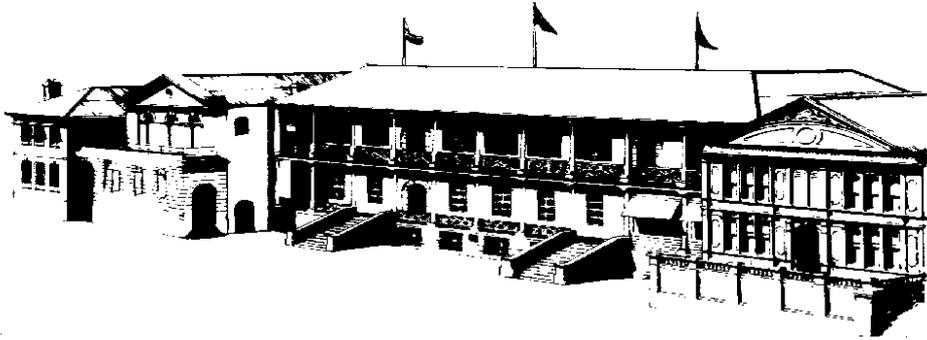




NEW SOUTH WALES



Legislative Assembly

**PARLIAMENTARY
DEBATES**

(HANSARD)

**FIFTY-FIRST PARLIAMENT
THIRD SESSION**

OFFICIAL HANSARD

Thursday, 25 June 1998

LEGISLATIVE ASSEMBLY

Thursday, 25 June 1998

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

Mr Speaker offered the Prayer.

LEGISLATIVE COUNCIL VACANCY

Joint Sitting

Mr SPEAKER: I report the receipt of a message from His Excellency the Governor convening, on 25 June at 11.30 a.m., a joint sitting of the members of the Legislative Council and the Legislative Assembly for the purpose of the election of a person to fill the seat in the Legislative Council vacated by the Hon. Elisabeth Kirkby.

INDEPENDENT COMMISSION AGAINST CORRUPTION

Report

Mr Speaker tabled the report entitled "Investigation into the disposal of waste and surplus assets in TransGrid, Pacific Power and Integral Energy", dated June 1998.

Ordered to be printed.

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 24 June.

Mr BROGDEN (Pittwater) [10.03 a.m.]: The budget delivered by the Carr Government some

weeks ago was described as a Labor budget but, sadly, it is fair to say that it is a Labor budget for Labor voters only. It is a budget that has sought to advantage those electorates represented by Labor members, and severely disadvantages electorates not represented by Labor members. The electorate of Pittwater is one of those latter electorates. Indeed, the budget delivered nothing, not one red cent, for any new capital works for Pittwater. Beyond regular maintenance of roads and minor upgrades to sewerage works, capital expenditure for the Pittwater community is non-existent—not one cent for the major needs of Pittwater. Many people may think that a community such as Pittwater does not need significant support from the Government for capital projects; but that would be a very false interpretation.

Areas along Sydney's northern line developed late last century and early this century and the Pittwater community evolved late within that general northern area. Population and housing in Pittwater were developed in the 1960s and 1970s. As a result it has missed out on many of the important infrastructure projects that many communities have enjoyed. Under the Greiner and Fahey governments thousands of homes along the Pittwater peninsula were connected to the sewerage system. That area is deprived of other essential services, including a rail connection, and is entirely reliant on a bus system which runs along the spine of Barrenjoey Road and Pittwater Road. That congested and heavily used transport system needs urgent consideration, but that has not been acknowledged by this Government.

When the Carr Government was elected in 1995 it immediately suspended the section 22 committee which was looking into planning options for the northern beaches. That is now in absolute limbo. The people of the northern beaches have missed out on any project introduced by the Government relating to new transport and roads infrastructure. Despite having a population increase at the average rate, the northern beaches have been the victim of the Government's Labor bias. One of the greatest areas of neglect by the Government, and one which will continue to cause the deaths of innocent victims, is funding for the upgrade of Mona Vale Road from Terrey Hills to Mona Vale. The section of road I speak of is at the end of Ring-road 3, which for most of this section is a two-lane dual carriageway separated road.

At Terrey Hills, Mona Vale Road forms into two lanes for about seven kilometres until the bottom of the hill at Pittwater Road, Mona Vale. In the past seven years there have been 12 deaths on this road. The most dangerous section is the climbing lane from Terrey Hills to the Baha'i temple and from the temple to the intersection with Powder Works Road. I confidently predict that there will be regular accidents and, sadly, fatalities if that road is not upgraded. A few weeks ago there were two more innocent victims of Mona Vale Road resulting from a tragic accident at the corner of Emma Street and Mona Vale Road, Mona Vale. This section must be upgraded not purely for traffic reasons but for safety. It is unacceptable that that road has caused 12 deaths in seven years. It is statistically likely that more deaths will occur.

The road, for those who are unfamiliar with it and do not drive along it regularly, is a difficult road to traverse, particularly at night and certainly in wet weather. The Government needs to make a commitment to the people of the northern beaches that it will upgrade that road. After much lobbying and many letters, along with publicity, I was pleased that the Minister for Roads visited that area in September last year. I accompanied him on that visit with the Mayor of Pittwater, Councillor Patricia Giles.

After the Minister saw the dangerous corners and difficult areas of Mona Vale Road he left, promising the people of Pittwater that the Roads and Traffic Authority would undertake a safety audit and get back to him with funding proposals or options. Obviously the options did not reach the Minister's desk or, worse, were pushed off the Minister's desk, because the budget allocates no funds for Mona Vale Road. It is ironic that in the week the Government denied funding for Mona Vale Road, two more people were killed on that road. I have made it clear in this Parliament, and I will make it clear again tonight at a public meeting I called to protest at the lack of funds for Mona Vale Road—which I anticipate will be attended by hundreds of people—that if the coalition is elected to Government next year it will provide funds to upgrade the road.

The Government should not feel that it is off the hook, because it is not. It cannot sit back and think that because the coalition has made a commitment to fix the road the problem is fixed. In view of the two most recent tragic deaths on Mona Vale Road, the Government must put funding on the table to start the upgrading of the road. In other budget areas there is absolutely no funding for the community of Pittwater. In the important areas of

sewerage, improving water quality and health services, Pittwater has not received a single cent of capital funding. Whatever happened to the palliative care unit for Mona Vale Hospital, which has been forced off the agenda by this Government? It no longer appears on the agenda. It has disappeared from the Government's listing.

What about the urgent need for the upgrade of the water and sewage treatment plant? It does not feature prominently, if at all, in the Government's budget, beyond minor maintenance works. There is no consideration of a deep ocean outfall, a tertiary treatment plant at Warriewood, or any options for improving sewerage services on the northern beaches and in the Pittwater electorate. It is not credible for the Government to deliver a budget that increases funding across the board, claims to reduce taxes and delivers a surplus in excess of \$40 million. The Government will not be able to provide the outcomes it promised, particularly in the current economic climate.

I believe that the Government designed the budget to fail so that it can take to the Labor movement its plan for power privatisation and put the proposal that if the Labor movement does not support the Government's privatisation of the electricity industry, the budget strategy will collapse and move quickly into deficit, resulting in the Labor Government losing the election in March next year. The Government will seek to use a fatally flawed budget strategy to force the Labor movement to join in what will ultimately be a fatally flawed Labor power privatisation strategy. It is clear the Government will not be able to deliver on its budget outcomes, as was the case with the last three budgets. Every budget was promised to be in surplus, but every budget was delivered in deficit.

The worst thing is the Government's cynical attempt to deal with land tax. Pittwater is one of the communities that has been hit hard by the introduction of land tax on family homes. For the first time in the history of New South Wales people are living in family homes with the threat of land tax confronting them. Many people in my community, self-funded retirees or pensioners, had planned their retirement incomes to their death with some surety that they knew the boundaries, but last year the Government moved the goal posts and introduced land tax on family homes. Some of those affected, many of whom are aged, are least able to pay. Perhaps the Government thought the silvertails would happily pay the tax.

Many of these people are classically asset rich and cash poor. They struggle to pay higher council

rates and it has been beyond them to pay the new Government land tax. I am quite confident that the Government never thought this tax would get the battler, but it did. I am sure the Government thought the issue would drift away, it would hurt the few classic Liberal electorates but the Government would never feel the pain. How wrong it was! There have been massive demonstrations and opposition, not just to land tax on family homes for those subject to it, but against the principle of land tax on family homes. Federal governments of whatever persuasion have made it clear there will be no capital gains tax on the sale of the family home. For most people it is the largest investment they will ever make. For many, it is the only investment they will ever make.

Federal governments of all persuasions have made it clear that they will not tax the family home, but the State Government has changed that forever. Cynically, the Government sought to quarantine citizens who would be affected by land tax on their family homes. With a fatally flawed budget strategy I believe that the Government will, if re-elected next year, reduce the threshold for land tax from the current \$1 million to \$750,000, or even \$500,000. It will then hit tens of thousands of families across the State. This is a blatant attack on those who cannot afford to pay the tax. The reality is the Government thought it would strike out at the Kerry Packers and others of this world. But most people at that level of wealth have their family homes structured in trusts and companies, and pay land tax.

This tax strikes at thousands of people who are unable to pay it. In my community it struck at people who particularly bought heritage homes on large blocks of land because they wished to keep large estates for the community and maintain the considerable native flora and fauna. They did not seek to subdivide and take a grubby profit: they sought to maintain the old home and the large grounds as a feature of the community of Pittwater. Even those people have been hit by this land tax, and more so than others because of the size of their properties. Although I was pleased that the Government had to feel the heat from the community, by quarantining some people it has failed to deliver on the important threshold principle that people should not be taxed for living in their family homes.

The Government has left open the crack in the door so that if it is re-elected it can revisit it. The people of New South Wales should not be fooled by the cynical attempt by the Labor Government to hold off on land tax. People need to know that the only way land tax on family homes in New South Wales will be abolished forever is to elect a Liberal-

National Government. I hope that in a year's time I will be able to speak about what a Liberal-National Government is delivering to the people of Pittwater. I am confident that a coalition government will be able to deliver on funding for Mona Vale Road, sewerage and other services for the people of Pittwater. They are the victims of this Government. The taxes that the people of Pittwater pay to the Government are not returned to the community in any form of capital works. In 12 months time I hope to be a member of a Government that is proudly delivering for the people of Pittwater.

Mr HARRISON (Kiama) [10.20 a.m.]: I am pleased to support the 1998-99 budget brought down by Treasurer Michael Egan on behalf of the Carr Labor Government. This will be my last contribution to a budget debate in the Parliament, and I welcome the opportunity to place on record a few of my thoughts about the Government's performance. In particular, I welcome the announcements in the budget which will benefit the Illawarra region generally and my electorate of Kiama in particular. The last two Labor budgets have been the best budgets brought down during my time in this House, which is about 13 years. Before then, the people of New South Wales were used to moneys being steered to electorates represented by the Liberal and National members.

Coalition members have bewailed the fact that the budget does not provide funding for such things as roads. Coalition members are saying in one breath that this is a high-taxing government and people are being required to pay too much in taxes and they are saying in the next breath that the Government should be spending more money in their electorates. Do they believe that people should pay more in taxes, or do they think that the Government should be spending money—not in working-class areas but in snobby areas on the north shore? They should ask themselves that question. They are trying to convince people that the Government should be collecting less in taxes and spending more, and the equation does not add up. The honourable member for Pittwater is a fine young bloke who I think has a great future in politics. However, he has a lot to learn about promises, especially those made by coalition members. For example, a press statement dated 15 May 1991 released by the then Minister for Health, the Leader of the Opposition, stated:

"Alderman Harrison's claims about the future of Kiama Hospital are totally without foundation. The Hospital will not close after the State election," Mr Collins said.

That is one example of the promises made by coalition members before the 1991 election. What

happened immediately after the election? The coalition Government closed the hospital at Kiama. I could fill a book with the promises broken by Nick Greiner, the Leader of the Opposition and the Deputy Leader of the Opposition. My message to the honourable member for Pittwater is not to take too seriously the promises being made by the Leader of the Opposition because he has a reputation for telling lies and breaking promises. Of course, the honourable member for Pittwater was careful not to make a commitment about what a coalition government would do in relation to land tax; he simply gave his opinion of what might happen.

On the subject of land tax and the treatment of senior citizens, members opposite would do well to examine the performance of their colleagues in the Federal sphere, who are prepared to force people to sell their family homes simply to get into a rest home. That is one example of the heartless treatment of senior citizens by the Federal Government. Senior citizens do not own wealthy estates; they own a modest family home. But the Federal Government will force them to sell that home if they want to get into a rest home. We can look forward to similar treatment from a State coalition government. That shows the treatment we get now from the coalition, and we will continue to get that treatment from the coalition in the future.

The budget is fair and balanced. For instance, it boosts funding for the Department of Community Services by \$131 million. Funding for the Department of Community Services and the Department of Ageing and Disability has been boosted by approximately 40 per cent during the first term of the Carr Labor Government. In the final year of the Fahey Government the Department of Community Services and the Department of Ageing and Disability received \$899 million; in the coming year those departments will receive \$1,258 million. The Government can proudly boast that it has allocated an extra \$359 million to help New South Wales families most in need. I shall place on record some of the programs for my electorate of Kiama. Sydney Water Corporation has been allocated an extra \$8.1 million for improvements. In the field of education, \$1.6 million has been allocated for a new TAFE campus at Shoalhaven Heads, and \$619,000 has been allocated for amalgamation of the Kiama primary and infant schools.

A few days ago I had the pleasure of visiting Kiama Primary School and enjoying the festive atmosphere amongst the parents, friends, teachers and the community generally. The Minister for Education and Training was also there and he was given the red carpet treatment. The people of Kiama

are pleased that money has been allocated for amalgamation of the schools, and that project will be completed over three years. In the land and water conservation budget \$400,000 has been allocated for works to bring about a permanent entrance to Lake Illawarra. This matter has been hanging around for years. During the seven long years of coalition government the local community could not get one Minister to meet a deputation from the area or to give any credence to the project, although successive studies had indicated that it was necessary to prevent the nuisance flooding that occurs around the lake in Oak Flats, Albion Park Rail and Windang.

The project will also prevent further erosion from occurring at Warilla Beach, where development has been occurring on the frontal dunes. The houses in that development sit precariously on top of an area protected by a flimsy rock armouring. Experts have predicted that unless a tie wall is created to capture the sand that drifts from south to north, carried by the littoral drift along the coast of New South Wales, eventually the wall will breach, creating chaos. The previous coalition Government knew that. But did the coalition provide funding for that project? It made no allocation for the project. The Labor Government has made a commitment to provide funding over a three-year period. It has made a commitment to match funding provided by the Shellharbour and Wollongong councils to complete the tie wall.

The tie wall will help to renourish Warilla Beach and in the long term protect homes from eventually being washed into the sea. It will also arrest the nuisance flooding that occurs around the lake and help the lake to flush itself, as it should, to retain water quality. That was the great news for Kiama in the budget. A big tick for the Minister for Land and Water Conservation! He spoke to the people of Kiama, he listened to them, he saw first-hand what had to be done, and he has provided the goods. Not one Minister in the coalition Government was prepared to consider the matter.

The electorate of Kiama has received a boost of \$16.3 million in road funding, and that is most welcome. That includes \$2.5 million for the acquisition of land for the proposed north Kiama bypass and \$4.7 million for a grade separated interchange between old Lake Entrance Road and Princes Highway. Once again, the coalition Government obstructed that project ad infinitum. Not only did the coalition Government not allocate resources for the north Kiama bypass but it failed to determine its alignment. The coalition Government decided that determination of the alignment was the responsibility of local government. Indeed, it took

Kiama and Shellharbour councils to court claiming that it was their responsibility. The coalition Government lost the case and was in the process of developing a State environmental planning policy on the matter when it lost office.

If a coalition government were to pass responsibility back to the councils, citizen Smith or citizen Jones would take the matter to the Land and Environment Court, which would tie up the matter for years. That is the sort of treatment we got. No money was allocated and no decision was made about where the road was going. The present Minister for Urban Affairs and Planning, and Minister for Housing, the Hon. Craig Knowles, called for a commission of inquiry. The commission of inquiry plotted the course of the road and the Minister made a determination in respect to it. In the last budget \$400,000 was allocated for road planning and in this budget \$2.5 million was allocated for land acquisition. Because of financial constraints no money will be spent on that road prior to the Olympic Games, but at least the project is under way. If coalition members were still in government that would not be the case. We would not be aware of the road alignment and we would not know what steps had been taken to acquire land.

The Minister for Transport at that time, Bruce Baird, refused to receive a deputation from Kiama council, which was to be led by me. He said that there was no purpose to be served by it. While he was attending a Liberal Party function at Gerringong however, he invited opponents of the north Kiama bypass to send a deputation to him—a matter which was reported in the local newspaper, the *Kiama Independent*. It was embarrassing to the Minister at the time, but he has a pretty thick skin and he eventually got over the comments made about him. The Minister talked to opponents of this road—a road on which people are being killed and on which mile-long hold-ups occur every weekend, particularly every long weekend—but he was not interested in talking to the local council, the community or the people who want this road project commenced. He was interested only in talking to his colleagues in the Liberal Party who own a bit of land in the Jamberoo Valley and wanted to hold up the Kiama bypass for as long as was humanly possible—perhaps even indefinitely.

We should not place too much credence in the road policies of the coalition if ever it gets into office, as its record is pretty appalling. Pleasing news is that this budget provides for 100 additional police officers. I hope that some of them find their way into the Illawarra and Wollongong patrols. An amount of \$2.24 million has been allocated within the Kiama electorate for State Rail. Shellharbour,

Bombo, Kiama, Gerringong, Berry, Bomaderry, Robertson, Minnamurra, Albion Park and Oak Flats railway stations will be included as part of the two-year \$55 million security upgrade of all CityRail stations in the network. From 1 July 1998 all trains operating after 7.00 p.m. servicing these stations on the CityRail network will have two security guards, at a total cost of \$16 million in 1998-99.

This Government is the first government in the last 50 years that has reduced the State's net financial liabilities. Net debt, which is down by \$1 billion, will ensure that New South Wales maintains its AAA rating. And that has been achieved without any new taxes. Overall, an additional \$303 million has been provided for health services. In the main, that might have been swallowed up by the decrease in Federal funding, which led to more people dropping out of private health insurance and going onto public health waiting lists. Nonetheless, the Government has demonstrated its bona fides once again by increasing health funding in the 1998-99 budget. There are budget allocations of an additional \$353 million for schools and \$93 million for police. Despite a cost to date of \$2.25 billion for the Olympics the Government has managed to pay for everything. It is a tribute to the Treasurer, Michael Egan, that he has been able to balance the budget and show a meagre surplus of \$45 million. That contingency money might be swallowed up in due course, but at least the moneys that we have available have been allocated on defensible priorities.

Honourable members should compare that to the actions of the Federal Government, which is boasting a \$2.7 billion surplus but, at the same time, is cutting back on health care, education and funds for public schools. I do not think anybody is too impressed by that \$2.7 billion budget surplus. I have never seen a group of people walking along the street chanting "What do we want? A budget surplus! When do we want it? Now!" If a government has money the people expect it to be spent to provide for their everyday needs. Tomorrow the Premier, the Deputy Premier, representatives of the hospital auxiliary and the health watch committee, and I will be present at the reopening of Kiama District Hospital. That will be a big event. That hospital will be the first of the hospitals to be reopened after being closed during the period of the coalition Government. A number were closed, a number were seriously downgraded and at least three were privatised. It is pleasing to me that the promises made by the present health Minister, the Hon. Andrew Refshauge, are coming to fruition.

The people of Kiama enjoyed the services provided by Kiama hospital for more than 100 years up until the time it was closed by Ron Phillips when he was Minister for Health. That hospital, which will be reopened, will resume its provision of in-patient care for people in Kiama. It makes sense in every way. It is a lot cheaper for a patient going through a period of post-operative or post-natal care or a patient waiting for a place in a rest home to receive care at a hospital such as Kiama rather than at the large teaching hospital in Wollongong. The provision of such services is akin to the inclusion of spokes around a hub. I commend the Minister for his commitment and his honesty to the people of Kiama. I condemn the Deputy Leader of the Opposition, who was health Minister prior to the last election, for breaking his promise not to close Kiama hospital. I will make sure that the people of Kiama remember that broken promise.

The former health Minister never visited Kiama or the Shellharbour area during the time he was Minister; he has never done so as Deputy Leader of the Opposition. On a lightning visit to Wollongong he described the decision to reopen Kiama District Hospital and to keep open Coledale District Hospital as bad health planning. He implied that a future coalition government would put it right. The other day when he was getting out of a lift in Parliament House he said to me that people would die in Kiama hospital, which made me realise that leopards do not change their spots. I said to him, "People die in every hospital. That is really nothing new. If coalition members ever get back into office, people will die waiting to get into hospitals." Coalition members would implement the sorts of policies they implemented when they were in government—they would close and privatise hospitals and they would impose productivity cuts year after year. They have no credibility whatsoever.

This is the last time I will speak to a budget in this Parliament. I am pleased to have been able to place on the record some good news, in particular for my electorate of Kiama and for the people of New South Wales as a whole. I am pleased also to have had an opportunity, which most people never get, to place on the record the lies and deception of the coalition when it was in government. I have alerted people to what they can expect if members of the Opposition ever get back into government.

It was pleasing to see in the newspapers only yesterday that Labor is now well ahead in the polls on the two-party preferred basis. Whilst a week is a long time in politics, I expect that we will continue to forge further ahead. No-one takes the Leader of the Opposition seriously. The bubble has burst for

the coalition. The manner in which the Federal coalition Government has treated people who are old, sick and in need has been an eye-opener. People now know what they can expect if the coalition ever resumes control of New South Wales.

Mr ROZZOLI (Hawkesbury) [10.40 a.m.]: It has been said that this budget favours Labor electorates. In my contribution to the budget debate I intend to argue that it does not even do that, particularly in respect of western Sydney. I have had the pleasure of representing part of that region for many years, and I have an intimate and understanding relationship with its people. The Government has opened the Office of Western Sydney. However, the budget is characteristic of the Government's shambling approach of the past three years. The Government is led by a weak and vacillating Premier, known universally as "Back-flip Bob". He makes a populist decision one day, gets rapped over the knuckles on the second day and changes his mind on the third day. That is typical of Labor's attitude to western Sydney.

For the first time the Government has produced in its budget papers a Western Sydney Budget Statement. However, the statement is disappointing in that it contains no inspiration or sense of ongoing management or planning. The Government has simply put together budget items that affect the western Sydney area, printed them and put a glossy cover on them. The same could be done for any region of the State with equal impact and efficacy. The four key priority areas for western Sydney, as outlined in that statement, are securing jobs and investment, supporting families and communities, delivering better government services, and protecting the environment. Surely they are the four key priorities for every part of New South Wales.

This budget statement provides no more for western Sydney than anywhere else in New South Wales. It should be remembered that western Sydney, by any boundary definition, has a population of approximately 1.5 million people. By Australian standards, that is an enormous population. Certainly an area comprising 1.5 million people would expect budget initiatives such as upgrading roads, hospitals and education services, and improvements to the Police Service. If a government did not do that, it would not be able to sustain such gross negligence. An area housing 1.5 million people should attract high budget expenditure. However, that expenditure, which is normal expenditure for an area of that size, does not amount to any particular strategy or meaningful attack on the many problems that face western Sydney.

I subscribe to the theory that western Sydney is a wonderful place; it has many wonderful people in it. It is a large dormitory area and a potential economic powerhouse for Australia. It is a special place. However, the domination of Labor members in western Sydney over the years has tended to work against that potential rather than promote it. Sadly, it has added weight to the bad impressions people have about western Sydney—impressions I totally reject. One of western Sydney's jewels in the crown, the University of Western Sydney, carries the name "Western Sydney" because of a coalition Government initiative. The coalition said, "If you are going to make people proud to live in western Sydney, you have to have institutions that carry the tag 'Western Sydney' with pride." It should be a badge of pride for any institution to have the name "Western Sydney" attached to it. We remember the gratuitous insult of the Minister for Police about people "acting like westies". His derogatory comment revealed the soft underbelly of the Labor Party's attitude to western Sydney—it sees it as a milch cow of votes, for which it pays a pittance.

The amount of money devoted in this budget to western Sydney is very low compared to the problems and potential of that region. It is a proportionately low level of funding compared to other parts of New South Wales. That is bad planning for community needs and investment because western Sydney is capable of returning to the State of New South Wales enormous revenue from correct development. Although this document talks about investment, it has little meaningful thrust for future development. The budget has allocated funds for a number of capital works programs in my area and in other areas that will benefit my electorate, for which I am grateful. However, those programs are a reflection of general need and thus that is the reason for their inclusion.

I shall touch briefly on the decision of this Government to build an auxiliary spillway at Warragamba Dam to protect it against dam break. I have no objection to measures being taken to protect Warragamba Dam from dam break, against the projected and, I hope, theoretical probable maximum flood—PMF. I would not want any government to fail to protect Warragamba Dam, because it is Sydney's water supply and because the people who live below it would suffer disastrous effects as a result of a dam break. However, I am critical of the Government's decision to build a spillway, because the more beneficial option is to raise the dam wall by 23 metres, as was determined by engineers to be the most appropriate way to protect the dam and provide valuable flood mitigation to the valley below.

This Government said, "We do not care about the people who live below Warragamba Dam. We do not mind if they are flooded out of their homes." The Hawkesbury-Nepean flood plain management advisory committee, which has developed a planning strategy for floods, talks only about emergency response planning. It does not consider meaningful flood mitigation options because it was told not to. As far as Labor is concerned "mitigation" is a dirty word. The committee was told that it was prohibited from even considering that approach. That is an appalling situation. It is indicative of the lip-service this Government pays to western Sydney and its failure to grasp the reality of what is happening in that area.

The Western Sydney Budget Statement lacks planning and vision in relation to the development of roads and public transport infrastructure in western Sydney. The Western Sydney Public Transport Strategy Committee—on which I and other members of this House serve—shares my grave doubts about the Government's progress on the development and instigation of a proper public transport strategy for western Sydney. The announcement in this budget of the expenditure of a potential \$100 million on a bus transitway from Liverpool to Parramatta has been cautiously welcomed by the people of western Sydney as going some way towards improving public transport infrastructure. But there are also grave doubts whether the expenditure of \$100 million on a bus transitway represents the best value for money, whether the costs are accurate or rubbery, and whether the project is the best option and, if so, is a high priority. The Government has not thought through these matters. I was present when the Minister for Transport, and Minister for Roads made the announcement about a bus transitway.

Mr SPEAKER: Order! If the honourable member for Coffs Harbour, the honourable member for Georges River and the honourable member for Davidson wish to conduct a personal conversation they will do so outside the Chamber.

Mr ROZZOLI: The Minister clearly indicated that he had a tunnel-vision mind-set about building that transitway. The full length of the transitway corridor had been determined, yet the Minister was totally disinterested in the northern arm of the transitway. That northern arm had been strongly requested by the Western Sydney Regional Organisation of Councils and was part of the teamwest agenda, which this budget statement purports to support but again pays only lip-service to. The Minister said that he is not at all interested in the northern route of the western Sydney orbital

link, which is vital to future planning in western Sydney, but wants to push ahead with the construction of the southern route of the western Sydney orbital link, even though its determined position may not be right.

The Federal Government will fund only the southern section of the western Sydney orbital link, promoted by the Minister as an adjunct and access to an airport at Badgerys Creek. The Minister wants the Federal Government to commit \$250 million, to be matched by the State Government, towards the construction of that section of road. It seems to me to be a covert attempt to link the road needs of western Sydney with the proposed Badgerys Creek airport. If \$500 million is committed to build a stretch of road principally to provide access to Badgerys Creek, a course is then set towards the establishment of an airport at Badgerys Creek. I believe that is a formula for disaster. If that is not a correct interpretation of what the Government proposes, then the Government does not have anything in mind because there is no other rationale to support a \$500 million expenditure on that stretch of road.

The Government should take a huge step backwards and consider the whole north-south route of the western Sydney orbital link. It should not proceed with construction and design work until the corridor has been established. But the Minister has said that he is not interested in where the northern section of the western Sydney orbital link goes. So the Government has a series of road initiatives to build roads that go not exactly nowhere, but not anywhere in particular. A major strategy, signed off after full consultation with the community, is required for roads and public transport so that this Government and future governments can work for the next 20 to 30 years to a consolidated plan that will deliver the infrastructure necessary to support the development of western Sydney. There should be no further development of western Sydney until that problem has been resolved. If developments go ahead on a preferred road or public transport route, the best options are lost and, by having to fit the roads around the development, we end up with a less than satisfactory option.

I refer to the location of the Office of Western Sydney. Much has been made of the establishment of such an office, an initiative that I applaud. But where should it be located? The Minister proudly announced that it will be located on the campus of the University of Western Sydney at Rydalmere. I am one of the greatest supporters of that university, which does wonderful work. However, it is not a suitable location for the Office of Western Sydney.

The Greater Western Sydney Economic Development Board at North Parramatta, WSROC offices at Blacktown and the Greater Western Sydney Regional Chamber of Commerce at St Marys have shopfront locations.

Many people are turned off by the location of an Office of Western Sydney within a university campus. Universities are not necessarily the most accessible places. An Office of Western Sydney should have a shopfront location in the middle of a business area at Parramatta, Blacktown, St Marys or possibly Penrith. I do not care where it is located so long as it is a shopfront location that is accessible to the people. This is another instance where the Government is not thinking through the delivery of services to the people of western Sydney. Its blinkered, myopic vision of what it is doing will not take it very far.

Similarly, there is a dichotomy in its thinking with regard to the development of the Australian Defence Industries site. We have heard beatings about regional parks, open space and quality of life. The Premier has said that more and more people are crowding into Sydney and, through planning, they should be moving out of Sydney. Yet the Minister for Urban Affairs and Planning is absolutely committed to 8,000 homes being constructed on the ADI site, something I totally oppose. I accept that some houses may have to be constructed on the ADI site, but the site should mainly be devoted to a massive park to service the 1.5 million people in the region.

The Government should take up the challenge to install airconditioning in schools in western Sydney. I do not know whether it has ever dawned on the Ministers who are supposed to represent western Sydney—perhaps they do not go there very often—that it is a very hot area. It is as hot as many areas west of the divide, where schools are serviced by airconditioning. There should have been a major strategy in this budget to install airconditioning in western Sydney schools. This Government has failed to address community service initiatives that are necessary and important for western Sydney. The Minister for Community Services represents western Sydney, but there is little in this budget statement to deliver more than the basics. There is no special emphasis on the disabled, the homeless or people who suffer because of disadvantaged social conditions.

This Government has continually dropped the ball in respect of community services. Services provided by the Department of Community Services are strained and its staff are stressed. I have great

respect for the people who work for that department in western Sydney. I have dealt with them at a personal level and I admire them. They receive no support from this Government. Sadly, there is a gulf between them and their head office, and they cannot get meaningful answers to their questions. Finally, I suggest to both sides of the House that, particularly in the case of western Sydney, a protocol needs to be developed for what I call community contracts. Major initiatives must be locked in place so that they can be carried on through successive governments and so the community receives cost-efficient delivery of major infrastructure.

The Parliament must explore the process of establishing, with community ownership and approval, community contracts which will allow for a more economical and cost-effective delivery of major services in New South Wales. We cannot afford the hiccups that occur with a change of government or short-term changes in policy which lead to ineffective delivery of services. We need to plan more carefully and commit ourselves. If possible, the interests of the community should be kept in mind from the beginning of the line to the end.

Mr E. T. Page: On a point of order. The honourable member for Georges River and the honourable member for Davidson have been carrying on a long conversation while their colleague the honourable member for Hawkesbury has been speaking to the debate. If they wish to carry on a conversation they should do so outside the Chamber.

