuilding undertaken by the Carr Government in this crucial area. The effort is appreciated. Tuesday's budget boost of a massive $27 million to DOCS child protection activities brings the total the Government will spend on this work in the coming year to $89 million. This is a massive increase of 82 per cent on what was spent in 1994-95—the last year of the coalition government. The Government in its three years in office has increased child protection expenditure by 82 per cent.

Across the board in DOCS and the Ageing and Disability Department the Carr Government is proud to boast that this year it will spend $1.258 billion, which is $359 more than the budget in the final year of the Fahey Government—a huge increase of 40 per cent. The $131 million boost across the departments in my portfolio—$91.2 million for DOCS alone—has been very well received in the community. People are glad that the Government has tackled the huge job of rebuilding DOCS and backed that commitment with huge sums of money. I am proud to be a member of the Labor Government which has set DOCS well and truly on the road to recovery.

DEPARTMENT OF SPORT PERFORMANCE

Mr HAZZARD: My question without notice is directed to the Minister for Sport and Recreation. Did the Australian Quality Council conduct a secret assessment of the Department of Sport and Recreation last year which rated the department's own ability to provide leadership, policy and planning as low as 10 per cent? Given that the Minister so often talks about the pursuit of

excellence in sport, when will she pursue some excellence in her department?

Ms HARRISON: This question is from an expert on sport who could not pronounce the name of Hockeyroos player Alyson Annan, on which he set himself up to be an expert. This question is from an expert in sport who wished the Swans luck in getting into the final four, when there happens to be a final eight. This is the first question on sport that this expert has asked, and it took him a long time to come up with it. I will seek clarification and report back to the House.

Mr HAZZARD: I have a supplementary question. Having in mind the gravity of the assessment provided by the Australian Quality Council, what specific steps will the Minister take to address these concerns?

Mr Clough: On a point of order. When a member asks a supplementary question it is to be based on the reply given by the Minister. This question was not.

Mr Collins: On the point of order. This is patently ridiculous. The supplementary question obviously relates to the question asked earlier. It is logical. It is a supplementary question. Given that there is no requirement for relevance, that interpretation of the standing orders does not serve this House well.

Mr SPEAKER: Order! The Leader of the Opposition has put his point of view, but the member for Bathurst is correct. A supplementary question must arise from the answer given by the Minister to the original question. I have interpreted the standing orders in that way since I have been the occupant of the chair, and I do so again. I uphold the point of order.

1998-99 BUDGET HEALTH INITIATIVES

Mr GAUDRY: My question without notice is addressed to the Deputy Premier, Minister for Health, and Minister for Aboriginal Affairs. What has been the community response to health initiatives outlined in the 1998-99 budget?

Dr REFSHAUGE: In the short time available I will inform the House of the overwhelming support for the Carr Government's fourth budget in regard to health. The response has been absolutely fantastic. Those glowing reports are not surprising because the Carr Government truly is putting families first. In health we are putting families first by putting patients first. Across the State there is absolute jubilation about the latest budget increase in recurrent funding for the health system of $303 million. Health funding has been increased in every Labor budget. Since Labor came to office it has increased the health budget by $1.3 billion—the greatest increase any State has ever seen, and it has happened only under a Labor government.

We are investing a record amount of money in our public hospitals and health services. So it is not surprising that the headline in yesterday's *Daily Telegraph* stated "Record spending to cure hospitals" and that the *Sydney Morning Herald* headline stated "Funding holds the line . . . $303m counters the private fallout". The budget announcement has been welcomed by doctors and nurses. When the coalition was in government it wanted to cut their pay. Doctors and nurses know that Labor is on their side.

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

Dr REFSHAUGE: The honourable member for Georges River should be very happy about that. Her colleagues will remind her about what she was doing when she was a member of that area health board.

Mr SPEAKER: Order! I call the honourable member for Georges River to order for the second time.

Dr REFSHAUGE: The General Secretary of the New South Wales Nurses Association, Sandra Moait, said:

> The State Government, at least, appears to understand the community wants the public health system properly funded.

She added that if the Commonwealth Government was prepared to pull its weight to the same extent as the State Government the New South Wales public health system would be $470 million better off. The New South Wales branch of the Australian Medical Association—an organisation that has never been known to be affiliated with the Labor Party—has welcomed the increase in health funding. The State President of the AMA, Associate Professor Peter Thursby, said that the Government had reflected community concerns by making health a priority initiative in the 1998-99 budget. He said:

> Despite the pressure resulting from the Federal Government's inadequate hospital funding offer, this year's budget shows the State Government is maintaining its commitment to public hospitals and health services.

The doctors and nurses are saying, "Big tick, families first, Carr Government delivers." The Carr

Government is determined to try to insulate New South Wales against the mean-spirited, irresponsible Federal health cuts. Against the background of cuts by Canberra, this State has had to increase funding to address growing pressures on our public hospitals. Across Australia public hospitals are facing plummeting private health insurance levels, an ageing population and increasing costs of new technology.

On top of the increases in recurrent funding, the Carr Labor Government is building up the network of public hospitals across the State. A massive capital works program is under way. A further round of capital works programs was announced in the 1998-99 budget. A range of projects in metropolitan Sydney has been strongly welcomed. I turn now to Sutherland Hospital. The headline in today's *St George and Sutherland Shire Leader* reads "Hospital to get $79 mill rebuild . . . thrilling news for ward staff". Alongside the article is a very large picture of nurses and other health workers at the hospital who are absolutely thrilled with the Government's announcement.

Mr SPEAKER: Order! I call the honourable member for Georges River to order for the third time.

Dr REFSHAUGE: The big difference between Labor and the coalition is that the former coalition Government never included that project on the capital works program, although it talked about it. I looked through the capital works budget papers issued by the former coalition Government but that project was not included in any of them. Labor has delivered, because that project is included in the capital works program. The project is signed and sealed, and it is being delivered. The Government is committed to building health services. I remind honourable members that the honourable member for Sutherland has had some experience with Sutherland Hospital. She was in league with the Deputy Leader of the Opposition to try to privatise the maternity ward at Sutherland Hospital. And the Deputy Leader of the Opposition still wants to privatise our public hospitals.

Mr Phillips: Patients do not go there any more; they go to private hospitals.

Dr REFSHAUGE: Here he is: "Privatise the hospitals!" That is what the Deputy Leader of the Opposition wants to do. The Government has committed $14.4 million to upgrading the emergency services and operating theatres at Royal North Shore Hospital, and a $3 million community health centre will be built at Ryde.

Mr SPEAKER: Order! If members want to conduct personal conversations they should do so outside the Chamber.

Dr REFSHAUGE: I am a little disturbed by the constant barrage of honourable members approaching the honourable member for Murrumbidgee, who is keen to speak shortly on a motion about putting One Nation last. The honourable member for Murwillumbah, the honourable member for Coffs Harbour, the honourable member for Lane Cove, the honourable member for Monaro and the honourable member for Gosford have all whispered in the ear of the honourable member for Murrumbidgee, who should be allowed to speak as he has something worthwhile to say. He is one National Party member who has the guts to stand up for decency.

Mr Hartcher: On a point of order. The Minister for Health has strayed well beyond the subject matter of the question and is now engaging in across-the-table banter with the honourable member for Murrumbidgee. He is not addressing his remarks through the Chair and he is not answering the question.

Mr SPEAKER: Order! I uphold the point of order.

Dr REFSHAUGE: It is important to recognise that the honourable member for Murrumbidgee is honest, trustworthy and decent, and is prepared to stand up for decency in Australia. The Government supports 100 per cent his views about One Nation. I did not realise that the *St George and Sutherland Shire Leader* is a Fairfax community newspaper. Fairfax has not necessarily given us a good time every day. The Government is continuing to build a whole range of hospitals throughout the length and breadth of this great State. This year $40 million will be spent on the new $96 million Blacktown hospital, $6.8 million will be spent on the $85 million Macarthur strategy, and $27 million will be spent on the $61 million Nepean development. These Labor initiatives are delivering to the west. This budget brings great news to families and communities across country New South Wales. A headline on page 6 of yesterday's *Daily Telegraph* reads, "Country reaps bonanza." The article states that the Carr Government is pouring millions of dollars into rural health, including an allocation for Maitland Hospital and $13.6 million for John Hunter Hospital in Newcastle.

Mr SPEAKER: Order! I call the Leader of the National Party to order.

Dr REFSHAUGE: The budget makes a $62.5 million allocation for redevelopment of clinical services at Wollongong Hospital. The former coalition Government left a massive hole in the ground at Wollongong Hospital. The old silk opposite left a hole in the ground at Wollongong Hospital where it should have had a new clinical services block. Labor made sure that those new clinical services were built. As the Minister for Agriculture points out, the Leader of the Opposition, Peter Collins, QC, did not make himself an MD when he was Minister for Health! New ambulance stations will be provided at Tanilba Bay, Morisset and South West Rocks. I am sure the local member will put One Nation last because he is a good local member.

The *Newcastle Herald* headline on the health budget was "Coast is 'top priority'." We are still waiting for the honourable member for Gosford to thank us. The article detailed that $11.6 million will be allocated to new capital works for two new community health centres and a new day surgery unit for families on the central coast. The honourable member for Wyong argued for the provision of those services for a long time. The Government has been able to ensure that his constituents and those in Gosford will now be able to undergo day surgery at the new unit. Yesterday's article in the Bathurst *Western Advocate* under the headline "Health Budget up despite Federal cuts" detailed how this Government has boosted health spending by 4.8 per cent.

Of course, I could not forget the Orange *Central Western Daily*, which ran an unusual headline yesterday, "Families at top of health list." I cannot imagine where that came from, but it is true. Labor has delivered! Families will benefit first from a real Labor budget that is committed to health. Even the most conservative economic writers have said that the State Government should be delivering funds. Labor has boosted health funding, and is rebuilding public hospitals instead of privatising them.

[*Notices of Motions*]

Mr SPEAKER: Order! Earlier the member for Ermington commenced to give notice of a motion he intends to move. Having heard part of the motion I asked him to hand the motion to me to enable me to determine whether it was in order. I have considered the matter and if the member wishes to present notice of his motion, I will allow him to do so.

Mr PHUONG NGO REMAND CENTRE VISITORS

Supplementary Answer

Mr DEBUS: I wish to provide the House with supplementary information in connection with a question asked yesterday by the honourable member for Monaro. The honourable member claimed that two Federal members of Parliament last Thursday visited inmate Phuong Ngo. I am advised that the General Manager of the Metropolitan Reception and Remand Centre, John Dunthorne, has checked gaol computer records from 15 March up until yesterday and can find no record of any visit by Mr McLeay or Mr Grace or, indeed, any other member of Parliament.

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

Mr DEBUS: Inquiries of the office of Mr McLeay disclose, as the honourable member for Monaro should have been aware, that Federal Parliament was sitting last Thursday and Mr McLeay and Mr Grace were in Parliament from 8.30 a.m. until 5.00 p.m. Visits at the MRRC must be booked. Visitors at their first visit must produce several forms of identification, which are then entered into a biometric identification system using an algorithm derived from the visitor's fingerprint. The biometric identification is checked again on exit. Visits to inmate Ngo are booked in the normal way. No special treatment has been extended to any of inmate Ngo's visitors, who have been subjected to the same rigorous identification procedure applied to other visitors.

Questions without notice concluded.

COALITION ONE NATION PARTY PREFERENCES

Personal Explanation

Mrs CHIKAROVSKI, by leave: During an answer to a question the Minister for Health listed a number of members of this House that he said were associated with One Nation. He included my name in that list. I totally reject that association. I ask that *Hansard* be corrected to indicate that I have never been associated with One Nation. I believe his remarks were inadvertent, but I ask that the record be corrected immediately.

COALITION ONE NATION PARTY PREFERENCES

Personal Explanation

Mr HARTCHER, by leave: The Minister for Health used my name in association with support of One Nation. I inform the House that I categorically do not, never have and never will support One Nation. I reject that low assertion by the Minister for Health.

CONSIDERATION OF URGENT MOTIONS

Coalition One Nation Party Preferences

Mr Cochran: On a point of order. The urgency motion censures three members of the House. Under current standing orders those three members will not be able to defend themselves against censure. I ask that you rule that those three members be entitled to speak in the censure motion.

Mr SPEAKER: Order! There is no censure motion before the Chair.

Mr Cochran: There is an urgency motion.

Mr SPEAKER: Order! The Minister has given notice of a motion for urgent consideration.

Mr AQUILINA (Riverstone—Minister for Education and Training, and Minister Assisting the Premier on Youth Affairs) [3.18 p.m.]: In moving that this matter be debated as a motion for urgent consideration, I wish to change the word "censures" to "condemns". This matter is urgent because the honourable members for the electorates of Monaro, Lismore, Murwillumbah and Ballina have been—

Mr Fraser: On a point of order. The Minister read to the House a motion that is not the same motion about which he gave notice. The motion of which he gave notice earlier sought to censure members, but now seeks to condemn members. I suggest that the Minister is out of order.

Mr SPEAKER: Order! As I have already said, the Minister gave notice of a motion for urgent consideration. Some time ago I allowed a motion for urgent consideration to be amended before the motion was moved. I will allow the Minister to proceed.

Mr AQUILINA: This matter is urgent because the members I have mentioned in my motion should be given the opportunity today to clear their names in relation to various statements that have been made about them, and statements that they have made. The matter is urgent because the honourable member for Murrumbidgee should be given the opportunity to tell this House precisely how he feels and where he stands.

Mr Cochran: On a point of order. I ask you to clarify for the House whether this urgency motion censures or condemns the members representing the Monaro, Lismore, Murwillumbah and Ballina electorates.

Mr SPEAKER: Order! That is not a point of order. That is a point of explanation.

Mr Cochran: On the point of order—

Mr SPEAKER: Order! I have already ruled that no point of order is involved.

Mr Cochran: Further to the point of order—

Mr SPEAKER: Order! The member for Monaro will resume his seat.

Mr AQUILINA: The member for Monaro will have ample opportunity if he wishes later to clarify his situation and where he stands on this issue, and hopefully he will tell us that he will be putting One Nation last.

Mr Cochran: On a point of order. The published motion given out by the Minister uses the word "censures". Therefore he is out of order and so is the motion.

Mr SPEAKER: Order! The Chair has ruled on that matter. The member for Monaro will resume his seat. If he again takes a point of order in relation to a matter on which the Chair has ruled, I will direct that he be removed from the Chamber for 24 hours.

Mr AQUILINA: This matter is urgent because it is clearly a matter of great public interest and importance, and because of its prominence on the front pages of the *Sydney Morning Herald* and the *Australian* today. An enormous amount of time on talk-back radio has been devoted to this matter and my motion is designed to clarify where the Opposition stands in relation to this matter.

Mr Armstrong: On a point of order. The Minister may establish why his motion is urgent but may not debate the substance of the motion. I put it to you that he is now canvassing the substance of the debate as opposed to the question of urgency. Someone of his experience should know better. I ask that you rule him out of order.

Mr SPEAKER: Order! I uphold the point order.

Mr AQUILINA: This matter is of great urgency because no doubt both the *Australian* and *Sydney Morning Herald* are holding tomorrow's front pages in order to repeat what they printed today.

Mr Armstrong: On a point of order. I put it to you that the Minister is now ignoring your previous ruling on a point of order.

Mr SPEAKER: Order! No point of order is involved. The Minister was in order.

Mr AQUILINA: This matter is urgent because, as honourable members are aware, it is dividing the nation. This issue is also dividing the coalition, and members of the Opposition should be given the opportunity to come clean.

Mr Armstrong: On a point of order. The Minister is now clearly debating the substance of the motion as opposed to establishing a case for urgency. I ask that you adhere to your previous excellent ruling on this matter.

Mr SPEAKER: Order! The Minister is straying into the subject matter of the debate.

Mr AQUILINA: The matter is urgent because a prominent member of the coalition with first-class ethnic credentials has sent an open letter to the Prime Minister expressing her feelings on this matter and indicating in no uncertain way why she feels—

Mr Hartcher: On a point of order. Urgency relates to the priority of the motions, not to whether a member on this side of the House has or has not spoken out. The Minister must establish priority.

Mr SPEAKER: Order! I uphold the point of order.

[*Time expired.*]

Education Funding Cuts

Mr O'DOHERTY (Ku-ring-gai) [3.23 p.m.]: My motion should receive priority over that of the Minister because it does not deal with the race issue. The motion is not some grubby, shameful attempt to drag the race issue—

Mr Whelan: On a point of order. The forms of the House provide a means by which a member may make accusations about another. I suggest that the honourable member for Ku-ring-gai should read the standing orders, which the coalition designed. He should use the standing orders that this Government has adopted if he wants to attack another member of this Chamber.

Mr SPEAKER: Order! I uphold the point of order.

Mr O'DOHERTY: The House has to rule on the priority of these motions and needs to know that this is not an attempt to besmirch honourable members or drag the race issue through this House. This is an opportunity for the House to hear the Minister for Education and Training explain why he has cut $71 million from the school building program since he took over the ministry in 1995. That represents a 35.5 per cent cut to the school building program in this State—more than one-third. The Minister obviously does not care about schools.

Mr Whelan: On a point of order. The member is defying your previous ruling in relation to the standing orders. He is entitled to establish priority but he is not entitled to go into the substance of the motion. He is doing that. He is being argumentative about issues relating to finance, which clearly are incorrect and are fabrications by him. He cannot sustain this argument unless and until he complies with the standing orders.

Mr SPEAKER: Order! I have already ruled on the point of order.

Mr O'DOHERTY: To quote the budget papers, there have been cuts over the past four years under the Labor Party. The House needs to hear from the Minister, as a matter of priority, why capital works funding decreased from $201 million under the Fahey Government, to $176 million in the first year of the Carr Government, to $150 million in the following year, to $129.8 million in the subsequent year, and to $129.5 million this year.

Mr Gibson: On a point of order. As the leader of the House has already stated, the standing orders were written by the coalition when in Government, and they are quite clear. What the honourable member for Ku-ring-gai must do is establish why his motion is more urgent than that of the Minister for Education and Training. He is not at liberty to move into the substance of the motion or to use the five minutes available to him to have a free kick at anyone on this side of the Chamber. He must establish urgency and that is the only thing he is entitled to do at this stage.

Mr SPEAKER: Order! I understand what the honourable member for Londonderry is attempting to convey to the Chair. I uphold his point of order.

Mr O'DOHERTY: My motion is urgent because this is the last opportunity we will have to debate this issue. The motion requires the Minister to table, on the next sitting day, the documents that show why Treasury has told the Government there is no money for listed replacement works, the most important category of maintenance identified under the new maintenance contracts.

Mr Whelan: On a point of order. This is the clearest illustration that the honourable member is trying to delay the procedures of this House by ignoring your ruling. He is clearly ignoring your ruling. I refer you to the words "Treasury advice" that he used. His motion states in part:

> (b) Under Standing Order 310 requires the Minister for Education to lay upon the table . . .

There is no mention in the motion of the budget papers. The honourable member is quoting from the budget papers and is clearly debating the substance of the motion. He is out of order. Rather than rule him out of order, I ask that you now direct him to resume his seat.

Mr O'DOHERTY: On the point of order. I was not referring to the budget papers but to Treasury directives, envisaged by my motion. That motion must be debated today as a matter of priority so that the Minister can explain why he is cutting school capital works and maintenance in the electorate of Ashfield and in my electorate. Furthermore, Labor does not care about school buildings. [*Time expired.*]

Question—That the motion for urgent consideration of the honourable member for Riverstone be proceeded with—put.

The House divided.

Ayes, 47

Ms Allan	Mr McManus
Mr Amery	Mr Markham
Mr Anderson	Mr Martin
Ms Andrews	Ms Meagher
Mr Aquilina	Mr Mills
Mrs Beamer	Mr Moss
Mr Clough	Mr Neilly
Mr Crittenden	Ms Nori
Mr Debus	Mr E. T. Page
Mr Face	Mr Price
Mr Gaudry	Dr Refshauge
Mr Gibson	Mr Rogan
Mrs Grusovin	Mr Rumble
Ms Hall	Mr Scully
Mr Harrison	Mr Shedden
Ms Harrison	Mr Stewart
Mr Hunter	Mr Sullivan
Mr Iemma	Mr Watkins
Mr Knowles	Mr Whelan
Mr Langton	Mr Woods
Mrs Lo Po'	Mr Yeadon
Mr Lynch	*Tellers,*
Dr Macdonald	Mr Beckroge
Mr McBride	Mr Thompson

Noes, 44

Mr Beck	Mr D. L. Page
Mr Blackmore	Mr Peacocke
Mr Brogden	Mr Phillips
Mr Chappell	Mr Photios
Mrs Chikarovski	Mr Richardson
Mr Cochran	Mr Rixon
Mr Cruickshank	Mr Rozzoli
Mr Debnam	Mr Schipp
Mr Ellis	Mr Schultz
Ms Ficarra	Ms Seaton
Mr Glachan	Mr Slack-Smith
Mr Hartcher	Mr Small
Mr Hazzard	Mr Smith
Mr Humpherson	Mr Souris
Mr Jeffery	Mrs Stone
Dr Kernohan	Mr Tink
Mr Kinross	Mr J. H. Turner
Mr MacCarthy	Mr R. W. Turner
Mr Merton	Mr Windsor
Ms Moore	
Mr Oakeshott	*Tellers,*
Mr O'Doherty	Mr Fraser
Mr O'Farrell	Mr Kerr

Pairs

Mr Knight	Mr Armstrong
Mr Nagle	Mr Collins
Mr Tripodi	Mrs Skinner

Question so resolved in the affirmative.

BUSINESS OF THE HOUSE

Routine of Business

Mr WHELAN (Ashfield—Minister for Police) [3.36 p.m.]: I move:

That standing and sessional orders be suspended to permit:

(1) consideration of Government Business Orders of the Day Nos 9 (Thoroughbred Racing Board Amendment Bill) and 11 (Energy Services Corporation Amendment (TransGrid Corporatisation) Bill) before private members' statements are called upon;

(2) the postponement of private members' statements until the conclusion of the motion for urgent consideration of the Minister for Education and Training;

(3) the matter of public importance not be dealt with at this sitting; and

(4) the speaking times for the motion for urgent consideration to be as follows:

Mover	10 minutes
Member	10 minutes
Member for Monaro	10 minutes
Member for Lismore	10 minutes
Member for Murwillumbah	10 minutes
Member for Ballina	10 minutes
Four Government members	10 minutes
Reply	10 minutes

Mr HARTCHER (Gosford) [3.37 p.m.]: This is the same charade the House went through yesterday and it will be ignored by the Opposition in the same way. It is a pathetic stunt. It never works. I would have thought members on the Government side would have learned their lesson by now. They are all very slow learners. The Opposition will not play their game. The Opposition will not be caught up in the Government's attempts to play the race card. It will not allow the Government to make race an issue in New South Wales. It will not allow the Government to try to encourage a debate on race. The Government is trying to use every back door, every little opportunity, to talk about race—not about preferences.

The allocation of preferences is not an issue, as honourable members know. It is not an issue, because no-one even knows who is standing. The Government's old friends from the Communist Party may well be standing. The honourable member for Keira, the honourable member for Liverpool and the honourable member for Gladesville, all the old lefties, loved the Communist Party. They used to walk hand in hand with the Communist Party. Who knows whether the Marxists are standing. Members of the Opposition will wait and find out, but we will not fall into the Government's trap. Suspension is denied.

Question—That the motion be agreed to—put.

The House divided.

[*In division*]

Mr Hartcher: On a point of order. Pursuant to Standing Order 87 I now call upon you, Mr Speaker, to state the question to the House.

Mr SPEAKER: Order! The question is, That standing and sessional orders be suspended to permit consideration of Government business orders of the day Nos 9 and 11 before private members' statements are called upon, that private members' statements be postponed until the conclusion of debate on the urgent motion moved by the Minister for Education and Training, and that the matter of public importance not be dealt with at this sitting.

Ayes, 47

Ms Allan	Mr McManus
Mr Amery	Mr Markham
Mr Anderson	Mr Martin
Ms Andrews	Ms Meagher
Mr Aquilina	Mr Mills
Mrs Beamer	Mr Moss
Mr Clough	Mr Neilly
Mr Crittenden	Ms Nori
Mr Debus	Mr E. T. Page
Mr Face	Mr Price
Mr Gaudry	Dr Refshauge
Mr Gibson	Mr Rogan
Mrs Grusovin	Mr Rumble
Ms Hall	Mr Scully
Mr Harrison	Mr Shedden
Ms Harrison	Mr Stewart
Mr Hunter	Mr Sullivan
Mr Iemma	Mr Watkins
Mr Knowles	Mr Whelan
Mr Langton	Mr Woods
Mrs Lo Po'	Mr Yeadon
Mr Lynch	*Tellers*,
Dr Macdonald	Mr Beckroge
Mr McBride	Mr Thompson

Noes, 44

Mr Beck	Mr D. L. Page
Mr Blackmore	Mr Peacocke
Mr Brogden	Mr Phillips
Mr Chappell	Mr Photios
Mrs Chikarovski	Mr Richardson
Mr Cochran	Mr Rixon
Mr Cruickshank	Mr Rozzoli
Mr Debnam	Mr Schipp
Mr Ellis	Mr Schultz
Ms Ficarra	Ms Seaton
Mr Glachan	Mr Slack-Smith
Mr Hartcher	Mr Small
Mr Hazzard	Mr Smith
Mr Humpherson	Mr Souris
Mr Jeffery	Mrs Stone
Dr Kernohan	Mr Tink
Mr Kinross	Mr J. H. Turner
Mr MacCarthy	Mr R. W. Turner
Mr Merton	Mr Windsor
Ms Moore	
Mr Oakeshott	*Tellers,*
Mr O'Doherty	Mr Fraser
Mr O'Farrell	Mr Kerr

Pairs

Mr Knight	Mr Armstrong
Mr Nagle	Mr Collins
Mr Tripodi	Mrs Skinner

Question so resolved in the affirmative.

Motion agreed to.

COALITION ONE NATION PARTY PREFERENCES

Urgent Motion

Mr AQUILINA (Riverstone—Minister for Education and Training, and Minister Assisting the Premier on Youth Affairs) [3.48 p.m.]: I move:

That this House:

(1) condemns the member for Monaro, the member for Lismore, the member for Murwillumbah and the member for Ballina for their support for a preference swap with One Nation;

(2) supports the strong leadership shown by the member for Murrumbidgee and the member of the Legislative Council, the Honourable Duncan Gay, for their view that One Nation should be placed last;

(3) supports the open letter by the Chinese and Vietnamese community leaders, endorsed by the Honourable Helen Sham-Ho, to the Prime Minister, John Howard, calling on him to put One Nation last; and

(4) further reiterates its call for the Leader of the Opposition to secure an agreement with the Leader of the National Party to put One Nation last, and that each paragraph of the motion be put as a separate question.

Mr Richardson: On a matter of privilege. Under Standing Order 88 a member may interrupt another member to raise a matter of privilege suddenly arising. This matter has suddenly arisen because the Minister has moved the motion. Standing Order 63 provides:

> A Member wishing to speak will not be recognised by the Speaker unless the Member rises and seeks the call. After being recognised the Member may then speak at the Table or from their seat.

The suggestion is that all members have a right to speak in debate. Under the motion that has just been passed by the House only four members are allowed to speak—

Mr SPEAKER: Order! The vote of the House to debate the motion moved by the Minister for Education and Training overcomes any of the problems presented to the Chair by the member for the Hills.

Mr AQUILINA: Yesterday in the House the leader of the coalition again failed to give the people of New South Wales a clear and unequivocal commitment that all candidates running under his leadership will place One Nation last. The leader of the coalition again failed to repudiate Liberal Party branches that have indicated they will defy their parliamentary leader by not putting One Nation last. Yesterday the leader of the coalition again failed to announce a binding agreement with the Leader of the National Party that the coalition parties will put One Nation last in every electorate. Again the leader of the coalition failed to announce that neither his party nor the National Party will enter into any deals with One Nation.

Not only was the leader of the coalition not prepared to give those commitments, he is now being openly defied by members of his backbench. The leader of the coalition has failed to take action against those members or even to publicly condemn them. That is the most amazing lack of leadership I have seen in the 17 years I have been a member of this House. It is about time the leader of the coalition showed some ticker. He and every other member of this House will have the opportunity to condemn the members representing the electorates of Monaro, Lismore, Murwillumbah and Ballina for their open defiance of the leader of the coalition in their plans to do deals—or, in the words of the leader of the coalition, "grubby deals"—with One

Nation. In a news release on 12 May the leader of the coalition said:

> One Nation should be placed last on how-to-vote tickets in next year's State election.
>
> There is no room for racism and intolerance in Australian politics.
>
> I am not interested in a grubby preference deal with One Nation.
>
> The politics of One Nation have divided the nation and have caused enormous anguish in ethnic and indigenous communities.
>
> One Nation has thrived on the politics of division.
>
> It is my firm view that a Party which thrives on the politics of division must not be allowed to get a foothold in Australian politics through preference deals with other political parties.
>
> The way to send that clear message is for major political parties to place One Nation last on their how-to-vote cards.

What have the parliamentary colleagues of the leader of the coalition said? What has he done about it? The honourable member for Monaro said on WIN news on 2 June that the National Party had put the Labor Party last for 75 years and there was no reason for the party to change that practice. The honourable member for Ballina told Lismore Radio, 2NR, "As far as I'm concerned, Labor will be last because they're the real enemy." When asked directly if he would put One Nation ahead of Labor he said "I would." He said, "I don't think Pauline Hanson's One Nation Party is a racist party." The honourable member for Murwillumbah told NBN Television, "I always put the ALP last and will continue to do so." Similarly, the honourable member for Lismore has declared he will not be putting One Nation last, in open defiance of his leader.

What has the leader of the coalition done to pull those members of his parliamentary team into line? Absolutely nothing! The silence has been deafening, and he is not even in the Chamber to participate in this debate. He has not disciplined his colleagues or condemned their actions and plans. The leader of the coalition now has the opportunity and the responsibility to support the motion to condemn the members representing the electorates of Monaro, Lismore, Murwillumbah and Ballina. He can and should condemn them for planning to make a preference deal with One Nation. That is a pact with the devil, as the President of the Jewish Board of Deputies described it. The people of New South Wales need a clear and unambiguous statement, followed by action, from the leader of the coalition that once and for all he and his colleagues—not only a select group of them—will repudiate the One Nation Party at election time.

As the Leader of the House said today, every reasoned person in the State wants the Leader of the Opposition to show some degree of trustworthiness rather than make casual, off-hand remarks about doing the best he possibly can, or hoping the National Party will fall into line. What sort of leadership is that? Is he or is he not the leader of the coalition? Is he the Leader of the Opposition, or does he pretend to be the leader until the Leader of the National Party decides he will do something different and tells his party to do the same?

The slack leadership of the leader of the coalition on this matter stands in stark contrast to that of other members of the coalition. The ramshackle coalition is split in open defiance of its leader. Some members have declared that they are prepared to enter into a pact with the devil, but the Leader of the Opposition has remained both silent and absent. In contrast, I welcome the responsible comments of the honourable member for Murrumbidgee, who told ABC radio this morning:

> If I were standing I would not be saying to anybody you know, make sure you put the Labor Party last because they're the real enemy.
>
> I think as far as the cohesiveness and social structure of Australia . . . New South Wales, as I know it, I think One Nation would be far more divisive than the Labor Party.

Those comments deserve the support of this House and the colleagues of the leader of the coalition. Similarly, the Hon. Duncan Gay, a member of the Legislative Council and a senior member of the National Party, told the Mike Carlton program on 11 May:

> You know Mike from conversations on the air and privately, you know my own belief that we should not be supporting Pauline Hanson.

He is real leadership material, and the coalition should support the stance taken by Duncan Gay on this matter. The Hon. Helen Sham-Ho should also be congratulated on calling on all political parties, including the coalition partners, to put One Nation last. Her call on the Prime Minister to put One Nation last is principled, and it is supported by members on this side of the House. I strongly endorse the following statement made by the Hon. Helen Sham-Ho:

> The racist politics of One Nation threaten to diminish Australia as a nation and our reputation abroad and devastate the success of multiculturalism and the process of Aboriginal reconciliation.
>
> Rejecting divisive policies of One Nation is not only in the interests of one political party but to the benefit of all Australians.

They are the sincere sentiments of the Hon. Helen Sham-Ho, a prominent member of the ethnic community and a Liberal member of this Parliament. A letter from the Chinese and Vietnamese community to the Prime Minister called on him to put One Nation last. That letter will also have the support of members on this side of the House and should have the support of all members of this House. One Nation is divisive, destructive and damaging. I conclude with the words of the leader of the coalition, who said:

> We must send a clear message that social intolerance espoused by One Nation is unacceptable to the community at large.
>
> The way to send the clear message is for major political parties to place One Nation last on their own how-to-vote cards.

The leader of the coalition must stand by his words.

Mr CARR (Maroubra—Premier, Minister for the Arts, and Minister for Ethnic Affairs) [3.58 p.m.]: Conservative politics in this country are being thrown into turmoil by the— [*Quorum formed.*]

Conservative politics in this country are being thrown into turmoil by One Nation. In the Queensland State election there has been a nosedive in coalition support in Brisbane where fewer than one voter in four is prepared to vote for the conservative side of politics. The explanation for that is simple: One Nation defines itself as standing for no more than the First Fleeters. It has attacked and assailed Australians who have emigrated here or whose parents or grandparents emigrated here. It is a vicious divisive force. The coalition has been prepared to entertain, as political commentators have united in saying, that John Howard thought One Nation would represent an advantage to the conservative side. He is prepared to do a deal with the devil. Meanwhile, in rural Queensland voters are deserting the National Party. And nothing the harassed Premier of Queensland can do can yank them back. This is altogether deserved.

It was John Howard who opted not to condemn One Nation, and the Leader of the Liberal Party in this State was tardy about facing up to him. Debates in the House this week have revealed that there was nothing less than a sleazy assumption among the leaders of the Liberal Party and National Party of this Parliament that they can say they oppose Pauline Hanson and One Nation in the city but court her preferences in the country. The Government is determined to expose and explode that conspiracy. If coalition members assumed, as I suspect they did, that one could run a campaign in the city and another in the country—

Mr Armstrong: On a point of order. Mr Speaker, I draw your attention to the terms of this motion. It is quite contained, and indeed so far the Premier has not addressed the purport of the motion or any of its four paragraphs. He has not mentioned the names of the people it seeks to condemn in the first paragraph.

Mr SPEAKER: Order! There is no point of order.

Mr CARR: I will come to the members mentioned by name; they are not going to escape notice. There is a starting point for this debate, and it is the assumption by the Leader of the Liberal Party and the Leader of the National Party that they could have one message for the city and another for the country. We are not going to allow that to happen. If the Prime Minister had spoken out against Ms Hanson in September 1996, we would not have heard the statements by the member for Murwillumbah and the member for Lismore—

Mr Armstrong: On a point of order. Mr Speaker, I must again draw your attention to the terms of reference of this motion. There is no mention of the Prime Minister at all.

Mr SPEAKER: Order! The motion is wide ranging. The Chair will allow some latitude to those who wish to speak to the motion.