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

Mr MARTIN (Port Stephens—Minister for Mineral Resources, and Minister for Fisheries) [11.00 a.m.]: Government Ministers, because they have many other duties to perform in the House, do not often get an opportunity to speak about their electorates. Today I wish to devote the first part of my contribution to my electorate. The honourable member for Northcott, a former director of the Liberal Party, is mouthing words about Pauline Hanson's One Nation Party. Members on this side of the Chamber know who is in bed with whom! I have a high regard for the people of the electorate of Port Stephens. Members of Parliament value those who elect them and endeavour to represent their constituents to the best of their ability.

Today, because no agreement was reached about pairs, I am unable to be in my electorate, which has experienced a major disaster. The area of

Medowie has taken the full force of the recent severe rainstorms and gale force winds that have hit the Hunter Valley. The Minister for Emergency Services is visiting the region to offer what assistance he can through the State Emergency Service and other emergency services. There has been incalculable damage in my electorate and I thank the Government for its efforts to assist those who require assistance. I extend my sincere appreciation of the efforts of emergency services personnel in my electorate and the SES. The members of the 14 volunteer bush fire brigades are first class—as are the members of the Ambulance Service and the Police Service.

They are under good leadership now and they must be respected and supported. I assure the House that they will continue to receive Government support. After a long, hard battle the people of the Tilligerry Peninsula are to get an ambulance station, which has been high on the Government's list of priorities. Possibly only South West Rocks, which had a 45-minute response time, had a more urgent need. The Government has been able to overcome years of neglect by the former coalition Government to fund these essential services and also fund the Olympics, at the same time ensuring there will be no carry-over of debt after the Games. I give full marks to this Government for this excellent budget.

The provision and upgrading of roads is a major issue in my electorate. Nelson Bay Road was the subject of my inaugural speech in this House 10 years ago in August. There had been 15 deaths on Nelson Bay Road in five years and the road was a major problem. Premier Greiner offered to rebuild the road, but reneged; he then offered major upgrading of the road, but reneged. Throughout the term of successive administrations I have continually sought to have it upgraded. In the term of this Parliament \$16.6 million will be spent on that road, sections of which will be extended to four lanes. It will carry 15,000 cars a day. I assure members of this House who do not understand those numbers that at Peats Ridge, where 72 people were killed in eight years, the road carried 19,000 cars a day.

That road needed upgrading and I am proud of the Government's initiative. In the days before Labor came to office it continually highlighted the need for appropriate funding for roads. With regard to the Pacific Highway, in 1995 this Government entered into an historic arrangement with the Federal Government. Ministers Knight and Brereton signed the agreement to provide dollar-for-dollar funding to extend the Pacific Highway to four lanes from Hexham to the Queensland border. The Federal Government has had a rethink about that and some

areas of the Pacific Highway will not now be a four-lane divided road. The Federal Government's contribution has been cut back to \$600 million, but the State Government's \$1.6 billion contribution will finance considerable upgrading work. That will reduce the number of fatal accidents on that highway, which at present amount to 40 each year.

The Raymond Terrace by-pass—constructed with \$51 million of State funding and \$10 million of Commonwealth funding—will be opened this year. Funds amounting to \$67 million have been allocated for the construction of four lanes on the Pacific Highway just south of Karuah, with a new spillway from Grahamstown down, \$15 million of which will be expended this year. The Government has allocated \$85 million in this year's budget for the Karuah River crossing. That sum will have been expended by 2004, according to the budget papers. In addition, \$150 million has been allocated for roadworks, including a four-lane highway to Bulahdelah by 2005.

The section of road from approximately 1½ kilometres south of Bulahdelah to the point at which it joins the new Lakes Way has not been addressed in the budget and the Bulahdelah section, four or five kilometres of road, has not been finally planned and costed. The 22-kilometre section of road from Coolongolook to Bulahdelah will be opened next year, and there will be four lanes of highway well beyond Taree. The unsealed seven kilometres of Main Road 518 from Nelson Bay Road to the Pacific Highway through Medowie will have to be sealed now that the Raymond Terrace by-pass has been completed. I know that the RTA is drawing up plans for the intersection and the sealing of that road.

I turn now to funding for schools in my electorate. The Government has built the Salamander school, which will open in the fourth term, at a cost of about \$20 million. It will be a first for the State. It will be an innovative kindergarten to year 12 school and will include a TAFE component. The Government deserves full marks for having bitten the bullet. It will be bursting at the seams virtually as soon as it opens. It will be essential to carry out a serious demographic study to ensure that we do the right thing at Nelson Bay High School.

The original school at Nelson Bay, opposite the police station, has been earmarked for disposal and, to his credit, the Minister for Education and Training has said that it will be rezoned with a maximum height level before it is sold so that there will be no arguments about high-rise developments in the middle of Nelson Bay. I am confident that a

commercial decision can be made with the Catholic Church to ensure that the old primary school adjacent to St Michael's is used for a very good purpose. I know that the paperwork is well advanced for that. That arrangement will be no different to the arrangement made with St Spyridon's in Maroubra and some other schools.

With regard to health care, I said that an ambulance station will be provided at the Tilligerry Peninsula and that will service the area to Tanilba Bay. The Nelson Bay polyclinic celebrated its tenth birthday last year—10 years of fine work satisfying the hospital needs of the people of that area. It has a palliative care unit, dedicated staff and a very good roster system for doctors. It is a model for the provision of health care. The community provided \$0.25 million dollars to commence that facility 10 or 11 years ago.

In regard to fisheries, I told the estimates committee last week that the Government is moving a large number of people out of Sydney to country areas. The conservation wing and the aquaculture wing of New South Wales Fisheries will be relocated to Port Stephens. That will involve a number of jobs being moved to that area. The department has had discussions with staff, and the move will take place in about two years, when the lease at the Sydney Fish Markets expires. That will ensure jobs for the bush and at the same time concentrate a group of keen people in what is probably the best address in Australia.

The Royal Australian Air Force base at Williamtown is under threat. Complaints are often made about noise and other issues relating to the RAAF, but the base contributes \$150 million a year in pay packets to Port Stephens. The RAAF families are first class. They move around a lot and face difficulties that other families do not encounter. They have difficulty making friends, and the children grow up in a different way to children who stay in one place. Many families live in 15 or 20 houses during their career. That leads to social problems, particularly in gaining access to community services when waiting lists are involved. The Government will always work to make sure those people are looked after.

The family support unit in Raymond Terrace needs special attention. Families from as far away as Gosford are referred to that unit, but it cannot obtain the finance it needs to provide services. To his credit, the Minister for Urban Affairs and Planning, and Minister for Housing has allocated one of the houses in that area for the use of the unit and it is serving the community extremely well.

Because of the recent redistribution of electorates, I will lose more than half of my present electorate. The area from Karuah bridge to Bulahdelah bridge and up to Booral will no longer be in my electorate. I am proud that in the 1998 election the Labor vote in Tea Gardens-Hawkes Nest was 27 per cent. It is now 55 per cent. The people are showing a lot more intelligence than they did in 1988. Service is what makes electorates tick. When Bob Horne was the Federal member, he and I were able to provide services that I am proud of. I will miss the people of that area. I know that in the future they will be looking for good representation. They know what it is like to have a good rapport with their local member.

The other matters I will discuss in the time available to me relate to my portfolios. My portfolios of fisheries and mines have seen some significant changes. When I became Minister the typical Sir Humphreys thought that New South Wales Fisheries was destined to be a small regulatory body that would be administered by other agencies. My group of scientists is the biggest group of fisheries scientists in the southern hemisphere. They are experts on matters ranging from the water level down; there is no other group like them. New South Wales Fisheries has grown and the Government has created the Office of Conservation. It has worked hard to move towards a green agenda in the conservation of fish stocks.

The Government and I are proud that this budget allocates the sum of \$0.5 million for threatened species conservation. The scientific group has already named four threatened species, which were referred to in the estimates committee this week. *Tandanus tandanus*, the freshwater catfish, is disappearing from the Murray-Darling system. That is frightening, and it is happening to some of those inland species because of the lack of a satisfactory water policy.

On the other hand, aquaculture is on the move. Aquaculture covers oysters and both marine and freshwater fish farms. People in my department are using technology to provide service, advice and assistance. I am disappointed with the approval process that those wishing to enter the industry face. They appear to have an army of people telling them why they cannot enter the industry, rather than encouraging them. I hope to work on that issue during the remainder of the term of this Government and also the next Government.

At the request of the fishing industry the Government has reintroduced a fishing licence for

inland recreational fishing. An amount of \$1 million over three years has been allocated for the reduction of carp, and Cotton Australia will contribute \$25,000. I hope New South Wales farmers and ricegrowers will be part of that great exercise to remove carp from the rivers. They cannot be eradicated, but they can be greatly reduced. They can be turned into fertiliser, pet food, cray bait and berley, leather, and fish meal, and can be used for human consumption. If they can make money, the people of New South Wales will win twice.

Yesterday I tabled reports on the commercial fishing industry. Management plans are now under way. Some of them will be signed off very quickly. Every one of them must be sustainable and provide a future for the fishing industry. There are 2.5 million recreational fishers in the State and almost 2,000 commercial fishers. There is a limited number of fish so the Government must protect their breeding grounds and critical habitat. The Office of Conservation has done some of that work, and the consequent fines and prosecutions show that this Government is fair dinkum.

This Government regards safety in mining as a high-priority issue. Far too many deaths and serious accidents have occurred. Prior to the Gretley mine disaster, consultant Susan Johnstone was appointed to conduct an inquiry into and a review of mine safety. The findings of the inquiry into the Gretley disaster will be released within the next 10 days, and recommendations will obviously be made. So far that inquiry has cost \$3.7 million. I understand that two or three weeks after the report is handed down submissions will be made on costs. I hope those submissions address the needs of the families and next of kin, whose legal bills amount to \$514,000. As a result of the Johnstone inquiry, the budget has allocated an extra \$8.2 million over three years to increase mine safety.

At the insistence of the honourable member for Broken Hill, the Government has taken some positive steps for the opal miners at Lightning Ridge. The Government legislated in regard to Cadia Hill and Bengalla mines, and the Wyong coal deposits, the last in the Newcastle field, have been put out to tender. Mount Arthur North has added immense value to the power stations in the Upper Hunter Valley, and Saddlers Creek has been put out to tender. The activity at Castle Rock, West Scone will ensure that coal companies in the Hunter Valley have access to reserves. I am having discussions today about Mount Pleasant in regard to the fluid properties and water mix of coal. Dartbrook mine has been opened and the first sod has been turned at

Wollemi; Mount Owen mine has opened. It has taken a year and a day from the first focus meeting to the first train load of coal at Stratford, near Gloucester. The mine at Duralie has been approved and is ready to go.

The mine at south Bulga has been opened. As a result of the Government's rail reform, transport costs of some coalmines have been reduced by a third of their level three years ago. There has been an expansion of the mine at Ulan, the only western mine coming down the valley, and the mine at Springvale has been opened. Jobs have been saved at Oakdale and Brimstone. That was the first job I had to do as Minister, and it was very difficult. The Government has also saved the Metropolitan colliery, details of which could be provided by members from the Illawarra. The honourable member for Camden is very supportive of the mining industry. She is right in supporting the Government's moves for a commission of inquiry into the Tahmoor colliery.

The mine at Wyong has been put out to tender and progress is under way at Clarence and Bellbird collieries. I point also to development at Cadia Hill, North Parkes and Cobar, on which the Government is working closely with an administrator; on Discovery 2000; and on the Premier's environmental award. It is only on rare occasions that members have the opportunity to make a general speech in this House rather than a formal second reading speech or a response to legislation. Private members' statements are of limited duration. It has been a pleasure this morning to be able to tell the people of New South Wales about my electorate and my portfolio. I speak of them both with pride, and I will continue to speak of them with pride. Port Stephens is the greatest address in New South Wales and in Australia.

Mr Scully: What about Smithfield?

Mr MARTIN: Smithfield is not bad, but it would have to come second.

Ms Ficarra: What about Georges River?

Mr MARTIN: Georges River has Pauline Hanson look-alikes, which would worry me.

Mr HUMPHERSON (Davidson) [11.21 a.m.]: I am pleased to have the opportunity to speak in this debate and to make positive comments about my own electorate, bearing in mind what the Minister has just said. This budget is the fourth and,

hopefully, final budget of the Carr Labor Government. Clearly, it is in the same mould as the Government's previous three budgets: the estimates are largely unreliable and fanciful, the forecasts will be recognised as being false by the time they are reviewed in 12 months, and the supposed surplus of some \$45 million will in the fullness of time become a deficit of about \$800 million or perhaps even more. Unfortunately, the New South Wales public will not have a full opportunity to realise just how fanciful and unreliable this budget is. All four budgets that the Carr Government has brought down have made substantial increases in taxes.

I remind honourable members of the assertion made by the Premier three days before the most recent State election, when he was Leader of the Opposition, that there would be no new taxes and no tax increases. Any informed citizen in this State knows all about that phrase. It is interesting to draw comparisons between taxes, fees and fines collected by the New South Wales Government and those collected in other States. Under Michael Egan as Treasurer taxes have increased by 33 per cent in the past three years. The New South Wales Government collects about \$2,224 per capita in taxes, fees and funds. In Queensland the Government collects approximately \$1,161, in Victoria the figure is \$1,807, in South Australia it is \$837 and in Western Australia it stands at \$1,667. It is clear that New South Wales taxpayers bear a significant burden, which acts as a handbrake on development, the economy and progress. I draw attention to the increased and the new taxes and charges that have been introduced in the past three years.

In collecting an extra \$2.4 billion in taxes and charges, the Government has imposed a bed tax, a new tax; increased poker machine tax; extended the base of payroll tax; increased land tax; imposed a land tax on owner-occupied residences; increased the health insurance levy; increased general insurance duty by 100 per cent; increased hospital charges; increased national parks fees; increased stamp duty on motor vehicle registrations; introduced an electricity distributor levy; increased bus, ferry and train fares; increased the taxi flag fall; increased the price of school bus passes; increased motor vehicle stamp duties; increased green slip premiums; increased workers compensation premiums by 55 per cent; increased council rates by 20 per cent; made progressive and substantial increases in water rates each year; increased development levies; imposed a 138 per cent increase in waste disposal charges; substantially increased rural water prices; increased cigarette taxes; increased driver's licence fees, car

registration costs and custom-made number plates; increased timber prices; increased pollution licence fees; increased backyard burning fines; and increased sports betting tax.

Those new charges and increased charges represent only the core increases. In his three years in office Bob Carr has certainly not honoured his commitment of no new taxes and no tax increases; his commitment has proved to be nothing more than a lie. The Government has been prepared to tax and hit people hard, deny employment and growth and hold New South Wales back. In effect, the Government is an albatross around the neck of progress. The Government has fudged in its attempts to balance the most recent budget. It claims to have made a surplus in the previous financial year, but it fudged the figures. The surplus is due to dividends and other income from public trading and financial enterprises.

Sydney Water Corporation was budgeted to provide a dividend income of some \$33 million. At the end of the previous financial year, in the Government's attempt to balance the budget, that income increased to \$147 million. The Government made a \$114 million dividend grab from Sydney Water—it has taken money from water users rather than directing it towards capital infrastructure improvements. Likewise, an additional \$10 million was taken out of the tax equivalent of Sydney Water. The Government has made a grab for dividends. It achieved an increase of \$222 million in dividends from public trading and financial enterprises, from a budgeted \$854 million to \$1.076 billion.

Mr SPEAKER: Order! I shall now leave the chair. The House will resume at the conclusion of the joint sitting.

LEGISLATIVE COUNCIL VACANCY

Joint Sitting

At 11.30 a.m. the House proceeded to the Legislative Council Chamber to attend a joint sitting to elect a member to fill the seat in the Legislative Council vacated by the Hon. Elisabeth Kirkby, resigned.

[At 11.42 a.m. the House reassembled.]

Mr SPEAKER: I report that the House met with the Legislative Council in the Legislative Council Chamber to elect a member to fill the seat in the Legislative Council vacated by the Hon. Elisabeth Kirkby and that Dr Arthur Chesterfield-Evans was duly elected.

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 an earlier hour.

Mr HUMPHERSON (Davidson) [11.42 a.m.]: I congratulate the new member of the upper House and commend the Hon. Elisabeth Kirkby for her long and fulfilling career. During the past few years two taxes imposed by the Carr Government have been the source of additional revenue. When the Labor Party was in opposition it criticised payroll tax. However, now that it is in government it has done little or nothing to try to reduce its reliance on that form of revenue. Indeed, the budget revenue derived from payroll tax is projected to increase by 6.8 per cent. Land tax has been the subject of substantial criticism; revenue from that source is projected to increase by 12.6 per cent. That tax was also criticised by the Labor Party when it was in opposition but it has done nothing to reduce its reliance upon the income generated by that tax.

If the tax that has been imposed on owner-occupied residences is not removed, as I expect and hope it will be in March next year, there will be no way to remove it from the legislative collection of taxes because it will become a source of too much revenue. Despite tax increases of about 33 per cent during the past three years, investment in infrastructure has not been substantially increased because of the reluctance of the Government to fund infrastructure with the support of and in partnership with the private sector. I commend such joint ventures to all governments; they will certainly be the way to go in the future.

Many projects in the State have not progressed satisfactorily. They have not even got past the suggestion stage, largely because of the reluctance of

the Government to utilise private sector finance. The only major transport projects that have proceeded during the past three years are roads projects that were already well advanced, that is, the M2, the M5 extension and the Eastern Distributor. In the past three years the Government has made no real commitment to infrastructure, apart from that required for the Olympic Games. That will be to the Government's eternal shame.

I turn to local matters. On behalf of my constituents I express disappointment because the projections of the Carr Government demonstrate that in effect not one cent will be spent on capital investment in my electorate during the next 12 months. My electorate needs funding for education, roads, transport, community services, to name but four obvious categories. Two schools in my electorate are crying out for capital works improvements. On many occasions in this House I have referred to the need for a multipurpose centre at Killarney Heights High School. I will continue to raise the matter until that centre is developed. I seek a greater commitment from the Government to that project.

Belrose Primary School requires an assembly hall and amenities building and staff resources are to be developed using the proceeds of the sale of surplus land. That project has not been proceeded with. However, those projects have not proceeded, largely because of obfuscation on the part of department. I understand the Minister agrees to the proposal in principle. However, I would like him to show a little more drive and enthusiasm rather than merely indulge in rhetoric, which is all he has done to date. The Minister for Transport, and Minister for Roads, who is in the Chamber, is undoubtedly familiar with some of the roads and transport issues in my electorate. However, I will remind him of some of them so that he will not be left in any doubt as to the views of the residents on the peninsula and their commitment to improved roads and transport.

The Wakehurst Parkway and Mona Vale Road, which form boundaries of the Davidson electorate, need upgrading. The Wakehurst Parkway has been subject to flooding on a number of occasions during the past calendar year. The level of the Wakehurst Parkway needs to be increased, and I have a particular one-kilometre section in mind. Overtaking lanes should be provided or the road should be widened so that the frustration felt by motorists when they drive along the Wakehurst Parkway will be alleviated. The parkway is effectively an eight-kilometre single-lane road from Narrabeen to Oxford Falls. Over the years numerous accidents have been

caused by motorists overtaking and speeding when they should not have been doing so. If overtaking lanes were provided the number and frequency of accidents would be reduced.

If the level of the Wakehurst Parkway was increased by between half a metre and one metre in some locations, motorists would not have to face the ridiculous problem of a main arterial road on the Manly-Warringah Pittwater peninsula being blocked. The Wakehurst Parkway is frequently blocked for a couple of days because of heavy rain. Because of recent events Mona Vale Road has become the focus of attention. My colleague the honourable member for Pittwater spoke about that earlier. During the past seven years 12 fatalities have occurred on a six-kilometre stretch of Mona Vale Road.

There is an unarguable need to widen Mona Vale Road to four lanes. The lack of funding in the last four budgets of the Carr Government to upgrade Mona Vale Road gives the lie to its commitment to road safety. Funding should be allocated to a progressive plan for road widening. Until that happens the carnage will continue. About 10 years ago the Wran and Unsworth governments were reluctant to spend substantial money on the widening of Forest Way. After the coalition came to office in 1988 \$19 million was spent over the next six years to widen Forest Way and to alleviate traffic problems on one of the most used single lane arterial roads in the State. Forest Way is now a dual carriageway and a much safer road. Similar improvements should be made to Mona Vale Road without delay.

In the past I have spoken in the House about Karalta Cottage, a Department of Community Services respite care centre in Belrose. The centre has again been brought to my attention. Despite the commitments and assertions made by the new Minister no progress has been made in relation to that centre. The centre at Karalta Cottage has four beds which are supposedly allocated to respite care. I have previously mentioned that for two years two residents have permanently taken up half of those respite care places. That problem was finally resolved after much heartache and complaining and after an independent investigation. Despite a policy being formulated that respite care positions should not be taken up by permanent clients, that situation has recurred at Karalta Cottage. The client who is residing at Karalta Cottage permanently is depriving parents and relatives of those with disabilities, often developmental disabilities, of the opportunity for respite care. Carers have shouldered the responsibility of looking after their loved ones for many years and should not have to tolerate this

callous approach by the Government of taking away respite care places. I find that deeply distressing.

I represent an electorate with 40,000 voting constituents and between 60,000 and 65,000 residents. They have suffered abject geographic discrimination merely because they are not represented by a member of the Labor Party. I do not expect enormous sums of money to be thrown at my electorate unnecessarily, but there is a need and it is only fair that my constituents receive something back for the taxes they pay. I pray that next year the government will change. I am pleased that the coalition Government has given a clear commitment to fix the transport infrastructure problems on the peninsula. It has offered a number of options. The option which has the most currency would involve the private sector. It is a tunnel connecting Sydney Road, Balgowlah with Mosman but bypassing the Mosman central business district. It would therefore bypass the existing bottlenecks on Spit, Military, and Ourimbah Roads. That project can be brought to fruition with private sector financing, and that would be an important move.

Many submissions have been made to the Government about that proposal. I call on the Minister for Transport, and Minister for Roads to seriously consider some of the options that do not require recurrent government expenditure or capital works commitments. The tunnel would provide massive benefits to the community across the peninsula and the lower north shore. It should come as no surprise to anyone to learn from the budget papers how many slush funds and discretionary funds the Government has created. Within 10 minutes of scanning through the budget papers I identified \$65 million that the Government has allocated to slush funds for the next election. Substantial increases have been made to the discretionary funds in six budgetary areas.

In the Premier's Department the line item "Other expenses" has been increased by \$2.56 million. In the agriculture portfolio the line item "Grants and subsidies" has been increased by \$10 million. The line item "Other expenses" in relation to the Environment Protection Authority agency has been increased by \$24 million. In the gaming and racing portfolio the line item "Other expenses", has been increased by \$7 million. That is leaving aside the Community Benefit Fund, which the Government has made clear it intends to use as an ongoing slush fund. The line item "Grants and subsidies" in the public works portfolio has been increased by \$15.2 million. The line item "Grants and subsidies" in the sport and recreation portfolio has been increased by \$5.9 million.

Those increases total \$65 million. At a cursory glance, those substantial increases are well over the inflation rate and well over ordinary expected expenditure increases. They are increases over and above those in last year's budget. Why? With an election in the offing the Government clearly wants to give itself enormous discretion in the use of the \$65 million slush fund. Those allocations are not merit based; the Government has built up a slush fund for purely political purposes. That is a despicable approach to recurrent and capital expenditure by the Government. Those funds could have been distributed to various areas of need, and I have identified some of those areas in my contribution. Funding for community services, roads, transport and education in my electorate has in effect not been increased since the previous budget. I could not commend the budget to anyone, but I certainly hope to have the opportunity next year to speak to a budget that is fair and equitable to all citizens of New South Wales.

Mr ANDERSON (St Marys) [11.53 a.m.]: I will address a number of issues in the budget that affect my electorate of St Marys. When the Treasurer addressed this Chamber he spoke about the AAA rating that the Government has achieved through its expert fiscal management. That is something of which we are all proud. The State is receiving more revenue under the most difficult circumstances—the withdrawal of funding by the Federal Government—and it is being managed in such a way that it is able to provide a wealth of services to the people of the community. The AAA rating is important, because the information provided to us states that the effect of an AAA rating rather than a AA-plus rating would be a lowering of the interest rate on government loans. That in itself allows more to be spent on infrastructure and facilities.

It is encouraging to learn that the State Government has brought down the State debt by \$1.9 billion from the figure three years ago. That shows an ongoing commitment to fixing a problem that has existed for many years. The Government is meeting the challenge. The net liabilities of the State, including unfunded liabilities, have been brought down by more than \$3.5 billion. That is again the result of good fiscal management and will be reflected in the services provided. High-priority issues which directly affect my electorate include health. The expenditure of \$6.633 billion on health this year will provide the sort of health care that other States can only envy. I am proud of the commitment to health services that the Government has demonstrated in this budget.

I am proud to say that the Government is committed to the health needs of the people of western Sydney. The budget information reveals a commitment of \$96 million for the development of the new Blacktown Hospital. The groundwork has been completed and the building has started to take shape. That is something the Government is proud of. That facility, which has been provided by the Carr Labor Government, will be completed by the year 2000. The people of western Sydney will have a resource to be proud of.

I shall compare that to the coalition Government's management of State affairs. I remember sitting in Blacktown council listening to the then Liberal endorsed candidate for the electorate of Blacktown saying that Blacktown Hospital services were pathetic and staff were having difficulty providing services because of a lack of resources. He said that if a Liberal-National Party government took the reins of the State everything would change and the people of Blacktown would get the hospital services they richly deserved. The Government changed after the election. Thank goodness that candidate was not elected and the Minister for Education and Training was returned as the member for Blacktown. But the government changed and the State ended up with a coalition government. Did the coalition Government fulfil its commitment to the people of western Sydney? Did the coalition Government fulfil its promises to the people of Blacktown? No. It did absolutely nothing.

I am proud that the Blacktown Hospital project has taken shape since the Carr Labor Government gained control of the State's resources. The planning has been done, the funding has been sourced and the building is taking place. A comparison of that achievement with the achievements of the previous coalition Government clearly shows that the coalition gave lots of rhetoric but no commitment to the people of Blacktown, the people in the eastern part of my electorate and, indeed, the people of western Sydney. My electorate is serviced by two area health boards: the east is serviced by Western Sydney Area Health Service and the west is serviced by Wentworth Area Health Service. The services provided at Nepean Hospital fulfil the Carr Government's commitment to the people of western Sydney, the people who were neglected and ignored by the coalition Government. Nepean Hospital has been upgraded to a magnificent teaching facility providing for some of the most dynamic growth areas in New South Wales.

The previous Government gave us rhetoric but no action. This Government has stopped talking and

is providing, and will continue to provide, for the people of western Sydney, who can be proud of these achievements in the health budget. The achievements are not restricted to the health portfolio. Before I turn to a new subject I thank the Premier and the Minister for Health for their commitment to providing resources to western Sydney, especially the people of my electorate. I hope that they continue to provide these much-needed resources. I turn now to the education budget. The Treasurer informed us that \$7 billion has been committed to provide additional education programs to both the young and the old. These programs will not be restricted to a specific section of the community but will be available to everyone. One paragraph on page 7 of the Budget Speech which caught my eye states:

We are particularly proud of our initiatives to improve the reading skills of primary students. This year \$65 million will be spent on literacy initiatives.

I shall concentrate not on all the education programs but on literacy initiatives. When I entered Parliament in 1995 my colleagues the Minister for Agriculture, and Minister for Land and Water Conservation and the Federal member for Chifley, the Hon. Roger Price, and I did a stocktake of the education programs provided in our electorates and any shortcomings, of which there were many. We identified a lack of literacy skills among school students and elder people. We decided to meet senior officers of the Department of School Education to relate our experiences and what we believed the community needed. The senior officers left the meeting with our draft proposal for a literacy program.

At a meeting some weeks later the senior officers provided an alternative proposal to deal with the lack of literacy skills in the local area. In the document, which we named "Better Readers, Better Learners Program", we identified the problems—problems that the previous Government had ignored. The coalition Government had made no effort to address the lack of literacy skills; consequently Labor inherited that problem. We then discussed our proposed program with the Minister for Education and Training, who encouraged officers in his department to work with us, which they did, to develop the better readers, better learners program. We sought to attack the problem by monitoring the literacy abilities of students aged seven years and then benchmarking their progress.

As soon as difficulties were identified resources were provided immediately to deal with them. The program trial was successful. The teachers who embraced and trialed the program

were excited about its potential. Other schools, for example, in Liverpool and Campbelltown, were keen to introduce the program and approached the Department of School Education about introducing it in their regions. As a result of the trial the department developed a statewide school literacy program that is now operational across the State.

I am proud that an initiative developed in my electorate office has expanded into a statewide literacy program that is providing benefits to all young people in New South Wales. The Labor Government is proud that it has promoted and financed a program that benefits not only the people of the electorate of St Marys or the people of western Sydney but the people of New South Wales. I turn now to the Department of Community Services budget as it relates to my electorate of St Marys. This year the Government has committed \$1.355 billion to the Department of Community Services. Shortly after I was elected to Parliament I visited the department's services and facilities in my electorate. I identified many shortcomings. It was obvious that the resources available to the wonderful people providing the services were insufficient. Consequently, this Government has provided additional resources, which have resulted in significant turnarounds.

I refer to the provision of funds for a hydrotherapy pool in the St Marys electorate. When I was first elected to this place I attended a breakfast with members of the local community who expressed their views on issues and needs for the electorate. One lady was incensed and frustrated that she did not have access to help and resources desperately needed for her profoundly disabled child. I approached the three special schools within my electorate and the two that border my electorate, which provide services for approximately 490 children under the care of the Department of Community Services. Funding provided by DOCS to my electorate is nowhere near the same as funding provided by the Department of Health for children with the same disabilities in other areas of the State. Disabled children in Castle Hill and in areas to the north of my electorate receive 2.6 times the funding of disabled children in my electorate.

Who would take money from children in need, regardless of the region in which they live? Our job is to obtain extra resources for the children of western Sydney. The breakfast meeting reached the consensus that hydrotherapy provided a means by which the children could receive joint therapy at a lower cost than individual therapy. Local schools and principals were keen to embrace hydrotherapy because it would help more children than individual

therapy. The Premier visited my electorate and committed \$703,000 towards the hydrotherapy pool. I was incensed by the comments of the Leader of the Opposition in this regard. He took a swipe at my local kids and said that the provision of the hydrotherapy pool in my electorate would disadvantage people in the Blue Mountains. Obviously, the Leader of the Opposition is prepared to ignore the needs of children in my electorate. The Government was not deterred by his comments and provided the necessary funds.

As late as two weeks ago Penrith City Council took up the challenge. It is examining ways to fund an additional \$800,000 for this desperately needed service. I am pleased that the Government's allocation of \$703,000 did not come from one source; rather it was provided through the co-operative effort of departments. The Premier oversaw an agreement in which the Minister for Health, Dr Andrew Refshauge, committed \$300,000 from his budget; the Minister for Education and Training, the Hon. John Aquilina, committed \$300,000 from his budget; the then Minister for Public Works and Services, the Hon. Carl Scully, committed \$73,000 from his budget; and the Minister for Sport and Recreation, the Hon. Gabrielle Harrison, committed \$30,000 from her budget. Together they reached a total of \$703,000. I am particularly proud of that achievement. When the hydrotherapy pool is operational people least able to help themselves will have access to it. It should dramatically improve their lifestyle. I commend the Government for that initiative.

I refer to the effects of public transport on the people of western Sydney. I was pleased that the Minister for Transport announced that \$55 million would be provided for a public transport security program, due to commence on 1 July. St Marys is far removed from the business sectors of Sydney and Parramatta, and many of my constituents travel by public transport to their places of employment in those centres. More than 12,000 people travel through St Marys railway station each day. My constituents have often expressed their concerns about public transport security. This Government reacted to those concerns and committed \$55,000 to a commuter security program to commence after 7.00 p.m., the time that many of my constituents travel home from work. People will now feel secure and safe on the public transport system.

A very important item to my electorate, which would be of minor note in the budget, was the safety audit conducted by Penrith City Council on Dunheved Road. The council identified major safety problems along that road and that 37 accidents had

occurred in a 2½-year period. I approached the Minister for Transport in March and funding was provided in the budget in June to fix the problem. One could not ask for better or quicker service. The problem was identified and the Government reacted quickly to fix it. I commend the bills to the House.

Mr MERTON (Baulkham Hills) [12.13 p.m.]: This budget is based on myth and fallacy and on figures that could be described as rubbery. In round figures, the real result of the 1998-1999 budget is an \$862 million deficit. In fact, it is \$907 million worse than Michael Egan will admit to in the lead-up to the March 1999 election. Each of Labor's budgets has proved to be singularly wrong in its forecasts. This will be the fourth and—as my colleagues have said—final Carr Labor budget. In March 1999 the people of this State will utter the memorable words of Martin Luther King Junior, the distinguished American civil rights leader, who said, "Free at last! Free at last! Thank God! Free at last!" The people of New South Wales will be free of the yoke of the Labor administration, which has made New South Wales the highest taxed State in Australia. The economic performance of New South Wales pales into insignificance when compared to the performances of other States. This is not just my opinion; columnists and commentators more qualified in economic matters than I hold the same view. Ross Gittins said:

His planned Budget surplus of \$45 million is the rabbit.

In other words it is not just unsustainable, it is unrepeatable. He said:

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

He continued:

Does it sound a bit too good to be true?

It is.

Max Walsh from the *Sydney Morning Herald* noted:

Although Mr Egan has produced a set of figures which promise a surplus for the financial year, the components that deliver this are rubbery. Assumptions of tax growth look on the high side, asset sales are included but not specified, and the figure for capital spending look suspiciously as though it was derived as the balancing item after setting the target surplus.

I submit that the budget is not based on reality. Let me deal with some specifics so far as that is concerned. I submit that the tax receipts for the forthcoming financial year have been overinflated. On the Government's estimate, tax receipts will

increase by 6 per cent, without further tax increases. In fact, a 6 per cent increase in tax receipts is contrary to predictions. The economy is expected to grow by 3 per cent at best. It is unrealistic to expect tax revenue to increase by more than double the growth rate. The Government's assertion that tax receipts will increase by 6 per cent is a myth, it is dreamtime, it is not in the real world. It is also interesting to note that the Treasurer is relying upon a substantial increase in land tax receipts, but that is inconsistent with statements made in the Legislative Council.

The Government, in order to achieve a \$45 million surplus, has relied upon an unrealistic increase in asset sales of \$745 billion, or double the previous year's proceeds. It is unlikely that those asset sales will eventuate to the extent that the Government has forecast, especially given the fact that the Government has failed to sell more than \$100 million of an estimated \$400 million of assets during the past year. A number of one-off transactions have been bundled into the underlying result. For example, \$100 million in proceeds from the anticipated sale of Grosvenor Place have been included, together with licence fees from increased poker machines in hotels. Such one-off abnormalities should not be included in the true underlying result.

It is really very simple. For example, a man goes home to his wife and says, "Darling, we have made \$20,000 this week." His wife says, "Heavens above, you have done very well. Normally you bring home \$648.50." The man replies, "Yes, but I sold the car and the caravan." Next week there will be no car or caravan to sell, only \$648-odd in his pocket. Once an asset is sold it cannot be sold again. To include these one-off sales as a genuine item of revenue is completely wrong. The Opposition submits that something of the order of \$372 million should be removed from the published budget result. When these factors are taken into account, the budget surplus of \$45 million is based on the most tenuous of estimates, on figures that I have described as rubbery, on one-off asset sales and on the prospects of a 6 per cent increase in revenue growth. That simply will not happen.

At the end of the day when the real figures are made known to the people of New South Wales there will be a deficit of the order of \$860 million. If honourable members think I am wrong they have only to look at what was forecast in the 1997-98 budget. It was originally forecast that the State would achieve a \$27 million surplus but it turned out to be \$416 million deficit—from \$27 million in the black to \$426 million in the red, a \$433 million deterioration. Of course, that is not the first time

such a thing has happened. The forecasts were also wrong in respect of the three previous Labor budgets. The 1995 budget predicted a deficit of \$238 million. It turned out to be a \$611 million deficit, three times worse than predicted. On the second occasion the 1996-97 budget forecast a \$5 million surplus. After the one-offs had been taken out the deficit was \$467 million.

In 1997-98 the budget forecast was an estimated \$268 million surplus. That was revised to \$155 million and finally to \$27 million. However, that surplus became a \$416 million deficit. I suggest to honourable members that the Government's track record is not good. Baulkham Hills is a very important part of western Sydney—and it is part of western Sydney, I am pleased to say. The people of my electorate relate to western Sydney. We in the Baulkham Hills area could well be described as the forgotten people. We have been forgotten by this Government so far as the provision of transport facilities is concerned. There has been much talk about some kind of rail service for the area, but absolutely nothing has been done about a north-west transport link.

Honourable members might question why the people of Baulkham Hills believe they are entitled to a transport link. First, the people of north-western and western Sydney pay their taxes. They are hard-working people. Even more important, they have on their doorstep a satellite city, a new north-west sector the size of Canberra, where 250,000 people will live on 80,000 home sites. This satellite city is the result of Labor's plans. Many years ago Labor planned the north-west sector, but now that it is once more in government Labor has conveniently forgotten the people out there that are forced to rely on motor vehicles and buses to get to work. It has forgotten the important transport link.

But for the efforts of the previous coalition Government to build the M2—which was opposed every inch of the way by the Labor Party—the roads would be utterly chaotic. Most of them are chaotic. I refer in particular to Windsor Road, which goes from Parramatta effectively to Bathurst. It is an utter disgrace. However, not one cent has been allocated in this year's budget to upgrade Windsor Road. Windsor Road is the second main road west of Sydney. There is the Great Western Highway and Windsor Road. I have been pressing for the allocation of funds to widen Windsor Road substantially between Parramatta and Windsor where it is a single-lane road. Mr Acting-Speaker, you would know that to be the situation. That is not

good enough when one considers that there will be 80,000 home sites adjacent to the old Windsor Road and 250,000 residents. Traffic will grind to a halt.

My constituents and I are grateful that the \$100 million Liverpool-to-Parramatta busway will be built. I certainly support the scheme because I support public transport, but to get its grandiose scheme off the ground the Government has allocated only \$6.5 million in the current budget—6.5 per cent of the total funding for the project. If one were cynical one would think that the announcement of a \$100 million scheme for that transport link was in fact just a cheap election promise. I hope for the sake of the people who live in that area that it is not a cheap election promise. I hope it is a reality but I must admit that, on the evidence available, it appears that we will be getting it on time payment, the old drip, the Walton's plan. People used to pay year after year and it looks as though the Government is going to get onto the same plan.

The Labor Government is putting a lot of its environmental resources into creating new national parks. Everyone accepts that we should have national parks, but I believe that at this stage we should be looking at priorities, such as public transport and clean air initiatives, which will flow from greater use of public transport. This Government seems to be more interested in national parks than dealing with issues that people face every day, such as air and water pollution.

The Baulkham Hills High School is a large selective high school. It was established approximately 21 years ago, and it has been pressing for a school hall since that time. I concede that I have represented the area since 1991 and that the coalition was in office for seven or eight years. However, the largest selective high school in New South Wales has had no school hall for 21 years—and the Labor Party was in office for the majority of that time. The people associated with the school want to know what criteria the Department of Education and Training uses to determine its priority for capital works. How can the department continue to give priority to new schools and ignore established schools that do not have basic facilities? Those people would like to be assured that the department implements its agenda fairly. I welcome the \$1.3 million for the extensions to Baulkham Hills TAFE library and administrative dining room, and \$450,000 for The Hills community centre. Putting it simply, that is about all we got.

Mr Windsor: Is that all?

Mr MERTON: That is all we got. When the Greiner Government was elected to office in 1988 it found that the school buildings were run down, that they had not been maintained and that, in many cases, they had gone to rack and ruin. The same thing is happening now. The coalition's last budget provided \$198 million for school capital works; four years later the Carr budget has provided only \$129 million. School capital works have been cut for the past four years. It is easy to understand why people in the west, and particularly the north-west, of Sydney are disappointed. Some honourable members have said that the previous Government did little for western Sydney.

I draw their attention to the extensions to the M4 and to the Westmead Hospital—the Westmead Children's Hospital in particular. The coalition Government presided over the construction of one of the largest hospitals in the world. In addition, I refer honourable members to the upgrading of rail services on the western line. These are just a few of the many tangible, positive signs that the Liberal-National Party coalition cares for western Sydney. History will treat this budget as one that is based on broken promises and shattered ideals. It has betrayed the people of western Sydney and, indeed, the people of New South Wales. It gives little hope to the citizens of this State. It exemplifies one thing, and it spells this out line after line: the people of New South Wales are the most highly taxed people in Australia.

Mr Shedden: You don't really mean that.

Mr MERTON: I do mean that. I am forced to say that because I have overwhelming evidence. I know many people in western Sydney support the Labor Party, but they have had enough. In 1988 the tide turned—people were looking for hope, and they found it in the Greiner Government. Honourable members may laugh, but the Greiner Government did a lot for western Sydney. In March 1999 the people of western Sydney will give this Government the same message. They are sick to death of being taken for granted, forgotten and overlooked by a party they once trusted. Labor's four budgets will be seen as legacies of the failure of a once great political party. This budget has brought despair; not hope and vision. Upon the change of government in March 1999 the people of New South Wales will have renewed hope. I conclude by again quoting Martin Luther King Junior, who said, "Free at last! Free at last! Thank God! Free at last!" After the 1999 elections the people of New South Wales will be free of the yoke of the Labor Party.

Mr THOMPSON (Rockdale) [12.33 p.m.]: This is truly a traditional Labor budget. It is a families first budget. It is a budget that shows in stark contrast the difference between the Labor way, which protects and promotes the provision of services, and the Liberal-National Party conservative way, which restricts and dismantles government facilities and services. If honourable members do not believe that, they should look at the experience in Victoria. Under Premier Kennett the coalition in Victoria has closed literally hundreds of schools and dozens of hospitals, public service numbers have been decimated and government services generally have been slashed. This Labor budget has as its central theme the family. It is a caring budget. This budget gives a massive 11 per cent increase in recurrent expenditure for social and community services. It provides greatly improved services for families in crisis, pre-school care, homeless youth and the frail aged.

I wish to highlight a number of other major features of this budget. The Government will abolish the \$43 levy for motor vehicle registration in a number of stages. From 1 July this year 600,000 families who receive family allowance payments, all holders of seniors cards, and farmers and primary producers will save \$43 on their motor vehicle registration. From 1 July next year all private individuals will save \$43 a year, and this saving will be extended to business vehicles from 1 July 2000. A 50 per cent discount in stamp duty will benefit approximately 100,000 more families when they buy their first home. Individuals earning up to \$39,000 or families earning up to \$57,000 will receive the stamp duty concession when they buy a home in Sydney worth \$170,000 or less, or a property worth \$150,000 or less in regional or rural New South Wales. In spite of booming property values in Sydney, I know that many properties on the market in my electorate would be within the range of such families.

This budget increases the budget for health and hospitals by \$426 million. Year after year, this Labor Government has set new records for expenditure in this critically important area. In the 1998-99 financial year the Government will spend \$6,633 million on health and hospitals. It is a worthy and enlightening exercise to compare this health budget with the Fahey coalition Government's final health budget. This Labor budget will spend \$1,342 million more than was budgeted for in the Fahey Government's last budget—a massive increase, and one that underlines the credibility of the Carr Labor Government as a government that truly cares for people.

This budget is good news for schools also. In the next financial year the Government will spend an extra \$318 million on schools, education and training. In total, the Government will spend \$6,551 million on education in 1998-99. It is worth comparing that figure with the effort made in the final budget of the Fahey Government, members of which are now in opposition. Under the present Government, spending on education has increased by \$1.2 billion over the Fahey Government's final budget. Rural education programs do not miss out, either. The budget provides a \$75 million increase in rural education funding. Capital works in rural and regional New South Wales will receive an extra \$330 million in 1998-99, which will go towards new schools, hospitals, roads and rail services.

The Police Service is also a big winner. The budget will bolster the strength of the New South Wales Police Service by an extra 100 officers, fulfilling the Government's promise to provide an extra 500 police in its first term in office. By next year this State will have a record number of 13,407 police officers. The budget allocates more than \$1.3 billion to the Police Service—a record high. This allocation means more funding for police equipment. Provision is made for a \$33 million upgrade of the 000 emergency service. This year's record \$1.307 billion police budget ensures that the New South Wales Police Service will be able to continue the reforms recommended by the Royal Commission into the New South Wales Police Service, put more police on the streets to fight crime, expand the building program and adequately fund crime prevention and community safety programs.

It is true that New South Wales has more police than ever before, in order that families may feel safer in their local communities. A couple of weeks ago the community safety council in my electorate held its inaugural meeting. Under the guidance of local area commander Garry Dobson and community safety officer Jeff Wrigley, the committee was established, elected an executive and, with the assistance of the police, has set about identifying and prioritising the crime issues and problems of our area. The committee is a great initiative for our local community. The improved management of the new local area command structure should mean closer links between local communities and the police, whether in the cities and suburbs or in country towns and rural areas. My area is experiencing that at first hand.

The budget provides \$4.5 million for the safer communities action plan, which includes a community safety officer in each local area command to address specific crime problems and

develop local plans for crime prevention. About \$5 million is to be spent on training and allocating youth liaison officers for all local area commands. These officers are being appointed to deal with young offenders, steer them away from courts and gaols and into alternate programs such as youth justice conferences. That is a very important initiative. The broad issues of law and order are of great importance to most people. In that regard, the people of my electorate are no different from those in the rest of New South Wales. The role of police is crucial if we are to have a lawful and orderly society in which people can go about their affairs in peace and safety.

The Government has plainly demonstrated its commitment to and support for an effective and efficient Police Service. The Government is committed to continuing to work with police and the community to make New South Wales a safer place to live in. The Government is doing that by listening to the community and the police and then responding with smarter and firm but fair policing. The budget allocates almost \$1.9 billion for better roads and transport in regional and rural New South Wales in the next financial year. This will allow for the commencement of work on the M5 east. The people of my electorate have experienced the saga of the M5 east for many years. Much has been said and written about the matter, and I have no doubt that there will be much more said and written about it in the future.

While the great majority of people in my electorate support the road's construction, there has been angst and disagreement about aspects of it. I have tried to work through those problems with the Roads and Traffic Authority, the Minister and the Minister's office. Most issues have been addressed satisfactorily. There are some aspects still in need of attention, and I think particularly of the issue of vehicle emissions. I shall continue to agitate to make sure that the system provided is of world-best standards and is safe and secure. The M5 east project will cost about \$700 million. The allocation of \$131.5 million in this budget will ensure commencement of construction work, which is a signal that local people have wanted for years. At last something is happening.

Another feature of the Carr Government's budget is the expenditure of \$160 million on the Pacific Highway. This expenditure represents the third instalment of a 10-year commitment to upgrading that vital road link from Newcastle to the Tweed. In the three years of the program's operation a total of \$483 million will have been spent by the State Government by the next election. That road is

not in my electorate, of course, but many people from my electorate and hundreds of thousands of people from the rest of the State use the road, particularly when on holiday.

Mr Woods: When they are travelling up my way.

Mr THOMPSON: Yes, many of them would be travelling up to the good country in the Grafton area, and to points north and south of that area. The upgrade of the Pacific Highway is a matter of great concern to the majority of those who live in this State. Ideally, it would be upgraded at a much faster rate than is happening at present. The State Government has limited resources, however, and if the Federal Government will not pull its weight with the project then the State can only do its best. It is a credit to the State Government that the commitment to upgrade and improve the Pacific Highway is being fulfilled. Many people of non-English speaking background live in my electorate. Helping migrants with English skills and improving health programs are priorities for all constituents in my electorate. They are also priorities recognised in the budget.

The general area of ethnic affairs is subject to a whole-of-government approach, and budget initiatives cover all portfolios in the Labor Government. This budget is good news for the various ethnic communities of my electorate and the rest of New South Wales. Health and education are two very important portfolios for ethnic communities and for all the community. Through this budget the Government is funding several education and training initiatives. More than \$43 million is allocated for ongoing support for programs relating to English as a second language. A sum of \$1.2 million has been allocated for multicultural education in schools and \$600,000 has been allocated for antiracism education initiatives. I am upset that the Federal Government seems to be backing away from its commitment to initiate a national antiracism advertising campaign. This Government has tagged \$600,000 in this budget for antiracism education initiatives.

A sum of \$1 million is provided for 18 additional community language teaching positions for primary schools, and a further 18 positions are to be provided in 1999. The budget allocates \$100,000 to support overseas-trained teachers and \$2 million to TAFE for the provision of 93 vocational courses covering English for specific purposes. The budget also contains a range of health initiatives. Funding will be made available to establish the New South

Wales refugee health unit, which will protect and promote the health of refugees. That unit will work collaboratively with the service on an important project to treat and rehabilitate survivors of torture and trauma.

I was surprised to discover that within my local community are a number of refugees who have been victims of shocking torture in their homeland. Many thousands of refugees in Australia are victims of torture and are in dire need of support. The allocation of funds in the budget recognises that need. The budget provides funding for a transcultural mental health centre to provide mental health information and resources in different languages and to develop prevention and early intervention programs. Funding is allocated for the expansion of the existing clinical brokerage program to provide specialised consultancy services to mental health services across the State.

This funding will be made available to promote mental health among young people of non-English speaking backgrounds, to ensure early detection of mental illness and early intervention. Mental illness often goes undetected, but if more programs are funded to ensure early intervention, sufferers will be much better off. The Government will provide \$8.95 million to the Ethnic Affairs Commission. More than \$709,000 in the form of grants will be used from the Casino Community Benefit Fund for projects to target problem gambling, skill development and family support services. Carnivale will receive a further boost.

Up to \$35,000 will be provided for research into pay equity issues, which will take into account barriers faced by ethnic women. The sum of \$185,000 will be available for print and radio education material on the Environment Protection Authority's urban stormwater education program, aimed at people from non-English speaking backgrounds. That may seem trite to some, but the program will make the broader community aware that information is directly available to people from non-English speaking backgrounds.

The budget also reinforces the Government's commitment to young people by assisting them to find quality, secure jobs. The budget provides increased funding for training and education for young people. A further \$4.6 million is allocated for the post-school options program to provide places for school leavers with a disability, and \$8 million to improve TAFE facilities in a number of areas. An amount of \$6 million will be available for special programs for young people to improve literacy,

numeracy and self-esteem. Those programs include the helping early leavers program, circuit breaker, time out and Koori youth programs. The budget also contains a number of community and safety initiatives for young people.

The budget also directs some key health initiatives to young people, with 160 additional health workers providing specialist mental health services to children and adolescents. An amount of \$120,000 will develop resources to promote mental health among young NESB people to ensure early detection of mental illness and early intervention, as I said earlier. The sum of \$1 million will be allocated to support students at risk of using harmful drugs and \$480,000 to an Aboriginal mental health strategy, focusing on Aboriginal youth suicide. As I said earlier, the budget allocation to community services has been increased by 11 per cent, or \$131 million.

The Government is committed to justice and equity, caring for families and people with disabilities, and protecting children who are vulnerable. The community services budget is \$1,258 million compared with \$899 million in the final budget of the Fahey Government. Whilst the Greiner and Fahey governments slashed and burnt their way through the community services portfolio, with disastrous results for the most disadvantaged in our society, the Carr Labor Government has picked up the pieces and restored and improved services in that most vital area. The foreword to the Social Justice Budget Statement reads:

We have a strong belief in the relationship between a prosperous economy and social well being; just as a strong economy ultimately relies on quality public and social infrastructure. That is why we will continue to meet the challenge for our social justice agenda posed by significant reductions in funding and cost shifting by the Commonwealth Government. The Commonwealth's actions have impacted particularly on those most vulnerable in our society—the aged, the sick, the unemployed, the disadvantaged, those needing affordable child care and those needing legal aid.

The 1998—99 Budget reaffirms and demonstrates our commitment to social justice and a fairer community.

Mr CHAPPELL (Northern Tablelands) [12.53 p.m.]: We are told that the biggest feature of the 1998—99 budget is that it provides for a surplus. What an achievement for the Government, to be able to turn around a string of deficit budgets and produce a surplus budget! But no-one believes it. Several members have quoted media comments about the budget, but I will restrict myself to quoting Max Walsh, a highly respected economic journalist, who stated in the *Sydney Morning Herald* the day after the budget was delivered:

Although Mr Egan has produced a set of figures which promise a surplus for the financial year, the components that deliver this are rubbery.

Assumptions of tax growth look on the high side, asset sales are included but not specified, and the figure for capital spending looks suspiciously as though it was derived as the balancing item after setting the target surplus.

That is the way to deliver a surplus budget. Select the answer you want, fill in the blank spaces and come up with whatever figures are necessary to give you the outcome you have already decided. If a business was run that way it would go broke. That is clearly what has happened in the last couple of years. Asset sales of \$745 million—double the proceeds from last year's asset sales—are required to achieve a surplus of \$45 million. Although such high asset sales have been factored in to the budget, they will not be achieved. The Government fell short of achieving its target of \$400 million from sales this financial year by more than \$100 million. It is not realistic to expect it to achieve double that figure next year, as it has budgeted.

In reality this year's budget is a deficit budget. We are not just talking of a few million dollars; it is likely that the deficit will be \$800 million. None of the serious economic journalists believe this is a serious budget. The budget deficit in the coming year is likely to be even larger than that in this financial year. The budget does not stack up. Despite the Government's promises of no new taxes and no tax increases, taxes have increased by 33 per cent during the life of the Government. That is much higher than the rate of inflation and it is not justified on any economic grounds. In reality New South Wales is taxed 11 per cent more than the next highest taxed State in Australia. That makes New South Wales businesses far less competitive than businesses in Queensland, Victoria and other States.

In reality the average New South Wales taxpayer pays \$1,063 per annum more than taxpayers in Queensland and \$417 per annum more than taxpayers in Victoria. We cannot and should not have to tolerate that, and next year the people will determine that they will not tolerate it any more. New South Wales will stagnate if its taxpayers have to pay 8, 10 or 12 per cent more than those in other States, and other States will grow. Some minor tax reductions have been factored into the budget, but overall an additional 6 per cent has been imposed this year.

Honourable members have referred to the 7.7 per cent increase in gambling taxes in 1998-99. Unfortunately, to our great social cost and shame,

there has been an overall increase in revenue from gambling of 34 per cent per annum since the Government came to office. We should hang our heads in shame; it is obvious that the Government has to take responsibility for that. The most iniquitous tax ever designed by man, payroll tax, is also expected to increase by 6.8 per cent, or \$229 million; a further impost on business and a further disincentive to employment. Since 1995 payroll tax has increased by 34.8 per cent, which has been disastrous for employers.

This budget is all about getting through to 27 March 1999. After that, watch out! If Labor wins the next election, which I very much doubt, there will be an immediate shocker of a mini-budget to get the State through to the next allocation of funding under the 1999-2000 budget. We will all live in fear of such a budget in the event of a Labor win at the next State election. Once again this budget has failed country New South Wales. The country town and water supply and sewerage scheme, which was \$75 million when Labor was elected to government, has been reduced to \$50 million in this budget. That is a serious reduction. Water supply and sewerage schemes must be kept going in country towns. That cannot be done by slashing the budget by one-third at a time when costs are increasing. That effectively halves the past three or four years' allocations.

Budget allocations for blue-green algae and Rivercare management have almost halved from \$7.8 million to \$3.4 million. Soil conservation grants have been cut from \$20.9 million last year to \$17.5 million this year. That is an absolute disgrace. Anyone who knows anything about country regions would know that we must protect soils as well as water resources. Yet soil conservation grants, which should have been increased significantly, have been cut disastrously.

The budget for the once-proud Department of Agriculture—a flagship department for many years—has been reduced by \$8.4 million. It has been subjected to ruthless cuts over the past several years and several areas of its programs have been decreased. As a result, country New South Wales will suffer depression and regression rather than enjoy growth and promotion, as it should. An amount of \$18 million has been allocated for regional development, but unfortunately that is to be spread over three years. Like many announcements in this budget, the big ticket items are multiplied by two, three, or five, because the program amount, when looked at closely, is spread over a number of years and not one year, as would be expected.

That is \$6 million a year, which is half the amount the Government is spending to relocate a football club from North Sydney to the central coast. Although that may be laudable for supporters of the club and for that code of football, it is really a sick joke on the people of country New South Wales when one considers what is happening in the supposed recovery of country New South Wales, which is referred to in the document, "Rebuilding Country NSW". I am sure they will remember that at the polls next year. If the Government can afford to spend \$12 million to move a football club, surely country people are entitled to a greater share of this year's budget for regional development programs.

For several years hundreds of millions of dollars have been diverted from country funds to Olympics projects, Olympics-related projects and bogus Olympics projects. Sydney-based projects which have little, if anything, to do with the Olympic Games have had the Olympic tag applied to them as an excuse to spend taxpayers' money in the metropolitan area rather than in country areas. One of those projects can be seen from this building. The Government is converting a perfectly good road into a tunnel and will plant trees on top of it to improve the outlook from the Art Gallery of New South Wales. What a waste of money! That money should have been spent on a program to eliminate traffic black spots.

I am sure every country-based member, including me, could nominate dozens of projects on which money could be much better spent than on converting a perfectly good road into a tunnel. In the country there is great animosity about the dollars that have been syphoned off for the Olympic Games. Residents have formed a negative view that is unfair and unreasonable. In a recent newsletter I told my constituents that they should not blame the Olympic Games for the loss of money, they should blame this Government for tagging money to be spent in Sydney on non-Olympic projects.

I refer now to other issues relating to my electorate of Northern Tablelands which point out the inadequacies of this year's budget. Obviously health funding comes first. What can I say about the budget allocation to the health service in my electorate? Nothing, it is a sick joke! It is a matter of record that bills remain unpaid. It is scandalous and embarrassing that the Government cannot pay to run the hospitals. I have brought to the attention of the Government and my electorate that millions of dollars in unpaid accounts represents a grossly improper way of doing business and providing health services. It is an utter disgrace that we have

to chase business people, suppliers and professional service deliverers. When I pursued this issue with the Minister's office I was assured that everyone had been paid up to date, and that that system would be maintained. But the flood gates opened and dozens of people indicated that they still had not been paid what they were owed as far back as last year.

Despite what the Minister for Health said to the estimates committee this week—that everyone was paid up—that is not the case. Services, in particular dental services, have been curtailed. Tingha Hospital has suffered cutbacks and, despite promises that it will remain open, bed numbers are being manipulated to make them unavailable to the community. Promises have been ignored. For instance, the Minister for Health came to town and promised that a renal dialysis unit would be provided in Armidale. I have asked about that time and again. Under this Government Armidale will not get a renal dialysis unit for its community and those to the north and west who would benefit from that unit.

Projects have been slowed down or short-changed. For instance, for the third consecutive year the people of my electorate of Northern Tablelands have been told that \$1 million will be allocated for an emergency unit at Inverell Hospital. Indeed, the budget papers show that \$827,000 has been spent on that emergency unit this year. If that were the case one would expect to see bricks and mortar on the ground; one would expect a sod to have been turned and materials purchased. However, not one sod has been turned and not brick has been laid, although we have been told that \$827,000 has been spent on the project. That is another lie.

Armidale hospital will be upgraded to a state-of-the-art, world-class facility. How much has the Government allocated in the budget for that project? It has allocated \$3 million of a total budget of \$5 million. It would cost much more than \$5 million to upgrade one of the more run-down hospitals in country New South Wales to a state-of-the-art, world-class facility. The story in many other country areas is similar and indicates that country areas are not receiving the funding to which they are entitled. In the police budget, allocation is made for 100 additional police positions. How many of those positions will be located in country areas? I am prepared to bet that very few of those positions will be in the country. Currently, Armidale has the lowest number of effective general duties police in living memory. I have raised that issue on a number of occasions.

Only this week I was told that three additional general duties police officers will be located at Armidale. They have been a long time coming. It is a disgrace that Armidale police have had to operate with insufficient general duties officers and in such conditions for so long. Armidale police station is a complex of old buildings, mostly cottages, recycled to be used, inappropriately, as offices and other work rooms. Armidale needs a new police station with modern facilities. The Government must give priority to a capital works program for a new police station at Armidale.

I had hoped the Government would allocate funding to an overdue and, by any reckoning, totally justified capital works program, that is, a school hall at Guyra Central School. Guyra can be extremely cold at times and for long periods. There is nowhere at the school, other than the corridors, the library and the classrooms, for the children to go in the cold weather. That is unfair to the students and the staff. When we still had regional education infrastructure a former Acting Assistant Director General of Education promised that a hall would be constructed at Guyra school. However, there is no reference to that project in the 1998-99 budget.

Maintenance work at Drummond Memorial School in Armidale is urgently needed, as is a multipurpose hall at Armidale High School. That indoor sporting facility, which could also have been included in the regional sports facilities program, would benefit the people of the northern tablelands. I had hoped to see an allocation of funding in the regional sports facilities program to heat Inverell swimming pool. The community and Inverell Shire Council have already commenced raising funds for that essential project. The construction of a regional sporting facility at Armidale High School is long overdue. The community will do all it can to advance the project and expects the Government to do likewise.

Finally, the allocation in this budget for road funding for country areas is deplorable, as were the allocations in previous budgets. The Bundarra Road from Armidale, the main road from Guyra to Ebor, the Mount Lindsay main road to the north and east of Tenterfield, and Waterfall Way connecting Armidale and districts to the coast need funding urgently. Virtually all the roads in my electorate need enhanced maintenance funding, but no such allocation is made in this budget. The Government has failed to provide funding for country roads. Instead, it has diverted moneys for metropolitan roadworks and transport projects. The next government will change that.

In summary, the budget configuration is not valid. It will not run to a surplus but, rather, a very large deficit. It undercuts the needs of country New South Wales. It fails to deliver necessary funding and fails to restore a balance. In recent years jobs, infrastructure projects, have been ripped out of country New South Wales and its public assets have been run down. The Government had an opportunity to nail its colours to the mast by addressing the needs of country New South Wales but failed to do so. When the people of country New South Wales vote on 27 March 1999 they will remember that they have been short-changed yet again. Their votes will send the message that the Government should have done better and will be punished for not doing so.

Mr RUMBLE (Illawarra) [1.13 p.m.]: I am pleased to support the 1998-1999 budget. The fairness of the budget is borne out by the lack of questions from Opposition members since it was delivered. One feature emanating from the budget is that New South Wales has maintained its AAA rating. Australia is in the minority in terms of world democracies, and New South Wales is in the minority in terms of its AAA rating. That rating means that a lower rate of interest is payable on government loans, compared to the interest rate payable on loans in States and countries with a lower credit rating. Consequently the cost to taxpayers is reduced. The Government has reduced the State's net financial liabilities, rather than adding to them. That happened in the past under all governments.

Net government debt is down by \$1.9 billion; the State's public debt is down by \$1 billion; and total net liabilities, including debt and unfunded liabilities, are down by \$3.5 billion, which represents \$1,600 per family. The net worth of the New South Wales public sector is estimated at \$68 million, compared with \$20 million for Victoria. In the past three years State equity has increased by \$4 billion, which represents \$1,800 per family. The Government's priorities in the budget relate to the important areas of health, police and education. One example of the family orientation of the budget is the continuation of the back-to-school allowance.

I turn now to capital works and funding for the Illawarra region. In the health budget the Government has allocated funding to replace the dilapidated Hickman House, which is part of the Wollongong Hospital complex. Funding has also been allocated for a clinical service block at the hospital. The coalition Government was committed to constructing a clinical services block, but there

was only a hole in the ground when Labor came to office in March 1995. I shall outline some of the projects announced for the electorate of Illawarra, which I am honoured to represent. Unanderra Public School, which is more than 100 years old, will be relocated to Cordeaux Heights, at a total cost of \$5.4 million. An amount of \$730,000 has already been spent, and \$4.4 million will be spent in the current year. The community was consulted extensively on all matters relating to the relocation.