Mr CARR: If the Leader of the Liberal Party—the Leader of the Opposition in this House—and the Prime Minister had spoken out against One Nation when it originally presented itself, we would not be having this debate today. It has blown up in their faces and they deserve all the embarrassment and anguish that they are copping. They are being deserted by voters in urban New South Wales who see their deal with the devil for what it is and they are not concerned with what the Leader of the Opposition might say in a tightly controlled ethnic press conference. They are looking at the failure of the Leader of the Opposition to haul the Leader of the National Party into line and have the National Party declare that it will not be swapping preferences with One Nation. After a week of exposure on this issue the Leader of the National Party in this House is not prepared to make the statement that would end this debate: a simple declaration that he will not trade preferences with One Nation.

The Leader of the National Party can say it here, in this debate and without equivocation, and the matter will be resolved. But he will not say it. In crude political terms it does not disadvantage the

Government that he does not say it; it simply means that the National Party will be deserted in metropolitan Sydney as the coalition is being deserted in metropolitan Brisbane. Voters understand that the Leader of the National Party is prepared to treat secretly and tread softly on the issue of One Nation, and he will cop the price. If only John Howard and Peter Collins had shown leadership when it counted and done what they have failed to do—spoken out comprehensively against the menace of One Nation; they should have said on behalf of the coalition they will not deal with One Nation—this matter would have been resolved. We would not be engaged in this debate today. John Hewson said to the New South Wales Liberal Party, referring to the national Liberal Party:

> The Liberal Party actually tried to get on the back of it—

that is One Nation—

> to ride to the thin electoral advantage.

On another occasion he said:

> A preference deal is, to me, absolutely appalling. One Nation should be put last on every occasion.

I make this declaration: I would rather see Labor preferences flow to any National Party member of this Chamber, or any National Party candidate outside it, and see that National Party candidate elected than have Labor Party preferences flow to a member of One Nation. That is absolute and is a point of principle with me. I would rather see one of the legitimate political parties on the conservative side of Australian politics succeed than have this miscreant political force that rides on racism directed at Aborigines, migrants and people of Jewish heritage gain any currency.

Why cannot the Leader of the National Party in New South Wales say that he will have no truck under any circumstances, city or country, with One Nation? Why not make that declaration? He could have done it last week, he can do it now—but he will not. Before too long there will be not one citizen of this State unaware of the failure of the New South Wales coalition, its leadership and its membership to take a stand on this matter, with one or two decent exceptions such as the Hon. Helen Sham-Ho and the honourable member for Murrumbidgee. I wish Liberal members would stand up to a leader who is prepared to allow the National Party to engage in a secret understanding with One Nation hoping, wrongfully, that it will offer a political advantage.

Mr ARMSTRONG (Lachlan—Leader of the National Party) [4.08 p.m.]: If ever there was a motion of hypocrisy, if ever there was a motion designed to waste the time and resources of this House, if ever there was a motion which abused the process of this Parliament, this has to be as good as any that has come before the Chamber in my time. This is nothing more than a shallow sham by the Labor Party to cover its backside, because it is dead scared it will end up on the bottom of the ticket. This is nothing more than an act of hypocrisy. The Labor Party would not put the Communist Party last, and would not put the Australians Against Further Immigration party last. The Labor Party has traded preferences with the devil in the past, in political terms. Today the Minister for Education and Training and the Premier are endeavouring to go through the charade of being all right and pure in political terms.

I make it patently clear that I have no intention, nor does my party, of participating in such abuses of the Parliament. Ironically, the Parliament continues to cost the taxpayers of New South Wales about $100,000 a day while there are people on the streets with nowhere to sleep tonight, many hospitals throughout New South Wales are underfunded and the capital works program for Lithgow and District Hospital, Wyalong and District Hospital and Armidale and New England Hospital have been delayed for two years. There are insufficient funds to pay the bills of the butcher and the baker in the Department of Health and threats have been made to cut telephone services in hospitals in the central west. Yet this Government makes a mockery of the parliamentary process.

The Minister for Education and Training, who is leering, moved this motion in an attempt to cover his inadequacies. The motion is nothing more than a time-filling sham because the Government knows that it will lose office in 10 months, at the next State election. I shall dwell on that point. Political strategists know that a party does not allocate its preferences until after the nomination process is completed. Any parliamentary strategist knows that. When the Minister for Education and Training, the honourable member for Hurstville, the honourable member for Cabramatta, the honourable member for The Entrance, the honourable member for Swansea and the honourable member for Lake Macquarie nominated to come into Parliament they distributed their preferences after the period for nominations closed.

Mr Aquilina: One Nation will always be last, as the Premier told you.

Mr ARMSTRONG: The Minister has been last for a long time. To put it simply, for more than 80 years the National Party has distributed its preferences after nominations have closed and the preselection process has been completed. Coalition members have no intention of participating any further in this sham. We have no intention of being party to abuses of the parliamentary process and resources being wasted while there are people in the community in real need, there are traffic jams in the city, the people in the Monaro continue to suffer the impact of the drought and small business is strangling to death under the pressure of high workers compensation premiums—

Mr Aquilina: On a point of order. The Leader of the National Party appears to be confused. This is not a debate on the budget. The terms of my motion are precise and deal specifically with the preference swap with One Nation proposed by members of this House, and with statements made by the Hon. Helen Sham-Ho and the honourable member for Murrumbidgee.

Mr Hazzard: The Speaker said the debate was wide ranging.

Mr Aquilina: Mr Speaker, I ask you to bring the Leader of the National Party back to the leave of the motion. Although the debate may be wide ranging the Leader of the National Party should not refer to State infrastructure.

Mr ARMSTRONG: On the point of order. In view of the Speaker's ruling that the debate may be wide ranging, I am seeking to elucidate the background to the material I am presenting to the House.

Mr SPEAKER: Order! I have already ruled on the point of order. The Leader of the National Party is in order.

Mr ARMSTRONG: The Minister's point of order, fruitless as it was, indicates once again the depths to which the Government is prepared to go to cover its backside. The Government has no policy or direction; it simply wants to strangle constructive debate in the Parliament and to contain any focus by the broader community, particularly the media, on its ineptitude and inadequacies, and the dereliction of its responsibilities to the electorate. Members opposite would rather waste the time of the Parliament in an attempt cover their incompetence whilst there are people in the community—

Ms Meagher: And expose your deal.

Mr ARMSTRONG: The honourable member for Cabramatta is the last person to talk. She should be talking about the crime and drug problems in her electorate. She knows that thousands of people are too terrified to be on the streets of Cabramatta as a result of the Government's ineptitude.

Ms Meagher: The racial violence has been instigated by One Nation and you support it.

Mr ARMSTRONG: So much for this nonsense. I make it perfectly clear that coalition members are about to withdraw from the Chamber. I shall make an appropriate statement at the appropriate time.

Ms MEAGHER (Cabramatta) [4.16 p.m.]: That was another sterling performance by the Leader of the National Party. Once again he has totally abrogated his responsibility as leader of the National Party by failing to give an indication of his position on One Nation. On 19 April he came into the Chamber and told the people of New South Wales that he could not give an indication of his position on One Nation until the redistribution process was completed. And that has almost been finalised. The honourable member hid behind the skirts of the redistribution. However, he has nothing to hide behind today, and he is still not prepared to give an indication of his position on One Nation. He is not prepared to guarantee that the National Party will not transfer its preferences to One Nation to help One Nation candidates get elected to the New South Wales Parliament.

Yesterday the Leader of the Liberal Party tried to water down a motion that asked him for a commitment that the coalition would put One Nation last at the next election and in all future ballots. He tried to amend the wording so as to give a commitment to multiculturalism. That is not good enough. He should have put his money where his mouth is, but he was too gutless to alienate the National Party. The Government agreed to incorporate the wording in the Opposition's amendment as the statement was fair and the Labor Party embraces the principles of multiculturalism.

But the Government wanted to go one step further; it wanted a commitment that the coalition would put One Nation last. And members opposite did not have the guts to vote to include in the original motion the words proposed by the Leader of the Opposition. That shows that they are hypocrites on this issue. I shall go one step further and highlight the secret arrangement between the National Party and the Liberal Party. The Leader of

the Liberal Party trots around New South Wales saying that he hopes the coalition will put One Nation last. Hope is not good enough. As leader of the coalition he should have the clout to deliver a commitment, but he is not able to do so. He allows the Leader of the National Party to trot around in the bush and not alienate Hanson supporters. The Leader of the Liberal Party delivered a contrary message at a secret press conference with the ethnic media.

So there are three messages. The first message is that Hanson is okay. The Leader of the National Party told people in the bush that he is not sure where the National Party ends and One Nation begins. That is the extent of his policy commitment on this issue. The second message comes from the Leader of the Liberal Party, who is trotting around trying to woo urban voters and sucking up to the ethnic media. He locked out the mainstream media because he did not want to be exposed as a hypocrite on this issue. It is fair and reasonable for the Opposition to participate in this debate and to give an indication to the people of New South Wales that coalition preferences will not help One Nation candidates to get a toehold in New South Wales politics. Opposition members should state that politics based on fear, division and intolerance are unacceptable in New South Wales, but they will not do that. They try to utilise the provisions of personal explanations under the standing orders to extricate themselves from being tarred with the One Nation brush, but they cannot do it as a party or as a coalition.

The Leader of the National Party should heed the sentiments expressed by his Federal leader and the Deputy Prime Minister, Tim Fischer, who has taken the opportunity to publicly repudiate Hanson and state that any support for Pauline Hanson is equivalent to tearing up our bread ticket into the next century. The Federal Leader of the National Party has a fair understanding of the impact of Hansonism on Australia's reputation abroad, and on its standing with our Asian trading partners. But the New South Wales Leader of the National Party is prepared to jeopardise Australia's reputation at home and abroad. He is prepared to jeopardise the National Party's bread-and-butter ticket and put grubby preference deals for short-term political gain ahead of the interests of his National Party constituents. He is prepared also to put the political advantage of the National Party ahead of Australia's domestic and international standing.

The Leader of the National Party has been exposed as an insincere leader. He had the opportunity today, yesterday and last week to make his statement of principle on multiculturalism, tolerance and harmony in our society, but he hid behind the notion of not being able to do that because he does not know the One Nation candidates. The Premier gave a statement of principle today. The people of New South Wales should know that the Leader of the National Party is running scared. This issue highlights also that the Leader of the Liberal Party, as the senior coalition member, has no clout in the coalition. Either he has no clout or he is prepared to do a grubby, secret deal with the National Party to maximise its position at the next State election.

This side of the House does not embrace the policies of One Nation. All mainstream political parties should put One Nation last on their how-to-vote cards. We should all make statements that policies of race, division and intolerance are not acceptable. The political division on which One Nation thrives has effectively turned Australians against one another. One Nation has jeopardised Australia's standing and international reputation as a country with a harmonious society. That damage is being done as we speak and is affecting our international trade and reputation. As the member for Cabramatta I have a great interest in this issue. I receive reports of increased verbal and physical assaults against members of the migrant community because the bigots and the racists feel some comfort now that Pauline Hanson leads the charge saying it is all right to use minority groups as scapegoats for what is wrong in society.

That behaviour is not acceptable. The coalition should take this opportunity to state that One Nation will not get a toehold in New South Wales because coalition votes will not flow on to become preferences for One Nation. Taking that stand will show strength and courage of leadership on an issue that is above politics and which goes to the fabric of our society, that embraces people of all political persuasions and backgrounds. Opposition members should articulate in this House and to the people of New South Wales that they do not want a society where racism and bigotry fester. Opposition members have passed up that opportunity on three occasions.

The people of New South Wales should know what the coalition stands for. It is not good enough for the honourable member for Lane Cove to try to use the standing orders to make a personal explanation to alienate herself from the failure of the coalition leader to take a position on the matter. I commend the motion. I highlight support for the honourable member for Murrumbidgee, and Duncan Gay and Helen Sham-Ho in another place, for

having the courage of their convictions, to move beyond their leadership and take a firm stance on this issue. I commend the motion to the House.

Mr IEMMA (Hurstville) [4.26 p.m.]: The irony of this debate is that Government members are speaking to an empty Opposition bench. It is particularly ironic because the National Party purports to represent the interests of rural New South Wales, a region that is dependent on continued trade with Asia for primary production and exports. Much of the economic wellbeing of country New South Wales and Australia is dependent upon exports, trade and a continuing economic relationship with Asia. The political party that is supposed to represent those interests not only is absent from this Chamber but has failed to stand up to the overtly racist position of One Nation because its leader has refused to make a statement of principle, as the Premier again did today, that it will not deal or trade with the devil.

No National Party members are present in the Chamber waiting to participate in the debate. They have run away. They are cowering because of One Nation. As the honourable member for Cabramatta said, the Leader of the National Party often gets confused. He told us that on occasions he does not know where One Nation stops and the National Party starts. That reveals the true agenda of the National Party—to trade with the devil for preference votes. Anybody who could make such a statement has ignored the things that have been exposed about One Nation candidates across the country.

One has only to read newspapers to learn about some of the people who have popped up as One Nation candidates in Queensland, the lunatics that have popped up from the extremist neo-nazi and fascist fringe. Yet the Leader of the National Party cannot bring himself to make a statement of principle and, indeed, gets confused between the National Party and One Nation. Today's *Sydney Morning Herald* included an article about Mr David Summers, the One Nation candidate for the seat of Noosa. The article referred to a long interview in the magazine *Exposure* when he said that Pope John Paul sold cyanide gas to the nazis in Germany and that AIDS was developed by the United States of America military for biological warfare.

They are the sorts of views of One Nation candidates. In that interview Mr Summers said that Pauline Hanson could not say whether the Port Arthur massacre was part of an international conspiracy to disarm the Australian population. But the Leader of the National Party has to think about who will pop up as a One Nation candidate in New South Wales before he makes a statement of principle. He will not trade with them, he will not make a pact on preferences with the devil. He has to wait. As the honourable member for Cabramatta pointed out, a few weeks ago the Leader of the National Party told us that he was waiting for the redistribution of seats to be finalised. On Tuesday the redistribution was finalised and no changes were made to country seats except that Murwillumbah would be renamed Tweed. The draft redistribution that was released a few months ago remains unchanged and the boundaries are final.

The Leader of the National Party did not take the opportunity today to finally make that statement of principle that he will not trade with the devil or make a pact with the devil for preference votes. Today his excuse is "I have to see who the individual candidates are. Wait and see who pops up, who nominates in Lachlan, Murrumbidgee, Murray, Barwon or Northern Tablelands." No doubt we will find out a little closer to March whether or not they have popped up, and no doubt the excuse will be "Let me listen to what the individual candidates have to say." In seven or eight months time the Leader of the Opposition will tell us that there are good and bad One Nation candidates; that it all depends on what they have to say. He will use any excuse to avoid making the statement of principle that has been referred to and for that he stands condemned.

This is a two-faced coalition. One face is reserved for the city. The coalition hides behind that pleasant face and says all the right things about not doing deals with the devil. But, in the country the other coalition partner shows a different face and says "We don't really know where One Nation stops and the National Party starts. Our policies are not all that different. Some former national party members are now One Nation members. It has to do with economic rationalism. People do not feel secure any more; people are angry and disillusioned and need an outlet. One Nation is an outlet and we cannot be too hard on them. We have to respect their right to speak." All those excuses have been used.

They are excuses from a two-faced Opposition that says and does one thing in the city, but says and does something different in the country. The Opposition is led by two individuals who will not stand up to One Nation or to those within the coalition parties who want to do deals with the devil. They ought to congratulate the honourable member for Murrumbidgee and support him. They should support the Hon. Helen Sham-Ho and the Hon. D. J. Gay in the upper House. They should

close ranks behind those members and condemn the members representing the electorates of Ballina, Murwillumbah, Lismore and Monaro for the statements that have been made.

If the leaders of the Liberal Party and the National Party had any pretence to strong leadership they would have closed ranks several weeks ago when there was a motion before this House, and yesterday and today, but they have not. They want to profit by trading with the devil and selling out their constituencies. The National Party is supposed to represent the economic, social and political interests of rural New South Wales, but there is no economic future without export and trade with Asia. The National Party will not stand up and fight the party that is bent on damaging the interests of rural New South Wales and rural Australia.

The Deputy Prime Minister, who was a member of this House many years ago, is aware of what is happening. One only has to listen to some of the statements of the lunatics and fruitcakes that are popping up in Queensland to get an idea of the types of lunatics that will pop up during the New South Wales State election, the Federal election and other elections in this country. That is not enough to convince the leader of the National Party to come forward and denounce One Nation. As the President of the Australia-Israel Jewish Affairs Council, Mark Leibler, said there is no question at all about the widespread association with One Nation of neo-nazi, anti-semitic and other racist fringe groups. Honourable members need only refer to the article about the lunatic David Summers featured in today's *Sydney Morning Herald* and read what he had to say in an interview in the magazine *Exposure* to appreciate Mr Leibler's comments. Mr Leibler also stated:

> The Coalition, with its preferences decision, has suggested that One Nation is more acceptable than the ALP, and that has given these people a veneer of respectability they never had before.

Mr WHELAN (Ashfield—Minister for Police) [4.36 p.m.]: I support what the Minister for Education and Training has said in this House. I am amazed that during the course of this debate very few members of the Opposition will say anything. In fact not one member of the Opposition is going to say anything. That is what occurred in the debates of 18 May and yesterday. Although I was not present in the Chamber at the time, it is my understanding that Opposition members not only boycotted the motion before the House, they also walked out of the Chamber. They did so because they are afraid to confront the problem and afraid to speak to the motion. The standing orders provide an opportunity for those members referred to in the motion to explain their position.