Concern was expressed about the name of the school. Although the school is to be relocated in a different suburb, it was decided that it will retain the same name: Unanderra Public School. In the housing budget, funding is allocated to construct eight units in Dapto. That project, which will cost a total of \$872,000, of which \$470,000 will be spent this year, will be completed in 1999. In Unanderra 11 units will be completed in 1999 at a cost of \$1 million, of which \$320,000 will be spent this year. The commitment has been made to construct 16 units in another section of Unanderra at a total cost of \$1.4 million, of which \$1.1 million has already been spent and \$331,000 will be spent this year. Those units will be completed in 1998. A total of \$3.4 million will be spent for 35 units, with \$1.1 million being spent in this current year.

The Roads and Traffic Authority is carrying out a feasibility study for the construction of on and off ramps at Dapto. When the final decision is made, those ramps will be constructed at either Kanahooka Road or Fowlers Road. The Dapto area is a rapidly growing area, especially since west Dapto was opened up for residential expansion. It was one of the few areas in the Illawarra that had land available for the construction of residences. The construction of the on and off ramps will help the traffic flow from that new area. The intersection of the Princes Highway and Tongarra Road at Albion Park Rail will have the traffic signals upgraded at a cost of \$23,000.

Though the intersection has traffic signals, pedestrians have expressed concern about the safety angle of the crossing. The new funds will finance the upgrade of the present signalling system in such a way that the safety of pedestrians will be kept in mind. A roundabout will be installed at the major intersection of the Princes Highway and Emerson Road, Dapto, for which \$180,000 has been allocated. Nowadays the trend is to install roundabouts instead of traffic lights at intersections that generate heavy traffic. Obviously roundabouts allow traffic to move more freely and disperse more quickly than at traffic signals.

The Government has indicated that it will electrify the railway line south of Dapto in the next couple of years. The proposed electrification of this rail line was costed some years ago at \$10 million. The people of the Illawarra welcomed the proposed rail extension from Coniston to Dapto. So far \$109,000 has been spent on the feasibility study for this project and another \$258,000 will be spent this year. When the line is electrified further south, for example, to Kiama, it will assist the many people who travel from Kiama to their workplaces in Sydney each day. The Wollongong region does not have enough work to support those who live further south and at least 5,000 to 6,000 people travel daily to Sydney to work. Though the diesel service south of Dapto is better than it used to be, electrification of that line is a welcome project. I should like now to refer to the permanent opening of Lake Illawarra. A number of people have contacted me about problems with Lake Illawarra. One constituent wrote:

Over the Xmas-New Year period I have had family and friends from the Country and Sydney visit me at my home at Lake Illawarra.

It was both disappointing and sad that their children could no longer swim from the sandy beach at the end of View Street due to the growth and compilation of dead and rotting ribbon weed.

Comments were made to me of the stench and rotting weed build-up around Berageree Island and under and adjacent to the Windang Bridge, as well as comments as to discolouration of the sand which was once white.

The sand build-up at the Lake entrance is now such that vegetation is beginning to grow, and I fear that the Lake entrance will soon permanently close, causing all sorts of environmental and health issues.

Shellharbour City Council are sympathetic and supportive, and agree that the only solution is to provide a permanent opening to the Lake however, even with the support of Wollongong City Council, are unable to provide the funds necessary without Government assistance.

This is a serious concern not only to local residents, but also to local businesses who rely largely on tourists and visitors to the area to survive, and therefore I trust that it would be a serious concern to Government.

Another constituent said:

I am a regular user of the Lake and have seen the tidal movement limited to only a trickle when there are neap tides and minimal movement when the spring tides are present. I walk from Oak Flats to Windang Bridge every afternoon and have noticed that there is no tidal movement around the Oak Flats-Boonera Point area. I am not convinced that the Lake is not being affected environmentally. Years ago the Lake may have closed and opened by nature taking its course, however, the Lake did not have all of the pollutants of today's modern society entering and was not affected as it is these days.

Finally, the Warilla-Mount Warrigal branch of the Australian Labor Party held a meeting and advised that:

... a resolution was carried, that we write to you expressing our concern at the polluted condition of the Lake Illawarra, and the rotting stench that it produces. The branch also feels that the condition of the Lake may in fact be a health hazard with many young families visiting the parks and recreation areas surrounding the lake.

We would appreciate your cooperation with the Illawarra Lake Authority to make funds available for the permanent opening of Lake Illawarra which should alleviate to some extent this problem.

Earlier this year the Minister for Agriculture, Mr Amery, my colleague the honourable member for Kiama and I visited the Lake Illawarra area. The Minister was sympathetic to the problems with the lake. I was pleased to note that the budget commits \$400,000 to construct a permanent entrance to Lake Illawarra. That funding will allow construction to commence because Wollongong City Council and Shellharbour Council have each made commitments to provide funding. I was pleased when the Government announced recently a \$7 million package for the Port Kembla coal industry in an endeavour to rescue jobs.

The coal industry has suffered many problems. Employer and employee representatives contacted the Government after the downturn in coal exports from Port Kembla. The Government has reduced the charge from \$2 a tonne to \$1.30 a tonne and that will assist the viability of the industry in the Illawarra region. The package will secure 500 jobs and although the number of coalminers has declined in the Illawarra region over the past 15 years, the Government's initiative was welcome as it will benefit the 2,700 people who still work in the mines.

The Government should support the proposal for a MagLev very fast train from Sydney to Canberra via Wollongong. Transrapid Australia is one of the tenderers for this proposal. Of the different companies bidding for the link, Transrapid is the only company that will provide a service via Wollongong. The beautiful Illawarra and south coast regions have many tourist attractions. Since the steel industry retrenched more than 10,000 employees in the early 1980s the tourism and hospitality industries have been promoted in the Illawarra and south coast regions. As thousands of people travel from those areas to Sydney each day the introduction of the Transrapid train would make life easier for them. The Transrapid train captured the imagination of Illawarra residents after a statement was made by representatives of the consortium behind the project. They said that it would take 22 minutes to travel

from Wollongong to Sydney and an hour to travel from Sydney to Canberra.

The Transrapid MagLev is different from other trains. Trains such as Speedrail's TGV and the tilt train would run on the existing rail network, whereas the Transrapid MagLev requires the construction of a completely new railway line. Transrapid proposes to locate its construction and maintenance headquarters in Wollongong. The project has the full support of people in the Illawarra region. President Clinton has committed the United States Government to supporting the same project. Apparently, the United States Government intends to spend \$1 million on planning and construction for the same system.

I touch briefly on the need to service land at west Dapto. Wollongong City Council informed me that light industrial land at Unanderra has almost been built out. People who wish to establish high-tech industries in the Illawarra region need the necessary land on which to do so. I have said on other occasions in this House that land must be serviced to attract people and to help our unemployment problems. The Illawarra region has experienced major problems since the retrenching of 10,000 people by BHP in the early 1980s. We have been desperately trying to alleviate those unemployment problems by advertising the natural beauty of the area and by promoting the hospitality industry in the Illawarra region. Those problems would be a lot worse if the Illawarra region was not as close as it is to Sydney. I am pleased to support the Government's 1998-99 budget. People in the Illawarra region are obviously happy with the share that they have received.

Mr WINDSOR (Tamworth) [1.33 p.m.]: I am pleased to have this opportunity to speak in the debate on the Appropriation Bill and cognate bills. I will comment on the Government's overall budget strategy, local matters in my electorate, the budgetary process and the transparency of the budget, and the effect the budget will have on country New South Wales. In technical terms the budget is regarded as being reasonably responsible, given the Government's projected cash surplus of \$45 million. Reference has been made by many speakers in the debate to the Government's ability to bring down a budget that is in surplus after a period of a mere 12 months. In purely economic terms this is a responsible budget. Olympic projects have caused an enormous drain on the budgetary process, and in my view that has had a detrimental impact on country areas.

It is to the credit of the Government that it has been able to fund each Olympic project to completion. I hope that process continues. Once the

Olympic Games are over the Treasury coffers will not be subject to the same ongoing demand. I have been involved in the country summit task force, which determined the impact of the Olympics on country New South Wales. Even though the Government has come up with a cash surplus, that has been at the expense of country New South Wales. Later I will spend time examining some of those figures.

On a local level, the budget for the Tamworth electorate introduced little new capital. Obviously money was allocated for the maintenance of roads and for the road program. I thank the Government for two initiatives in the budget. The first, which is an ongoing commitment, was initiated by the former Minister for Roads, the Hon. Michael Knight. I am pleased to see the honourable member for Myall Lakes in the Chamber. I am sure that he also wants to compliment the Government on its funding package for the Walcha-Gloucester road complex, which has been crying out for funds for many years. It is pleasing to see in the budget a continuation of funding to complete that road by 1999. The Minister for Roads allocated \$695,000 in the budget to convert Moona Road near Walcha from a gravel road to a two-lane sealed road. The Government's valuable commitments to road funding in the Walcha area are appreciated by that community. Funding of \$1.1 million in the Tamworth electorate will result in minor upgrades to Chaffey Dam and the office of the Department of Fair Trading.

State Forests received a budget allocation of \$3.6 million to encourage the planting of trees. Last year's budget allocation of \$3.9 million to State Forests was not spent. Honourable members participating in the debate on the budget bills rely on the honesty and integrity of the Government to deliver spending allocations. I hope this year's \$3.6 million allocation does not become a savings effort rather than a spending effort. The State Transit Authority received a \$25 million allocation for its bus contract, and the buses will be built in the Tamworth electorate. However, there are some problems with this budgetary process. An amount of \$25 million will go from the State Transit Authority to the bus company that is building these buses, so the Tamworth electorate will receive a much smaller proportion of its budget allocation. Obviously some of the money goes overseas, some of it goes to Sydney, where the prime contractor resides, and some would go to other places. As to local members' claims that the money is being spent in their electorates, the money might be shown in the budget papers but it is definitely not being spent in their electorates.

I want to comment on two areas: one a matter within the budget and the other a matter about

which there has been activity in the past week. The Tamworth Regional Entertainment Centre was fortunate enough to gain funding from the Government a couple of years ago, and an ongoing commitment from the Government to build the structure has been met. The Minister for Regional Development, and Minister for Rural Affairs has visited Tamworth on one or two occasions to present cheques, of which the community is very appreciative. That is a good example of the role that governments should play in regional development. The structure will cost in the vicinity of \$6 million to \$7 million. The business community has agreed to raise something like \$1 million and the council will provide several million dollars. The State Government was good enough to allocate \$1.25 million and it is hoped that, despite having procrastinated considerably, the Federal Government will allocate a similar amount.

On a recent visit to my electorate, the Minister for Police visited a group of people who are attempting to obtain a clubhouse for people with mental health problems. The Minister inspected a building with the group, and he is currently looking at ways and means to assist in accessing a building. I thank the Minister for the caring attitude he displayed to those people. Hopefully, with the participation of the local community and the commitment of the Government, a structure will be provided to assist those mentally ill people.

I would like to touch briefly on an analysis of the budget papers that has been undertaken by the Country Summit Task Force, with which I am involved. The task force has been particularly examining capital flows in an attempt to create parameters to gauge whether country communities have received their fair share from the budgets. A problem in the past has been that we have never had an adequate gauge of a government's performance in the budgetary process. Over a period of months, using the parameters it created, the task force worked through the past seven budgets, including the current budget. It became obvious that country electorates have been very much underserved with capital flow during the past seven years, including four years of coalition budgets.

I refer to a document prepared by the Country Summit Task Force entitled the "New South Wales Country Summit Report" relating to the 1998 Wagga Wagga summit, which was attended by the Premier and the Leader of the Opposition. At page 23 of that document a graph clearly shows that during the past seven years country New South Wales, which represents approximately 30 per cent of the State's

population and about 90 per cent of its land mass, has received less than 20 per cent of the capital flows—from both coalition and Labor governments. The coalition was slightly more generous to country areas in two of its budgetary years, but in its other two budgets its allocation was not all that dissimilar to the current Labor Government's allocation.

The graph shows a slight increase in rural funding in this year's budget. I am pleased that country New South Wales is starting to get a marginal increase in its allocations. But the fact that 30 per cent of the population of this State is getting less than 20 per cent of the cake cannot be described as equitable. The task force also made an analysis of coastal country areas and inland country areas to gauge whether, as some economists would argue, because country areas have a decreasing population they do not receive a commensurate injection of capital. For example, a new school would not be built in an area where there were not many children. The task force examined that and looked particularly at the allocation of funds to coastal areas. The historical perspective of the analysis indicated that even the rapidly growing north coast areas were not receiving more capital flow in line with that growth.

The task force analysis has recently been verified on a confidential basis by a research group that was commissioned by a rural organisation. The warning sign is that governments of all political persuasions should look at the way funds are allocated to country areas, particularly as they constitute 90 per cent of the State's land mass. Given the Queensland experience in recent weeks, these sorts of parameters are starting to indicate that country areas in particular are sick of being neglected in the political process. The Government and the Opposition, which may well be in Government next year, should take account of those figures and make clear commitments to country people about the equity of future arrangements.

I have spoken to Treasury and the Premier's Department about the analysis. To overcome a problem in the budgetary process that was encountered, the task force included a correction factor. It said that 30 per cent of the State receives less than 20 per cent of the cake. On a straight analysis of identifiable funds and capital flows, the graph shows the line at 20 per cent. In the horror Egan budget of 1996-97 that line was below 10 per cent. Also, some funds within the budget papers are allocated not to a specific electorate but to an area. So the task force built in a massive correction factor, which could be corrected by the Treasury computers for the people of New South Wales.

I have argued that the Premier should give open access to Treasury computers to independent people, and the Auditor-General, so that we can get a clear look at just where the money flows are going. Then there will not be any political arguments about who is doing what to whomever. Until there is that transparency there will be a grey area in relation to where the money is actually going. The budget documents are not good enough to allow people to determine where the money is going. A 20 per cent discrepancy factor is built in and in most cases the eventual figure is about 10 per cent.

The other aspect of the budget that should be addressed involves its mechanics—the way in which the inner budget and the outer budget are treated in terms of electorate reports. The inner budget is the taxpayer-funded portion of the budgetary process; the outer budget involves the business side of government activity. In most cases the latter is not taxpayer funded; it is financed by charges made against users of the system. Privatisation has caused some bodies to move from the inner budget to the outer budget in the way they are treated in the financial documents, making it more difficult to compare apples with apples. We have tended to concentrate on the inner budget, the non-profit-making government activities—the allocations to schools, hospitals, police stations and those sorts of things.

The country summit process has been working through the budget documents. Transparency would avoid politicisation of the budget, enabling its fairness or otherwise to be judged. This would apply not only to country people; the same analysis could be done in relation to people in western Sydney, Newcastle or wherever. A process is needed by which normal people with some ability can determine what is happening with the funds that the State is managing via the budget bills.

Mrs GRUSOVIN (Heffron) [1.53 p.m.]: I welcome the opportunity to speak on the New South Wales 1998-99 budget, particularly as it affects my electorate. I turn first to allocations in the housing and urban affairs portfolio—for housing, water, sewerage and the environment. Funding in this portfolio area has increased by \$93 million on last year's allocation. Asset acquisitions in the portfolio will total \$188 million. Much-needed dollars have been provided to meet commitments to deliver projects to deal with backlog water supplies and sewerage schemes in country towns and to address the continuing problems of the Hawkesbury-Nepean flood plain. New Aboriginal housing will receive

\$32.6 million, and another \$10.5 million has been provided to upgrade existing stock.

I am particularly pleased that over the next 12 months more than \$1 million will be invested in the Heffron electorate to continue work on 26 units of public housing. Twenty will be in the Botany area for families and six units, also in Botany, will be for the frail aged. Further community housing will be built in the Waterloo area, with three units already commenced. More than \$600 million has been allocated to support public and community housing initiatives throughout the State. The coalition Federal Government has made life very difficult for State governments, yet the New South Wales Government has increased its commitment to public housing despite continuing uncertainty over future Commonwealth funding.

The budget allocates \$4.8 million for work under the neighbourhood improvement program on the Waterloo public housing estate. That will continue the great work that has been going on there for some years in refurbishing walk-up units, bedsitter conversions, internal works and security. The work in the housing portfolio has been of enormous value and this is reflected in community morale. There is a far greater sense of community than previously. Tenants are involved and they are providing input, saying how they believe things should be done. Most importantly, they are being listened to. This applies to new building work and to property maintenance and repairs. There is also community input on how public housing estates can be made safer.

The rental assistance scheme will provide \$2.099 million by way of bond money, rent and relocation expenses to assist people into private rental accommodation. As well as special rental subsidies, the disability rental subsidy will provide \$11.834 million to people with disabilities who wish to remain in their home rather than move into modified public housing. I am concerned that, under the Commonwealth-State Housing Agreement, since 1996-97 New South Wales has suffered a reduction of almost \$68 million in Commonwealth funding. In addition, funding available through the social housing subsidy program of \$39 million was terminated by the Commonwealth in 1997-98. These cuts, together with the uncertainty about funding beyond 1998-99, are having a major impact on housing and housing support programs in New South Wales.

There has been a downturn in construction, acquisition and leasing programs, from more than

4,500 planned social housing units in 1996-97 to 2,600 units in the next financial year. High-needs groups such as youth have also suffered: 246 units to be funded through the social housing subsidy program have been lost and waiting lists for public housing are lengthening. Of those people wanting public housing, 170,000—using Commonwealth Department of Social Security criteria—face serious housing stress in the private rental market. Of course, the cuts have a cumulative effect. A \$68 million cut in funding means that up to 600 new dwellings are not built and are not available each year to house the 95,000 households currently on waiting lists for public housing.

Cuts in construction programs mean loss of jobs. Continued funding under the CSHA is essential, particularly as high housing costs in New South Wales contribute to a steadily growing level of housing need—higher than anywhere else in Australia. At the same time access to home ownership is declining, despite reductions in interest rates. A lot of community concern is abroad about homelessness, particularly with the pressures in the lead-up to the Olympics. Continuity of funding is critical to address the significant liabilities in our existing social housing stock as a result of underinvestment by past governments. Certainty of funding is critical but it is very concerning that as we reach the end of this financial year—after all, 30 June is next Tuesday—the Commonwealth Government has not eliminated the uncertainty of funding, which is vexing the minds of many people.

Despite moves by the New South Wales Minister for Housing to seek agreement with the other States on these matters, and despite the State and Territory housing Ministers having unanimously agreed in March on a framework for a new CSHA consistent with a set of guiding principles put forward by the Commonwealth, there has been no response from the Federal Government. Without an assurance about future funding levels, which should have been provided well before 30 June, it will be very difficult to plan for capital works. They will have to be curtailed in 1998-99 to minimise future risk.

I await the response of the Commonwealth Government, but I am concerned that it seems to be blind to the social problems that are occurring in the community. We all know that fundamental to a stable society is the provision of housing to those who are in need. I was particularly pleased to note in the budget papers—following a ministerial task force on affordable housing—funding of \$10 million to implement a range of measures to combat the growing problem of the lack of affordable housing in New South Wales. The task force that was set up

in 1996 found that a quarter of a million lower income households are paying more than 30 per cent of their income on rents or mortgages. This represents an increase of at least 100,000 households during the past 10 years. The problem is even more acute in Sydney, where, as I said earlier, the result of very high property prices and living costs is that approximately 75 per cent of lower income earners are housed in private rental accommodation.

Recent reports from charitable organisations such as the Smith Family indicate that there is real concern that people are going without food to pay the rent. I am pleased that the move by the Department of Housing will mean that there will be a consideration of how we can: increase the stocks of land readily available for urban development in the outer metropolitan areas; strengthen protection of boarding houses and low-cost housing by amending State planning laws, particularly in the lead-up to the Olympic Games; involve the private sector as a partner in public housing redevelopment through the Department of Housing and Landcom; and work with councils in developing significant changes in land use and value to facilitate the increased replacement or protection of stocks of affordable housing.

I am very pleased that in the electorate of Heffron the South Sydney Development Corporation is currently working with South Sydney Council and the Department of Housing to determine how affordable housing can be incorporated in the new redevelopment under the new local environment plan. In releasing the report, Professor Julian Disney—the chair of the task force set up to investigate affordable housing—referred to the shortage of affordable housing in New South Wales as "severe and damaging to the whole community". I am also pleased with the decision that the new advisory group will be headed by the Chairman of Landcom, Mr Bill Kirby-Jones, who I believe is eminently suitable for the task and who is also the chairman of the South Sydney Development Corporation. One would hope that there will be an opportunity for a more whole-of-government approach to this issue.

I turn now to the 1998-99 budget allocation for community services. I welcome the Government's decision to permanently fill a \$43 million hole that has existed in some budget overruns since the early 1990s. That is very important because we all recognise the very great demands for additional resources within the community services portfolio. I welcome a number of initiatives that have been taken in that portfolio. A perusal of the charitable goods transport subsidy scheme indicates that \$2 million has been allocated in the budget as a subsidy

to charities for recycling clothing for rural areas. I want to contrast that with the actions of the Federal Government so that honourable members will appreciate what is happening in Australia.

The St Vincent de Paul Society approached me recently about a problem with the new placement fee charge for charities attempting to get a casual worker from what was formerly the Commonwealth Employment Service. My local St Vincent de Paul Society had to move a family, a staff member was ill and the society was obliged to secure the services of a casual worker for one day to drive a truck. The St Vincent de Paul Society stated:

CES casuals have been our backstop on many occasions over the past four years and the service they offered was great. However, we now discover that the very same service we have enjoyed for many years comes at a huge cost to a charity like St Vincent de Paul. I do understand that we have no choice but to fit in with the Federal Government's decision to go with privatisation in the area of employment, but a \$50 per person placement fee is totally ridiculous. On most occasions we will have someone for one day only at a cost of \$90 approximately and now we are going to have to add an additional \$50 per day for a new placement. This added expenditure simply cannot be justified.

I hope that the Federal Government will consider the problems confronting charitable organisations seeking to obtain casual employees through the somewhat disastrous new employment programs that have been developed by that Government. I welcome the budget funding for improvements in the disability area. There is certainly an enormous need for resources to provide additional day programs, early intervention and therapy services, and to free up respite beds to assist families to cope with a family member with a disability. At present there are virtually no disability beds because many people who cannot be placed in long-term accommodation occupy respite beds.

I welcome the funding for the post-school options program, which is designed to assist school leavers in the transition to assisted employment. I took note in the community services section of the budget of the Families First program. I understand that \$250,000 has been provided to establish the program, increasing to \$2.4 million in 1999-2000. I hope that in the process of establishing that program there will be greater focus on the valuable network we have in this State with the Family Support Services Association. A network of 150 family support organisations service the State, with 50 per cent of services in rural areas. Last year the family support network assisted 39,000 New South Wales families in crisis or stress. It seems to me that this network should receive additional support. It is a very cost-effective way of helping families facing crisis, because on average it costs \$580 for each

family assisted by the family support services, compared with \$65,000 for each year that a child is taken from its family and placed in residential care.

Family breakdown is clearly linked to poverty and social isolation. Family support services provide a wide range of services, from minimal to crisis intervention. An organisation that at any time is working with 3,200 families in their homes, is running 12,000 group sessions per year, is taking more than 13,900 referrals per year, and is working with more than 2,000 children at any one time—children who have been notified to the department as being at risk—is an excellent vehicle to deliver the Families First program.

I say that because there is concern in that organisation. Operators of the local women's and children's centre have told me that they are pleased that the Department of Community Services has received a significant increase in this budget to assist to rectify the consequences of several years of inadequate resourcing. However, they bring to attention the problems facing family support services with escalating rents and occupancy expenses, and increases in superannuation, workers compensation and insurance costs. Many such services are struggling under difficult conditions to remain solvent. The shop operates in Waterloo, an already socially disadvantaged area. It is difficult for such organisations to work with the community at the front line and also have the time and energy to undertake fundraising activities. I hope more attention is paid to the needs of such services.

I was delighted that the budget for the Roads and Traffic Authority provides for the installation of traffic lights to improve the safety of children attending the Kensington Public School. With others I have been involved in a campaign to have those lights installed for quite some time. The concerns of the frail aged at the Daceyville public housing estate have also been acknowledged by the provision of funding to construct a safe pedestrian crossing at Bunnerong Road, Kingsford. I welcome the many millions of dollars that are being expended in my electorate on the construction of the Eastern Distributor. The sooner the project is complete the happier people will be and the quicker they will be able to travel from one point to another.

Mr WHELAN (Ashfield—Minister for Police) [2.11 p.m.], in reply: I thank all members who spoke in this debate.

Motion agreed to.

Bills read a second time and passed through remaining stages.

LEGISLATIVE COUNCIL VACANCY**Joint Sitting**

Mr SPEAKER: I lay upon the table the minutes of the proceedings of the joint sitting of both Houses to choose a person to fill the vacancy in the Legislative Council caused by the resignation of the Hon. Elisabeth Kirkby.

Ordered to be printed.

SEWAGE WASTE RECYCLING**Ministerial Statement**

Mr KNOWLES (Moorebank—Minister for Urban Affairs and Planning, and Minister for Housing) [2.17 p.m.]: In an Australian first, Sydney's Malabar sewage treatment plant will soon be powered by recycled methane gas from its sewage waste stream. This new co-generation plant will draw into generators the gases that historically have been burnt off and wasted, and this will produce enough electricity to power the five huge sewage digesters that treat more than 430 million litres of raw sewage each day. In simple terms, the new co-generation plant will generate 2,400 kilowatts of electricity per day, save in excess of \$1 million per annum electricity costs, reduce greenhouse gas emissions by 29,000 tonnes each year, and allow Sydney Water to generate 6 per cent of its total electricity needs from green power, far exceeding the corporation's licence requirement of a minimum of 2.5 per cent of its total electricity use from clean energy sources.

The \$5.7 million project will commence in August, will be completed by May next year and will be constructed and maintained by AGL. It is another smart, economically and environmentally sound solution to recycle Sydney's waste water, and follows the Government's recent announcement of the \$250 million co-generation plant that will see 14 megalitres of waste water from the Cronulla sewage treatment plant used to produce the energy requirements at the Caltex oil refinery at Kurnell, and deliver the single biggest greenhouse reduction anywhere in Australia.

QUEENSLAND ELECTION RESULT**Ministerial Statement**

Mr CARR (Maroubra—Premier, Minister for the Arts, and Minister for Ethnic Affairs) [2.20 p.m.]: I advise the House of reports over the radio of the formation of a Labor government in

Queensland—and that serves the coalition right. As the reports are confirmed, I undertake to keep the House informed.

Mr COLLINS (Willoughby—Leader of the Opposition) [2.20 p.m.]: It just goes to show that a vote for Pauline Hanson's One Nation Party in Queensland meant a Labor government was elected. A vote for One Nation led to a Labor government.

[Interruption]

Mr SPEAKER: Order! The timing device has malfunctioned. The Leader of the Opposition has 10 seconds remaining to speak.

Mr COLLINS: If anyone out there needed proof, we have it this afternoon.

[Interruption]

There they go again. I have a right to be heard, Mr Speaker.

Mr SPEAKER: Order! The Chair will decide when the Leader of the Opposition will resume his seat.

Mr COLLINS: If anyone needed proof that a vote for One Nation leads to a Labor government, this is it. That is what the Queensland election result means. We still have to hear from this Premier why in the most recent election Labor gave its preferences to Australians Against Further Immigration.

Mr Beckroge: On a point of order. The Government of Queensland fell because of the help of an Independent member who is a former Liberal Party member.

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

DISTINGUISHED VISITOR

Mr SPEAKER: I acknowledge the presence in the gallery of Mr Leonard Anthony, President of the Fiji Australia Association.

**INJURED BUSH FIRE FIGHTERS
INCOME MAINTENANCE****Ministerial Statement**

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) [2.22 p.m.]: All members of the House would recall that in January this year eight volunteer firefighters were seriously injured while attempting to contain a fire in the Wingello State Forest in the southern highlands. One of the eight, David Quinlivan, lost his life. The remaining seven—Gale Pritchett and her husband, Frank; John Luke; Roger Robinson; Mike Neale and his father, Andrew; and Michael Young—were hospitalised for extended periods. Three firefighters, Gale, Frank and Mike, remain hospitalised.

As all honourable members would rightly hope and expect, the injured firefighters have had their income maintained during the long period of their convalescence, in accordance with the provisions of the relevant workers compensation legislation. The injured firefighters are making a sustained and in several cases quietly heroic recovery. However, the Workers Compensation Act provides that on 1 July 1998 those injured volunteers face the prospect of a reduction in the amount of compensation they receive, below the level of their average weekly earnings prior to the accident. Clearly, such a situation is not acceptable.

I am happy to advise the House that the Premier has given approval for the Rural Fire Service to make appropriate ex gratia payments to those brave men and women during their prolonged convalescence. The payment will ensure that they have full income maintenance for at least six months, when the situation will be further reviewed. The community asks a great deal of its volunteers in emergency services. Their skill and freely offered service comes to public notice for a few fleeting days or weeks, as it did in the events of last January or as it has in the past 48 hours in the Hunter Valley. But these people are there, working and training, 365 days a year. It is all the more important that we, the community, remember their efforts all year round and, particularly in the case of these injured firefighters, do not forget their needs and their sacrifices when the hour of community crisis has passed.

Ms SEATON (Southern Highlands) [2.25 p.m.]: I welcome the Minister's announcement of ex gratia assistance to those injured so terribly as a result of the Wingello fires on New Year's Day. The ex gratia assistance is very much deserved. The possibility of decreased assistance in the past few months has been a source of additional anxiety to some of those firefighters as they recovered from horrific burns and injuries. I know that this announcement will be very welcome to those families. We all mourn the loss of David Quinlivan on New Year's Day—not just his family, Leanne,

Carley, Crystal and Geoffrey, but everyone in the Wingecarribee shire, particularly schoolchildren, who loved Dave and his mobile library, and Basil Smith, the local fire control officer.

I know that all members of this House will join with the Minister and me to honour those brave volunteers who risked their lives on that day, just as many hundreds of rural firefighters across the State endanger their lives in the provision of emergency services throughout the year. I also extend congratulations to the Wingecarribee Shire Council, which, with Phil Koperberg, commenced a trust that has raised thousands of dollars to assist those eight people in very meaningful ways. The Minister will be aware that last weekend an open day was held at Berrima gaol. The open day was very well run by the governor, Jo Mann, the community liaison committee, headed by Jan Baker, the inmates and the corrective services band.

At the open day I spoke to Rosemary Page, who was there in her capacity as a member of the Bundanoon Rural Fire Brigade. Rosemary lost her husband in a fire at Grafton, the Double Duke fire of some years ago. She has recovered from that personal tragedy and is a committed member of the Bundanoon brigade. Rosemary has organised fundraising activities for the Wingello families and was raising money at the Berrima gaol open day. Approximately \$6,000 was raised. I take this opportunity to advise the Minister that Rosemary Page raised with me the very pressing need for new overalls, boots and gloves. I ask the Minister to give this issue his attention and make sure that those very essential facilities are available to our volunteers, who put their lives on the line as soon as they are asked on any occasion. I welcome the Minister's announcement of assistance to those volunteers.

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, Mr Ellis, Ms Ficarra, Mr Humpherson, Dr Kernohan, Mr Kerr, Mr MacCarthy, Mr Merton, Mr O'Doherty, Mr O'Farrell, Mr Phillips, Mr Rozzoli, Mr Schipp, Mr Schultz, Ms Seaton, Mrs Skinner, Mr Smith and Mrs Stone.**

Ryde Hospital

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

Land Tax

Petitions 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 **Mr Blackmore, Mr Brogden, Mrs Chikarovski, Mr Collins, Mr Debnam, Mr Ellis, Ms Ficarra, Mr Glachan, Mr Hartcher, Mr Humpherson, Dr Kernohan, Mr Kerr, Mr MacCarthy, Mr O'Farrell, Mr Phillips, Mr Richardson, Mr Rozzoli, Mr Schultz, Ms Seaton, Mrs Skinner, Mr Smith and Mrs Stone.**

Police and Community Youth Clubs

Petition praying that, in line with the Inspector General's report of 1993, permanent dedicated police officers be retained at police and community youth clubs, received from **Mr Oakeshott.**

Coffs Harbour Jetty

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

QUESTIONS WITHOUT NOTICE

CONSERVATORIUM OF MUSIC ARCHAEOLOGICAL SITE

Mr COLLINS: My question is to the Premier, Minister for the Arts, and Minister for Ethnic Affairs. Given criticism by the National Trust that the Government's conservatorium redevelopment is "highly invasive and drastically changes the Gardens landscape", why has the Premier persisted with that environmental vandalism? Now that an 1820s convict road has been discovered on the site, will the Premier immediately halt the Government's overdevelopment to prepare an archeological report to be done on the historic site?

Mr Clough: On a point of order. Not only is the question too long, it contains argument. On those grounds it should be ruled out of order.

Mr SPEAKER: Order! The honourable member for Bathurst is correct. The question is argumentative. However, the Chair has always extended a degree of latitude to the Leader of the Opposition with regard to the form of questions without notice. I will allow the question.

Mr CARR: We will respect the Leader of the Opposition in his last days. I confirm that a

spokesperson for the Queensland Government said that Premier Rob Borbidge will go to the Governor of Queensland at 2.30 p.m. to resign. That is the way it goes when you dally with One Nation!

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

Mr CARR: One, the Heritage Council has deferred a decision on the matter until its meeting next week. Two, an archeologist is present full time on the site.

Mr SPEAKER: Order! I call the honourable member for Ku-ring-gai to order. I place the honourable member for Pittwater on two calls to order.

Mr CARR: Three, the redevelopment of the conservatorium, long sought by the cultural association involved with the conservatorium and, above all, by the students and staff of the conservatorium, was supported by everyone who went inside the rundown old building, which the Leader of the Opposition when he was Minister for the Arts did nothing to refurbish.

Mr SPEAKER: Order! I call the honourable member for Ku-ring-gai to order for the second time. I call the Leader of the Opposition to order.

Mr CARR: What has the music community of New South Wales had to say about the redevelopment of the Conservatorium of Music on the site?

Mr SPEAKER: Order! I call the honourable member for Ku-ring-gai to order for the third time.

Mr CARR: Mary Vallentine, AO, Managing Director of the Sydney Symphony Orchestra, said:

On behalf of the musicians and management of the Sydney's Symphony Orchestra, I want to express the complete support of this organisation with the proposed development.

Mr Collins: The next Circular Quay.

Mr CARR: The Leader of the Opposition gave east Circular Quay developers \$1 million. David Colville, Deputy General Manager of Musica Viva Australia, said:

On behalf of Australia's largest chamber musical organisation, Musica Viva, I wish to express our unqualified support for the proposed redevelopment of the Sydney Conservatorium of Music in its current location.

Virginia Braden, Managing Director of Arts Management, said:

Having spent the last 20 years associated with the Conservatorium . . . I think I am in a position to say how vital this development is to the quality of musical education and musical life in Sydney . . .

Mr SPEAKER: Order! I call the Deputy Leader of the Opposition to order.

Mr CARR: Ms Braden continued:

We have been through many different proposals for the Conservatorium over recent years, and have suffered severely due to broken promises and changes of direction due to political and other circumstances.

Nathan Waks, Managing Director of Symphony Australia, said:

I feel compelled to urge you to support this bill and so facilitate the long-overdue improvements to the Conservatorium . . . a world-class facility if built in accordance with those plans.

Mr SPEAKER: Order! I place the honourable member for Georges River on two calls to order.

Mr CARR: Mary Turner, OAM, member of the board of the Music Council of Australia, said:

I do believe the music community and those connected with music education, particularly in this State, strongly support the proposal to retain the Conservatorium on its present site.

The Leader of the Opposition's question was great. He had a half-baked plan to put the Conservatorium of Music under the flight path at Rozelle: the only musical education centre in the world to be positioned under an airline flight path. But, in none of the budgets of the Leader of the Opposition did he allocate a cent to enable that to happen.

Mr SPEAKER: Order! The Leader of the Opposition will cease interjecting.

Mr CARR: The Leader of the Opposition has had a bad day with the loss in Queensland and the Joan Sheldon affair. Timothy Walker, General Manager of Australian Chamber Orchestra, said:

I have a personal interest in the early architecture of Australia and I am convinced that the planned treatment of the Conservatorium is a sympathetic and an appropriate [one]. . .

The list goes on. Dr Richard Letts, AM, Chair of the Music Council of Australia, said:

The Music Council, and the musical community so far as its views are known to me, strongly support the proposed development.

He said further that the council has had a succession of broken promises for adequate facilities from

government. That is, as we all know, the former Treasurer, and Minister for the Arts. He did not provide one dollar to refurbish the broken down, clapped out building. Dene Olding, first violinist of the Australian Ensemble, said:

As one who was originally in favour of the Conservatorium's move to the Rozelle site, I now am thoroughly convinced that the necessary facilities that the Conservatorium staff and students have desperately needed for too many years can be incorporated into the current site.

Mrs Skinner: On a point of order. I suggest that the Premier is reading letters that were written some time ago. What are the dates of those letters? Were they written before the discovery of the road?

Mr SPEAKER: Order! That is not a point of order; it is a question. The question is out of order.

Mr CARR: The list goes on. Eric Myers, a jazz co-ordinator, said:

I am writing on behalf of that (jazz) community which unequivocally supports the proposed redevelopment of the Sydney Conservatorium of Music.

Mr SPEAKER: Order! I call the honourable member for North Shore to order. I call the honourable member for Davidson to order for the second time. I place the honourable member for Ermington on three calls to order.

Mr CARR: Mr Myers continues:

The jazz community aligns itself with other significant sectors of the music community which unequivocally supports the current proposal to refurbish the Conservatorium of Music.

And the list goes on. Yes, the Leader of the Opposition certainly caught me by surprise with this question! I had better be careful, he is glaring at me. Mr Myers continued:

I sincerely urge you to support the proposals to refurbish the Conservatorium on its present magnificent site.

Mr Phillips: On a point of order. I know that the Premier is implicating all those people in his original disastrous decision. However, the question—which he must come back to—is: what is he doing to protect this road?

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

Mr CARR: All that remains to be said is that as we speak Rob Borbidge is moving down the corridor to make his historic resignation announcement.

RESERVE FORCES DAY

Mr McMANUS: My question without notice is directed to the Minister for Transport, and Minister for Roads. What is the Government's response to a request by the Reserve Forces Committee for free travel by its members on Reserve Forces Day?

Mr SCULLY: The honourable member for Bulli is a returned Vietnam veteran and he will be at the parade, representing the Premier and the future Prime Minister, Kim Beazley. On Wednesday, 1 July the Reserve Forces Day parade will be held in Sydney and Newcastle. More than 3,000 participants are expected to take part in Sydney and 800 are expected to take part in Newcastle. These parades are part of a series of marches in all capital cities, Katherine and Newcastle and are a celebration of the fiftieth anniversary of the Citizen Military Forces, Army Reserve and volunteer services in the nation's reserve forces.

For the first time, both present and past members of the three services will parade as a group. I encourage the public to come and show their support. In Sydney the parade will start at 11.45 a.m. It will travel from Circular Quay, along George Street, past Sydney Town Hall—where the Governor will receive the salute—and proceed to Tumbalong Park, Darling Harbour. In Newcastle the parade will start at 12.15 p.m. It will proceed along Watt Street, Hunter Street and King Street to Civic Park. In the 50 years of the reserve's operation more than 1.2 million men and women have dedicated their time and energy to ensuring that Australia is protected—that is more than the total military force of Australia in World War II. The commitment and dedication of these men and women often goes unheralded.

[*Interruption*]

The Leader of the Opposition, who was Treasurer at the time of the Gulf War, wore his white naval uniform to work each day to satisfy the call to serve. Following a request from the Reserve Forces Day parade organisers, I am pleased to announce that in acknowledgment of the important contribution of the Army Reserve and to encourage as many participants as possible the Government has arranged for marchers in the parades to travel free on the CityRail network, and State Transit Sydney and Newcastle bus and ferry services.

I am pleased that the Bus and Coach Association has agreed to organise free travel on private buses for marchers, enabling reservists in

areas serviced by private buses to access public transport to the event. I congratulate the association on that initiative. Marchers who display or carry their medals, wear their uniform or display their RSL badge will receive free travel to and from the parade. This initiative is part of the Government's commitment to encourage participants in major events to use public transport. In April the Government provided free travel to ex-service personnel and their children or grandchildren who were participating in the Anzac Day parade. Once again I encourage participants and the public to attend the Reserve Forces Day parade and to use Sydney and Newcastle's ever-improving public transport system to get to and from the event.

ABORIGINAL HOUSING

Mr SOURIS: My question is directed to the Minister for Local Government. Has the Minister assessed the potential loss of revenue to municipal and shire councils as a result of a ruling by the Land and Environment Court that Aboriginal housing co-operatives can be regarded as charities and thus exempt from paying rates? Could this ruling cause councils to increase rates?

Mr E. T. PAGE: This ruling was made more than 12 months ago—so it is hardly a novel question. There has been an assessment—

Mr Carr: One Nation was two weeks ago.

Mr E. T. PAGE: Yes, but Opposition members have good long-term memories but poor short-term memories. A determination was made by the court that indicated that Aboriginal co-operative housing was not eligible to pay rates. This is slowly permeating through the system.

Mr SPEAKER: Order! There is far too much interchange between members of the Government and Opposition front benches. I seek the assistance of the Premier and Leader of the Opposition in maintaining the decorum of the House. I call the honourable member for Gosford to order.

Mr E. T. PAGE: In some councils this decision will have a marginal impact on rates but, of course, that is nothing compared to the 15 per cent goods and services tax that the Opposition is supporting. Every ratepayer in New South Wales will have to pay an extra 15 per cent because of the Opposition's colleagues in Canberra. If Opposition members are concerned about rates, I suggest they write to John Howard and ask him not to increase rates in New South Wales and the rest of Australia.

KIAMA ELECTORATE HEALTH SERVICES

Mr HARRISON: My question without notice is addressed to the Deputy Premier, Minister for Health, and Minister for Aboriginal Affairs. What has the Government done to upgrade health services in Kiama?

Dr REFSHAUGE: For the past 3½ years the Carr Government has been repairing the damage caused to the health system by the former coalition Government. In contrast to the coalition Government's appalling record, the Carr Government has been putting patients and families first. It has massively increased health funding—a fact acknowledged by the Federal Minister for Health and Family Services last week and reaffirmed this week. The Government has also embarked on a program to rebuild and redevelop hospitals across the State. Tomorrow yet another of those projects will come to fruition with the reopening of the Kiama District Hospital. In 1992 the Kiama community received a massive blow—the coalition Government closed its hospital. This was not out of the ordinary for the former coalition Government, which closed, wound down or privatised 30 hospitals in New South Wales during its seven years in office. The coalition promised new hospitals but never delivered. It made promises about Sutherland but never delivered.

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

Dr REFSHAUGE: The coalition made empty promises about Nepean; it is the Carr Government that is delivering. It made empty promises about Coffs Harbour; it is the Carr Government that is delivering.

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

Dr REFSHAUGE: The coalition made promises about Dubbo, but it is the Carr Government that is delivering. When the Leader of the Opposition—Mr Forty Winks—was the health Minister he made a specific promise about Kiama District Hospital. He was also known as the minister for opening and closing hospital beds. In 1991 he issued a press statement on official letterhead stating that the suggestion that Kiama hospital would close was a lie, deceptive and misleading.

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

Dr REFSHAUGE: The Leader of the Opposition—then health Minister—said:

The hospital will not close after the State election.

He said the suggestion about Kiama hospital was misleading, but who was misleading? The Leader of the Opposition was misleading. He said it was deception.

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

Dr REFSHAUGE: But who was deceiving? The Leader of the Opposition was deceiving. He said it was lies. But who was lying?

Mr Hartcher: On a point of order. Mr Speaker, it is impossible to hear the Minister's answer when he turns his back to you and faces the television camera.

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

Dr REFSHAUGE: For the benefit of the honourable member for Gosford, the then health Minister said that the suggestion that Kiama hospital would close was misleading. Who was misleading, because Kiama hospital did close? The then health Minister said it was deceptive. But who was deceiving? He was deceiving. He said it was a lie. But the coalition Government closed the hospital. Who was the liar? In a press release of 15 May 1991 the then health Minister clearly said:

The hospital will not close after the State election.

But what happened after the 1991 election? Honourable members will not be surprised to learn that the coalition did not keep its word: on 26 March 1992 the Liberal-National Government pushed the last patient out the door of Kiama hospital, after it had served the community for 105 years. That shows that one cannot believe the Leader of the Opposition. Not surprisingly, a recent poll in the *Sydney Morning Herald* showed that the people of New South Wales do not believe him either.

In contrast, Labor promised to reopen Kiama hospital, and that is exactly what it is doing. The Government has spent \$1.5 million on refurbishing the hospital as a modern facility. The revamped part of the hospital will have 20 inpatient beds, outpatient services, a family care and early childhood centre, and a dental clinic. Despite the dental cuts by the coalition's colleagues in Canberra, the Labor

Government is providing a dental clinic and a community health centre at Kiama District Hospital.

The Carr Government is providing \$1.5 million each year to run the reopened hospital. New staff have been recruited and more than 50 staff are now employed. The community's support for the reopening of the hospital has been unwavering. Tomorrow will be an important day for the people of Kiama, especially the committed, dedicated members of the Kiama hospital auxiliary who have spent six years trying to get the hospital reopened. They knew that a Labor government would deliver because they had seen the coalition Government close the hospital. The Carr Government's announcement about reopening the hospital refired their enthusiasm.

One member of the House will be proud about the reopening of the hospital tomorrow. I pay tribute to the honourable member for Kiama, who has worked tirelessly to secure this outcome for his community. His consistent lobbying, hard work, continued support for the community and extraordinary commitment to the hospital certainly helped to make tomorrow's reopening possible. The honourable member can be proud of several achievements during his time in Parliament. The reopening of Kiama District Hospital is another feather in his cap. The community of Kiama can be proud that it re-elected him time and again. The Labor Government has proven time and again its commitment to increase funding to growth areas such as the Illawarra. It has increased funding to the region by more than \$47 million. On top of that, a major capital works program is under way.

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

Dr REFSHAUGE: Another promise made by the Leader of the Opposition was to build a clinical services block at Wollongong. What happened? When he was Treasurer he pulled the plug on that project; he stripped the funding from that project. That is what he does. When he is in opposition he talks up big; but when he has the reins and levers he pulls the plug on the people of the Illawarra. In the last four years of the coalition Government, there was a hole in the ground where the hospital should have been. The Leader of the Opposition never visited the Illawarra because he knew he had lied to the people of the Illawarra. The community of Kiama has not asked me to invite the Leader of the Opposition to the reopening of the hospital because it does not trust him. At one time the people of Kiama believed him, but obviously he had deceived them.

RAIL TICKET MACHINES

Mr PHOTIOS: My question without notice is directed to the Minister for Transport, and Minister for Roads. Is it true that law-abiding commuters unable to buy train tickets because of faulty machines and unmanned stations are being fined \$100 for fare evasion? Given that there are almost 1,000 ticket machine faults a month, will the Minister provide ticket sellers on train stations until reliability is restored to ensure that commuters are not unfairly fined?

Mr SCULLY: If Ministers want to know what members opposite will ask them during question time they need only read the *Daily Telegraph* in the morning. Members opposite are thoughtful and creative with their questions. Big deal! George Panigiris sent a bundle of documents to the local newspaper to beat up a story as part of the George and Michael show. They are causing grief while we are undertaking a job and work redesign in respect of station staff. So the agenda is quite simple. As I have said before, we are undertaking a job and work redesign so that people are given meaningful jobs and career opportunities, and men and women are located in places where they are most needed and where demand is greatest. Shock! Horror! Every now and then ticket machines require replacement and refurbishment; occasionally they may even break down. If people are unable to purchase a ticket because the machine on their station is faulty, obviously when they reach their destination they have a good reason for not obtaining a ticket, and that will be taken into account. What a pathetic question!

HOMEBUSH BAY WATER CYCLE INFRASTRUCTURE STRATEGIES

Mr ROGAN: My question is directed to the Minister for the Olympics. Will the Minister outline the development of water cycle infrastructure strategies at Homebush Bay?

Mr KNIGHT: The honourable member for East Hills is a strong and passionate supporter of the environment, as well as deeply concerned about the Olympics. This Government and the Olympic Co-ordination Authority have a strong commitment to the environment and to the implementation of ecologically sustainable development. The OCA allocates a significant amount of its budget to the environmental vision for the Olympic Games, and to meet normal environmental requirements of contemporary developments in New South Wales. Water conservation is one of five areas of environmental commitment outlined in Sydney's bid documentation for the 2000 Games.

The use of recycled water for the village and other facilities at Homebush after the Games will result in considerable environmental gains. The development of Olympic facilities at Homebush Bay has presented an opportunity to conserve the use of water through the installation of a dual water reticulation network serving all new venues and all village housing. A water treatment plant will treat this reclaimed water, which will be sourced from stormwater, sewage effluent and backwash generated from the aquatic centre. The scheme is designed to save water use by 50 per cent—or up to 500 million litres per year—which would be otherwise drawn from Sydney Water's main supply.

The scheme is specifically designed to minimise the demand for potable water and to minimise discharge into the sewerage system while meeting health objectives, conserving water and minimising the use of energy. Water conservation will also be maximised by using efficient appliances and fittings and plants with low water demand. A call to the private sector for expressions of interest to design, build, finance, maintain and operate this water treatment facility has resulted in a strong field of contenders. Interested consortia comprise national and international partners representing the best technology available. An announcement of the winning company should be made in November.

During the Olympics the village will cater for approximately 22,000 people, which is significantly greater than the envisaged 6,000 to 7,000 people who will eventually reside in the suburb. For technical and engineering reasons, this occupancy density limits the ability to provide recycled water to the village. For these reasons the Olympic Coordinating Authority will not provide recycled water to the village, Homebush stadium or baseball sports fields during the Olympic Games. The OCA has adopted the recommendations of the Department of Health for the use of recycled water at Games time.

During the Games both pipe networks to the village will carry potable, or drinking, water supplied from Sydney Water's main supply. In areas other than the village the two pipe networks will be divided with one carrying potable water and the other carrying reclaimed or recycled water that will be used for irrigation, ornamental water features, industrial use and toilet flushing, and to wash pathways and other public areas. This Government is committed to sensible reductions in water use. The water treatment plant and reuse of water planned for Homebush is a demonstration of that commitment.

ARUMA HOME

Mr FRASER: My question is to the Deputy Premier, Minister for Health, and Minister for Aboriginal Affairs. Why has Aruma Home at Grafton, which is the responsibility of the State Government, been allowed to deteriorate to such an extent that 14 frail residents must be relocated because of fire risk? The department knew more than a year ago that the building needed to be upgraded.

Dr REFSHAUGE: The Government's immediate concern with Aruma Home is for the safety of all patients and staff. One part of Aruma Home is a 15-bed wooden structure. On 13 June New South Wales Fire Brigades reported that the structure was not suitable for patient occupancy. The area health service is working with the patients and their families and the local council to find alternative accommodation for the 14 residents living in that wooden building. I am assured that no residents will be forced against their wishes to relocate outside the Grafton area. I am advised by the area health service that the safety of patients and staff of the 25-bed facility is not at risk. I am advised further that all affected staff members will retain employment in the health service.

The area health service has addressed a number of long-term problems, including Aruma, which were left by the previous district model under the former Government. In the three years since 1995 \$47,500 has been spent on maintenance at Aruma Home, including work recommended in the 1996 Fire Brigades report. In three years the Carr Government has increased funding for the Northern Rivers Public Health Unit by \$28 million—\$28 million that the former coalition Government was not prepared to provide to health. In three years admissions have increased by 8.9 per cent, operations have increased by 20.1 per cent and same day procedures have increased by a massive 40.7 per cent. We are certainly rebuilding the hospital system that the coalition tried to close down or privatise.

ADULT MIGRANT ENGLISH CLASSES

Mr LYNCH: My question without notice is to the Premier, Minister for the Arts, and Minister for Ethnic Affairs. What is the Government's response to the Commonwealth Government's downgrading the teaching of English to adults?

Mr CARR: The Leader of the National Party says that English should be declared the official language of New South Wales. That is his decided and firm proposal and he will have nothing less. He will fight on the beaches his enemies who would have it otherwise—those dastardly people who would have Urdu, Icelandic, Aramaic or Gaelic declared the official language of New South Wales. He is all the more determined since the Blue Mountains World Heritage listing puts paid to the Armstrong autobahn proposal. Of course, this foreshadows his forthcoming legislation that will declare that the sun will rise in the east. He is working on another bill that says when it rains, the rain will not fall upwards.

The real issue is not about making English the official language; it is about helping people improve their language, to find work and to participate in our society. What are his Federal colleagues doing to facilitate that? The Federal Government has cut funding to New South Wales for migrant English education by a massive 60 per cent. When faced with an opportunity to help those who want to learn English, the unifying national language of this country, the Federal colleagues of the Leader of the National Party cut funding by 60 per cent. The honourable member for Lane Cove can interject but she should concentrate on saving her discontent for her leader. Her task is circulating the *Sydney Morning Herald* poll. Her behaviour has been disgraceful and disloyal in the extreme. Meanwhile Peter Beattie is visiting the Queensland Governor as we speak.

[*Interruption*]

The Strathfield seat has gone. The member for Strathfield is out. They have abandoned him in Strathfield. People from migrant backgrounds make up 25 per cent of the population of New South Wales and those trying to learn English have been rudely rebuffed by the Commonwealth Government—the Howard-Fischer Government—with a stunning 60 per cent reduction in funding for that program.

Mr Collins: That's false. That's a lie.

Mr CARR: No, funding has fallen from \$44 million this year to under \$19 million next year. As a result, 500 English teachers across urban and regional New South Wales will lose their jobs. It is a massive cut. The Leader of the National Party has dashed out of the Chamber to give his condolences to his Queensland colleague Rob Borbidge. He wants to be first on the phone to deliver the condolence message to the Queensland Nationals. I

reveal to the House that the Leader of the National Party has received letters from constituents complaining about the cuts in funding for the Adult Migrant English Service. One concerned constituent wrote:

I call on you as my local member of Parliament to stop the privatisation of this public asset, the New South Wales Adult Migrant English Service.

The Leader of the National Party ought to be aware of what his Federal colleagues are doing, because he passed this letter on to the Minister for Education and Training, asking him to help keep AMES in public ownership. Another letter arrived in the Minister's office from the honourable member for Murwillumbah on behalf of the New South Wales Teachers Federation. Here we have the Leader of the National Party saying, "I will pass a law to see that English is spoken in New South Wales" while his Federal colleagues cut the guts out of the program to help migrants learn English.

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

Mr CARR: I report to the House that Mr Borbidge asked Mr Wellington for some time to put together a deal with One Nation. What a disgrace—trying to cling to power in Queensland with One Nation. But Mr Wellington said he did not need more time to consider; he would support Labor.

Mr SPEAKER: Order! I place the Deputy Leader of the National Party on three calls to order.

Mr CARR: I am proud to say that more than 70,000 people of non-English speaking backgrounds are enrolled in English courses throughout New South Wales. I imagine the Leader of the National Party is now working on legislation requiring roosters to crow an hour earlier during daylight saving time. No wonder the Mayor of Blayney, John Davis, recently described the Leader of the National Party as ill-informed. He said:

If he is the Leader of the Nationals in New South Wales, heaven help us. I'd hate to see their second and third in charge.

POLICE STATION STAFF NUMBERS

Mr MacCARTHY: My question without notice is directed to the Minister for Police. What police resources from Flemington police station are earmarked to be transferred to the new Auburn police station, which is included in the current

budget? Will he give a guarantee that Flemington police station will remain operational to serve the people of Strathfield?

Mr WHELAN: There is a protocol in this House that members ask questions about their own electorates and not about another member's electorate. I will answer the question because the way he has been with his party, failing to dissociate himself from One Nation, means that this could be one of the last questions he will ask in this House.

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

Mr WHELAN: Any member of the Opposition has an absolute hide to ask me, as a Minister in the Carr Government, about police resources.

Mr SPEAKER: Order! I call the honourable member for Wakehurst to order. I place the honourable member for Pittwater on three calls to order.

Mr WHELAN: There has been \$467 million more spent on police resources since this Government came to office. Police numbers have increased by 620 since the Carr Government came to office, and they will continue to increase.

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

Mr WHELAN: As I said, the resources of the Police Service are at record levels—a record budget and record numbers. They are spread equally and equitably throughout the State. Police resources are applied where the crime rate is the worst.

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

Mr WHELAN: Regrettably, some parts of the western suburbs have a higher incidence of crime than others, but I assure the honourable member that the Government will take on board the issues relating to police strength at both Auburn and at Flemington.

Mr MacCARTHY: I ask a supplementary question. In light of the Minister's answer, how many police officers are expected to remain at

Flemington police station after the new Auburn police station has been constructed?

Mr WHELAN: More than adequate to look after the needs of the local community.

BLUE MOUNTAINS WORLD HERITAGE LISTING

Mr TRIPODI: My question without notice is addressed to the Minister for the Environment. What is the Government's response to the Howard Government's support for the New South Wales Government's nomination for the Blue Mountains area World Heritage listing?

Ms ALLAN: I take the opportunity today to applaud the Howard Government for finally submitting the nomination documents for the greater Blue Mountains area for World Heritage listing, as a result of the persistence of the Carr Labor Government. March 1995 was a very important date in relation to this particular nomination. It was then that the Premier—who at that time was the Leader of the Opposition—announced that a Carr Labor government would fast track the nomination of this internationally acclaimed area. This has been a long-standing Labor commitment. The driving force for the nomination has been the Carr Labor Government, and we have pursued the nomination vigorously since we assumed office. Two weeks ago the Premier wrote to the Prime Minister and provided him with the nomination documents, urging him to submit the nomination to the World Heritage Bureau in Paris. In his letter to the Prime Minister the Premier stated:

I have pleasure in providing you with a copy of the final nomination text, which I trust the Commonwealth will submit to the World Heritage Committee on behalf of the New South Wales Government and the people of Australia.

The documents were prepared by Ms Joan Domicelj on behalf of the National Parks and Wildlife Service and the New South Wales Government. The nomination documents are superb. They do great justice to the magnificent natural and cultural resources of the greater Blue Mountains. I have been advised that a member of the International Union for the Conservation of Nature's commission on protected areas, Mr Bing Lucas, who reviewed the nomination documents, considers them to be the best documents he has ever had the opportunity to see. Mr Lucas, who is an acknowledged expert on world heritage and park management, will undertake a peer review of the nomination documents as soon as possible. The proposed greater Blue Mountains World Heritage area consists of eight protected areas

on the Blue Mountains sandstone plateau between the Hunter Valley and Mittagong.

The protected areas are: Wollemi National Park, Yengo National Park, Gardens of Stone National Park, the Blue Mountains National Park, the Kanangra-Boyd National Park, Nattai National Park, Thirlmere Lakes National Park and Jenolan Caves Conservation Reserve. The total area covered by the nomination is 1.03 million hectares and excludes all freehold and leasehold land adjoining or within those protected areas. This area is without doubt a world treasure. I am confident that the International World Heritage Bureau will accept the nomination from both the Federal and the State governments. This is despite the Leader of the Opposition endorsing the \$2.6 billion super highway through the middle of the proposed World Heritage area, as reported in the *Penrith Press* only this week.

Mr Collins: Rubbish! That is a lie.

Ms ALLAN: It is not a lie. It is in the *Penrith Press*. The Leader of the Opposition endorsed the proposal of his colleague the Leader of the National Party for the super highway.

Mr Collins: You are lying. Do you know what "lying" means?

Ms ALLAN: Does the Leader of the Opposition know what an endorsement by his colleague the Leader of the National Party means? This is also despite the Federal Government endorsing uranium mining in Kakadu and the resort development at Hinchinbrook adjacent to the Great Barrier Reef marine park. As we speak, Senator Robert Hill, the Federal Minister for the Environment, has had to send to Paris a number of his most senior World Heritage experts in an attempt to avoid the placement of Kakadu on the World Heritage endangered list. At the same time as he is trying to protect his World Heritage listing for Kakadu, he is running a mile from World Heritage listing for the Sydney Opera House. He is also trying to get World Heritage listing for the Blue Mountains.

The Carr Labor Government has fulfilled its commitment to the people of New South Wales in its decision to nominate the greater Blue Mountains for World Heritage listing. I thank my colleague the honourable member for Blue Mountains for his drive and enthusiasm for this proposal. I thank also members of the Blue Mountains community for their tireless efforts in assisting with the development of

the nomination. I also thank those people in the National Parks and Wildlife Service who have done the work, and that good friend of the New South Wales National Party, Keith Muir of the Colong Foundation for Wilderness, for his tireless efforts to make sure the nomination proceeds.

Questions without notice concluded.

DISTINGUISHED VISITOR

Mr SPEAKER: I note the presence in the gallery of George Buffett, from the New Mexico House of Representatives. We welcome him to the Parliament.

BUSINESS OF THE HOUSE

Precedence of Business

Motion, by Mr Whelan agreed to:

That standing and sessional orders be suspended to allow resumption of the adjourned second reading debate on the Parliamentary Remuneration Amendment Bill and the Superannuation Legislation Amendment Bill at this sitting.

LEADER OF THE OPPOSITION MILITARY SERVICE

Personal Explanation

Mr COLLINS, by leave: In question time the Minister for Transport said words to the effect that I wore a white naval uniform during the Gulf War. That implied that I was not entitled to do so. I advise the House that I did so as I was then a Lieutenant Commander in the Royal Australian Naval Reserve. I was undertaking my annual reserve training in my billet in maritime headquarters during the Gulf War—precisely the type of training the Minister paid mere lip service to in his answer to this House today. As one whose army and naval reserve service spans some 34 years, like any reservist I am proud of my lifetime commitment.

[*Interruption*]

Gutless wimps like the Minister for Local Government would not know about that. He is a coward.

Mr SPEAKER: Order! The Leader of the Opposition will resume his seat.

Mr COLLINS: The Minister's remarks are offensive to me and should be withdrawn.

**STATUTE LAW (MISCELLANEOUS
PROVISIONS) BILL**

**TRAFFIC AMENDMENT (PENALTIES AND
DISQUALIFICATIONS) BILL**

Bill read a third time.

In Committee

**ENERGY SERVICES CORPORATIONS
AMENDMENT (TRANSGRID
CORPORATISATION) BILL**

**Consideration of the Legislative Council's
amendment.**

In Committee

*Schedule of amendment referred to
in message of 24 June*

**Consideration of the Legislative Council's
amendment.**

Page 2. Insert after line 9:

*Schedule of amendment referred to
in message of 24 June*

**4 Use of proceeds from increased fines imposed under
Act**

Page 4, Schedule 1[4]. Insert after line 23:

- (3) Without limiting subsection (1) (b), in implementing the principal objectives set out in subsection (1), an energy transmission operator has the special objective of minimising the environmental impact on land of activities authorised by easements for transmission facilities created in favour of the energy transmission authority. In implementing this special objective, the transmission operator is bound by all relevant laws (such as those concerning native vegetation, soil conservation and easement management) applying at the time.

- (1) It is the wish of Parliament that the increased revenue arising from the increased level of fines imposed under the amendments made by this Act is to be used for the purpose of the road safety black spots program.
- (2) The road safety black spots program is the program of road improvement works to remove or reduce traffic hazards that are a serious risk to the safety of road users.
- (3) The increased revenue is taken to be the amount by which the total amount of fines imposed by courts for offences under the *Traffic Act 1909* during each financial year after the commencement of this Act exceeds the total amount of fines imposed by courts for those offences in the last financial year before that commencement.