The motion named members representing the Monaro, Lismore, Murwillumbah and Ballina electorates. Each has 10 minutes to address this House to correct any ambiguity or misrepresentation. However, they were acting under instructions. Every member on this side of the House and those on the other side witnessed it. They saw those members being stood over. They observed that the honourable member for Murrumbidgee was stood over during question time and told what to do, because he stood up to be counted and said exactly what he feels about the One Nation Party. It is unprecedented that members of Parliament of any political persuasion would be stood over by their colleagues and told what to do. One thing that must be said about the honourable member for Murrumbidgee is that he has the courage of his convictions and is prepared to say so publicly.

I feel sorry for the Hon. Helen Sham-Ho. She has been outspoken and I fully support what she has said. She has expressed her support for the opposition to One Nation. The article that appeared last Saturday week in the *Australian* when this issue was first raised was an outstanding contribution from the honourable member. It warned the Prime Minister of Australia that he had to take a very tough stand. Everyone in Australia wishes that the Leader of the Opposition and the Leader of the National Party would take a very tough stand on this issue, but they have not done so. The Hon. Helen Sham-Ho, MLC, at least has had the courage of her convictions. She praised her wonderful heritage and the contributions made by her ancestors and the Chinese people to Australia and New South Wales. I do also.

The coalition has ducked it on three occasions. This is an opportunity for members opposite to denounce One Nation. They can have as much opportunity as they want to denounce the members representing the Monaro, Lismore, Murwillumbah and Ballina electorates. They have had an opportunity. There was an opportunity for one member to speak for 10 minutes. If the Opposition had wanted more time, that would have been provided. Not one member asked me for more time. The Opposition divided the House on this issue, opposed urgency and opposed changing procedures. Had the Opposition moved an amendment, I would have agreed to it; if it had wanted more speakers on this issue, of course I would have agreed. But I was given no such indication. If members opposite want to speak to the motion I will move to suspend standing orders to enable them to do so.

I will do that immediately after I have completed my contribution. We will see what honourable members opposite are made of. This motion calls on the members representing the Monaro, Lismore, Murwillumbah and Ballina electorates to explain their actions to this House, to say that the allegations are untrue, that they have been misquoted or maligned. If the Government had been callous it would have asked the honourable member for Murrumbidgee to restate in this House what he has already stated publicly, that is, that One Nation should be placed last on the coalition's how-to-vote cards.

As I said yesterday, and I repeat, this is an insult. It highlights to me the absolute failure of the Leader of the Opposition, Peter Collins, QC—we heard about that today—to show guts and leadership in saying whether the Opposition is going to put One Nation first or last. The people of this State do not want an Opposition leader who merely hopes that the National Party will do something. These four members—representing Monaro, Lismore, Murwillumbah and Ballina electorates—have been given an opportunity to address the House before a vote is taken on whether they should be condemned. They have foregone that opportunity. They want to do a preference swap with One Nation. Parliament should not allow that to happen. Those members should be allowed to explain their actions, and if those actions are confirmed—and the press clippings and audio tapes all reveal that they have clearly said they will give One Nation a preference swap—they should be condemned.

This issue is about leadership. It is about leadership of the Liberal Party and leadership of the National Party. Mr Collins portrays himself as the coalition leader. By not showing firm, strong leadership he is demonstrating that members opposite are too inept to be in government. If the Leader of the Opposition cannot show leadership on this issue, which goes to the quality of life of all Australians, he is not able to show leadership on any issue. As the honourable member for Hurstville said, the Leader of the Opposition has one message for the city and a different one for the bush.

The Leader of the National Party has the same problem. He spoke in this Chamber on 18 May about this very same issue. He spoke for five or six minutes and said absolutely nothing. He was in a state of denial. He did not think it was a problem, and clearly he now faces discontent in his own ranks. Four of his members say they will give a higher preference to the One Nation Party. He is supposed to be the leader. It is his job. He gets the pay packet and the publicity. Ian Armstrong is the Leader of the National Party. If four of his backbenchers have said this, what sort of a man is Ian Armstrong not to bring his four backbenchers to book, to tell them to reject One Nation as a party?

The House heard from him today. Opposition members ran out of the Chamber. They had all the opportunity in the world to say a few words, but they all left. They had to leave because they will not confront the problem. They will not confront this real moral dilemma of giving One Nation preference above other parties. They do not deserve to be given a higher preference. They are doing a deal with the devil. The Coalition cannot do a deal with the One Nation Party on this issue, for that would be an outrageous position for the Liberal Party and for the National Party. The leaders of those two parties have disowned their own backbench.

Three or four weeks ago one member of their party, the Hon. Helen Sham-Ho, went on the public record and said repeatedly that John Howard had better watch out if he thinks the Chinese community in New South Wales will support him. Those are her words. By not rejecting One Nation the Liberal Party is deliberately working against the great work done by the Hon. Helen Sham-Ho and other members of the Chinese community. The Chinese community, the Jewish community and all communities are now saying, "For goodness sake, will you please show some leadership and give equality a go in this nation?" The coalition should reject One Nation and put it last. Do not do shoddy, grubby deals with the One Nation Party.

Think about Australia. The strength of this nation, and greatest quality, is its ethnic diversity. This nation's great strength and capability depend upon people working together, not against each other, in this egalitarian society. I want the honourable member for Cronulla to tell his colleagues that they want to see their leaders denying the One Nation Party. Australia is a great country. The Liberal and National parties will fail this nation if they do not take strong action. Members opposite talk about taking strong action on guns and law and order policy, but when faced with making a philosophical decision to adopt or reject racism in this country, they choose to embrace it.

Mr AQUILINA (Riverstone—Minister for Education and Training, and Minister Assisting the Premier on Youth Affairs) [4.46 p.m.], in reply: I thank all of my Government colleagues for speaking out so strongly in support of the motion. The Premier, the honourable member for Cabramatta, the honourable member for Hurstville and the Minister for Police have all shown in no uncertain terms why this motion is so vital for this watershed in New South Wales politics. Now is the time for the Government to tell the people of New South Wales unequivocally where it stands in relation to One

Nation and to contrast that position with the despicable, Jekyll and Hyde attitude of the Opposition and its stance on One Nation.

When I first moved this notice of motion, an attempt was made by the Opposition to have it ruled out of order because it was a censure motion of four members of the Opposition, namely the honourable members representing Murwillumbah, Lismore, Ballina and Monaro electorates, and that they would not have the opportunity to respond on their own behalf. I changed that motion to one condemning those members, in the expectation that they would respond in this Chamber on their own behalf. In fact, the Leader of the House, in moving suspension of standing orders to enable this motion to be considered, specifically mentioned that the members representing Ballina, Murwillumbah, Monaro and Lismore should be allowed 10 minutes each in this House to explain to the public their stance on One Nation.

But the Leader of the National Party marched his members out. Like the Duke of Plaza Toro he has led his army out of here and has told them not to participate in this debate. Why? Because he does not want to be embarrassed any further by his despicable attitude towards One Nation. What did the Leader of the National Party offer? He said that the allocation of preferences would be made once they know who is going to nominate for the election. Last week they said it would happen when they knew the boundaries. The Government is not asking him to pinpoint Harry, Bill, Tom or Jack, or Mary or Jane, for that matter, but it is asking him to make a statement about placing One Nation last. It does not matter who nominates, he ought to display leadership and tell his party that he will place One Nation last on the ballot paper. That is all he needed to say. However, as the honourable member for Hurstville so ably put it in his contribution to this debate, the Opposition wants to show one face to the bush and one face to the city. Members of the Opposition think they will be able to get away with it. The people of New South Wales are not that silly. They can see through the sham, they can see through the Opposition's Jekyll and Hyde stance on One Nation.

Again I take the opportunity to congratulate the member in the Opposition ranks who has been muzzled from speaking in the debate today, namely the honourable member for Murrumbidgee. During question time, after I had given notice of this motion, not one or two but several members of the coalition got the ear of the honourable member for Murrumbidgee, no doubt pressuring him not to participate in this debate. The honourable member for Coffs Harbour had a go at him. The honourable member for Monaro, as well as various others, had a go at him. The honourable member for Murwillumbah was in his ear all the time during question time, making sure that the honourable member for Murrumbidgee, who has honest and sincere convictions in this matter, was not allowed to speak in this debate, was not allowed to make his situation plain.

The Opposition may choose to run out on this debate, but it will not be able to run out on the people of New South Wales. There will be a time when Opposition members will have to stand and be counted, a time when a decision has to be made. The Premier left no doubt about what the Government intends to do. He spoke with conviction and showed true leadership, and he expressed the sentiments of every Government member when he said that it is a matter of conviction for him personally and for the Government that the Labor Party will place One Nation last. The Premier made it clear that no matter what happens, no matter who nominates he would place a legitimate conservative party candidate ahead of any candidate who espouses the racist sentiments of One Nation. That is precisely what the Premier and the Labor Party will do.

It gave me no pleasure to move this motion this afternoon. I abhor the sentiments of One Nation, the sentiments of racism, the sentiments that have been expressed about our indigenous community by the Pauline Hansons of this world and the sentiments expressed about the migrant community of Australia. Those sentiments are abhorrent because they defy everything that I believe in and everything that I love about this multicultural country of ours—a country that has given me, as a migrant son not able to speak any English, the opportunity to rise through the ranks and become not only a parliamentary representative but the Minister for Education and Training. I am very proud of that privilege, a privilege that this country gives us. People such as Pauline Hanson and parties such as One Nation want to take that privilege away from ordinary Australians.

This motion goes to the heart of leadership and government in this State. The Premier has shown leadership. The Government has shown unity in its actions. What has the Opposition shown? The Leader of the Opposition did not show his face in the debate, he did not even come into the Chamber. From time to time people call this Chamber a cowards' castle because of the things people say here. The Leader of the Opposition is being a coward outside the castle by not coming into the Chamber to make his views clear. The Leader of the National Party marched out his troops after

expressing a few platitudes in the debate. Statements made by the Leader of the National Party count for nothing, although they will add to speculation that the National Party is in bed with Pauline Hanson and One Nation. The Leader of the National Party has demonstrated a despicable attitude.

The Leader of the National Party is bringing down his once great party, which has a legitimate conservative role to play in this nation. He is bringing it to heel. As the Minister for Police said, the Leader of the National Party wants to make a pact with the devil—a pact with Pauline Hanson and One Nation. The honourable member for Murrumbidgee and Opposition members in another place have spoken out. The Hon. Helen Sham-Ho wrote a letter to the Prime Minister on this matter. Duncan Gay, a National Party member in the other place, has also spoken out. I am sure that other Opposition members want to speak out also but they are not allowed to. Opposition members are being told not to say anything and that it will be on their heads if they do. Why otherwise would the Leader of the National Party have marched out the Opposition members who were in the Chamber when he spoke, the honourable member for Monaro, the honourable member for Barwon and the honourable member for Wakehurst.

Why do we not hear debate from the Opposition? Why do Opposition members not come forward and say where they stand? Why do Opposition members not reject the deranged mentality of the Pauline Hansons of this world and the sentiments espoused by so many of her followers, such as the sentiments expressed in the Queensland election campaign? At least some Queensland Liberal Party members have shown some guts. The Liberal Party candidate for Ipswich, Steve Wilson, resigned from that party during the election campaign following the Queensland coalition's decision to direct preferences to One Nation. This debate goes to the heart of Labor politics, it goes to the heart of New South Wales politics and it should go to the heart of Liberal Party and National Party politics also. In this debate the Opposition had ample opportunity to establish its credentials, to tell the world that it too will put Pauline Hanson and One Nation last. The Opposition refused to do so. [*Time expired.*]

Recording of Names

Mr WHELAN (Ashfield—Minister for Police) [4.55 p.m.]: I move:

> That standing and sessional orders be suspended to provide for the names of members voting for the ayes in each of the paragraphs in the resolution to be recorded and the names of those members not voting to also be recorded.

Question—That standing and sessional orders be suspended—put.

Division called for.

[*In division*]

Mr Kerr: I seek the leave of the House to call off the division as I have reconsidered the matter.

Leave not granted.

Standing Order 191 applied.

Noes, 1

Mr Kerr

Question so resolved in the affirmative.

Motion for suspension of standing and sessional orders agreed to.

Mr SPEAKER: Order! The question now is, That paragraph 1 of the motion be agreed to. Paragraph 1 of the motion agreed to.

In accordance with the resolution, the names of the members voting in the affirmative and the names of the members not voting will be recorded.

The following members were recorded as voting with the ayes:

Ms Allan	Mr McManus
Mr Amery	Mr Markham
Mr Anderson	Mr Martin
Ms Andrews	Ms Meagher
Mr Aquilina	Mr Mills
Mrs Beamer	Ms Moore
Mr Beckroge	Mr Moss
Mr Clough	Mr Neilly
Mr Crittenden	Ms Nori
Mr Debus	Mr E. T. Page
Mr Face	Mr Price
Mr Gaudry	Dr Refshauge
Mr Gibson	Mr Rogan
Mrs Grusovin	Mr Rumble
Ms Hall	Mr Scully
Mr Harrison	Mr Shedden
Ms Harrison	Mr Stewart
Mr Hunter	Mr Sullivan
Mr Iemma	Mr Thompson
Mr Knowles	Mr Watkins
Mr Langton	Mr Whelan
Mrs Lo Po'	Mr Woods
Mr Lynch	Mr Yeadon
Mr McBride	

The following members were recorded as not voting:

Mr Armstrong
Mr Beck
Mr Blackmore
Mr Brogden
Mr Chappell
Mrs Chikarovski
Mr Cochran
Mr Collins
Mr Cruickshank
Mr Debnam
Mr Ellis
Ms Ficarra
Mr Fraser
Mr Glachan
Mr Hartcher
Mr Hazzard
Mr Humpherson
Mr Jeffery
Dr Kernohan
Mr Kerr
Mr Kinross
Mr MacCarthy
Dr Macdonald
Mr Merton
Mr Oakeshott
Mr O'Doherty
Mr O'Farrell
Mr D. L. Page
Mr Peacocke
Mr Phillips
Mr Photios
Mr Richardson
Mr Rixon
Mr Rozzoli
Mr Schipp
Mr Schultz
Ms Seaton
Mrs Skinner
Mr Slack-Smith
Mr Small
Mr Smith
Mr Souris
Mrs Stone
Mr Tink
Mr J. H. Turner
Mr R. W. Turner
Mr Windsor

Mr SPEAKER: Order! The question now is, That paragraph 2 of the motion be agreed to. Paragraph 2 of the motion agreed to.

In accordance with the resolution, the names of the members voting in the affirmative and the names of the members not voting will be recorded.

The following members were recorded as voting with the ayes:

Ms Allan
Mr Amery
Mr Anderson
Ms Andrews
Mr Aquilina
Mrs Beamer
Mr Beckroge
Mr Clough
Mr Crittenden
Mr Debus
Mr Face
Mr Gaudry
Mr Gibson
Mrs Grusovin
Ms Hall
Mr Harrison
Ms Harrison
Mr Hunter
Mr Iemma
Mr Knowles
Mr Langton
Mrs Lo Po'
Mr Lynch
Mr McBride
Mr McManus
Mr Markham
Mr Martin
Ms Meagher
Mr Mills
Ms Moore
Mr Moss
Mr Neilly
Ms Nori
Mr E. T. Page
Mr Price
Dr Refshauge
Mr Rogan
Mr Rumble
Mr Scully
Mr Shedden
Mr Stewart
Mr Sullivan
Mr Thompson
Mr Watkins
Mr Whelan
Mr Woods
Mr Yeadon

The following members were recorded as not voting:

Mr Armstrong
Mr Beck
Mr Blackmore
Mr Brogden
Mr Chappell
Mrs Chikarovski
Mr Cochran
Mr Collins
Mr Cruickshank
Mr Debnam
Mr Ellis
Ms Ficarra
Mr Fraser
Mr Glachan
Mr Hartcher
Mr Hazzard
Mr Humpherson
Mr Jeffery
Dr Kernohan
Mr Kerr
Mr Kinross
Mr MacCarthy
Dr Macdonald
Mr Merton
Mr Oakeshott
Mr O'Doherty
Mr O'Farrell
Mr D. L. Page
Mr Peacocke
Mr Phillips
Mr Photios
Mr Richardson
Mr Rixon
Mr Rozzoli
Mr Schipp
Mr Schultz
Ms Seaton
Mrs Skinner
Mr Slack-Smith
Mr Small
Mr Smith
Mr Souris
Mrs Stone
Mr Tink
Mr J. H. Turner
Mr R. W. Turner
Mr Windsor

Mr SPEAKER: The question now is, That paragraph 3 of the motion be agreed to. Paragraph 3 of the motion agreed to.

In accordance with the resolution, the names of the members voting in the affirmative and the names of the members not voting will be recorded.