**Legislative Council's amendment agreed to
on motion by Mr Whelan.**

**Legislative Council's amendment agreed to
on motion by Mr Whelan.**

**Resolution reported from Committee and
report adopted.**

**Resolution reported from Committee and
report adopted.**

**Message sent to the Legislative Council
advising it of the resolution.**

**Message sent to the Legislative Council
advising it of the resolution.**

MINES INSPECTION AMENDMENT BILL

In Committee

**PARLIAMENTARY REMUNERATION
AMENDMENT BILL**

Second Reading

**Consideration of the Legislative Council's
amendment.**

*Schedule of amendment referred to
in message of 24 June*

Debate resumed from 23 June.

Page 28, Schedule 1[62], proposed section 46(a), line 29. Insert "and that has the potential to cause significant harm to persons carrying out those operations" after "mine".

**Legislative Council's amendment agreed to
on motion by Mr Whelan.**

Mr HARTCHER (Gosford) [3.26 p.m.]: This bill has been introduced by the Government to amend the Parliamentary Remuneration Act to enable the Parliamentary Remuneration Tribunal to determine entitlements of members of Parliament and recognised office holders—additional to basic salary, additional salary and expense allowance—and to provide that in future the tribunal is to consist of a judicial member or a retired judicial member of the Industrial Relations Commission appointed by

**Resolution reported from Committee and
report adopted.**

**Message sent to the Legislative Council
advising it of the resolution.**

the President of that commission. The effect of the amendment is to take members of Parliament out of the special position they have been in and put them in the ordinary industrial relations field.

The Government may believe that is a wise measure, but it certainly did not introduce an argument in support of it. It arises simply out of a request by the honourable member for Manly to the Premier, and the Premier, anxious to grasp at any straw after he had been caught with the alleged superannuation rort, was only too happy to accept the life raft offered by the honourable member for Manly. How does it improve transparency? How does it improve matters for the community of New South Wales? At present a Supreme Court judge, appointed by the Chief Justice for a fixed term, determines these matters. Under the Government's amendment a judicial member of the Industrial Relations Commission, appointed by the President of that commission, will go through the same functions. He will hear the same evidence and make the same determination as that which was previously made by a Supreme Court judge.

Does that imply that Supreme Court judges are inadequate for that task? Does it imply that in the past Supreme Court judges have been inadequate for that task? There is no rationale for it and, in a sense, it belittles the Parliament. Members of Parliament represent the people. They are not going against their employer for entitlements, which is the normal practice in cases before the Industrial Relations Commission. Politicians should represent the people of New South Wales and make laws on their behalf. They are not employees.

That was the point of the great speech made by Edmund Burke to the electors of Bristol in which he pointed out that he was a representative and that a representative is one who makes decisions in accordance with his conscience and his mandate. A representative is not a delegate, a person who makes decisions in accordance with the instructions given to him. I repeat: members of Parliament are not employees; they are representatives of the people. An attempt to put members of Parliament on the same footing as employees belittles the institution of Parliament. Members of Parliament do not pretend they are better than anyone else; they are ordinary citizens like everyone else and they have the rights and responsibilities of other citizens. But the Parliament as an institution is not an employment body; it is a proud body chosen by the people to make laws on their behalf.

The underlying concept in this bill of reducing parliamentarians to members of some kind of trade

union who will send their delegates down to the Industrial Relations Commission to lodge their case has no real merit and is simply a political ploy on the part of the Premier, who was desperate to be seen to be doing something when he was caught out in the so-called superannuation rort. I pay tribute to Justice Brian Sully, the present Parliamentary Remuneration Tribunal. Justice Sully's term continues for several more years. It is made clear in the bill that in no way will Justice Sully's term be abridged. The Industrial Relations Commission will take over the role of the Supreme Court for parliamentary remuneration only when Justice Sully has retired.

Justice Sully is a fine man. He had an outstanding practice at the bar. He has been an excellent choice as a judge of the Supreme Court, and his judgments are well respected by lawyers, the Court of Appeal and the public. From my personal experience, he is an excellent individual who has brought a great deal of conscientious endeavour to his work on the Parliamentary Remuneration Tribunal, as witnessed this very day in the report tabled in the House, which is a carefully considered and carefully reasoned report that examines all the issues involved. The report considers issues not only of remuneration and industrial conditions but also of goodwill and the good government of the people of New South Wales.

The Industrial Relations Commission will set conditions in much the same way as it sets conditions for trade union applications. The Australian Labor Party may believe the new system to be of advantage. In recent times the Industrial Relations Commission has been heavily weighted in favour of the trade union side of the industrial relations equation, so the Labor Party may feel that it will do better under the new arrangements. That does not mean good service to the people of New South Wales. The Supreme Court, through the Parliamentary Remuneration Tribunal, has considered the overall interests of good government, not simply the narrow issue of members' conditions. As I have argued, and argued publicly outside the Parliament, the Industrial Relations Commission has in recent times been stacked by the appointment of people such as Mr Peter Sams, Ms Tricia Kavanagh and Mrs Janice McLeay.

No-one denies the individual worth of those people, but we must recognise that it is possible that they were chosen not on the basis of merit but on the basis of their political connections. It is unfortunate that a body of the standing of the Industrial Relations Commission, which is an equivalent of the Supreme Court, has appointees that

are not chosen solely on the grounds of merit. That is the issue at stake. I do not necessarily question that any of the three people to whom I have referred are people of merit; I accept that they are all worthy people. I do, however, question the validity of an appointment that takes into account political past. All three of those people have a publicly known political past. The two women are married to prominent Labor politicians and have themselves been involved in Labor Party politics. Mr Sams was the State President of the Labor Party and Secretary of the Labor Council.

The public can only lose confidence in a court such as the Industrial Relations Commission when a series of appointments to it are made not solely on the basis of merit but partly on the basis of past political affiliations. The New South Wales coalition parties accept that parliamentary salaries and conditions must be transparent, that they must be justified and that they must take into account all matters of State. Therefore, it is hoped that the Industrial Relations Commission will take a wide view of applications, rather than a narrow focus. The commission should accept that it is undertaking a duty to the people of New South Wales and is not simply resolving an industrial dispute. That is an important part of the remuneration decisions, and it is a part that the Supreme Court was always able to bear.

There is a public interest to be taken into account so far as parliamentary salaries and conditions are concerned. It is not purely an industrial relations matter to be resolved by compromise, but the essence of the commission's work has always been to compromise between employer and employee. Parliamentary salaries and conditions should not be a matter of compromise; they should be a matter of right, good government and responsibility to the people of this State. This bill does not provide in any respect for the creation of new recognised office holders; it simply states that members and recognised office holders as defined in the principal Act, the Parliamentary Remuneration Act 1989, are to be dealt with by the tribunal.

I make a personal plea that shadow ministers be included as recognised office holders. That is done at Federal level. I am concerned that next year the Australian Labor Party will not have sufficient resources to run as the Opposition. The coalition as an incoming government will need a constructive and strong Opposition, which is an important part of the Westminster process. I hope that shadow ministers are recognised, so that the ALP has sufficient resources. I sat on the government benches for seven years—as coalition members are often

told—and witnessed the inadequate performance of the Labor Party in opposition. Labor was ill-researched and ill-prepared, and in the end it won government on 48.5 per cent of the vote. The Labor Party could not get 50 per cent of the votes plus one. Its election result was an indication of its poor performance and its poor preparation in seven years of opposition. Coalition members hope—for the sake of the people of New South Wales, not for Labor's sake—that when next Labor is in opposition its members are better researched and better assisted.

Shadow ministers should be recognised as office holders. It must be acknowledged that Independent members have been granted research facilities over and above those granted to members of political parties, which is wrong. Independent members are not entitled to additional assistance. They have only the responsibilities of other members of Parliament. Independent members are not recognised office holders; they are members in the same way as all other members and they should not be granted any extra emolument or entitlement over and above that granted to other members of Parliament. The fact that Independent members have been prepared to put themselves in a privileged position and take more than is given to other members of Parliament makes one wonder how hypocritical they are when they talk about the need for a transparent process.

Never have Independent members admitted that they get more than any other member. They have not gone to the tribunal and acknowledged that fact, nor have they acknowledged it publicly. I would like to hear the honourable member for Manly and the honourable member for Blich acknowledge that they get more than other members. They never acknowledge that, yet they talk about transparency. It is my hope that the incoming judicial member of the Industrial Relations Commission or the existing Parliamentary Remuneration Tribunal Supreme Court judge says that every member of Parliament is the same and that there are not two classes of members of Parliament, the Independents and others. We are all here to serve the people and none of us should expect greater emoluments or entitlements simply on the basis of belonging or not belonging to a political party.

I have indicated that the Opposition is not happy with many aspects of this bill. The bill was introduced on Tuesday after standing orders had been suspended, and the second reading debate has been forced on today. The Opposition reserves the right to move amendments or even oppose the legislation in the Legislative Council. Like so much other legislation the bill is being rushed through the

Parliament as the end of session draws near and the Government collapses the parliamentary agenda.

The Government will not allow private members' days. It will not allow private members' motions or private members' bills to be debated. However, it has rushed through a bill on 24 hours notice which involves the Parliamentary Remuneration Tribunal and which is of great significance to the public of New South Wales. The Opposition cautions the Government not to play ducks and drakes with parliamentary remuneration. It should not get good Labor men or women from the Industrial Relations Commission—for example, Peter Sams or Trish Kavanagh—and give them the wink and the nod so that when the Labor Party is in opposition it can get this extra entitlement or that extra allowance, and perhaps a few crumbs from the table for a good loyal Independent who supports them from the crossbenches.

The Opposition expects all the processes to be transparent and above board. The honourable member for Manly will move a series of amendments that call for greater accountability and for an inquiry into salaries. However, despite all his posturing he will not acknowledge that he receives benefits over and above the benefits given to other members of Parliament. That is the height of hypocrisy. I await the contribution of the honourable member for Manly with great interest. I will wait to hear him say, "I will hand back my additional research staff and all the money that I have received over and above that received by other members of Parliament, and I will say that the process should be transparent." I look forward to his comments before he moves his high-flying public relations oriented amendments to the legislation. The headline for the press release for the *Manly Daily* has already been written. It states, "Macdonald Fights to Stop Politicians Ripping Off the System."

Dr Macdonald: It went out yesterday.

Mr HARTCHER: The honourable member for Manly says that the press release went out yesterday. This significant paragraph will appear on the press release, "Peter Macdonald owned up to getting more than anybody else and said he is sorry and will return it, he will pay it back to the Legislature." It may well be that the legislation will be examined by a Legislative Council committee or amended in the Legislative Council.

Dr MACDONALD (Manly) [3.42 p.m.]: What a lightweight presentation by the Opposition! The House will have noticed that the honourable member for Gosford neglected to mention a large proportion

of the content of the bill. I am happy to acknowledge that in 1991-92 the Greiner Government offered the Independents extra resources because of their additional responsibilities. That was continued by the Carr Government. There was no reference by the honourable member for Gosford in his remarks to the new definition of parliamentary duties. The new definition means that members of political parties will receive additional funding. I will address that matter in greater detail at a later stage; it is the subject of one of my amendments.

The legislation is the result of a cave-in to public pressure by the Labor Government that started in January this year following the December decision by the Parliament regarding superannuation. Enormous pressure was applied to the Government. The *Sydney Morning Herald* ran an interesting editorial on 12 April. It referred to the valuable service that had been provided by the Independents in publishing the previously secret list of perks for State politicians. It also said that there was a convenient convention that the 121-page document be held in the Parliamentary Library for scrutiny by members of Parliament if required.

The editorial said that the secret perks cover virtually every potential living cost MPs might face outside of their actual jobs. It went on to detail things like travel allowances. As I have said, in January this year there was an enormous public outcry and this legislation is the result of the outrage at the special privileges given to MPs regarding superannuation. The bill is part of the process of peeling away the crusty layers of secrecy that surround politicians and the political process. The bill will increase accountability and will put the entitlements and benefits of politicians under the public gaze. Are the entitlements and benefits excessive? Are they reasonable? Are they consistent with those in the private sector? Are they consistent with those in the senior executive service? Who should determine the entitlements?

Those questions have not been asked in the past because the document has built up by accretion, if I can use that word, over the years. The bill does not include salaries or superannuation. I regret that the existing superannuation benefits that MPs enjoy will not be referred to the Parliamentary Remuneration Tribunal, and I will move an amendment to achieve that objective. The legislation passed some months ago requires only that any future changes be referred to the PRT. However, public confidence would be increased if the existing scheme were referred to the PRT.

I argue that the PRT should examine the existing scheme and benefits, eligibility for benefits, whether people aged 35 or 40 should be eligible for superannuation benefits, the impact of any increases or, indeed, of the existing benefits on the finances of the State and whether the scheme should be replaced by a private scheme. Members of the Opposition have interjected. They should speak to their constituents. I do so regularly every month and have done so for eight years—and not only before elections. They would hear the concerns of people about MPs benefits, particularly superannuation, and about MPs who retire at 35 and 40 receiving a pension for life.

Those matters need to be dealt with in an open and accountable way. Honourable members need to look at the lurks and perks in the document that has been dusted off and is now open to public gaze and in the public domain. It is not surprising that confusion has arisen. I acknowledge that it is confusing to look at the matters that have been dealt with by the PRT over the years. The PRT has dealt with air charter travel, rental of private vehicles, charter transport reliance, salaries and allowances, committee allowances, accommodation special allowances, electoral allowances and some taxi benefits, mainly relating to airport travel.

In addition to those things, matters referred to as the perquisites of office, including taxis home and back to Parliament in the morning, travel allowances, frequent flyer schemes, electorate office staff, travel entitlements, overseas travel, airport parking, travel across Bass Strait, rail travel, matters relating to sports service facilities, office support and equipment, et cetera, have all been determined—not by the PRT, not by an external body but by a succession of decisions within the House. The guide is a mixture of PRT determinations and in-house determinations. That is why these matters need to be opened up for proper scrutiny, and that is what the bill seeks to do. A year ago in March the PRT raised concerns. In the 1997 report of the PRT Justice Brian Sully stated on page 3:

First, the actual definition in terms of general principles of what should qualify for consideration as a section 9(a) allowance—

by that Justice Sully meant what are and what are not entitlements—

is, in the opinion of the present Tribunal, somewhat ambiguous . . .

His Honour is sending out a signal that confusion will arise. I was disappointed that the honourable

member for Gosford obviously had not read this document. If he had he would have realised that Justice Sully acknowledged that there is a need to examine the roles of shadow ministers. Page 7 of the 1997 report stated:

The Tribunal adopts the position that it would be inappropriate for it to recognise Shadow Ministers for the purposes of additional allowances when the Parliament does not recognise Shadow Ministers as "recognised office holders" under the Parliamentary Remuneration Act 1989. The status of Shadow Ministers, for the purposes of the Act, ultimately rests with Parliament.

The judge was acknowledging that shadow ministers have additional responsibilities and perhaps should receive additional funding. I will not argue with that. Clearly that matter should be properly assessed by the Parliamentary Remuneration Tribunal. The House should remember that within two years the PRT will have a member with industrial relations skills and qualifications. The Minister for Fisheries quoted from the 1998 report, which was tabled today, in his second reading speech. It raised concerns about the byzantine complexity of the current collection of non-salary entitlements. Page 5 of the report stated:

. . . so haphazard a scheme of non-salary entitlements is all too apt to give rise to misconceived claims; to conceptual confusion; to practical misunderstandings; and to suspicions in the public mind that there is insufficient transparency and accountability of handling of large sums of what are, when all is said and done, public monies.

I do not argue that some genuine confusion arose in 1994 when Labor was in Opposition. That confusion needs to be resolved, but that will not happen without an open and accountable process. This legislation should be welcomed, with qualifications, as a move in the right direction. The intention of the bill appears to be that all matters contained in the current guide will be referred to the PRT. I am not absolutely sure about that and I will move an amendment to clarify that position. In his second reading speech the Minister said:

The bill resolves those problems—

that is about the confusion—

by allowing the tribunal to make determinations on all matters including services, equipment and facilities.

That needs to be clarified. I want all matters currently in the Legislative Assembly and Legislative Council guides to be cleared up. Things should not be allowed to slip off. The guide should be dealt with by the PRT. Members of Parliament will not then be accused of giving themselves entitlements or benefits which do not result from

that process. Perhaps Justice Sully could take on board my suggestion that the PRT, when it makes its determinations, should be very clear about the reasons for its decisions. In other words there should be self-explanatory notes and reasons why the decisions are made. The argument should be more relevant to the private sector than the senior executive service. Most of the entitlements that members of Parliament currently receive are probably justified.

His Honour should state his argument so that when the PRT decides what members of Parliament deserve both argument and justification will be shown. There are some unsavoury parts of the bill that entrench the snouts of political parties in the public funding pot. I will deal with those matters at the Committee stage. We have been softened up for this bill by the Premier as a result of the code of conduct. Honourable members would recall during that debate that the Carr code was foisted on this House over the top of the code that had gone through the proper process. Towards the end of the preamble the Carr code stated:

Members of Parliament also recognise that some Members are non-aligned and others belong to political parties. Organised parties are now a fundamental part of the democratic process and participation in their activities is recognised by the Parliament as within the legitimate activities of Members of Parliament.

I find that offensive. I spoke against it during the debate, but it is now entrenched in the code and will become entrenched in the bill. Participation in party political activities will now be enshrined in the definition of parliamentary duties. In his second reading speech the Minister spoke about how vital the political parties are to be process of the Parliament. Anyone who read Ian Marsh's article in today's *Sydney Morning Herald* would realise that the two-party system has almost destroyed our political system. It has hijacked the political system; it has arguably destroyed it and given the political system—

Mr Brogden: He didn't say that. You didn't read the article. He argues that they were the third party.

Dr MACDONALD: I have the article and will read it and talk about it at the Committee stage. The two major parties have created a fertile ground, because they have lost their way with the public and their membership is dropping. Policy is not made by the parties any more. It is strange to argue that that should come within the definition of parliamentary duties. I would argue that we are no better off for having a two-party system. It is not surprising that I

should argue that we should go back to the good old days. I cannot understand why party political duties should be publicly funded. If party political parliamentary duties are funded publicly there will be party political junkets with members drawing on the public purse. Goodness knows where it will end. It is arguable that the redefinition of parliamentary duties could be labelled as the Langton clause in an attempt to retrospectively justify what happened in 1994. That part of the bill is self-serving and is a retrograde step. I will oppose it at the Committee stage. I welcome this legislation. It is time to blow away the cobwebs from the guide and open it up to public scrutiny. It will provide an open and accountable process and perhaps raise the status of and respect for politicians within the community.

Mr MacCARTHY (Strathfield) [3.57 p.m.]: I am a little surprised to hear the honourable member for Manly complain about the inclusion of party political activities in the definition of parliamentary duties. I would be most interested to find out whether he accepted public funding in his election campaigns. I do not see that there is any great difference between party political activities, as part of the democratic process, being funded from the public purse and what is contemplated by the legislation. The honourable member for Gosford, who led for the Opposition, has already reminded the House that the bill was introduced less than two days ago. The Opposition has not had time to give it the detailed analysis that is necessary. There may well be a need for amendments to be moved at the Committee stage or perhaps in the upper House. Nevertheless, the bill aims to address a significant community problem in relation to politicians' salaries and entitlements of various kinds. I welcome several of the objects of the bill, the first being a clarification of the rules. It is worth repeating what Minister for Mineral Resources, and Minister for Fisheries said in his second reading speech. It has already been referred to by the honourable member for Manly. The Minister said:

Honourable members will be well aware that the current system—if it can even be labelled such for the administration of members' entitlements—is a complex matrix of rules which range from the pedantic to the Delphic.

I would be interested to know who wrote that because I am sure it was not the Minister. He also said:

The Parliamentary Remuneration Tribunal, in its most recent report of May 1998, expressed concern at the "Byzantine complexity" of the current rules.

I agree with that statement. Earlier this year, as I have told Mr Speaker in the light of the controversy

that existed in the Federal sphere, I wrote to the Clerk of the Legislative Assembly seeking guidance on the members' entitlements in relation to travel. Interestingly, the Clerk wrote to me as follows:

There are no relevant rulings on definitions to guide members in their interpretation of "parliamentary or electorate" business. This is a matter left to the discretion of the member concerned.

That is amazing, but that is the system. I am not criticising those who developed the system. How we reached this point is irrelevant. The fact is that insufficient guidance is provided to members. This bill will introduce rational and cohesive rules for members, and those rules will be able to be tested. If there is doubt about the meaning of a rule the Parliament will be able to ask the Parliamentary Remuneration Tribunal to interpret it in a way that removes any doubt. That will improve the present situation and greatly assist members.

I shall make only a couple of brief points about the bill. Importantly, it delineates the concept of salary, which is what one receives for the work one does, and expenses, which is what one receives to cover the way one works. The media continually lump politicians, salaries and allowances together when they report our salaries, and that does nothing for the image of politicians in the community. It is similar to reporting that the owner of a corner store earned \$500,000, which is the turnover figure, when he made a profit of only \$40,000.

The bill provides for the Parliamentary Remuneration Tribunal to delineate salaries and allowances for members, and that is welcomed. Earlier, I referred to parliamentary duties. I am pleased that the bill provides a clear definition of parliamentary duties. That will assist members. Finally, it provides for delineation of those who make the determination and those who receive the benefits, and that can only be good for members. Previously, determinations approved by the Minister or the Parliament effectively involved Caesar appealing to Caesar. The community was concerned about that.

Parliamentarians' entitlements should be subject to a process similar to that which applies to salary increases generally in the community. An independent umpire should consider the arguments and make a determination based on fairness. Such a system would remove any question about members looking after their own interests. Although the bill may need further amendment, the concept will go a long way towards improving the situation. Indeed, it

may help to raise the level of esteem in which members are held by the community.

Mr BROGDEN (Pittwater) [4.04 p.m.]: Today I shall place on the record the coalition's views about this bill and my views as a private member. It is important to provide legislation that will prevent embarrassment of the kind all members felt in January about the legislation that increased members' superannuation entitlements. When the story broke in the *Sydney Morning Herald* I was the first member of a major political party to indicate that I thought the entitlements were overly generous. Indeed, I made it clear that I intended to write a letter to the superannuation bodies indicating that I did not wish to receive retrospective entitlements. Increasing members' entitlements in that way was not good for the Parliament or members.

At that time I was concerned that while my 65-year-old father, who had worked as a carpenter for 40 years, was receiving meagre superannuation entitlements his 28-year-old-son had agreed to a shameful increase to his superannuation entitlements. This bill is necessary because members of Parliament have been unwilling to accept reasonable salary increases and allowances in line with the public service and private sector, and that has attracted pressure from the public and the media. Instead, members sought to augment their allowances and superannuation entitlements under a veil of secrecy that does not exist in other public institutions in the late 1990s. However, members did not get away with it.

The bill should go further. The time has come for members of Parliament to examine a more realistic superannuation scheme that is in line with superannuation schemes for public servants and the private sector. Members' salaries and allowances should be balanced at the other end. Admittedly, that would mean that members of Parliament receive a large one-off increase in salary, but their superannuation entitlements would reduce significantly as a consequence. However, that should not be retrospective. I would support the introduction of a new structure after the next election. The time has come for members' actions to be made more transparent.

The public does not know about many parliamentary processes. Members of Parliament often put their hands in their pockets to support their duties. Members' entitlements for printing, postage and other matters are insufficient. The level of entitlements should be included in any new structure. The entitlements should be increased to enable members to do what they were elected to do,

that is, to communicate with and represent their communities. All members could tell stories about expending their printing allowances before the end of the financial year and expending their postage allowances before the end of each month. Members work their staff ragged because their communication resources are inadequate. I hope that the new structure will enable members to better perform their basic duties.

[Debate interrupted.]

BUSINESS OF THE HOUSE

Order of Business

Motion by Mr Whelan agreed to:

That standing and sessional orders be suspended to postpone the taking of private members' statements until after the conclusion of debate on the Parliamentary Remuneration Amendment Bill and the Superannuation Legislation Amendment Bill

PARLIAMENTARY REMUNERATION AMENDMENT BILL

Second Reading

[Debate resumed.]

Mr BROGDEN: I am concerned that this bill allows the Government to reject the tribunal's recommendations. If the fate of our superannuation entitlements are to be given forever to an independent tribunal, as this legislation proposes, the Government should not have any capacity to reject the tribunal's recommendations. The public should be assured that if an independent tribunal recommends that members' entitlements be increased, decreased, changed, amended or whatever, those recommendations will be implemented without question from the Executive. I hope this matter is discussed further either in Committee or in the upper House. It is important that in establishing transparency of our entitlements this bill regains public support. Members of Parliament have positions similar to members of the medical and legal professions. Community members seem to dislike doctors and lawyers generally, but they like their individual doctor or lawyer. As a group the community hates politicians, but most people make good comments about their local members because they help them.

This bill will help make transparent our allowances, salaries and superannuation entitlements, and will help market our roles to the community in a positive light. The bill amends the chairmanship of

the tribunal from that of Supreme Court judge or equal judge retired or serving to include an industrial commissioner. In many senses this is a vexed move. It is a reasonable proposal as it provides for someone of experience in employment law to determine whether members of Parliament should have their allowances and benefits increased in line with community expectations. However, as the honourable member for Gosford said, it is significant that the commission has been stacked heavily with members steeped in Australian Labor Party tradition. The coalition will continue to express concern at the capacities of that arrangement for sweetheart deals.

It is important that this legislation is aired publicly. When details of the increased superannuation entitlements for members were released last year it became front page news. The story ran heavily through the media. However, this legislation has not been scrutinised by the media. I call on the media to undertake its scrutiny of the bill and not seek to criticise it after it has been passed through both Houses. I trust that this legislation, in whatever final form it takes, will provide members of Parliament with an improved capacity to fulfil their jobs and to clearly and transparently provide the public with a better understanding of the work they undertake.

Many members entered this House from different careers, some accepting a pay rise and many others taking a pay cut. A member of Parliament does not apply for the job only for the salary and entitlements with thoughts of moving to another job at a later stage. I would hope that many members are in this place because of their desire to undertake genuine public service. The job of a member of Parliament is different to other jobs in the community and should be treated as such through its entitlements and benefits. It is difficult for a member of Parliament to be classed differently to another member of Parliament. We are not classed by our performance, community representations or by the number of community meetings we attend or organise. Politicians are classed as one group despite differences in talent and capacity. I would rather a system that reflected the individual member's activities and performance in the electorate and in the Parliament, although I know that such a system would be difficult to structure.

I should like to raise one area that I trust will be dealt with by the new commission. The honourable member for Manly contributed to the debate on this bill. As the honourable member for Gosford said, the honourable member for Manly and

other Independent members received more staff entitlements than the members of the major parties. Mr Speaker, I am concerned that during the last 12 months you have allowed those Independent members to receive a 50 per cent greater printing allowance than other members. The allowance is provided to those members not merely to undertake their duties as Independent members but to communicate with their electorates. Therefore, I find it incongruous that three members of this House receive a greater printing allowance than any other member. That is one matter that should be brought to the attention of the tribunal. All members should be better able to communicate with their electorates.

Mr SPEAKER: I remind the member for Pittwater that party members are permitted to use certain entitlements of other members, an advantage that is not available to Independent members.

Mr E. T. PAGE (Coogee—Minister for Local Government) [4.17 p.m.], in reply: I agree with the honourable member for Manly that the contribution of the honourable member for Gosford was shallow and hypocritical. As the honourable member for Gosford led for the Opposition on the debate, he could have given a better presentation. He implied that somehow he was wiser than the rest of us and that perhaps we receive too much. He suggested that allowances for members of State Parliament should be reined in, but then pleaded for an increase in his allowances as a shadow minister. His argument would have had more credibility if he had not proposed an increase for himself. His proposal was ridiculous! He said that in the last Parliament the Labor Opposition requested more funds to present a better fight to win the election. Of course, we won the election even though shadow ministers received no additional recompense for their election campaigns. Shadow ministers do not have additional staff, but Labor won the election. It is obvious that the honourable member for Gosford does not believe the coalition will win the next election without additional resources. He is right, but the coalition still will not win the 1999 election if it has additional resources.

Mr Price: It is a waste of public funds.

Mr E. T. PAGE: As my colleague the honourable member for Waratah says, it would be a waste of public funds. The honourable member for Gosford castigated the Independents for their additional resources. The former coalition Government provided those additional resources to the Independents to help them look after their constituents. More hypocritical comments! It was his Government that provided the additional resources.

Independent members should receive additional resources because they do not have the benefit of group support that a member of a political party has. They have assistance from people who specialise in various aspects of government. When I come into this Chamber to speak to the debate on a particular issue, I do so on the basis that the matter has been discussed in Caucus. Invariably the appropriate Minister will have provided members of the party with notes on the issues of concern. One does not have that advantage if one is an Independent member of Parliament. Independent members have to do it all themselves. Being an Independent member of Parliament is a monumental task.

For those practical reasons, I believe it is not unreasonable that the Independents should be provided with additional resources to ensure that they are able to make a proper contribution in Parliament. Here is the hypocritical member for Gosford! He accused the Government of rushing the bill through. In fact, the Premier announced his intention in this regard on 13 April, almost three months ago, and the bill is consistent with that announcement. It is important that the bill is passed so that the Parliamentary Remuneration Tribunal can get on with the job of reviewing members' entitlements and issuing a new determination which will make the rules clear for all members of Parliament. I ask honourable members to support the bill.

Motion agreed to.

Bill read a second time.

In Committee

Clause 4

Dr MACDONALD (Manly) [4.21 p.m.]: I move amendment No. 1 circulated in my name:

No. 1 Page 2, clause 4. Insert after line 19:

- (3) The initial determination must deal with all entitlements (including facilities and services) referred to in the guides prepared for Members of the Legislative Council and Members of the Legislative Assembly in relation to their entitlements (including facilities and services), issued by the Clerks of the respective Houses, and current when the initial determination is being prepared.

The amendment essentially includes an additional component in clause 4, which will become subclause (3). Basically it is more prescriptive in terms of the matters that have to be determined by the

Parliamentary Remuneration Tribunal. In moving this amendment I am sending a clear signal that it should cover those items in the guide to members entitlements, facilities and services in both the Legislative Assembly and the Legislative Council. I do so because I am not satisfied that we have overcome the problems that exist in current 9181A, I believe it is, which refers to allowances and entitlements under the existing Act. That was highlighted in the 1997 report as being ambiguous.

I am seeking to remove any ambiguity and make the clause more prescriptive than has been provided in the bill. The amendment refers to additional entitlements and they are prescribed within the contents pages of the Legislative Council and the Legislative Assembly documents. As I said during the second reading debate, the definition is very broad. What is meant by "the entitlements and the prerequisites of office"? I want to avoid the possibility that something will be left out, to avoid criticism and to avoid the suggestion that some matters have not been dealt with or have slipped in through the back door. I seek the support of the House for my amendment.

Mr E. T. PAGE (Coogee—Minister for Local Government) [4.23 p.m.]: The Government opposes the amendment. It is clear from the bill that the tribunal has the power to make a determination which covers members' entitlements comprehensively. The guide for members goes beyond that and deals with matters of administration, which will clearly need to be left in the hands of the Parliament. It would not be feasible or practical to require the tribunal in its determinations to deal with this level of minutiae. The effect of the legislation is that the tribunal will be in a position to give much clearer guidance to the Parliament in terms of how members' entitlements should be administered. In addition, the President and the Speaker will be able to request the tribunal to give a ruling on the interpretation or application of a determination. This will ensure much greater clarity for members and administrators.

Mr HARTCHER (Gosford) [4.24 p.m.]: The coalition also opposes the amendment. The clear posturing on this issue almost beggars the imagination. The honourable member for Manly is attempting to have every single matter that occurs in this Parliament—from the supply of biro and paper to the type of meals served in the dining room—decided by the Industrial Relations Commission. The very menu in the Parliamentary Dining Room would be subject to determination by the Industrial Relations Commission. It is so farfetched and

extraordinary that one can only imagine that the honourable member for Manly is—I hesitate to draw this conclusion—grandstanding for political purposes. That is something one would not associate with the honourable member for Manly, but there it is. The Opposition is opposed to the amendment.