The following members were recorded as voting with the ayes:

Ms Allan
Mr Amery
Mr Anderson
Ms Andrews
Mr Aquilina
Mrs Beamer
Mr Beckroge
Mr Clough
Mr Crittenden
Mr Debus
Mr Face
Mr Gaudry
Mr Gibson
Mrs Grusovin
Ms Hall
Mr Harrison
Ms Harrison
Mr Hunter
Mr Iemma
Mr Knowles
Mr Langton
Mrs Lo Po'
Mr Lynch
Mr McBride
Mr McManus
Mr Markham
Mr Martin
Ms Meagher
Mr Mills
Ms Moore
Mr Moss
Mr Neilly
Ms Nori
Mr E. T. Page
Mr Price
Dr Refshauge
Mr Rogan
Mr Rumble
Mr Scully
Mr Shedden
Mr Stewart
Mr Sullivan
Mr Thompson
Mr Watkins
Mr Whelan
Mr Woods
Mr Yeadon

The following members were recorded as not voting:

Mr Armstrong	Mr Oakeshott
Mr Beck	Mr O'Doherty
Mr Blackmore	Mr O'Farrell
Mr Brogden	Mr D. L. Page
Mr Chappell	Mr Peacocke
Mrs Chikarovski	Mr Phillips
Mr Cochran	Mr Photios
Mr Collins	Mr Richardson
Mr Cruickshank	Mr Rixon
Mr Debnam	Mr Rozzoli
Mr Ellis	Mr Schipp
Ms Ficarra	Mr Schultz
Mr Fraser	Ms Seaton
Mr Glachan	Mrs Skinner
Mr Hartcher	Mr Slack-Smith
Mr Hazzard	Mr Small
Mr Humpherson	Mr Smith
Mr Jeffery	Mr Souris
Dr Kernohan	Mrs Stone
Mr Kerr	Mr Tink
Mr Kinross	Mr J. H. Turner
Mr MacCarthy	Mr R. W. Turner
Dr Macdonald	Mr Windsor
Mr Merton	

Mr SPEAKER: The question now is, That paragraph 4 of the motion be agreed to. Paragraph 4 of the motion agreed to.

In accordance with the resolution, the names of the members voting in the affirmative and the names of the members not voting will be recorded.

The following members were recorded as voting with the ayes:

Ms Allan	Mr McManus
Mr Amery	Mr Markham
Mr Anderson	Mr Martin
Ms Andrews	Ms Meagher
Mr Aquilina	Mr Mills
Mrs Beamer	Ms Moore
Mr Beckroge	Mr Moss
Mr Clough	Mr Neilly
Mr Crittenden	Ms Nori
Mr Debus	Mr E. T. Page
Mr Face	Mr Price
Mr Gaudry	Dr Refshauge
Mr Gibson	Mr Rogan
Mrs Grusovin	Mr Rumble
Ms Hall	Mr Scully
Mr Harrison	Mr Shedden
Ms Harrison	Mr Stewart
Mr Hunter	Mr Sullivan
Mr Iemma	Mr Thompson
Mr Knowles	Mr Watkins
Mr Langton	Mr Whelan
Mrs Lo Po'	Mr Woods
Mr Lynch	Mr Yeadon
Mr McBride	

The following members were recorded as not voting:

Mr Armstrong	Mr Oakeshott
Mr Beck	Mr O'Doherty
Mr Blackmore	Mr O'Farrell
Mr Brogden	Mr D. L. Page
Mr Chappell	Mr Peacocke
Mrs Chikarovski	Mr Phillips
Mr Cochran	Mr Photios
Mr Collins	Mr Richardson
Mr Cruickshank	Mr Rixon
Mr Debnam	Mr Rozzoli
Mr Ellis	Mr Schipp
Ms Ficarra	Mr Schultz
Mr Fraser	Ms Seaton
Mr Glachan	Mrs Skinner
Mr Hartcher	Mr Slack-Smith
Mr Hazzard	Mr Small
Mr Humpherson	Mr Smith
Mr Jeffery	Mr Souris
Dr Kernohan	Mrs Stone
Mr Kerr	Mr Tink
Mr Kinross	Mr J. H. Turner
Mr MacCarthy	Mr R. W. Turner
Dr Macdonald	Mr Windsor
Mr Merton	

Mr WHELAN (Ashfield—Minister for Police) [5.16 p.m.]: I move:

> That standing and sessional orders be suspended to provide that Mr Carr, Mr Knight, Mr Nagle and Mr Tripodi be deemed to have been recorded as having voted with the ayes on each question in Mr Aquilina's motion.

Mr HAZZARD (Wakehurst) [5.17 p.m.]: This is a farcical situation. For the first time in the history of the Westminster system the names of non-voters are being recorded. What is worse, the Leader of the House is playing stupid games. He has not recorded and you, Mr Speaker, have not recorded the names of all the non-voters. The Premier has not been involved in one single division. His name does not appear anywhere on the *Hansard* record.

Mr Whelan: He was paired.

Mr HAZZARD: There are no pairs. The Minister moved the suspension of standing orders and he has no pairs. He knows that. The Premier is not paired. He has sought to manipulate a division of this House by taking out the Premier's name.

Mr Beckroge: On a point of order. I advise that the Premier, the honourable member for Campbelltown, the honourable member for Fairfield, and the honourable member for Auburn have been paired by the Opposition. I have a document in my possession.

Mr SPEAKER: Order! That is not a point of order, it is an explanation.

Mr HAZZARD: The simple fact is that for the first time in the history of this Parliament in a racist, silly and facile way, the mob on the other side, the Government, has manipulated this House. It has taken us to new depths. Government members are sitting there like monkeys. Some of them may be actually thinking that this is not the right way to run a Parliament and would be concerned about it. But they have allowed themselves to be sucked in by the Leader of the House. Members of the Opposition cannot believe that they can sit there like stuffed dummies allowing these silly antics to take place. What has occurred is quite simple. As stupid as it was, it was a suspension of standing orders to record non-voters. In the last series of divisions was that the Premier was out of the House, he has not been paired and, as far as the Opposition is concerned, his name has not been recorded.

If the Leader of the House is fair dinkum about what he is trying to achieve today he should make sure that the name of each of member of the Government who should have been here and should have voted is recorded. If they are not voters, they should have been recorded as non-voters. The complete farce that has taken place this afternoon is made even worse when one remembers that there is and has been an arrangement in this House that late on Thursday afternoons members representing country electorates can go home. A number of members representing country electorates have already gone home. What does this farce prove? You can laugh. You have made this place a farce.

Mr SPEAKER: Order! The Honourable member for Wakehurst will address his remarks through the Chair.

Mr HAZZARD: If the Leader of the House continues to move motions to suspend standing orders and to make up silly rules to get his way, the Westminster system in this Parliament is dead. The Leader of the House is contributing to the destruction of a parliamentary system that dates back hundreds of years. On behalf of the coalition I demand that the Premier's name and the names of the other members who failed to vote be recorded as non-voters. The Government's stupidity should be recorded.

Mr Whelan: Mr Speaker—

Mr SPEAKER: Order! The standing orders do not allow any further debate.

Mr Whelan: On a point of order. The Westminster system is based on the important principle of having an Opposition and a Government. The Government must govern, whether or not there is an Opposition.

Mr SPEAKER: Order! What is the point of order?

Mr WHELAN: The Parliament would be a very poor place if there were no Opposition. Members opposite walked out and refused to participate in any of the four votes.

Mr SPEAKER: Order! There is no point of order.

Question—That the motion be agreed to —put.

The House divided.

Ayes, 47

Ms Allan	Mr Markham
Mr Amery	Mr Martin
Mr Anderson	Ms Meagher
Ms Andrews	Mr Mills
Mr Aquilina	Ms Moore
Mrs Beamer	Mr Moss
Mr Clough	Mr Neilly
Mr Crittenden	Ms Nori
Mr Debus	Mr E. T. Page
Mr Face	Mr Price
Mr Gaudry	Dr Refshauge
Mr Gibson	Mr Rogan
Mrs Grusovin	Mr Rumble
Ms Hall	Mr Scully
Mr Harrison	Mr Shedden
Ms Harrison	Mr Stewart
Mr Hunter	Mr Sullivan
Mr Iemma	Mr Watkins
Mr Knowles	Mr Whelan
Mr Langton	Mr Woods
Mrs Lo Po'	Mr Yeadon
Mr Lynch	*Tellers,*
Mr McBride	Mr Beckroge
Mr McManus	Mr Thompson

Noes, 25

Mr Blackmore	Mr O'Farrell
Mr Brogden	Mr Phillips
Mr Debnam	Mr Photios
Mr Ellis	Mr Richardson
Ms Ficarra	Mr Rozzoli
Mr Hartcher	Ms Seaton
Mr Hazzard	Mr Smith
Mr Humpherson	Mrs Stone
Dr Kernohan	Mr Tink
Mr Kinross	Mr Windsor
Mr MacCarthy	*Tellers,*
Mr Merton	Mr Kerr
Mr O'Doherty	Mr J. H. Turner

Question so resolved in the affirmative.

Motion agreed to.

Mr Beckroge: On a point of order. I point out to the House that the Opposition has taken off all pairs. The arrangement was—

Mr SPEAKER: Order! There is no point of order.

THOROUGHBRED RACING BOARD AMENDMENT BILL

Second Reading

Debate resumed from 26 May.

Mr HAZZARD (Wakehurst) [5.32 p.m.]: I lead for the Opposition on the Thoroughbred Racing Board Amendment Bill. This bill arises from approaches to the Government by the New South Wales Thoroughbred Racing Board seeking clarification of its powers and protections to hear certain matters and to vary the appeal process for participants in the thoroughbred racing industry. In July 1997 the board assumed responsibility for the control and regulation of the racing industry. Honourable members will remember that Ian Temby, QC, conducted an inquiry and his report was presented to the Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development.

Certain matters arose which resulted in not all of Mr Temby's recommendations being accepted. If I recall correctly, the Premier intervened and eventually replacement legislation was introduced that created the Thoroughbred Racing Board. Apparently the board was concerned about whether it had power to hear evidence on oath. This bill in its current form does not address that issue. The Opposition made it clear in its discussions with the Government that it considered the Thoroughbred Racing Board should have an optional power to hear evidence on oath. The Hon. Richard Bull in another place indicated to the Government that he proposed to move an amendment that would overcome that anomaly. If the power for the board to hear evidence on oath is not addressed in this House, the Opposition will move in the upper House the following amendment:

Page 3, schedule 1. Insert after line 8:

[2] Section 19A

Insert after section 19:

19A Power to examine witnesses on oath etc

(1) In conducting an inquiry, the Board may examine any witness on oath or affirmation, or by use of a statutory declaration.

(2) However, the Board may only examine a witness on oath or affirmation if the member of the Board who is presiding at the inquiry is a legal practitioner.

(3) If:

(a) the member who is otherwise entitled to preside at the inquiry is not a legal practitioner, and

(b) the Board proposes to examine a witness on oath or affirmation,

that member is to step aside as the presiding member for the purposes of enabling another member who is a legal practitioner to be elected by the Board to preside at the inquiry.

Until a few moments ago, during the shenanigans created by the Government in the last half an hour, I understood that the Government would not move an amendment to correct this problem. However, I have since been handed a sheet of paper that indicates the Government may move an amendment in the following terms:

Page 3, schedule 1[1]. Insert after line 8:

(1B) In conducting an inquiry, the Board may examine any witness on oath or affirmation, or by use of a statutory declaration.

The Opposition is pleased, on behalf of the Thoroughbred Racing Board, that after consultation the Government has determined that it is appropriate to amend the legislation and give the board the necessary powers it sought to take evidence on oath or affirmation. Bearing in mind the other amendments to this legislation, it would have been silly if this provision had not been inserted. The bill provides protection from defamation actions in respect of proceedings before the Thoroughbred Racing Board. I shall address that in more detail shortly. The bill seeks to give protection from defamation to witnesses who appear before it.

It would have been dangerous if the board did not have the opportunity or power to require witnesses to give evidence under oath or on affirmation. One could imagine witnesses with scores to settle appearing before the board to give evidence without understanding the limitations on what should and should not be said. A third party could be defamed during a hearing before the board,

but the witness will be protected under the amendment proposed by the Opposition. The danger is that the board must have power to apply the brake on those witnesses who wish to make assertions about particular matters. That obvious brake will give the board the power to require evidence to be given on affirmation or oath and, of course, other sanctions will flow from that procedure.

If a witness gave evidence on oath or affirmation criminal sanctions would apply in the event of that witness giving deliberately false evidence. The Opposition amendment is logical and sensible. I am pleased that the Government has acknowledged that, though the Opposition considers its amendment considerably better than the Government's, which has been rushed through belatedly. Parliamentary Counsel's first print of the Government's amendment to be moved in Committee, perhaps today, was noted as having been typed at 12.57 p.m. on 4 June. It is literally hot off the presses and I suspect it has not been thought through as well as it may have been. Of course, that is no reflection on the Minister, but perhaps some of his advisers and those generally involved may have been a little tardy in getting to the starting gates on this issue.

The fact that a variety of witnesses will give evidence before the Thoroughbred Racing Board will necessitate the board having protection from defamation actions. I note that schedule 3 to the bill deals with amendments to the Defamation Act. Schedule 3[1] will insert section 17DB into the Defamation Act 1974 in an attempt to clarify that a defence of absolute privilege is available to a claim for defamation involving a publication in the course of proceedings in respect of an inquiry the board conducts; or publication by the board of a report that it makes in respect of such an inquiry. As I indicated earlier, that is an absolute necessity for the board and I think that quite properly the board has sought that amendment from the Government.

Schedule 3[2] amends clause 2 of schedule 2 to the Act to include proceedings at an inquiry conducted by the board in the definition of a protected report. The Act provides a defence to a claim for defamation in relation to the fair publication of such a report. The bill notes that the defence extends to the later publication of a copy of the report, and an extract or summary of the report. The bill also provides for certain limited direct appeal rights from the decisions of the Thoroughbred Racing Board, such that those decisions can be appealed directly to the Racing Appeals Tribunal. Those decisions include disciplinary matters such as disqualification or warning off, revocation or suspension of licence, and imposition of a penalty.

The amending legislation has been requested by the Thoroughbred Racing Board. A perusal of the names of board members indicates that they would have an excellent understanding of the racing industry and of the review procedures necessary to ensure the longevity and good health of the racing industry. I note for the record that the Chairman of the Thoroughbred Racing Board is Bob Charley, the Vice-Chairman is Ralph Lucas and the other members of the board are John Rouse, Bill Rutledge—a solicitor—Jack Ingham, Mick Doyle, Tom Kennedy, John Cook from Orange, Don Hopkins from Taree and Murray Doyle, a provincial representative from Wyong.

I raise this issue with the Minister and he may have an answer to it. I believe that questions were raised about the capacity of the board to administer an affirmation or oath to a witness in the event that no fully qualified legal practitioner was available to administer the oath or affirmation. It may be that it would be necessary to have a qualified legal practitioner—indeed, it may even be a qualified legal practitioner holding a full practising certificate, and not a limited practising certificate. No doubt the Minister and his advisers have considered that aspect and will advise the House about it. The difference between the amendment foreshadowed by the Opposition and the Government's amendment is that the Opposition's amendment has been thought out over a considerable period, whereas the Government's amendment has been rushed before the House today.

It would not hurt if the Government were to consider the amendment that I read onto the record. Part of the amendment is similar to the Government's amendment. I ask the Minister to address that issue in his reply and state why that is not necessary or appropriate. The Minister has recourse to the resources of his department and the Crown Solicitor, whereas the Deputy Leader of the Opposition in another place and I have limited staff, and have reached that conclusion without the benefit of the assistance of the staff that the Minister has at his disposal. I look forward to hearing the Minister's comments in that regard.

This legislation will be good for the thoroughbred racing industry. It is necessary and the Opposition will not oppose it. However, the Opposition will move the amendment I have read on to the record at the Committee stage in the upper House, unless in the interim the Opposition is convinced that the amendment the Government proposes to move today is sufficient. To assist in getting this legislation through and giving the Thoroughbred Racing Board the necessary powers, the Opposition will not oppose the amendment that will be moved by the Minister, if that is the course

he chooses to pursue today. However, I ask him to seriously respond to the issues I have raised in regard to the differences between the two amendments.

Mr FACE (Charlestown—Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development) [5.45 p.m.], in reply: I thank the honourable member for Wakehurst for his contribution to the debate. As indicated in my second reading speech, the New South Wales Thoroughbred Racing Board has been an outstanding success. Even its harshest critics would agree that it has come a long way in a very short time. This bill can only assist the board in its controlling and regulatory functions. I should mention that I have recently been informed by the board that the final few controlling functions remaining with the Australian Jockey Club, such as industry insurance and registration of horses, will be transferred to the board on 1 July.

I will shortly issue an order in the *Government Gazette* to give effect to that transfer—yet another part of the overall transference of those responsibilities to the Thoroughbred Racing Board. I should clarify one matter that has received coverage in the press recently, the accusation that the Government did not transfer sufficient powers from the AJC committee to the Thoroughbred Racing Board to enable that body to properly undertake its functions. I stress that the existing powers conferred on the TRB by the Thoroughbred Racing Board Act 1996, to inquire into matters, are no different—I emphasise, no different—to those applying to the former controlling authority for the thoroughbred racing industry, the Australian Jockey Club committee.

Protections afforded to the AJC committee under the Australian Jockey Club Act 1873 and the Defamation Act 1974 applied only when it heard industry appeals, and similar protections are provided to the appeal panels established under the Thoroughbred Racing Board Act. Similarly, when hearing appeals the AJC had the powers of a royal commission to administer the oath and compel witnesses to appear and give evidence. These powers have also been transferred to the appeal panels constituted under the Thoroughbred Racing Board Act. I think that is probably where the misunderstanding has occurred. I have noted the comments by the honourable member for Wakehurst relating to the provision of the power to enable the Thoroughbred Racing Board to examine on oath witnesses at inquiries, and I inform the House that the Government has already determined to move an amendment to the bill at the Committee stage to give this power to the board.

I will give an assurance to the upper House that the Government will fully explain to members of the Opposition and the crossbenchers the reasons for having come to this conclusion. My officers have investigated whether the amendment foreshadowed by the Opposition would overcome the problem or cause even more problems. I have reached the conclusion, on the advice provided to me, that the Opposition's amendment would cause additional difficulties. It is not correct to suggest that the Government was not going to move its amendment. The Government was consulting with the industry. I have taken on board what the Opposition has had to say. At the request of the Thoroughbred Racing Board I will move an amendment to the bill today.

I do not wish to be critical but this shows the Opposition's lack of understanding of the original legislation, which did not have an easy passage to this place. The Australian Jockey Club was apprehensive, and in some instances was opposed to the establishment of the Thoroughbred Racing Board. However, that was achievable at the time. The fact that the original legislation has been back before the Parliament twice, as I predicted it would be, confirms the necessity for change. I said in my original second reading speech that before the five-year period had expired the legislation would need to be further addressed. It is to the great credit of the Thoroughbred Racing Board that it has identified difficulties early in the piece. This amendment overcomes a longstanding difficulty of the AJC. The original legislation did not specify that a legal practitioner had to be a member of the board, and the Opposition should know that.

The Government's amendment has been well thought through and is not restrictive. Bill Rutledge is a legal practitioner of some standing and if he ceased to be a board member, the board would no longer have a legal representative and the Opposition's proposed amendment would seriously impede its operations. The Government will consult with Opposition members and crossbenchers in the upper House. Perhaps then the Opposition will realise that the Government does not wish to hamstring the board. The bill satisfies the board's present requirement, which is in stark contradiction to the Opposition's foreshadowed amendment. I commend the bill to the House.

Motion agreed to.

Bill read a second time.

In Committee

Schedule 1

Mr FACE (Charlestown—Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development) [5.53 p.m.]: I move:

Page 3, schedule 1[1]. Insert after line 8:

(1B) In conducting an inquiry, the Board may examine any witness on oath or affirmation, or by use of a statutory declaration.

I foreshadowed the amendment during my second reading speech. The Government has taken on board representations from the Thoroughbred Racing Board. The amendment meets the board's wishes in that it empowers board members to examine witnesses on oath or affirmation at inquiries. The Government is now satisfied that the board should be given that power so that it can properly administer the thoroughbred racing industry. Consideration was given to restricting the power to occasions when the board was presided over by a legal practitioner. However, as the board is constituted of representatives from the various race clubs and industry bodies, occasions may arise when no legally qualified person is serving on the board. Accordingly, the Government is satisfied that there should be no restriction on the board's power to administer the oath.

Mr HAZZARD (Wakehurst) [5.54 p.m.]: I have outlined the Opposition's position regarding the amendment, and during debate on the second reading speech I suggested that the Opposition's foreshadowed amendment would be more appropriate. I am not trying to be unduly difficult, but I ask the Minister to clarify whether there is legislation, quite apart from this bill, that enables members of the board to actually administer the oath or affirmation by virtue of that legislation as opposed to the normal requirement that a legal practitioner administer the oath or affirmation. It is a fairly simple question, but I am having some difficulty coming to grips with how a board member can administer the oath. Where is the power for a board member to administer the oath or affirmation and does it apply to all board members? What is the structure that will determine which board member has the power, if any?

Mr Whelan: You are just wasting time.

Mr HAZZARD: You have wasted time all afternoon. This is a relevant issue and if it is not clarified, it will remain a matter for the upper House.

Mr FACE (Charlestown—Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development) [5.56 p.m.]: I undertake to have the matter clarified because there is some misunderstanding, but I will go through it as quickly as I can. In 1996 the Thoroughbred Racing Board Bill came into being and it prescribed certain people from race clubs to be members of the board. Contrary to the myth, the AJC in its old form did not have the power that the Government is now providing. However, because of the way the 1996 legislation is framed, from memory the members of the board are four people from the Australian Jockey Club, two from the Sydney Turf Club, one from the Racing Industry Participants Advisory Council—RIPAC—and two country delegates, and I divided the State equally. Board members did not have to come from any specified background. However, the Opposition is seeking to hamstring the board because at present only one member of the board is a legal practitioner. I do not think the industry would be happy for the Government to intervene and direct the AJC or the STC to have members from a specific background. The Thoroughbred Racing Board agrees with the Government's amendment, whereas the Opposition's foreshadowed amendment will interfere with the board investigating and carrying out its proper functions.

Mr HAZZARD (Wakehurst) [5.58 p.m.]: If the position is as the Minister has stated, an argument could be put that it would hamstring the board in terms of who could administer the oath. However, that measure needs to be examined and the Minister has given an undertaking to clarify the issues with members of the upper House before the matter proceeds. I accept that undertaking. Therefore, for the moment the Opposition will not oppose the amendment because of that undertaking. Hopefully, the matter will be sorted out before the bill is received in the upper House.

Mr FACE (Charlestown—Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development) [5.59 p.m.]: I give the assurance, as I have indicated twice already, that there will be consultation with the Opposition and crossbench members of the upper House in an endeavour to reach a satisfactory resolution of the matter.

Mr HAZZARD (Wakehurst) [5.59 p.m.]: On that basis, the Opposition will not oppose the amendment.

Amendment agreed to.

Schedule as amended agreed to.

Bill reported from Committee with an amendment and passed through remaining stages.

ENERGY SERVICES CORPORATIONS AMENDMENT (TRANSGRID CORPORATISATION) BILL

Second Reading

Debate resumed from 26 May.

Mr PHILLIPS (Miranda—Deputy Leader of the Opposition) [6.01 p.m.]: The Opposition does not oppose the bill. The measures in the bill are a necessary part of the electricity reform in this State and a forerunner to the commencement of the national electricity market. The main reason TransGrid was not corporatised in 1996 with other parts of the industry was that it undertook many regulatory functions as well as operational functions, and it was considered inappropriate to corporatise it at that time.

Upon commencement of the national electricity market these regulatory responsibilities will be eliminated. TransGrid will have to operate in a commercial manner and compete in the same way as the two existing classes of energy service corporations. It is noted that the corporatised TransGrid will be subject to the same reporting and accountability requirements as any other energy services corporation. The Opposition supports this structure. Though the Opposition does not oppose the bill as part of the reform process, much has happened since the corporatisation legislation of 1996.

No issue has such a significant impact on the future finances of this State as the future of the electricity industry. No issue has such a significant impact on the cost of doing business in this State as the future of the energy industry. No issue has such a significant impact on the future of the Hunter Valley, Lithgow, the central coast and other areas as the future of the energy industry in New South Wales. The coalition is committed to the sale of the industry because it is becoming more obvious every day that the cost of retaining it would be unbearable for New South Wales taxpayers.

As the momentum gathers, Macquarie Generation has announced that it will mothball half the generation capacity of Liddell Power Station in the Hunter. That will cost the local community 80 jobs. Macquarie Generation has taken a commercial decision to reduce its production capacity rather than run at full capacity. When the pool price of electricity falls below its production cost it will buy electricity from the pool to fulfil its contractual requirements, and it will buy it from the Victorian market. Clearly, the Victorian market is moving electricity into New South Wales because of its ability to produce cheaper coal.

There has been a disastrous downturn in the profitability of the New South Wales generation industry. The budget papers revealed that dividends and tax equivalents to the Government are expected to decline by 83 per cent and 71 per cent respectively. The Auditor-General commented that the Premier has allowed the political interests of the Australian Labor Party to prevent him from fulfilling his obligations to taxpayers and to the electricity industry. These issues make it obvious that the electricity industry needs to be privatised. The Auditor-General's report shows that New South Wales has become a net importer of electricity from Victoria. The first-page article in the *Australian Financial Review* of 2 June entitled "Victoria's spanner in the works" states:

> Victorian Regulator-General John Tamblyn has given the infrastructure finance industry a nasty shock, and delivered a kick in the guts to the privatisation plans of Bob Carr and John Olsen, with a deceptively innocuous ruling on utility company profits.

The article also states:

> To remedy this Tamblyn has suggested a 35 per cent reduction in the level of profits earned by utility companies, judged by the rate of return such companies earn on their main infrastructure assets: poles, wires and pipelines.

This change has a significant impact on the value of assets, not only in Victoria and South Australia but also in New South Wales. The article by Chanticleer in the *Australian Financial Review* continues:

> NSW Premier Bob Carr is the biggest loser. His electricity assets are now worth $5 billion less.

That is because the Regulator-General and the ACCC determined that the future rate of return would not be 10.1 per cent but would be about 7 per cent. That is their preliminary announcement. There is no doubt that that will flow right through the gas and electricity industry in the rate of return on the wires and the pipelines. Because of the delay, there is a huge risk of losing up to $5 billion over and above losses that have already occurred in the electricity industry. Unless the whole New South Wales power industry is sold as a viable operation, the interests of individuals, the wider population and successive governments of New South Wales will be affected today and for generations to come. Deliberate procrastination on electricity reform will cost New South Wales taxpayers more than $6 billion in lost value, and all the jobs that go with it.

Anyone in the electricity industry or in the Government who says that keeping the electricity industry in public hands is protecting jobs is deluding himself or lying to the workers he should

be protecting. It is not in the interests of the people of New South Wales or of workers to allow the electricity industry of New South Wales to rot away in a competitive market. In the face of this harsh reality, what is the Government's position? We know what the Premier and the Treasurer want to do. But we are faced with the spectacle of sensible economic and social policy being held hostage by the faceless, unelected men of Sussex Street. The Auditor-General made his position clear on the Australian Broadcasting Corporation program *Stateline*, when he said:

> They're appointed as holders of positions of trust to maximise the benefit for the State and they would have to be very careful having decided that this is in the best interest of the State to sell the electricity industry, they would have to be very careful about denying that, should their colleagues in the Labor movement oppose it.

New South Wales has a Premier and a Treasurer, the former Minister for Energy, who misled their constituency into believing that their Government would be a bulwark against privatisation. Either they lied or they were incompetent in their analysis of the direction of the electricity and energy industry. The Premier, the Treasurer and Cabinet have changed direction. They now believe that the electricity industry should be totally privatised. The Hogg report commissioned by the Government reinforces the view that the industry should be totally privatised. Because the Premier and the Treasurer cannot get the vote of the Labor movement they are not delivering something that they believe to be in the best interests of the people of New South Wales. The Premier, the Treasurer and the Government were elected by the people of New South Wales. They have a responsibility first to the people and then to the Labor Council and the Labor movement. They are not fulfilling their responsibility. They know the difficult position they are in.

The final folly of all this is that the Premier and the Treasurer have completely changed direction again. First they said that there should be no privatisation at all, then they decided that there should be total privatisation, and now they have decided that if they cannot achieve total privatisation they will try for any bit of the dirty deal they can, for no reason other than political survival. The decision of the Premier and the Treasurer will cost New South Wales taxpayers more than $6 billion, because of the delay in partial privatisation. Such a sum would mean a lot of hospitals, schools, debts that could be paid off and taxpayers' money, and that cost will be incurred for no reason other than the lack of political leadership, courage and responsibility of the Premier of this State.

This bill takes another step in the privatisation of the electricity industry. It includes a provision that shares can be transferred and sold only between Ministers. Shares cannot be sold on the market unless the Parliament enacts further legislation. That provision is consistent with corporatisation that has occurred in other parts of the energy industry. It is the Parliament that will make the decision. With that clear difference on privatisation between the Government and the coalition, the Opposition does not oppose this bill as a necessary step towards the ultimate privatisation of the industry under a coalition government.

Mr DEBUS (Blue Mountains—Minister for Energy, Minister for Tourism, Minister for Corrective Services, Minister for Emergency Services, and Minister Assisting the Premier on the Arts) [6.14 p.m.], in reply: I shall not delay the House in my reply. Given all the circumstances, it is not necessary for me to say any more about the bill itself. It is appropriate, however, that I make some response to the observations made by the Deputy Leader of the Opposition on more general questions of electricity reform. The past three years have been a time of unprecedented change in the New South Wales electricity industry. The Government's reform agenda has been pursued with vigour, and the results have been profound and far-reaching. It is important to stress that the Auditor-General's recent report contains nothing that is new or unexpected. In line with responsible fiscal management of the industry, the Government has been closely monitoring the impact of competition and the development of the national electricity market.

The financial trends identified in the Auditor-General's report are the direct consequence of the decision to introduce competition and pass on the benefits to household consumers and business customers. They are the consequence of the decision to end monopoly pricing. The electricity reforms have transformed a monopoly industry into a competitive industry. Indeed, there are now 26 companies licensed to sell electricity in New South Wales. In generation, the market is currently exhibiting transitional behaviour, as the generators engage in fierce competition for market share. I point out that it is not only New South Wales generators that are involved, but also the generators in Victoria. That is what happens under a national market. The result has been enormous reductions in the pool price. Lower prices are welcome, of course. Competitiveness is enhanced, and job-generating investment can be attracted.

At present there is significant overcapacity in the generating sector. The proposed interconnectors

with South Australia and Queensland will help to absorb some of that capacity, as will natural demand growth. The extraordinarily low prices currently available to large customers are likely to increase somewhat as the supply-demand balance tightens and market participants decide to pursue different strategies. This is to be expected as a competitive market—a brand-new thing in Australia—shakes out and matures. Prices need to settle at a commercially sustainable level. That is likely to be at about the cost of supply from new generation projects—a price that is higher than today's low levels but still well below the prices that prevailed under the old monopoly system.

The Deputy Leader of the Opposition appears to represent the proposed closure of several generators at Liddell as some sort of a defeat for the system. The contrary is true in the context of substantial overcapacity, or possibly 40 per cent overcapacity in the system. The decision with respect to the temporary withdrawal of generating capacity from Liddell has been made by the Macquarie Generation board and management. That is a commercial decision made in response to developing market conditions. The withdrawal of capacity will reduce Macquarie's operating costs; fuel will no longer be burnt just to keep units spinning. That will also preserve the operational life of Macquarie's capital until such time as market conditions change.

It is extremely important to note that the decision will not affect the reliability of electricity supplies in New South Wales, as a substantial back-up capacity already exists. The long-term viability of Macquarie Generation depends on its ability to compete effectively in the national electricity market. The decision acknowledges the reality of existing market conditions and strengthens the business for future opportunities as growth in the market emerges. Electricity generators are substantial assets with long operating lives. Their value is determined by the value of their product over the course of their lives, which may be 40 or 50 years. Their value is not determined by the price fluctuations in the early days of a fledgling national market—there are a fair few financial commentators who appear not to appreciate that simple, demonstrable fact. As electricity supply and demand return to balance, the price paid for electricity on the spot market will also increase. It is the price received for electricity over the long run that determines the value of generators.

It must be stressed, however, that prices for ordinary householders will not be affected by this upward readjustment. To the contrary, domestic consumers will continue to pay lower prices as the competitive market strengthens. Already households in New South Wales pay $100 a year less than consumers in Victoria pay. That is not the Government's figure; it is the figure supplied by the Independent Pricing and Regulatory Tribunal. These benefits for householders are the direct result of the competition introduced through the Government's policies and, together with similar benefits for business, almost entirely explain the trends identified by the Auditor-General.

It has been suggested that because Victoria is exporting electricity to New South Wales this somehow represents a failure in our system and means that the reforms we have undertaken are not successful. That is contrary to the truth; it is a silly claim. The increase in sales—I believe it is around 10 per cent at present—of Victorian electricity into our market proves that competition and the gradually emerging national market are working as they should. During question time today the Premier made sufficiently devastating reference to the Opposition's position concerning a policy towards privatisation. It is sufficient to repeat now the remarks made by the honourable member for Maitland, who has decided to put his political career on the line rather than accept what the Deputy Leader of the Opposition has just said.

The Deputy Leader of the Opposition said that the honourable member for Maitland informed the newspaper, "There hasn't been a damned single thing discussed about this in the party room and, mate, I'm vehemently opposed to it." Of course, the honourable member for Maitland is not alone in his concerns. Honourable members representing the electorates of Upper Hunter and Gosford are in total agreement with him. The honourable member for Murray has also expressed his opposition to the position taken by the Deputy Leader of the Opposition, as have the Hon. M. R. Kersten and the Hon. D. J. Gay. It is absurd to suggest that members of the Opposition are in agreement about the future of the electricity industry.

Again I point out that New South Wales householders are benefiting enormously from the Government's electricity reforms. Today we are taking another step in that direction. New South Wales households enjoy the cheapest power in Australia. Over the past five years in real terms average electricity prices have fallen by 13 per cent and electricity bills for residential customers have fallen by $155 million. As a result of this Government's policies New South Wales leads Australia in many aspects of electricity reform and supplies its citizens with the cheapest power and the best consumer protection. The corporatisation of

TransGrid will further strengthen that effort at reform. I commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

PRIVATE MEMBERS' STATEMENTS

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MORISSET HEALTH AND COMMUNITY CENTRE

Mr HUNTER (Lake Macquarie) [6.25 p.m.]: I wish to speak in support of a community proposal to establish a multipurpose health and community centre at Morisset in the Lake Macquarie electorate. For some time residents in the Morisset area have been pushing for improved health and community services. As the State member I have been working with local community groups in an effort to achieve a multipurpose facility for the growing Morisset area. Discussions on building a new centre at Morisset have been going on for a number of years. In fact, I organised two meetings at the Lake Macquarie City Council chambers.

People who attended one or both of those meetings included the mayor of the city of Lake Macquarie, Councillor John Kilpatrick; the then Hunter Area Health Service chief executive officer, Dr Tim Smyth; other area health service representatives; officers of the New South Wales Ambulance Service; and many Lake Macquarie City Council officers. It was generally agreed at those meetings that a centre was needed for the southern portion of Lake Macquarie. The Hunter Area Health Service indicated that it wanted to improve the delivery of its community health services to the area. The Ambulance Service indicated that it wished to build a new ambulance station. The council indicated that it wanted to improve its community services in the area.