Amendment negatived.

Clause agreed to.

Schedule 1

Dr MACDONALD (Manly) [4.26 p.m.], by leave: I move amendments 2, 3, 5 and 6 circulated in my name in globo:

- No. 2 Page 4, schedule 1[3], lines 7-8. Omit "including participation in the activities of recognised political parties,".
- No. 3 Page 4, schedule 1[3], line 11. Insert "However, the expression does not include participation in the activities of political parties," after "definition."
- No. 5 Page 5, schedule 1[7], proposed section 10, lines 9-10. Omit "the following principles: (a)". Insert instead "the principle that".
- No. 6 Page 5, schedule 1[7], proposed section 10, lines 14-16. Omit all words on those lines.

The amendments go to the heart of my concerns about the public funding of political parties, the fact that participation in activities of recognised political parties will, under this definition, be regarded as parliamentary duties. I suggest to the Committee that we should not support a crumbling, outdated, irrelevant party system. Not only that, we should not support the funding of such parties. However, I suspect that I and perhaps one or two other members of this Chamber will be voices in the wilderness. There are people in the community who think about these matters and acknowledge that the party system has failed us; that parliamentary duties, the effectiveness of Parliament, and the introduction of legislation has nothing to do with political parties at all. I refer honourable members to an article in today's *Sydney Morning Herald* written by Ian Marsh, Associate Professor of the Australian Graduate School of Management. He identified the failures of the political parties, their relevance and the fact that they have led to the fertile ground that has allowed Pauline Hanson's One Nation Party to grow and flourish. Professor Marsh referred to a malaise that deeply afflicts Australia's two-party political system. The article said:

The Liberal and Labor organisations have largely jettisoned their policy and interest integrating roles. The primary organisation role is now electoral-professional campaigning.

Who could deny that? The article continued:

Business, rural, trade union and other interests deal directly with ministers or run independent campaigns. Membership has slumped . . .

Further, in relation to policy, the party organisations have lost their agenda-setting role . . .

Both major parties have broadly adopted the competitiveness program championed by the neo-liberal think-tanks and the Treasury. Both have jettisoned responsibility for employment levels.

Finally, the article stated:

But the structure of the two-party system is the major impediment to effective communication. The system requires one major party leader to declare black whatever the other asserts is white. It has no capacity for mobilising opinion or interest coalitions around strategic issues.

What an indictment of the system. The bill will amend the definition of "parliamentary duties" to include participation in the activities of recognised political parties. In his second reading speech the Minister talked about the vital role political parties play. That contradicts what actually happens. This bill will give political party members a new entitlement: the public will pay for them to attend political party conferences. I argue that Ministers are responsible to the House, not to their parties. That is the notion of responsible government. The two-party system has bastardised the notion of responsible government, and this funding will entrench it. Honourable members should remember that responsible government in New South Wales goes back to 1855.

There is general public cynicism about politicians lining their own pockets. This new entitlement proves that that public cynicism is based on reality. With this bill the Government gives with one hand and takes away with another. It appears on the surface to address the public outcry about benefits to members but it is creating an additional benefit, and that is the sleeper in the legislation. The Government will argue that political parties are an established and accepted part of the political system in New South Wales, but the public purse should not fund political organisations. Why should the public fund members who travel to their party conferences? Where will the line be drawn?

The bill includes participation in the activities of recognised political parties. I am seeking to omit that, because where will it stop? Will it include caucus meetings, local party branch meetings—and there could be branch meetings all over an electorate—fundraising functions, State party conventions, country party conventions, women's

conventions? The list rolls on and on. Could it include meetings to organise preselection or branch stacking meetings? Again, the list goes on. It is absolutely ridiculous to include this participation because it will have an enormous impact on the public purse.

If the bill is passed in its present form 96 members of Parliament will be paid to travel to destinations somewhere in the State at least once a year, presumably with a living allowance for the week of the convention. Has the Government costed this proposal? I very much doubt it. I seek support for my amendments. They further enhance the reputation of members of Parliament, rather than reduce and tarnish that reputation. I believe there will be an outcry. The honourable member for Pittwater invited members of the media to have a look at this bill and they will realise that this means public funding for every activity the party politicians engage in, right down to branch stacking and preselection proposals. It is wrong, it is improper and it is no longer relevant, because the party system is basically on the decline.

Mr HARTCHER (Gosford) [4.33 p.m.]: It is total nonsense to argue, as the honourable member for Manly has, that somehow the monopoly of conscience and the monopoly of right and integrity is held by him and the tiny handful of people like him in parliaments throughout Australia. The recent change in the political landscape has not been in favour of the argument he advances but in favour of a new political party. Only organised political parties can form governments and collectively express the will of a certain section of the community.

At the end of the day the honourable member for Manly represents himself. He has no way of being intuitively in contact with the wishes of the citizens of Manly. He represents only a certain narrow section of Manly and his voting pattern in this House reflects that. He was prepared to vote for land tax legislation against the wishes of the vast majority of the people of Manly. Had he had a political party with a branch structure and had he taken a poll of the ordinary people, his vote on land tax would have been more in harmony with what the people of Manly want.

Clearly, the people of Manly are not being well served by an Independent member. He was elected with a minority of the vote. He does not come to this place with a majority of the vote. He did not come here with the majority of the vote in 1991; he did not come here with the majority of the vote in 1995. The great majority of the people in Manly have had the opportunity to pass judgment on

him twice and they have rejected him twice. He comes here simply through a manipulation of the preference system in an alliance with the Australian Labor Party. The people of Manly should understand they have a person who does not represent them and who simply attempts to put himself on every bandwagon that is passing. He has now put himself on the latest bandwagon.

He will hold his hand out for his salary, for his extra staff allowance, and for every other benefit he can get, but when the time comes for him to engage in public relations he will posture and pretend and huff and puff that he is against it. After six years in this Chamber he found there was a members' guide, and he was prepared to give that guide to the *Daily Telegraph*. His conscience is pricked only when it becomes a public relations issue. This is not conscience; this is political posturing, just as his amendments are political posturing. On 27 March 1999 the people of Manly will have the opportunity to pass judgment on him and to pass judgment on other people of like mind, and I am confident they will look at his record and find it wanting.

Mr E. T. PAGE (Coogee—Minister for Local Government) [4.36 p.m.]: The Government cannot support the amendments moved by the honourable member for Manly. Parliamentary parties are a reality of political life. Parties develop policies that are translated into legislation. Party committees play a vital role in developing and criticising proposed legislation. Even the Australian Tax Office, which is not known for its generosity, accepts that party activity forms part of the legislative duty of a member of Parliament. That is why it has ruled that attendance at party conferences and party committee meetings is tax deductible. As a matter of consistency, it should be noted that the Commonwealth Remuneration Tribunal has accepted:

... that the meetings of parliamentary political parties and the national conference of political parties are an intrinsic part of the parliamentary process.

As the honourable member for Gosford correctly pointed out, the change in Queensland was not to a plethora of Independents. There is one more Independent but there is another political party: the One Nation Party. Unfortunately the honourable member for Gosford cannot stick to rational arguments. He has to denigrate people and attack their integrity. In doing so he diminishes his own debate. He stated that the honourable member for Manly did not gain the majority of the vote. That is

untrue. The honourable member for Manly, like me, is here with the majority vote, on a two-party preferred basis. That is the way the system works. If the honourable member did not have a majority, one of the leaders of the One Nation Party would be in this place representing the Liberal Party.

Dr Macdonald: That is the best the Liberals could do.

Mr E. T. PAGE: That is right, it is the best they could do—the rest are worse. The Government does not support the amendments moved by the honourable member for Manly.

Question—That the amendments be agreed to—put.

Division called for. Standing Order 191 applied.

Ayes, 2

Dr Macdonald
Ms Moore

Question so resolved in the negative.

Amendments negated.

Dr MACDONALD (Manly) [4.42 p.m.]: I move amendment 4 circulated in my name:

Page 4, schedule 1[6], proposed section 9. Insert after line 27:

(b) to review and make recommendations about entitlements under the *Parliamentary Contributory Superannuation Act 1971*, and

I seek the guidance of the Committee as to whether it is appropriate to move consequential amendment 7 standing in my name.

The CHAIRMAN: There is some doubt as to whether amendment 7 is in order. Proposed sections 11(4) and 11(5) were consequential on amendment No. 1, which was negated by the Committee. Therefore, the Committee can only debate amendment 4.

Dr MACDONALD: In that event I will proceed only with amendment 4. I have discussed this amendment previously. Essentially, it empowers the Parliamentary Remuneration Tribunal to review and make recommendations about the existing parliamentary scheme. Under legislation passed through the Parliament some months ago only future and proposed amendments are required to go to the tribunal. It is my argument that the tribunal should

examine the existing scheme, as it is overgenerous and its entitlements are wrong. I argue that the existing scheme should be disbanded and a private scheme adopted. It is appropriate that the amendment be included in this bill, which concerns the responsibilities of the Parliamentary Remuneration Tribunal. I seek the support of the Committee.

Mr E. T. PAGE (Coogee—Minister for Local Government) [4.43 p.m.]: The Government cannot accept this amendment. The Government has already legislated for the tribunal to approve any proposed amendments to the Parliamentary Contributory Superannuation Act. To require the tribunal to undertake a more comprehensive review of superannuation may be premature in the light of developments yet to crystallise elsewhere, particularly at the Commonwealth level. It is the Government's view that any further consideration of the New South Wales scheme should await the outcome of developments in the other jurisdiction, so as not to compromise Australiawide consistency. In addition, the resources of the tribunal would not be sufficient for it to undertake a review of this kind at this time.

Amendment negatived.

Schedule agreed to.

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

SUPERANNUATION LEGISLATION AMENDMENT BILL

Second Reading

Debate resumed from 24 June.

Mr HARTCHER (Gosford) [4.45 p.m.]: This bill was introduced only yesterday and is being rushed through the Parliament before the recess. The Opposition has not had the opportunity to give sufficient consideration to its response to the bill. I thank the Leader of the House for extending the courtesy of making available to me a briefing note and the offer of an oral briefing by an official from the Premier's Department. Notwithstanding that, the Opposition has not had an opportunity to determine its response and accordingly it must reserve its decision. The final position of the Opposition will be as stated in the Legislative Council. The Opposition may wish to have the bill referred to a committee for further consideration, it may wish to move amendments or it may wish to reject the bill. That

position will be made clear in the other place.

The haste with which this bill is being rushed through the House demonstrates the importance of the Legislative Council, especially when the Government does not have a majority in that House. It is possible for legislation to be rushed through this House but it cannot be rushed through the Legislative Council. This bill is clearly part of the ongoing arrangement between the State Labor Government and the New South Wales Labor Council. It has been introduced at the request of the Labor Council, which has sought amendments to the public sector superannuation scheme to redress what it sees as longstanding anomalies. If there are anomalies in the scheme, of course they should be rectified, but if the bill is just part of a scheme to look after the Government's Labor mates, it will be rejected by the Opposition.

Part of the bill relates to police superannuation. The New South Wales coalition parties strongly support the Police Service, have the highest praise for the men and women of the service, and are concerned that those people have appropriate superannuation. The Hon. Michael Gallacher of the Legislative Council has been a forthright advocate for a better superannuation deal for police. He has indicated that he will support a private member's bill designed to ensure that widows of police officers killed on duty and police officers injured on duty are looked after much better than at present. I commend him for his ongoing support for the men and women of the Police Service. The remainder of the bill is drafted in the complicated terms one would expect of superannuation legislation. It contains mathematical formulae that are difficult to understand. It is unfortunate that the Government should introduce this legislation at the very end of the session and endeavour to rush it through the Parliament. The Government is to be condemned for that approach. The Opposition will make its position clear in the Legislative Council.

Mr FACE (Charlestown—Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development) [4.49 p.m.], in reply: I commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

Pursuant to resolution private members' statements taken forthwith.

PRIVATE MEMBERS' STATEMENTS**HUNTER REGION STORM DAMAGE**

Ms HALL (Swansea) [4.50 p.m.]: I rise today to acknowledge the fine work and dedication of both the State Emergency Service and EnergyAustralia in responding to the damage and destruction caused by the gale-force winds in the Hunter, and particularly in the Swansea electorate. I know that the honourable member for Wallsend and the Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development would join with me in expressing appreciation of the work being done by both those bodies. I have received numerous reports of the havoc caused by the 120 kilometre per hour winds.

On Tuesday my staff had to close my electorate office early because of an extended interruption to the supply of electricity at Swansea. Daryl Marshall, the dedicated local controller of the SES, advised that the service received 650 calls for assistance from residents of Eleebana, Valentine, Warners Bay and Speers Point. Some of those calls for assistance involved serious damage to property. My own home suffered minor damage. As always, the SES responded in a highly professional and compassionate way to the needs of our community, and I formally thank them for their work.

The last 48 hours have been a nightmare for EnergyAustralia. As a previous director of Orion Energy and a councillor of Shortland Electricity I know how important it is for organisations and staff to avoid and minimise outages. EnergyAustralia has an outstanding record of responding to emergencies and of ensuring that its customers have a constant supply of electricity. Unfortunately, high winds and excessive conditions have resulted in some interruptions to supply. But the good news is that EnergyAustralia responded promptly and minimised the time people were without electricity.

I understand that some people are still without electricity but EnergyAustralia is working hard and the problems will be remedied quickly. As I said previously, the problems were caused by gale-force winds and falling trees that brought down power lines. EnergyAustralia committed all its staff to the largest supply restoration project the company has experienced in the Hunter. The task the company faced was without precedent and affected customers from Lake Macquarie to the Upper Hunter region.

Damage was caused to the 150 high- and low-voltage feeders throughout the area. EnergyAustralia has responded effectively to an emergency of that magnitude. To put the emergency in context, normally the loss of 10 to 15 feeders would be considered a major problem.

During the past few days numerous calls have been made to EnergyAustralia's call centre, and EnergyAustralia has responded and restored power as quickly as possible. That has been achieved because EnergyAustralia has the resources and has made a commitment to provide a service to its customers. EnergyAustralia is not privatised like the electricity industry in Victoria. If Victoria had been subjected to such a disaster it possibly would have taken a month to restore electricity supplies. Last year when I visited Victoria I heard of outages that lasted for lengthy periods. Those outages occurred for no apparent reason and were often attributed to possums.

When I was in Victoria I heard about suicidal possums bringing down power lines, causing electricity problems which lasted for long periods of time. Instead of maintaining assets and staff to deal with problems, Victoria was more interested in profit. EnergyAustralia is dedicated to providing a service to the public and ensuring the supply of electricity to all households. It does not cut services or take money from the upkeep of our fine assets and resources in the Hunter. I once again congratulate EnergyAustralia. If ever there was an argument for keeping our assets in public ownership, this is certainly it.

Mr FACE (Charlestown—Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development) [4.54 p.m.]: I would like to place on record the role and achievements of EnergyAustralia and emergency services in the Hunter. Even under the old Greiner umbrella, energy authorities have built up a great deal of expertise to deal with natural disasters. After horrific gale-force winds virtually destroyed Kuring-gai Chase, various electricity agencies were brought in from all over New South Wales to restore power. Their expertise was evident during the aftermath of the earthquake in Newcastle in 1989. Those organisations are to be congratulated.

LAND TAX

Mrs SKINNER (North Shore) [4.55 p.m.]: Land tax is important to my constituents because it undermines the great Australian dream: home

ownership. The Carr Government's land tax makes a mockery of the fundamental belief that people should work hard, save, be thrifty and aim for independence so that they do not rely on the Government. For generations parents have saved in order to pass on the family home to the next generation in the hope that it would give them a good start. It is cruel to tax the family property, which invariably passes from one generation to another.

The Premier and his Labor colleagues laugh at those who plead for abolition of the tax. The Premier considers them to be greedy millionaires whose idea of a protest is an outing in the Rolls Royce with champagne and caviar. I have received many letters which demonstrate that the Premier is out of touch. A resident from Wharf Road, Gladesville, stated:

... of the last eight homes in my street ... Four are either on fixed income or pensioners. How the treasurer can suggest that a pensioner can pay 30% or more of his net total income in a new tax and be a silver tail is beyond the comprehension of a normal Australian.

Another couple living in McMahons Point stated:

Our property was bought for approximately 1,000 pounds in May 1951. It was rat infested, one bedroom timber workman's cottage. No-one wanted to live in this area as it was a poor working area. There was a huge timberyard and at the end of this street, there is still to this day a commercial boatshed and slipway next door.

They explained that the Valuer General's valuation of their property, a small one-bedroom home, increased from \$167,500 in 1983 to \$1 million in 1987. The writer explained that he was retrenched last year and considers that at the age of 63 he will never find another job. He said:

Please realise what are you doing to us and many other people. We are not millionaires, just ordinary Australian citizens who have worked long and hard to provide for our old age so that we would never be a burden on society.

One 80-year-old widow who lives solely on the pension wrote about a duplex that she and her husband purchased 35 years ago and which she now shares with her daughter, her husband and two young grandsons. She said:

This area was not trendy in 1966 and the residents were known as bread and butter people. Where will my family and I be expected to live? I certainly cannot afford to make land tax payments and even my daughter and her husband are just managing to make ends meet. We love where we live and now we are being victimised because we supposedly reside in what is perceived as a rich area. We are being punished for having achieved something in our lives through hard work and sacrifice.

Another correspondent explained the extent of the financial burden being placed on families and said:

When the tax was announced in June of 1997, my assessment was \$2,300. Seven months later the UCV went up 25%. My assessment went up 300% to \$8,000.

These are the stories I hear regularly from my constituents. They are not millionaires who travel in a Rolls Royce to a picnic with champagne and caviar. They are battling to make ends meet. They live on fixed incomes. How on earth can they be expected to pay this inequitable land tax? People regularly ask me if anyone understands the valuation system, what formula is used and how one property in a street can be affected while another is not. They ask about valuations which are based on redevelopment potential because of the nature of the site or its heritage status. The Carr Government has seriously underestimated the impact of land tax on the family home. That tax causes people in their later years to suffer at a time when they should be rewarded for being thrifty, for working hard and for ensuring that they do not have to rely on government support. On behalf of my constituents I ask the Government for a response which genuinely takes their concerns into account.

WYONG HOSPITAL

Mr CRITTENDEN (Wyong) [5.00 p.m.]:
Tonight I will talk about improvements that the Carr Government has made to Wyong Hospital, in particular to the emergency section. Honourable members would recall that earlier this year I spoke about the \$200,000 that the Minister for Health had made available to employ an accident and emergency specialist for the emergency section of the hospital. I am pleased to report that Dr Garry Nieuwkamp, a specialist in accident and emergency services, has been working at Wyong Hospital for two or three months with great success.

Staffing levels in the accident and emergency section have been increased, renovations have been made to the reception area, and patients have more privacy. Better access is available for ambulances and security for patients and staff has been improved. In addition, a new computerised system has been installed to manage the activities in the accident and emergency section. The Pink Ladies offer a refreshment service and do a magnificent job in assisting people who wait for their loved ones, friends or neighbours who are receiving treatment.

There has been an increase in the number of patients being treated in the accident and emergency department of Wyong Hospital. A comparative analysis indicates that whilst Wyong is not

increasing exponentially it is certainly increasing rapidly. In 1996-97 the Wyong accident and emergency section treated 27,247 patients. By comparison Concord hospital treated 23,113 patients; Hornsby hospital treated 20,743 patients; Manly hospital treated 18,315; Maitland Hospital treated 17,091 patients; and the large Royal North Shore Hospital treated only 36,084 patients, a mere 9,000 more than those treated at Wyong.

We need to be vigilant to ensure the ongoing progress of Wyong Hospital. Each year 2,000 patients are transferred to other hospitals. Of those, 27 per cent relate to cardiac patients, 17 per cent to surgical patients, 16 per cent to paediatric patients, 16 per cent orthopaedic patients, and 10 per cent to general medical patients. This year Wyong Hospital will treat more than 30,000 people. Although the figures for 1996-97 show that 27,247 patients were treated, the projected figure of 30,837 demonstrates that Wyong Hospital has exceeded that figure. That is partly because of the ageing population in my electorate and partly because of the tremendous immigration into the electorate. Governments must meet the challenge and provide funding and equipment to ensure that people's health needs are met. I am pleased to report to the House that that is exactly what is occurring in the Wyong electorate.

Mr FACE (Charlestown—Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development) [5.05 p.m.]: I thank the honourable member for Wyong for his contribution, which I will refer to the Minister for Health. Before he was elected, he had a long and abiding interest in Wyong and its medical services. There have been great improvements during the time that he has represented that electorate.

SOUTH COAST CRIME STATISTICS

Mr ELLIS (South Coast) [5.06 p.m.]: Two public meetings have been held in the Shoalhaven district recently to enable concerned citizens to discuss the level of crime in the area and the apparent inability of authorities to confront the problem. I have received a barrage of complaints about brazen petty crime and the frustration and helplessness of the victims. The community wants to know when the Government is going to get serious about crime and I have to tell them that, frankly, I do not know. People feel the present approach is not working and is unrealistic. Most offences in the Shoalhaven are committed by a small number of people who appear to be making the most of their social position.

Recently I became aware that residents in a local street were being terrorised by some of these "untouchables" who lived in nearby flats owned by a community group. They would walk into surrounding homes and threaten the occupants, often stealing small sums of money or goods that they could hock for drugs. Some of the residents spoke of sleeping with baseball bats next to their beds—when they could sleep. I am aware that one resident sleeps with an axe besides his bed. Their quality of life has deteriorated to the point that they feel like prisoners in their own homes.

One such resident, a local policeman, fears for the safety of his wife and still cannot do anything to alleviate his dilemma. The system he depends on and trusts is incapable of responding. In another example, a motel owner was robbed five times within a couple of weeks. He was robbed three times on the one weekend and his family and staff were subjected to threat and intimidation. Many other people have similar stories of street crimes committed with impunity and disdain for the law. They are being committed because there is a perception by the perpetrators that the chance of being caught and punished is pretty remote.

Even if they are caught they can fall back on the tried and tested defence of a deprived background to avoid punishment. For them, the odds of committing a crime and getting away with it are good. At the same time, law-abiding citizens live in fear and trepidation while the Government appears to be unable or unwilling to make the hard decisions. There is no deterrent value in meting out any sort of punishment if there is a perception in the offenders that they can get away with the crime. The Police Service is grossly understaffed and is unable to respond effectively. They feel frustrated when the legal system appears to let them down by imposing lenient sentences.

Juveniles seem to be particularly blessed. Each time they are cautioned or let off, they regard it as a reinforcement of success. New York City's zero tolerance program is often cited as a model for crime control. But it is one thing to adopt a philosophy of zero tolerance but another to actually enforce it. The thing that made it work was the acceptance of the need for a fast and direct response to crime at its roots. New York City backed its pledge to be tough on crime by putting its resources into employing an extra 10,000 police to back it up. In Australia the softly-softly approach does not work. It has even been reported that the New South Wales Commissioner of Police has suggested that as

many as 80 per cent of those arrested are repeat offenders, and that is reflected in the statistics for my electorate of South Coast. These people are not being discouraged from a life of crime and, as far as I am concerned, not enough vigour is being used to discourage those who try crime for the first time.

The latest information made available to me relates to January this year. In that month almost 2,900 incidents were reported to the police in the Shoalhaven. There were only 33 arrests, of whom 65 per cent were repeat offenders. That is a dismal result, but it is not the fault of the local police, who are doing a fantastic job in difficult conditions and have my full support. If the Government is sincere about fighting crime it should provide the necessary resources to catch the criminals. It has already been demonstrated that the provision of more resources, even in a short local campaign, lowers the crime rate for a time. Even focusing more attention on the problem has positive effects.

For instance, some years ago in Nowra rumours of a vigilante squad virtually put paid to any crime for many months. One initiative that should be entertained is getting uniformed police off clerical duties and into operations. That has been spoken about for some time but nothing ever seems to happen. Surely officers performing clerical duties can be replaced from the large pool of unemployed people in the State, which I know contains sufficient expertise to do the necessary work. I ask the Minister for Police to seriously entertain that initiative. More police are needed on the street; they should not be tied up doing clerical work in police stations. They have been trained to do a job, and that is the job they want to do.

Mr FACE (Charlestown—Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development) [5.11 p.m.]: I shall refer this matter to the Minister for Police on the basis that senior police will be asked to interview the honourable member for South Coast. He obviously has some good information and he may be able to assist with the resolution of this widespread community problem. On the one hand the honourable member said that the police, although they are under-resourced, are doing a good job. On the other hand he is virtually saying that they are not doing their job. This is a community problem and it is an interesting co-incident that the member for Southern Highlands, who has been a member of this place for only a short time, started this campaign—the same campaign that starts before every election.

The coalition ran a good law and order campaign before the 1988 election. However, after the election the issue was not referred to again and

the community was led to believe the crime wave had subsided. It does not work that way. The honourable member for South Coast must do something constructive in his community, as I did in my community from time to time when I was in opposition. One can try to do something in the community to rectify the problem, rather than whingeing and grandstanding all the time. The honourable member has tried to build a perception rather than a reality. He has an abysmal knowledge of what is happening in the community. I have been a member of this House for 25½ years, and never have so many police been released from clerical duties into the force, you dunderhead. You are the silent member down on the south coast; no-one knows who you are. They call you Eric Who. The honourable member should get out into the community, find out what is happening and try to rectify the problem sensibly. [*Time expired.*]

PASMINCO COCKLE CREEK LEAD ZINC SMELTER

Mr HUNTER (Lake Macquarie) [5.13 p.m.]: The emissions from Pasmenco's Cockle Creek lead zinc smelter located in the north Lake Macquarie area have been of concern to residents in my electorate and to me for some time. In fact, I have raised the issue in the House on numerous occasions. Today in the *Newcastle Herald*, the front-page story entitled "Warners Bay air tainted by chemicals" states:

New independent monitoring has proved that at least part of the Lake Macquarie suburb of Warners Bay is regularly affected by sulphur dioxide levels above World Health Organisation (WHO) standards.

The first three months' figures from the air quality monitor in Fairfax Rd . . . showed 24 measurements above the WHO standard of 17.5 parts of sulphur dioxide for every 100 million parts of air.

Nine were recorded in March, five during April and 10 in May.

Under the 1995 conditions of consent for an expansion of production at the Pasmenco Cockle Creek smelter the company was to meet WHO standards this year, with a concession of no more than 30 "exceedences" a year at the Pasmenco monitors near the smelter.

This concession has been exceeded several times over at the monitor at Sixth St, Boolaroo.

Warners Bay, which is being monitored independently by Pacific Power International for the council, is close to the concession limit.

The Fairfax Rd monitor and another at Macquarie Hills were set up by the council after it put on hold developments and rezoning around Fairfax Rd, and adjacent to the Rosebery Park Estate at Macquarie Hills, because of advice from the Environment Protection Authority (EPA) about air quality.

The article also stated:

A Pasmenco spokesman said this week that a final report on a solution to the sulphur dioxide problem should be ready in August/September. This means the implementation of any plan for improvement is still some time off.

As I said, I have referred to the Pasmenco smelter on numerous occasions in the House. I know that the honourable member for Wallsend has also raised the matter in the Parliament, as has the Minister for Gaming and Racing. My colleagues and I have been working together on this issue for some time. I raised this matter in the Parliament on 8 June 1995. I again referred to the Pasmenco lead zinc smelter in a question to the Minister for Urban Affairs and Planning on 15 November 1995. On 23 May 1996 I raised the matter of lead pollution and remediation in a private member's statement. On 27 May 1997 I participated in a debate on a matter of public importance, that is, the north Lake Macquarie lead pollution remediation, as did the honourable member for Wallsend. In the House on 16 October 1997, World Environment Day, I said:

If Pasmenco does not meet the World Health Organisation standards set by the Minister for Planning when approving the upgrade, I will ask the Government to close the plant until it can install equipment that will result in a drop in lead and sulphur dioxide emissions, or it should face heavy fines and be forced to reduce its production until it complies with World Health Organisation standards.

I said clearly that if the plant cannot meet the stringent consent conditions placed on it by the Minister for Urban Affairs and Planning, the Minister should force the plant to reduce production. I have been informed that the plant has been reducing production at times when it is believed from certain monitoring indications that it may exceed the consent conditions. Company representatives have travelled overseas—indeed, the company has people overseas at present—seeking ways to rectify the problem. Today I call on the Minister for Urban Affairs and Planning to arrange a meeting with the executives of the company, members of his department, the honourable member for Wallsend, the Minister for Gaming and Racing, and me to try to resolve the problem of air pollution in the north Lake Macquarie area once and for all.

Mr FACE (Charlestown—Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development) [5.18 p.m.]: I compliment the honourable member for Lake Macquarie on his attempts to resolve the long and vexed problem relating to the Cackle Creek Sulphide Corporation, as it was known when I was a young person, or Pasmenco, as it is now known. I suppose that people were initially ignorant of the

effects of the smelter. If a plant were to be established today, it certainly would not be established on the same site. Be that as it may, the honourable member for Lake Macquarie, the honourable member for Wallsend and I have tried to balance the problems caused by the smelter against the interests of those who are employed there. The plant has been a significant employment generator.

One overriding matter in which we have always been interested is public health. If the health of the public is to take precedence over jobs, so be it. My early career was in the plumbing industry. Tradesmen took various precautions when working with lead, including drinking milk, before being tested for the amount of lead in their blood. Representatives of the Department of Urban Affairs and Planning, company executives, the honourable member for Wallsend and the honourable member for Lake Macquarie must meet to sort out the emission problems and the detrimental effect the emissions are having on the health of those working in the industry and those who live in close proximity. As Minister Assisting the Premier on Hunter Development I would certainly be interested in attending any such meeting. The honourable member for Lake Macquarie has always been concerned that emissions from the smelter affect the health of people living nearby.

TIMBER INDUSTRY CONTRACT QUOTA REDUCTION

Mr COCHRAN (Monaro) [5.20 p.m.]: Once again I draw to the attention of the House the plight of timber industry workers in my electorate. Today a group of young people left the townships of Bombala and Eden to lobby members of this House. They claim that the regional forest agreement process should include a quota of not less than 29,500 cubic metres of timber to sustain forestry operations and surrounding commercial enterprises in Bombala. At 12.30 p.m. on the steps of Parliament House a group of young people presented Mr Speaker and me with a collage that reflected the attitude of Bombala schoolchildren towards the hardship their community has endured to establish what has often been referred to as the balance between environmental and commercial values of the forest industry.

During the 10 years I have been a member of this place the timber industry has made many concessions favouring claimed environmental values. A small town that has suffered rural depression and drought is now suffering the indignity of having jobs removed by the Carr Government at the behest of the Greens for political purposes. The collage

presented by the children included many messages that reflected their attitude to this declining industry, and I shall read a few: "My dad's job is a truck driver", "Bombala is a timber town", "My mum drives the bus" and "My dad's a doctor for the surgery and hospital". Those messages reflect the deep impression the Carr Government's forestry policy has had on the Bombala community. Government decisions have resulted in the loss of many jobs, deprivation of lifestyle and, to a large degree, lack of confidence in the general running of the State. In a letter dated 22 June Graeme Hammond, President of the South East Timber Association, wrote to the regional forest agreement steering committee chairman, a committee under the auspices of the Department of Urban Affairs and Planning. Mr Hammond said:

We remind the committee that the existing contract between the New South Wales Government and Tablelands Sawmills is 33,005 cubic metres of sawlog annually, and that for the past several years this was reduced arbitrarily through the Interim Assessment Process . . . to 26,000 cubic metres. The contract with HDA—

Harris-Daishowa (Australia) Pty Ltd—

is based on the supply of 504,000 tonnes annually of pulpwood from the Eden Management Area.

Those logging and haulage truck contractors which were all profitable small businesses prior to their mandatory redundancy through the IAP decision, may also join the members of SETA in taking class action should the RFA result continue to disadvantage existing contractors, haulage operators and other small businesses in the Eden-Bombala socio-economic region which depend upon the unhindered continuation of the hardwood industry in the Eden region for their viability.