In my 1998 Lake Macquarie report I informed constituents of the push to gain a health centre for Morisset. I stated that I would continue to work with the area health service and local groups, such as carers, local doctors, senior citizens and the neighbourhood centre, who had all indicated a wish for a health centre to be located in the Morisset township. Those groups stated that Morisset would be a central location for the health centre as it would serve the surrounding towns of Dora Creek, Cooranbong, Wyee, Morisset and the Morisset peninsula area. Unfortunately, Lake Macquarie City Council is opposed to the centre being located in Morisset, as it wants to build its own centre on the Morisset peninsula. The President of Southlakes Carers Inc, Elaine Cox, in a letter dated 20 June 1997, stated:

> We are writing to you to express our concern at the proposed building plan for the new Multi Purpose Centre to be situated at Bonnells Bay.
>
> As an established service here in Morisset we wish to remain in this area.
>
> Both our Volunteers and Clients are drawn from Wyee, Morisset, The Peninsula, Cooranbong, Dora Creek and Eraring. Morisset is very much the central point—both for trains and buses as well as for those who drive cars.

Ms Cox stated that the organisation's volunteers and clients came from those areas. She highlighted the percentages of clients in the different towns surrounding Morisset. Ms Cox concluded the letter by saying:

> We would be very loathe to make the change.

In a letter addressed to Lake Macquarie City Council the Federal member for Charlton, Bob Brown, pointed out that the community of Morisset wanted the community centre to be built in the township of Morisset as it is the centre of the Southlakes region. He suggested that council reassess the position. Bob Brown told me that he hoped council would support the establishment of a centre in Morisset. A number of articles have appeared in the local press, including an article under the headline "Young mums slam polycentre at Bonnells Bay proposal", which appeared in the *Lakes Mail* of 23 December 1997. The article stated that a number of young mothers who live away from the peninsula have said that as there is no adequate public transport it would be hard to access a centre at Bonnells Bay if one did not have a car. In support of one of those mothers I wrote to Lake Macquarie City Council to point out that the community overwhelmingly supported the establishment of a centre in Morisset.

However, I believed that a compromise may be reached which could result in the establishment of two centres in the Morisset area, one to serve the rapidly growing peninsula area and the other to serve the remainder of the Southlakes area. The mayor of the council replied that council had undertaken surveys in the local area and the community had indicated its support for a centre to be established on the peninsula and that the council had decided to stand by its resolution of 15 September 1997 reaffirming the Bonnells Bay site. Not long after receiving the letter from the Lake Macquarie City Council I received a letter from Hester Booth, secretary of the Bonnells Bay

Progress Association. She outlined the association's opposition to a centre being located in that area. Ms Booth stated that the association's members felt that as Morisset was a centrally located town in the Southlakes area the centre should be established there. I call on Lake Macquarie City Council to meet with the area health service and me to further discuss this proposal.

WOMBEYAN CAVES ROAD

Ms SEATON (Southern Highlands) [6.30 p.m.]: I speak tonight about Wombeyan Caves Road and the desperate need to upgrade and seal a good stretch of that road. Anyone who has driven down the Hume Highway from Sydney towards Goulburn will have noticed at the Mittagong turnoff a big sign advertising Wombeyan Caves, one of the State's most wonderful tourist attractions. Credit is due to Mick Chalker, his wife and staff for their hard work to build it into such a great attraction. The caves have won awards and are absolutely spectacular.

There are two ways to get to Wombeyan Caves. One is to go via Goulburn, up to Teralba and then to the caves by a shorter stretch of road. From that direction a great proportion of the length of the road is sealed. Mulwaree Shire Council is to be congratulated on its recent allocation to further upgrade the road. I am sure the honourable member for Burrinjuck, who is present in the House, will be keen to have improvements made to that road. Wombeyan Caves misses out on potential visitors who do not have time to travel the longer road.

Wombeyan Caves Road from the Mittagong and Berrima end is in a disgraceful state. The road is sealed for only a short distance, most of it is unsealed and in poor condition, and in many ways downright dangerous. Tourists use the road, but many businesses, homes, horse studs and agricultural enterprises are dotted along its length. Mr and Mrs Kracht from Meadow Glen on the Wombeyan Caves Road wrote a letter outlining some of the problems that have been encountered. The letter states:

> We have been residents and landholders in this area served by the Wombeyan Caves Road for over 25 years, over the last few years the caves road has deteriorated gradually due to reduced maintenance and increasing traffic.
>
> By and large we have had to accept this, I must add that when extremely dangerous situations arise, the Wingecarribee council has done its best to assist with temporary repairs within the constraints of their budget.
>
> However the circumstances have changed now with a large increase of heavy truck traffic on a 7 day basis, we fear that there will be a large increase in minor accidents and possibly more fatalities as the present road maintenance is totally inadequate.

It is disappointing to see in this year's roads budget the very real cuts that have been made to road funding by the Carr Government. First of all the budget fails to keep pace with inflation, at a forecast level of 2.25 per cent in 1998-99. As the member for upper Hunter pointed out, there should have been an increase of $46 million to keep pace with inflation. He also pointed out that the roads capital works program, including minor works, has been cut by $80.3 million. That will impact negatively on funds available to be shared by all the councils of New South Wales for regional road works.

Wingecarribee council has to deal with more than 300 kilometres of unsealed roads. The council said to me that unless further grant funds are forthcoming, there is little likelihood of any substantial upgrading of the balance of the Wombeyan Caves Road in the foreseeable future. It is a very difficult situation and I know that many rural roads, particularly in my electorate, need attention. Wombeyan Caves Road particularly needs attention because of the difficult terrain it passes through. The Minister for Energy, as a former Minister for Emergency Services, is aware of the very important work done by our emergency services personnel, and that to do their work they have to gain access to remote places.

The Wombeyan Caves Road is a strategic link to areas that are often vulnerable to fire and other problems in my part of the world. I have been a regular visitor to Wombeyan Caves. They are a spectacular sight and I would recommend a visit to everybody. I say to anyone that ventures on the road, as one would to anyone who drives anywhere in the country, drive slowly and steadily. Wombeyan Caves Road is not to be trifled with.

Recently I had similar comments from members of the Volunteer Rescue Association of New South Wales who held their annual conference at Wombeyan Caves. Those people are used to fairly rough terrain but even they commented on the challenge they had in getting to Wombeyan Caves that day. On behalf of all residents who live along the road, the workers at Wombeyan Caves, the businesses that rely on safe and available access, and the tourists and families who have to think twice about making the trip because of the condition of the road, I urge the Government to get behind and help the council upgrade Wombeyan Caves Road and other regional roads.

COAL MINES INSURANCE PTY LTD

Ms HALL (Swansea) [6.34 p.m.]: I wish to bring to the attention of the House tonight the

ongoing problem a constituent in the Swansea electorate has with Coal Mines Insurance Pty Ltd. This man's life is fraught with problems. He has dealt with back injury trauma and with being unjustly treated by an insurance company. My constituent injured his back at work on 10 April 1990 when a shuttle car he was driving dropped. He unsuccessfully attempted to return to work on selective duties a number of times, a normal practice in the coal mining industry.

On 31 July 1991 his doctor wrote a certificate for him stating that he believed my constituent's claim was genuine, and that he had sustained a serious injury to his back at work and was unable to continue to work as a coal miner. Coal Mine Insurance refused the workers compensation claim of the man who had clinical evidence to support his claim and whose doctor stated he was genuine. Between September 1990 and August 1992 he was forced to live on sickness benefits until Coal Mine Insurance was forced to reimburse those benefits and pay him workers compensation.

Prior to my constituent having his workers compensation reinstated on 7 January 1992 he had a spinal fusion from S1 to L4. Even after the operation Coal Mine Insurance would not pay him workers compensation. The actions of Coal Mine Insurance would be forgivable if it had accepted the decision of the court once the court had ruled that his workers compensation be reinstated and that Coal Mine Insurance was liable. But, unfortunately, his problems did not end there. As honourable members would know people with back injuries, even after an operation, have ongoing problems. There is no quick fix; it is not like having the appendix out and then one is better.

My constituent was a highly motivated person. In December 1992 he was still having problems but at the same time he tried hard to get on with his life. He had pain in his right thigh and right testicle and he needed constant physiotherapy exercise, walking and swimming. Part of his treatment was a gym program. My constituent undertook retraining through a rehabilitation service. He completed an engineering drafting course. In February 1994 he progressed well although he still had flare-ups from time to time.

Letters from doctors show that he was a highly motivated man who was very keen to get on with his life. He had difficulty completing the engineering drafting course because of the requirement of sitting for long periods of time, but he got around that through the exercise he was doing. In September 1996 he still received letters saying that he needed to go to a gym. In July 1996 he secured a job as an engineering draftsman in the valley and each day he travels quite a way. My constituent made the transition from being a miner to a draftsman. But still Coal Mine Insurance will not reimburse him for his gym fees despite an order of the court.

In August 1997 he attended court to regain his medical expenses but Coal Mine Insurance refused to pay despite the court ruling in his favour. He received part of the money in April this year. His solicitors advised him to see his local member because they are having a lot of trouble with Coal Mine Insurance. When a highly motivated person puts a 100 per cent effort into getting back into the work force the least he could have is support from the insurance company. Rather than thwarting his attempts to return to work, the insurance company should have cut its losses and helped this man. [*Time expired*.]

GLOUCESTER JUVENILE DETENTION CENTRE

Mr J. H. TURNER (Myall Lakes) [6.39 p.m.]: Gloucester Shire Council has applied, through the Minister for Community Services, for the placement of a juvenile detention centre in the Gloucester area. Honourable members may be aware that some months ago there was some controversy about the proposal to place a juvenile detention centre at Thornton in the electorate of Maitland. The proposal generated a great deal of opposition at a meeting attended by 600 people. I did not enter the debate because it concerned the electorate of the honourable member for Maitland, but privately I thought that Thornton was a most inappropriate spot to place a juvenile detention centre. The honourable member for Maitland represented his constituency so admirably that the Minister decided not to place a juvenile detention centre at Thornton.

A rural environment would be ideal for a centre. Young offenders could work on the farms and help the rural community instead of spending time in a suburban environment. This initiative will offset the Carr Government's disastrous forest policies that have decimated the forest industry in the Gloucester area. At the end of March the Boral mill was closed and 30-odd employees lost their jobs. There has since been further downgrading in the forest industry. Gloucester Shire Council sought to have the juvenile detention centre moved to Gloucester and tentatively relocated on the Boral site, although that is a matter for the council. I would strongly support that move. I understand that preliminary discussions between the council and the Minister's department reveal that relocating the centre to Gloucester is not an option.

Gloucester would not be able to compete. A place like Gloucester is ideally suited for a juvenile detention centre. It offers young people the opportunity to work in a clean, rural environment and become part of the community. Detention centres and corrective services institutions—I appreciate they are two separate portfolios—generate enormous amounts of money and jobs in the areas in which they are located. A centre at Gloucester would be a demonstration of the Carr Government's supposed commitment to rural New South Wales. I understand the Government wants to place the centre in a residential or suburban area so that people can visit easily. Gloucester is reasonably easy to access. It is an ideal location and it should be considered mainly to offset direct employment losses and to stimulate the local economy.

A juvenile detention centre would require food, clothing and other infrastructure. When I lived in Cessnock a gaol was built in the area. Some people were opposed to it, but after they realised the number of jobs it generated and the infrastructure it required, the gaol was integrated into the community. Gloucester deserves to be considered for the juvenile detention centre. It has put up its hand. It is prepared to be counted. Other areas do not want it, and that is their prerogative. But to wipe the option of Gloucester off the board before it has been properly assessed by the department and those involved is short-sighted. All honourable members would agree that if young people have to spend time in a correctional facility it is best done in a rural environment rather than in a suburban or city environment.

SUPERMARKET PHARMACEUTICAL SALES

Mr THOMPSON (Rockdale) [6.44 p.m.]: A few weeks ago I had a discussion with a local pharmacist, Mr Ken Alderson, whose family has operated a pharmacy in Rockdale for many years. He wanted to discuss the concerns he and other local pharmacists have about a campaign by supermarkets to allow supermarkets to sell schedule 2 and schedule 3 pharmaceuticals. Currently the following drugs and pharmaceuticals can be obtained only through pharmacies: schedule 8, drugs of addiction; schedule 4, prescription drugs; schedule 3, pharmaceuticals that must be supplied by the pharmacist in the pharmacy; and schedule 2, pharmaceuticals that can only be supplied through pharmacies. Other pharmaceutical products can be sold without restriction, and are sold in pharmacies as well as other outlets such as supermarkets.

It seems that supermarket chains are in the midst of an aggressive campaign to change the provisions of the Poisons Act to allow supermarkets to sell schedule 2 and schedule 3 pharmaceuticals. The catalyst for the campaign is the Federal-State competition policy, otherwise known as the Hilmer reforms. Although these reforms are most welcome and appropriate in many areas and have been effective in stimulating competition and efficiencies, it would not be appropriate or in the public interest to allow supermarkets to sell schedule 2 and schedule 3 pharmaceuticals. Pharmacists generally have earned the widespread respect and confidence of the community over many years because of their involvement in the community and the personal touch they bring to their profession.

I know that over the years many people have first sought the advice of their local chemist about a medical problem before going to the expense and inconvenience of consulting a doctor. Invariably they have been given the right advice. There is no doubt that pharmacists provide a valuable service to the Australian community, a service that is often above and beyond what would normally be expected. Even though various governments in Australia are committed to the Hilmer reforms, the general public supports the role of pharmacists in dispensing schedule 2 and schedule 3 pharmaceuticals, and would not be happy if supermarkets were to move into this sensitive area. Pharmacists have a personal stake in their pharmacies. They also have a personal interest in their customers.

I know of the extra effort many pharmacists put into their businesses, and their involvement in courses, lectures and continuing education programs to ensure that they keep up to date with the ever-developing and changing world of drugs and medication. Some pharmacists have made extensive modifications to their premises to make consultations with their customers easier, friendlier and, where necessary, more private. People respond to their efforts and appreciate them. There is a strong sense of loyalty and a mutually trusting relationship between many pharmacists and their customers. There is also another side of the debate that should be taken into account. Pharmaceuticals are not merely ordinary items of commerce; they are not like groceries, or fruit and vegetables to be self-selected and price-promoted.

It is not practical to expect a checkout operator or a store manager to advise a customer about the use and effects of pharmaceuticals sold in supermarkets. Misuse of medications can be harmful and dangerous, and the community is surely entitled to buy them in a regulated atmosphere where a highly qualified and fully accountable health professional can provide advice and service, even to

the extent of querying, or perhaps, denying the purchase. Pharmacists are university trained, professionally qualified and accountable for every piece of advice and service they provide in their pharmacies. They are custodians of dangerous drugs. The strict rules of registration and accountability afford the community protection against abuse. A publication by the Pharmacy Guild of Australia entitled "Facts About Community Pharmacy in Australia" states:

> The future of pharmacy lies in providing high quality advice and service, not simply the dispensing of medication. The Pharmacy Guild has as its priority the establishment of a best practice set of standards/benchmarks for the handling of all pharmaceutical products, both prescription and non-prescription, throughout all community pharmacies in Australia.

That surely is the proper atmosphere in which to regulate and distribute pharmaceuticals to consumers. Pharmacies have a level of care and accountability that could not be achieved and maintained in a supermarket. I thank Mr Alderson and other local chemists in my electorate for bringing this important matter to my attention.

BURRINJUCK ELECTORATE HEALTH SERVICES

Mr SCHULTZ (Burrinjuck) [6.49 p.m.]: The much-needed Gunning District Community and Health Service Inc., which serves an isolated community, is in dire straits. The Minister for Local Government understands that, because recently he drove through the Burrinjuck electorate, stopped at a number of isolated communities and talked to people about their concerns relating to education. The matter I raise tonight concerns health services. I received a letter from Mr Brian Johnson, President of the Gunning District Community and Health Service Inc., dated 22 July 1997. The letter stated:

> Dear Mr Schultz,
>
> You will be aware that the Gunning District Community & Health Service Inc has provided health and support services to the residents of the Gunning Shire for more than 15 years.
>
> Supported by Home & Community Care (HACC) funding since 1989 and small grants from Southern Health Services and our local Shire Council, the service has developed and grown over the years to become dynamic and responsive, offering community nursing, a meals service, support and respite and an activity-day program to the Shire's frail elderly, younger disabled and their carers.
>
> The Service has strong links to Southern Health, but is managed by a community-based management committee, the members of which are representatives of the various sectors of the Shire.
>
> The Management Committee is concerned that our community's expectations of the Service are now so great that there is increasing strain on both the Service's limited resources and its staff.
>
> With an annual budget of $76,500 and 2.5 equivalent full-time staff, most of whom are Registered Nurses, the Service supports 60 clients per month while travelling approximately 1400km per month. Many of our clients have complex needs, are elderly and live in rural areas with limited support from family and neighbours. Because we do not enjoy the luxury of either a hospital or a full-time doctor, all the Service's staff carry the community's high expectations while assuming a level of responsibility that is greater than would normally be expected from an employed community nurse in a larger regional centre.
>
> The Management Committee sees an urgent need for an increase to funding so that the Service can be more realistically staffed and managed. We have been told that there seems little chances of our HACC funding being increased until at least 1999 but while the Southern Health service does not see Gunning as having priority for additional grants, it acknowledges that it is both under-funded and a very effective service.
>
> The Service is now required to work towards accreditation, a process that adds new demands and responsibilities to the already heavy workload of the nursing staff and in particular the manager who is paid to work two days per week but who has worked well in excess of that requirement for years.

The Gunning health service should be a model for all small isolated communities in the State. Full hospital care and day care are not available in this community. Emergency care is provided by the service and is complemented by a doctor who visits Gunning one half day a week. I ask members of this House to consider that: a doctor one half day a week. Support care is also given to some residents with disabilities, and respite care is provided. The carer-workers at this service are multiskilled and work on a shoestring budget, thus saving governments millions of dollars. People receiving care from this service could be placed in nursing homes or be hospitalised for palliative care, if those facilities were available. Instead they are being professionally cared for in their homes in the community.

I am aware of the around-the-clock care given to residents of Gunning by local carers. Stories of the lifesaving attention given to residents by those carers are regularly referred to. More money—a small amount compared to the service offered—is needed to save this unique model from extinction. If this invaluable caring service is to continue it needs an urgent injection of $170,000. Huge community support from the Gunning shire, its residents and the surrounding communities of Marulan and Collector is freely given and, despite this magnificent contribution, the service is in danger of closing down. I ask all members of this House, particularly

those from the metropolitan area who have access to many different medical services, to consider the serious situation of this small community. It is isolated from the major regional centres and relies on diligent caring people to help make the lives of people who cannot participate in community activities more comfortable. More important, the carers bathe and dress the wounds of the ageing and sick. [*Time expired.*]

INNER WESTERN SYDNEY COMMUNITY HEALTH SERVICES

Mr MOSS (Canterbury) [6.54 p.m.]: I congratulate the Minister for Health, who plans to boost community health services and aged care services within the area administered by the Central Sydney Area Health Service. That will benefit the constituents of my electorate. The new services will be provided at the three-hectare former Western Suburbs Hospital site at Croydon. I am delighted about this.

Mr MacCarthy: We would rather have had the hospital.

Mr MOSS: I am delighted that the honourable member for Strathfield is in the Chamber, because he was not around when the former Western Suburbs Hospital site was reduced to rubble by the former Government. Unfortunately, for the past four years I have been constantly apologising for the actions of the former Government, which knocked down a perfectly good hospital.

Mr MacCarthy: To build a better one.

Mr MOSS: The honourable member for Strathfield says, "To build a better one", but he did not bank on the coalition being put out of government at the 1995 election. The incoming Government took advice from every health professional and every health expert in the State. The advice was that if one inner west hospital was to replace two, the ideal location from both a geographic and socioeconomic point of view was within the Canterbury local government area. The Government transferred the inner west hospital to the site where health experts said it belonged. Recently the Minister for Health released a statement about community health for Sydney's inner west. The Government announced that the inner west hospital would be transferred to its rightful place in Canterbury. The Government gave a commitment to make use of that site for health services. I am pleased to inform the House that the major feature of the site will be a nursing home.

The services to be provided from the three-hectare site will include services for early childhood, women's health, general counselling, community nursing, mental health, and drug and alcohol. Those services will be complemented by interpreter services, which are most important for that area. Post-acute care, including domiciliary outreach programs, will operate from the site. That important service will be positioned between the two major hospitals in the central Sydney area, Concord hospital and Prince Alfred hospital. The site is not far from the soon to be opened new Canterbury Hospital. It is important that day services operate from a site near the hospital because as hospital operating times are reduced the back-up programs are essential for day care. This will all happen on the western suburbs site.

I congratulate the Minister for Health for following through and ensuring that a neglected site is revamped for the provision of health services. The Government has invited related organisations to provide complementary services and is open to suggestions. That is all happening despite the savage cuts not only to public hospitals but also to dental services by the Federal Government. A $34 million cut has been made to the Commonwealth dental health program. Dental surgery is a day procedure, which equates to community health.

While the Federal Government cuts back on community health services the State Government is planning a massive community health project for the former western suburbs hospital site. I congratulate the Minister for Health for planning the development of the site, which was left derelict by the previous Government. The future services will benefit my constituents who all live within the area administered by the Central Sydney Area Health Service. The Government is to be commended for converting a former hospital site into a community health facility, and thereby reinstating health services on the corner of Liverpool Road and Croydon Avenue, Croydon.

GAY AND LESBIAN MARDI GRAS EVENT CO-ORDINATION

Mr O'FARRELL (Northcott) [6.59 p.m.]: Many people enjoy cricket, just as many members enjoy cricket. Many of us enjoy the family nature of cricket. Tonight I raise in this House an issue brought to my attention by constituents relating to an unfortunate clash of events. On 1 March the Gay and Lesbian Mardi Gras party and the one-day cricket final clashed at the Sydney Cricket Ground. I was approached the following day by a constituent

from Wahroonga who complained about the sight with which he and his family were confronted when they arrived at the ground. That person, accompanied by three children aged between 10 and 12, was confronted by mardi gras revellers leaving the showground. The constituent was disgusted by the party goers' behaviour and their near-naked state of dress. While the party goers might have seen nothing offensive in their behaviour, I share the view that it was unacceptable behaviour on a Sunday especially as that event was staged adjacent to a family sporting event. I raised this issue in a letter to Mr Brian Hughes, Chief Executive of Cricket New South Wales, and urged him to think about how he would have felt if the young children involved had been his own. I added:

> My point in writing to you is to draw your attention to the problem and to urge that such clashes be avoided in future.
>
> Given the desire of cricket authorities to try and attract families back to the game after recent unfortunate incidents at Sydney cricket matches I think it is essential that yesterday's episode not be repeated.

I am pleased to say that Mr Hughes responded and he said, to his credit:

> At the outset, let me say that the Association is fully supportive of the concerns expressed by your constituent. Certainly, it would be our preference to avoid playing on the weekend of the mardi gras.

Mr Hughes went on to explain that the decision to determine the playing dates was made by the Australian Cricket Board, which is based in Melbourne. He indicated:

> They endeavour to arrange a date on which television coverage is available for the benefit of the sponsor and having regard to international and Sheffield shield demands.

Mr Hughes explained:

> When the date was established, there is obviously no guarantee that New South Wales will qualify—

I think he is being a bit pessimistic—

> or, for that matter, host the final in Sydney. Further, once television has been locked in, it is extremely difficult to alter the date to avoid a clash with another event because the odds are the coverage will be lost.

Mr Hughes went on to note:

> The Association—

that is, the New South Wales Cricket Association—

> has been suggesting, for a number of years, that the final be played in early February in order to condense the competition and to take advantage of the possible availability of international players.

That seems to me to be a sensible suggestion. Mr Hughes noted:

> Since the Mardi Gras is traditionally held on that particular Saturday evening each year, we will again approach the Australian Cricket Board with the view to possibly bringing the final forward in order to avoid that weekend.

I believe that the New South Wales Cricket Association has been responsible in its attitude. Clearly, there is a need to co-ordinate events being held at the old showground site and events being held on the various sporting fields in the area. Cricket is a family sport. It would be unfortunate if this episode were repeated. This one-day cricket final, which many people enjoyed, should not have been marred in this way. I urge the Minister for Sport and Recreation, who came into the House to listen to the debate this evening, to raise this matter with the Sydney Cricket Ground Trust and, if necessary, the board of the mardi gras—a suggestion put to me by the honourable member for Bligh—to try to prevent this sort of clash and to avoid the sort of embarrassment it caused my constituent and, I am sure, many other people on that day.

Ms HARRISON (Parramatta—Minister for Sport and Recreation) [7.03 p.m.]: I will let the appropriate authorities know the concerns of the honourable member's constituent. That sort of clash occurs quite often when a number of events are held in that area. It is in the financial interests of the trust to stage as many events as possible and it is in the interests of the wider community to have as many events in the area as possible. Unfortunately, one of our major concerns when a number of events are competing against one another is the traffic problems that are caused, as well as the problems mentioned by the honourable member. I will look into this matter. The Sydney Cricket Ground Trust is aware of the problems that occur when clashing events draw crowds from different constituencies. I will bear that in mind.

MOTOR VEHICLE GREEN SLIP INSURANCE

Mr GAUDRY (Newcastle) [7.04 p.m.]: Tonight I raise the concerns of my constituent Mr Philip Hicks, of 53 Emerald Street, Broadmeadow. Invalid pensioners are being asked to pay unfair and high costs to obtain green slip insurance cover. Mr Hicks and another invalid pensioner, Mr Wayne See of Cooranbong, both experienced the same problem when seeking a green slip for a vehicle or, in Mr Hick's case, a motorbike. They were quoted costs that were well above the costs paid by ordinary

persons to obtain green slip insurance. I shall refer to the differences in the costs available through various insurance companies. FAI Insurance requires pensioners or invalid pensioners to pay $82 more than the average person pays for a green slip; MMI requires them to pay $77 more; the NRMA requires them to pay $7 more; and QBE Insurance requires them to pay $119 more. My constituents are concerned about these variations. In fact, they thought that they were being discriminated against and went to the Anti-Discrimination Board. Staff at the board explained to them that the anti-discrimination laws did not cover their complaint.

They were told to contact Jeff Corbett, a columnist with the *Newcastle Herald*. Mr Hicks also contacted my office and asked me to raise this matter in the Parliament. Mr Corbett pursued the matter and established the variation in prices to which I referred earlier. Insurance companies, when responding to Mr Corbett's inquiries, covered a range of issues. Some said there was a variation in price because pensioners had more accidents. Others said it was because some people registered their motor vehicles in the names of aged pensioners, for example, young drivers, who obviously were more at risk of having accidents. Whatever the reason it does not move away from the fact that two invalid pensioners were quoted extremely high prices for green slip insurance. It seems both discriminatory and certainly unfair that they have to bear these costs. Mr Corbett referred this matter to the Insurance Council of Australia, which said that pensioners' cars cost insurance companies more in claims and that, therefore, it was really a matter for the market to determine.

The Motor Accidents Authority, which is launching a detailed inquiry into why pensioners are paying more for green slips, will conduct a fairly involved statistical analysis which most likely will highlight this unfair discrimination. The authority will also consider how to change the green slip system to remove those injustices. I refer again to the surcharge applying to those green slips, which I believe to be quite discriminatory. The NRMA charges an additional $7, which is not a great deal; the MMI, $77; FAI Insurance, $82; and QBE Insurance, $119. A person who has a safe driving record, who has not contributed in any way to accident statistics because he or she is on an invalid pension, is being asked to pay excessive amounts for green slip insurance. I hope that the Motor Accidents Authority does something about this matter. Perhaps a range of expanded insurance categories can be introduced. I ask the Minister for Local Government, who is in the Chamber, to refer this matter to the Minister for Industrial Relations in the other place, who should take up the matter to ensure that invalid pensioners are not treated in this way. This discriminatory behaviour should not be allowed to continue.

DEATH OF Dr N. SIVA SUBRAMANIAM

Mr MacCARTHY (Strathfield) [7.09 p.m.]: Tonight I pay tribute to Dr N. Siva Subramaniam who died last Sunday, on 31 May. Dr Siva, as he was affectionately known in the area and, indeed, throughout New South Wales, was a physician, a leading citizen of Strathfield and a leader of the Tamil community. He was born in Malaysia in 1938 and had his primary education there. He studied medicine and graduated in Sri Lanka. Later he moved to England, where he became a member of the Royal College of Physicians. In 1975 he returned to Malaysia and for some time was physician to the King of Malaysia and the royal family. To paraphrase Kipling, he walked with kings yet kept the common touch. Dr Siva came to Australia in 1981. He lived in Strathfield and practised medicine in Merrylands.

Dr Siva was widely respected as a benefactor to charities, churches and educational institutions. He founded the Australian Tamil Foundation; indeed, he was president of the foundation at the time of his death. The foundation encouraged unity and cultural sharing between Tamils from many different countries, including India, Sri Lanka, Malaysia, South Africa and Singapore, and represented their common interests. The foundation established awards to provide encouragement to Australian Tamils who have made significant contributions to the community. It supported Tamil refugees coming to Australia and it encouraged Tamil language education. Dr Siva was instrumental in the appointment of two teachers to teach the Tamil language at Homebush Public School. Dr Siva's support and influence spanned all cultural boundaries in the community.

Most recently Dr Siva supported the Strathfield Libraries and Museum Foundation. He organised the launch of an appeal at a foundation dinner on 16 May. Ironically, it was at that function that he collapsed and was taken to Concord hospital and thence to St Vincent's Hospital. He lingered for two weeks, with relatives, friends and colleagues keeping a constant vigil, but sadly he died last Sunday. His funeral was held yesterday. His sudden passing leaves all who knew him in great sorrow with a sense of loss. Because of his innate modesty we did not always know about all his good works in the community as he did not seek office or accolades.

However, his influence was evident throughout the community. Dr Siva lived life to the full, working passionately for the causes he believed in. At the funeral yesterday the Mayor of Strathfield, Councillor Elizabeth Gewandt, paid tribute to Dr Siva. She said:

> In that time I came to understand that this was no ordinary man
>
> a driven man: driven in a race against time to do what he set out to do
>
> a compassionate man: he understood others suffering and distress: and found ways to give relief
>
> a passionate man: in the causes he supported so enthusiastically
>
> an exhausting man to be around: because he enjoyed life to the full
>
> an impeccable host: nobody could escape his hospitality
>
> an inspiring optimist: he could convince you anything was possible
>
> a visionary: he saw things as they could be, not as they were
> man of magical charm and persuasion: if he asked, you could not refuse

I was honoured to know Dr Siva. I was privileged to share his company on the night he collapsed and also on the previous night, and to speak at his funeral. Dr Siva is survived by his wife Loga, his son Priyan and his daughter Vidya, who incidentally attended school with my eldest daughter. To those people, to Dr Siva's brothers and sisters, and to his many friends, I extend my sympathy, the sympathy of my wife and the sympathy of the community. People such as Dr Siva are so valuable to the community that we can ill afford to lose them. Dr Siva exemplified what our cosmopolitan society, with its mix of cultural groups, is all about. It is fitting to note that Strathfield Municipal Council proposes to preserve Dr Siva's memory with a plaque in the library commemorating the work he did on behalf of the community. We have lost a great Australian and a great friend in Dr Siva Subramaniam.

Mr E. T. PAGE (Coogee—Minister for Local Government) [7.14 p.m.]: I move:

> That standing and sessional orders be suspended to extend private members' statements to permit a further statement from the member for Bligh.

Mr HARTCHER (Gosford) [7.14 p.m.]: The Opposition is delighted to support a motion to suspend standing orders to enable the honourable member for Bligh to make a private member's statement.

Motion agreed to.

EASTERN DISTRIBUTOR

Ms MOORE (Bligh) [7.15 p.m.]: Tonight I shall speak again about the serious impact of the Eastern Distributor, or the city to airport tollway, on the residents living alongside the construction zone. The tollway project is causing major problems. Every day I receive phone calls and letters of concern from residents. The project is causing traffic gridlock in many areas of Redfern, Surry Hills, East Sydney, Darlinghurst, Woolloomooloo and Moore Park. Previously quiet residential streets are now used by rat runners avoiding the construction detours. Additional weekend diversions create chaos. Increased traffic inundates the Moore Park area all day on weekends for special events and visits to the sporting stadia and parklands. Residents in Woolloomooloo have experienced water seepage and flooding that did not occur prior to construction. Other residents face a barrage of noise from trucks and drilling. Many have complained about night construction undertaken without notice.

Residents near the exhaust funnels for tunnelling at Surry Hills and Woolloomooloo experience unacceptable noise and dust pollution, affecting their health and lifestyle. Some residents have moved. The range of incidents demonstrates that the project is destroying the fragile inner-city urban environment. The area is densely populated, and environmentally and historically sensitive. There is a cumulative impact of high-density living, existing pollution, excessive traffic, aircraft noise and limited open space. What began as tunnels under Taylor Square has blown out to become a Roads and Traffic Authority tollway link in an orbital expressway system.

The tollway is overscaled with traffic flows maximised to ensure profitability at the expense of the inner Sydney environment and the amenity of people who live there. Therefore, I call upon the Minister for Roads, first, to release redundant road reservations in the area to permanently reduce surface traffic levels on surface streets. In particular, a pedestrian-friendly precinct in the Taylor Square-Flinders Street area could be created by reducing the current six lanes of traffic. Second, I call upon the Minister to return to local councils sufficient delegated authority to implement effective traffic management plans to prevent toll avoiders from using residential streets.

Third, I call upon the Minister to ensure that there is an integrated design for the full length of the tollway. The urban environment of the tollway must be acceptable to residents and developed with their input. Fourth, I ask the Minister to monitor use

of the $7 million given to the Centennial Park and Moore Park Trust in compensation for loss of public parkland. I call upon the Minister for Roads and his colleagues the Minister for Urban Affairs and Planning and the Minister for the Environment to ensure that the funds are spent, as allocated, on extensive landscaping works on the remaining land in Moore Park. I call upon them to provide regular updates of progress. Fifth, I call upon the Minister to monitor use of the $5 million given to the trust to remove car parking from the parklands and to find alternative solutions. Again, I ask him and his ministerial colleagues to ensure that the funds are spent on removing car parking permanently and to provide regular updates.

Sixth, I call upon the Minister to progress proposals for light rail to the Moore Park area and onto Randwick. A light rail system will reduce traffic congestion and pressure for car parking on parkland. This system is needed to cope with sporting stadia patrons, visitors to the Fox entertainment complex and the four Olympic venues in the area. Seventh, I call upon the Minister to act to improve east-west transport links. I call upon him to consider the construction of a cross-city tunnel, especially in light of NRMA claims that the shortest route from Kingsford Smith airport to the Olympic site at Homebush is via the inner-city suburbs of Redfern, Surry Hills and Darlinghurst.

Eighth, I call upon the Minister to ensure that noise and pollution levels remain within reasonable limits, despite the projected dramatic increases in cars travelling through the area. The serious deficiencies of the air pollution studies for the environmental impact statement are a major concern, as is the location of tunnel exhaust vents in densely populated residential streets. Finally, I call upon the Minister to stop his ad hoc and fragmented approach to roads and transport. Sydney urgently needs an integrated transport strategy that defines the roles and capacities of major surface roads, provides a complementary public transport plan and imposes acceptable limits on environmental impacts.

Private members' statements noted.

House adjourned at 7.20 p.m. until Tuesday, 16 June 1998, at 2.15 p.m.