That letter spells out the attitude of the South East Timber Association to the decisions of the Carr Government. The State Government has deprived these people of their living, their jobs, their dignity and, to a large degree, their children's future. The children came today to this place to plead for future jobs in the hardwood industry. The Premier has broken his promise that 400 jobs would be created in the pine plantations and in the softwood industry. Despite pleas for help from Newcastle and other places that have lost jobs, no assistance has been provided. I plead with the Minister and the Premier to seriously take account of the hardship suffered by the Bombala and Eden communities as a result of the Carr Government's forest policy.

Mr FACE (Charlestown—Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development) [5.25 p.m.]: The views of the honourable member for Monaro about timber workers in Eden and Bombala will be

conveyed to the Minister, together with the social consequences the honourable member has raised.

FAIRFIELD HOUSING TENANTS RELOCATION

Mr TRIPODI (Fairfield) [5.26 p.m.]: I should like to bring the House up to date on the demolition of the east Fairfield housing estate. I congratulate the Department of Housing personnel responsible for this project. I praise the way they have handled this difficult task, which will be completed before the scheduled December deadline. I particularly thank Lindy Ryan, who is the neighbourhood place manager with principal responsibility for managing the relocation of more than 1,000 people who used to reside in terrible conditions on this housing estate. She has successfully relocated more than 200 families into neighbouring Department of Housing homes. I thank also Lorna Dooner and Cindy Wells, and the rescue team for their involvement in the redevelopment.

The relocation process once again confirms the enormous expertise of Department of Housing personnel and demonstrates the expert and professional way in which they manage the difficult task of administering housing shelters for people who are reliant on social welfare for a decent quality of life. The redevelopment is nearing completion and only 45 families remain on the estate. I reiterate my thanks to Lindy Ryan for her professionalism. She is to be commended for her patience and dedication to a project that necessitated a fine balance between meeting deadlines and considering the welfare and safety of residents and workers.

I appreciate that the redevelopment process has been difficult for everyone involved, especially the residents. However, each family has been more appropriately housed in the general community, and that is important. The Government is about providing for the needy by making sure they have a good quality of life. I offer my thanks again to the members of the project team for their untiring support of the residents. I acknowledge that rehousing such a large number of families was never an easy task. I give particular thanks to Cindy Wells and Lorna Dooner for their important roles in the process. Landcom will commence the next round of demolition work this month. Approximately 80 properties need to be demolished. The final round of demolition will occur in September and the project will be completed by December.

Landcom has started to draw up plans for the next private housing project, and has advised that building work will commence early next year. At the

present time Landcom is concentrating on clearing the estate and organising plans for the new services and roads. Last weekend the honourable member for Vacluse visited the Fairfield housing estate and decided to take some photos. His experience probably validates the Government's decision. He left the leafy environs of Vacluse, came out to Villawood and, for some bizarre reason, chose to take photos of a demolition site. He had an unpleasant experience with some of the local residents, probably some of the less desirable local residents. I hope that experience is testimony to the fact that the decision of the Minister and the Government to demolish the housing estate was sensible, despite what the Opposition and the Auditor-General have said.

The decision is about quality housing for decent people who do the right thing; it is about weeding out the criminal elements that have made life so difficult for the residents of that housing estate. I hope the honourable member for Vacluse will not have such a horrid and difficult experience on his next visit to the electorate of Fairfield, because I can assure him that 99.99 per cent of the residents of Fairfield are wonderful people. I can only hope that he does not again confront the 0.1 per cent of residents that he encountered last weekend.

Mr FACE (Charlestown—Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development) [5.31 p.m.]: I commend the honourable member for bringing this matter to the attention of the House. I also understand that the honourable member for Vacluse had visited Fairfield and taken a number of photographs. He should endeavour to find out when these housing estates were constructed. Some were constructed, using the Radburn method, during the time of the previous conservative Government. After I became a member of this House in 1972 the Government had to spend several million dollars to restore housing estates to a reasonable degree of social acceptance.

During the lead-up to the 1976 State election I was secretary of the local party housing committee and when Labor came to office Ron Mulock, who was the responsible Minister for a short time, took the members of the committee out to see some of the housing estates that had been presided over during the 11 years of the former Government. They were social disasters. I do not suggest that the conservative Government designed them but, regardless of who designed them, many years later they had to be fixed up. There was no alternative to the action taken at Fairfield because the housing

estate was a problem. A similar housing estate in my electorate was suitable for restoration because the homes were newer and additional space was available to expand them. The honourable member for Vacluse wasted valuable police time by visiting Fairfield— [Time expired.]

[Private members' statements interrupted.]

BUSINESS OF THE HOUSE

Adjournment of the House

Mr WHELAN (Ashfield—Minister for Police) [5.33 p.m.], by leave: I move:

That standing and sessional orders be suspended to permit the House to adjourn today until the ringing of a long bell.

I have discussed this matter with the manager of Opposition business. I have given him an undertaking that the Government will notify him of the resumed sitting date when matters become clearer. The Government has several matters outstanding. A debate is currently proceedings in the Legislative Council relating to the suspension or otherwise of a judge of the Supreme Court. There are some bills outstanding in the Legislative Council and a new bill relating to workers compensation is to be submitted to that House for consideration. Until matters are clearer I cannot give members of this House any details about when the House will resume. However I undertake to give as much notice as possible, 24 or 36 hours.

Mr HARTCHER (Gosford) [5.34 p.m.]: I thank the Leader of the House for consulting me about this matter. The Opposition accepts his undertaking. I remind the Leader of the House of the importance of country members having the maximum possible notice, 24 hours at least but preferably 36 hours, bearing in mind flight schedules.

Motion agreed to.

PRIVATE MEMBERS' STATEMENTS

[Private members' statements resumed.]

SCOTT WILCOX TRAFFIC CHARGE ERROR

Dr KERNOHAN (Camden) [5.35 p.m.]: On 10 April this year David Wilcox of 44 Engesta Avenue, Camden, was breathalysed and charged with a mid-range offence of driving with the prescribed concentration of alcohol. However, he

gave the name of his older brother, Scott, instead of his own. Scott Wilcox of 8 Ligar Street, Hilltop, only became aware of this situation when his licence was due for renewal and he did not receive any forms. He was contacted by the Roads and Traffic Authority, inquiring why his licence had not been surrendered as it had been cancelled because of a drink-drive conviction. On 1 May David Wilcox attended Camden court, where he admitted it was he and not Scott who was driving under the influence of alcohol. David was charged with three offences—mid-range PCA, being an unlicensed driver and supplying a false name and place of abode.

At Camden court Scott's name was replaced by David's name on paperwork such as the police facts sheet, the court attendance notice cover sheet and the bench copy. However, only on the facts sheet was the date of birth changed. No other details, including the licence number, were changed. Because of that Scott ended up with a police record of the three convictions of which his brother had been found guilty by the court. Scott acquired copies of the altered paperwork from Camden court, together with a letter dated 20 May from Ross Gregory, Clerk of the Court. That letter stated:

I refer to the above matter and advise that the defendant originally used the name of Scott Wilcox in respect of the drink driving offence when charged by the police.

On completing a search it was found that the defendant did not use his name but that of your name. The Court papers were amended to replace your name with his name.

David Wilcox has subsequently been convicted of the above offences and fined by the Court.

Your name does not appear on the court papers in respect of any of these offences, and any reference to your name in respect of traffic record and/or police record should not apply.

Scott took that letter and the papers to the RTA and copies were faxed to head office. He was advised that the matter had been sorted out and, after payment of a fee of \$111, Scott's licence was reinstated. To expedite the removal of his incorrect criminal record, Scott was fingerprinted by Constable Bayliss of Camden Police Station on Thursday, 21 May. Scott is currently taking his final exams for a Bachelor of Teaching degree at Wollongong university and had to submit his application for employment to the Department of Education and Training by 9 June. I understand that an unblemished police record is virtually essential for acceptance as a teacher, and rightly so.

Because of the delay in getting Scott's criminal record removed, his father, Brian Wilcox, telephoned me at 1.40 p.m. on 1 June. At 1.50 p.m.

on that day I telephoned Lyn Cuneo, Parliamentary Liaison Officer on the staff of the Minister for Police, explaining the urgency of the situation, and I confirmed the details with a letter and documents faxed at 9.25 a.m. on 2 June. I received an acknowledgment of that fax on 22 June in a letter addressed to my electorate office dated 18 June. It was 18 days before I received even an acknowledgment of an urgent fax about which I had spoken to the person involved. In the meantime Scott was obliged to submit his application to the Department of Education and Training, acknowledging that he had a police record, which means that he could be eliminated on the initial cull of applicants.

Moreover, Scott again received a letter dated 15 June from the manager of the offences unit of the Roads and Traffic Authority advising him of his disqualification and the cancellation of his licence. When Scott queried this at the local office, having already had his licence returned and having paid the money, no record could be found of it happening. I understand that yesterday he contacted the RTA in Sydney and was told it was all right. What has a person to do to expunge a criminal record that the court acknowledged more than a month ago was incorrect? What effect does this delay have on a young man doing his final university exams? Has it affected his chances of employment with the Department of Education and Training? Is it bureaucratic bungling, which will not be admitted, or is it just red tape? No-one seems to have any compassion or understanding of the urgency of this matter and its effect on a young man's future.

CARTERS BRUSH TRAIL

Mr MILLS (Wallsend) [5.40 p.m.]: I bring to the attention of the House the concerns of the Newcastle Land Rover Club about the closure of Carters Brush Trail in the Barrington Tops region. Members of the Newcastle Land Rover Club live in various regions all over the Hunter but I am happy to claim them as constituents because their post office box is at Glendale, which is in my electorate. The club president, Bryan Hunter, and the secretary, Annette Brittain, wrote to me last week about their concerns. Carters Brush Trail is a four-wheel drive standard trail through Barrington Tops National Park and Barrington Wilderness Area. It is part of a system of trails and roads that links Stewarts Brook near Scone to the Paterson River catchment. It is about nine kilometres long, very rugged, and crosses the south-west part of Barrington Tops National Park.

The Barrington Wilderness Area was gazetted in April 1996 after extensive public consultation from 1993 to 1995. A three- or four-kilometre section of Carters Brush Trail was dedicated as part of this wilderness area. The National Parks and Wildlife Service advises that problems have arisen with continued vehicle use on the trail, for example some bogged and dumped vehicles. The service attempted to signpost and gate the northern end of the trail near the edge of the wilderness area earlier this month but some local people have prevented the closure. The Newcastle Land Rover Club believes that the closure of Carters Brush Trail is not consistent with the goals of the Wilderness Act.

Carters Brush Trail was created by pioneers and settlers around the Mount Royal area as a shortcut for their bullock teams and drays to the towns near the coast in the Hunter Valley. The trail is a part of the Hunter's history and the four-wheel drive families want to maintain that link with the past if possible. The Carters Brush Trail links with the Mount Cabre Bald Trail and the Boonabilla Trail, and the trails pass mainly through State forests. The Newcastle Land Rover Club comprises interesting, friendly and conservation-minded people. It was founded in 1963 and was Australia's first four-wheel drive club. Thanks to the dedication of its early members the club was able to obtain an occupation permit and subsequently leased from New South Wales State Forests a small parcel of land, located deep within the Chichester State Forest at the head of the Paterson River.

The site was officially opened in November 1976 by Milton Morris, MP, a former Minister for Transport, and was called Allan Howarth Reserve in memory of a foundation member who had put a lot of hard work into establishing the club and the lease and who tragically lost his life. He also fostered among club members a love of the bush and respect for the environment. In November last year my wife and I enjoyed a very pleasant day with the club at the reserve, celebrating the twenty-first anniversary of the lease. Bryan Hunter, John Brown, and other members and their families made us feel very welcome. Mrs Joy Howarth was there to cut the twenty-first birthday cake. An officer of the National Parks and Wildlife Service was also present. We enjoyed bushwalking nearby, but could not travel Carters Brush Trail because of the wet weather. I was very impressed by the responsible attitude of club members, many of whom regularly camp at the reserve on weekends.

In its correspondence the club presents a sensible conservation-based argument. In particular, the club proposes a compromise route via another old trail known as Brush Road, to avoid the sensitive conservation area of Grass Tree Forest

adjacent to Mount Cabre Bald. Club members have volunteered to assist to restore the brush on that trail. In my view, the proposal of the Newcastle Land Rover Club is worthy of most careful consideration by the Minister for the Environment. A further compromise that I understand might have been put to National Parks and Wildlife Service officers last week is that the club be allowed access on a few specified occasions each year to the otherwise locked Carters Brush Trail through the declared areas. I put on record the last paragraph of the letter from the Newcastle Land Rover Club:

In summary, the Newcastle Land Rover Club wants to be assured of continued fair access to the Carters Brush Trail. That trail and its environs do not meet the criteria of the Wilderness Act, and we feel that it is not too much to ask that we can continue to take our members through that area of bushland as we have done a couple of times a year over the past thirty-five years.

I understand the National Parks and Wildlife Service had discussed the closure of Carters Brush Trail with the Recreational 4wd Clubs of New South Wales and local residents. An agreement has been reached to install gates and signposts on the trail. The association will assist in that, and a further meeting regarding access issues will be held next month. I have already spoken to the Minister for the Environment about this matter. She understands the concerns of the Newcastle Land Rover Club members and she will respond. I commend the views of the Newcastle Land Rover Club to the Minister.

GOLDEN STAVE FOUNDATION

Ms FICARRA (Georges River) [5.45 p.m.]: I congratulate the Golden Stave Foundation—which is supported by the Australian music industry—on its twentieth anniversary luncheon, which was held at the Sydney Entertainment Centre on 5 June. Over the years this very important annual fundraising event, held by members of the Australian music industry, has raised more than \$5 million for various children's charities and other deserving beneficiaries. The lunch this year raised \$575,000. The proceeds will be used to upgrade the Nordoff Robbins music therapy program, which helps children with various intellectual, emotional or physical disabilities through the therapeutic use of music. I congratulate the Chairman, Maryanne Knight, on her work. I also congratulate the trustees: Barry Chapman, Michael Chugg, Graham Fear, Chris Gilbey, Brian Harris and Peter Hebbes.

Who would have imagined back in 1978 when 200 people attended the original lunch at the Sebel Townhouse that more than 1,000 people would attend this year's lunch. I congratulate the music industry and the many organisations that have given

their time and effort for this wonderful cause. They have spent hours running raffles and calcuttas, gathering prizes for the lunch, arranging autographs and framing and donating them free of charge. Many thousands of compact discs have been given to the foundation by record companies. The merchandise at the lunch was donated by the promoters, and there were donations of memorabilia, restaurant packages, television and radio advertising, hotel packages—the list goes on. The artists who performed donated their time to the foundation free of charge, as did the service companies that helped on the day.

This foundation has helped many associations, such as the ParaQuad Association. It has given ongoing assistance to paraplegics and quadriplegics via the Golden Stave scholarships. In the past it has donated \$300,000 for an integrated housing estate; donated to the Cystic Fibrosis Foundation to assist it in social outings; donated to the Shepherd Centre to help it purchase various white goods to fit out its Wollongong centre; donated to the Australian Cord Blood Bank to help it to purchase vital equipment to assist its ongoing projects; donated to CanTeen to assist it conduct its annual camps; donated to the Handicapped Children's Centre to help it purchase an access lift for its hydrotherapy pool; and donated to the Nordoff Robbins music therapy program to help it in its ongoing assistance, particularly for autistic children.

The Malcolm Sargent Cancer Fund, the Sydney Children's Hospital—which has established the Golden Stave Ward—the Bates Drive Special School and Child Flight have benefited. As honourable members can see, the foundation is active. It has received supporting letters from each of the organisations I have mentioned, as well as from David Snell, the Chairman of the Australian Record Industry Association, ARIA; Mike Perjanik, the Chairman of the Australasian Performing Rights Association Ltd, APRA; and the Chairman of the Australasian Mechanical Copyright Owners Society, AMCOS. I was particularly pleased to see the Leader of the Opposition, the Hon. Peter Collins, at the lunch. He presented a music industry award to Glen Shorrock for his dedication to the entertainment industry.

So much work has been done by the organisation. It goes about its business quietly. Two of my constituents, Lynne and Des McEvoy, who until recently ran the Kings Head Tavern at south Hurstville, are very dedicated not only to this cause but to numerous other community causes including the Sydney City Mission and the Red Cross. For

many years the McEvoy's have dedicated their services to many organisations for nothing more than a thank you in return. I say to the entertainment industry: long live its goodwill.

HIT-AND-RUN ACCIDENTS

Mr GIBSON (Londonderry) [5.50 p.m.]: This evening I raise concerns about which constituents came to see me in the past few days. A family member of my constituents was involved in a hit-and-run accident. My constituents referred to the callousness of someone disappearing after a crash and spoke of their concern that there had been no witnesses to the accident in which one of their family was involved. Not only does that mean there will be no witness for a court case; more important, there was no witness to check the car to determine whether someone had been injured in the accident. Someone could have been grievously injured in the accident. It is very worrying to think that the driver of the other vehicle failed to stop and no-one was at the scene of the accident to lend assistance to those in the car. My constituents asked me how someone could be so callous and asked what the Government and the Parliament could do to combat the problem.

I related to my constituents the case of Mrs Green from the north shore, who came before the Staysafe committee in the past fortnight. Mrs Green's 18-year-old son, Michael, was killed on 16 March 1997 when the car he was driving was involved in a hit-and-run accident. The driver who killed Michael, one Gary Winter, pleaded guilty to the offence of aggravated dangerous driving and was sentenced to a minimum gaol term of three years and three months. Mr Winter automatically loses his licence. He will go to gaol for three years and three months, but that is the same period for which he has lost his licence. Mr Winter will lose his driver's licence only for the period he is in gaol. Once he comes out of gaol he will be able to jump straight back into a motor car. In effect, he has only been prevented from driving the prison van while in gaol.

As Mrs Green said, there has to be a better way of handling these cases. Having spoken to Mrs Green, I have no doubt that if a person is involved in an accident and fails to stop and report the accident to the authorities he should automatically lose his licence until he appears before a court. That would put some credibility into the law. One might ask whether hit-and-run accidents are very common. The most recent figures available from the Bureau of Crime Statistics and Research relate to 1996. They are startling figures, and honourable members should bear in mind that they apply to New South Wales alone.

In 1996, 12 people failed to stop after a crash involving a death; 38 were charged with a first offence of failing to stop and give assistance when death or injury occurred; and seven were charged with a subsequent offence of failing to stop and give assistance when death or injury occurred—seven repeat offenders; 475 were charged with failing to stop after a crash and give particulars to other persons; 53 were charged with failing to stop after a crash and give particulars to the police; 89 were charged with failing to stop after a crash in which damage amounted to less than \$500; 150 were charged with failing to stop and give particulars after a crash in which damage amounted to less than \$500; and 152 were charged with failing to stop after a crash in which damage exceeded \$500.

The list goes on. I point out, too, that these statistics relate only to people who are charged with an offence. The number of people involved in hit-and-run accidents could be as much as six to 10 times higher than has been recorded. In New South Wales in 1996 approximately 1,000 people were taken to court and charged with the serious offences of hit-and-run or failing to stop after an accident. Mrs Green has lost her son Michael, who was only 18, but it is to be hoped that he has not died for nothing. It is to be hoped that through the efforts of Mrs Green and this Parliament we will address the problem and deter people from leaving the scene of an accident.

MOSQUITO CONTROL PROGRAM

Mr PHOTIOS (Ermington) [5.55 p.m.]: This evening I speak of a matter of absolute importance to residents along the Parramatta River, in particular those in the district from Ermington through to Ryde, who every year suffer from the continued threat of a real plague of mosquitoes. As honourable members will know, I have been a mosquito control campaigner for more than a decade. There is no issue that I have pursued with more vigour in this Parliament. This issue is critical for a group of people who are often the subject of ridicule for making and bringing forth their complaints. First, I reiterate the point that there is alive and well in Sydney a plague of mosquitoes that is forcing the great Aussie barbecue out of the backyard. Mums and dads cannot put clothes on the line without wearing protective clothing. Children at child-care centres are being bitten with such random attacks as to require medical assistance.

The problem of mosquitoes is continuing. Certainly it is seasonal, but it is a problem that recurs with greater frequency and is now of greater concern than ever. I have an inherent concern about

the confirmed outbreak in Sydney of Ross River fever, a virus carried by mosquitoes. This outbreak has prompted criticism that New South Wales has been slow to implement mosquito control programs. That is an understatement. The current Government has promised a green paper on mosquito control, but to date that green paper does not exist. I call on the Minister to release the green paper on mosquito control so that the Government and the community can work in concert to get real action to bring the mosquito menace under control.

I plead with the Minister to get serious about a meaningful mosquito control program in this State. I worked hard to have this State's first mosquito control program established for the Parramatta River in 1989, and I have considerable pride in that. Subsequent to that, many hundreds of thousands of dollars were spent by State and Federal governments of Liberal and Labor persuasion to bring mosquitoes under control. Throughout that period work at the Newington armaments depot at the Homebush Bay site along the Parramatta River has been under way with both Ryde and Parramatta councils—both councils variously of Liberal, Independent or Labor persuasion. It appals me that the mosquito control program in this State has been all but gutted and that Steve Lindsay, the mosquito control officer, is almost desk bound.

This State has a nominal mosquito control program, the State pays a salary and provides an office but there is no capacity for larvae site treatment. In other words, we do not have the tools to bring the mozzie menace under control. My plea is that the Government take seriously the complaints of hundreds, if not thousands, along the Parramatta River whom every January, February, March and April—which means in the lead-up to the State election—the mosquito menace bites ferociously. I warn the State Government that the locals' campaign will be equally as vicious if there is no meaningful response. I plead with the Government to provide Steve Lindsay and his team with the funds for meaningful mosquito control programs; they do not want to be desk-bound officers. At the moment this State has a Clayton's program. In many respects it adds insult to injury to provide, at considerable expense, an officer but not the means or the wherewithal to bring the problem under control.

The most recent report confirms that last year there were 69 cases of Ross River fever in Sydney's western and north-western outskirts, which is a very serious matter. Ross River fever is life-threatening. The State Government is undertaking little or no action on behalf of people who live along the Parramatta River in this regard. The New South

Wales Health Department has not heeded the warning; it has appallingly described this situation as a "minimal risk". Once again I call on the Government to release the green paper and to provide the urgently needed funds to implement a meaningful mosquito control program. The Minister for Sport and Recreation, who is the member for Parramatta, is in the Chamber. I presume that she has a keen interest in this critical issue.

Ms HARRISON (Parramatta—Minister for Sport and Recreation) [6.00 p.m.]: I am well aware of the mosquito control problem for the residents of Rydalmere and Ermington, in particular, and for the residents of Ryde. Greg McKay, a former councillor of Parramatta City Council and a long-time resident of the area, is concerned about this issue. I am also aware that the Health Department, the Department of Land and Water Conservation, Parramatta City Council and Ryde Council are monitoring the situation. As my new electorate may include this area, I will take up this issue with the same vigour as the honourable member.

SEBEL FURNITURE LTD

Mr ROGAN (East Hills) [6.01 p.m.]: I commend Sebel Furniture Ltd, which operates in my electorate and on the border of the electorate of my colleague the honourable member for Bankstown. Most honourable members would readily associate Sebel with the manufacture of furniture. It is one of the country's major manufacturers of chairs. Sebel is about to commence installing podium chairs at the Olympic stadium, Homebush Bay. Sebel successfully won a contract with a Multiplex company to supply seating for the stadium. Last March Sebel confirmed its world-class status when it announced that it had won the largest stadium seating project in the world—the contract to design and install seating systems for Stadium Australia at the site of the Sydney 2000 Olympic Games.

The winning podium seat design was chosen ahead of an international field of competitors. Sebel has to fit-out a 110,000-seat stadium. Sebel's General Manager, Mr Sonny Wright, declared it a win for Sebel and for Australian industry. Sebel is a 100 per cent Australian-owned company. Mr Wright said that the success of Sebel's bid is strong recognition of its manufacturing innovation, high product standards and superior expertise. It has secured its position in the international manufacturing arena. The contract has already assisted Sebel to win stadium contracts domestically and internationally.

Sebel has demonstrated that it has the expertise and technology to secure this contract in Australia,

and that it is capable of winning contracts in Asian countries, in particular. As a result of the superior design of the seat and the company's manufacturing capability it will be able to service a contract of this size and scope. The company invested more than \$2 million over a three-year period in the design and delivery of the podium seating, which has been billed by industry commentators as the most versatile stadium seating system in the world. My colleague the honourable member for Bankstown and I examined the company's premises. We received a first-hand preview of the stadium seating. People who use the seats at the Olympic stadium will agree that they are comfortable because of their innovative nature.

The podium seating system was developed to be the most versatile and user-friendly system in the world. People will be able to choose from a number of value-adding options, such as the addition of arm rests, upholstery, integrated cup holders, table assemblies and high back rests. I congratulate Sebel on winning the contract. I am delighted that it is about to install 115,600 seats—500 of which will have wheelchair access—at Homebush. In addition to providing seating for the Olympic Games, the stadium will provide seating for 80,000 people for rugby matches and seating for 74,000 people for Australian Football League matches. It is hoped that the seating will be installed by this Christmas. I congratulate Mr Sonny Wright, his team and his company on their achievements.

LANE COVE WEST PUBLIC SCHOOL

Mrs CHIKAROVSKI (Lane Cove) [6.06 p.m.]: Tonight I bring to the attention of the House the concerns of the Lane Cove West Public School Parents and Citizens Association in relation to the toilet blocks. Lane Cove West Public School is one of the smaller schools in my electorate in terms of the number of students. The school is particularly blessed in that it has some magnificent grounds. However the matter of great concern to the parents, teachers and children of the school is the present location of the toilet blocks provided for the children. Two toilet blocks are located in a secluded and treed area of the school, which is very close to Avalon Avenue. Avalon Avenue is quiet and immediately adjacent to the Lane Cove west industrial estate. The toilet blocks are surrounded by trees.

There is no direct supervision of these toilet blocks. The existing entrances to the toilets face the back fence. There is not a direct line of sight from the principal's office, and there is a limited view from the staff lunch room. The obvious concern of parents and teachers is that it would be very easy for

anyone to walk into the toilets and not be noticed. The parents and citizens association has raised this concern with me and with the department. It is concerned about the personal safety of the children. The association is worried that someone could enter the toilet block without anyone knowing.

The parents and citizens association is particularly concerned about children who might wander into the toilets on their own. On several occasions the school has asked the department to consider relocating the toilet blocks. The department has discussed removing walls that shield the entrance to the toilet blocks. However, the school, the parents and the children do not consider that to be an acceptable solution. This issue has been on the books for some months. When the association surveyed the parents of the children at the school this issue continued to be the main one raised.

The parents of the children who attend Lane Cove West Public School are genuinely concerned about their safety. I ask the Minister for Sport and Recreation to refer my suggestion for a solution to this problem to the Minister for Education and Training. At the moment there are toilet facilities on site which, although not available for use because they are not up to standard, are plumbed and there is a slab in the building. For a minimal cost the toilets could be refurbished and used by the children. The toilets would be in the line of sight of the school's play area and the teachers are confident that they could properly supervise the use of the toilets—and the children would feel safer in using those facilities.

The department advised that no money is available for this project. That statement concerns me greatly, because the safety of children should not be the subject of penny-pinching by the Department of Education and Training nor by the Government. It would be an absolute tragedy if this matter were stood over and something happened to one of the children at the school. It would be a tragedy if this building work were completed only after a disaster or a drama involving a child. In the interests of the children and their parents I do not believe that it is unreasonable to ask for funding for this project.

The parent body is very committed and has worked hard for that school. Surely, above all else, the security and safety of children is of paramount importance. It should not come down to a question of money; enough should be found in the capital works budget of the Department of Education and Training to ensure the safety of the children of that school. I ask the Minister for Sport and Recreation to ensure that this matter is referred to the Minister for Education and Training as a matter of urgency.

YOUTH SUICIDE PREVENTION

Dr MACDONALD (Manly) [6.11 p.m.]: I draw to the attention of the House, once again, the very grave matter of youth suicide. On 27 November last year I drew attention to the tragically high incidence of youth suicide in my electorate. Again on 2 June I talked about the establishment of the Youth Suicide Prevention Foundation, of which I am the chair and which is meeting as I speak. On 2 June I mentioned Carol Murphy, whose son died a year ago by jumping off a cliff. Tonight one of his classmates is in Royal North Shore Hospital, having taken an overdose. There is always a risk of copycat suicides. Fortunately this attempt failed. From his hospital bed he wrote to the Minister for Health asking why there are only eight beds available for adolescents with severe mental health problems, and seeking that the situation be addressed. I have received a letter from Dr Bob Wotton, a psychiatrist working with adolescents, who has given me permission to mention his name in the House. His letter dated 22 June stated:

I am writing as a soon-to- retire psychiatrist who has had the privilege of working 8 hours a week for the last twelve months in the Northern Beaches Adolescent Service, under the directorship of Julie Simmons . . .

When I first undertook working in this position, it appeared that the job could be done in the time allotted. My task has been to offer a psychiatric opinion about seriously ill adolescents, many of whom are severely depressed, suicidal, or developing signs and symptoms of early psychosis. As you would understand, this often necessitated assessment of families where there had been long-standing psychiatric disorder, or physical, emotional and sexual abuse.

In practical terms, however, the management of such an at-risk group could not be safely managed by one day a week and the day to day handling of many of these cases continued under the care of the psychiatric registrar.

I was unable to commit beyond the 8 hours a week and so some six weeks ago began negotiations with both Julie Simmons and Dr Andrew Smallman about the necessity of expanding the role to twenty hours a week. Dr Smallman was convinced of the needs in this area (which as you know has one of the highest rates of youth suicide in the State), and gave an assurance that he could see no reason why the position could not be expanded. This would also bring it into line with psychiatric resources allocated to the Child and Family team, which has a part-time psychiatrist attending for the same period.

I am most concerned to learn today that the plan to advertise for the expanded position has been shelved . . .

That is the matter I draw to the attention of the House. A psychiatrist who works eight hours a day with adolescents at risk has identified the real problems and the need for an expanded service. This decision has been reversed and not acted upon. One of my staff spoke to Dr Wotton who mentioned

distressed young people, "sitting on rooftops making decisions about their future". That is the extent of the problem in the community. Where are the resources going? On 1 April the Minister for Health replied to a question I had placed on notice about recurrent statewide funding of \$14 million for suicide prevention and how it was distributed throughout the State. In his reply, *inter alia*, the Minister stated:

The additional funding allocated has facilitated initiatives across the State directed at prevention, early detection and treatment of depression, early psychosis, suicide attempts and severe emotional and conduct disorders among young people.

But the funding is not coming to the Queenscliff Health Centre or into my area, which has a tragically high incidence of suicide and a high proportion of young people at risk. We have an opportunity to expand a program, identified by the psychiatrist as needed, from eight to 20 hours a week, but the Northern Sydney Area Health Service has not responded to his request. On 23 December I wrote to Dr O'Connor, the Director of Mental Health Services at the Northern Sydney Area Health Service, indicating that I was pleased to learn that \$110,000 extra had been made available for suicide prevention in the northern Sydney area.

I asked him where that project money and officer would be allocated. I wanted an answer so that if there was a shortfall of money I could attempt to seek some from the Casino Control Community Benefit Fund. But I have not received a reply. As a result we have forfeited a number of opportunities to look for alternative funding. Is the Government serious about preventing youth suicide? Will the Government allocate funds to that area, as recommended by the adolescent psychiatrist?

Private members' statements noted.

[*Mr Acting-Speaker (Mr Mills) left the chair at 6.16 p.m.*]

—
Friday, 3 July 1998

[*Continuation of sitting from Thursday, 25 June.*]

[*The House resumed at 12.05 p.m.*]

ASSENT TO BILLS

Assent to the following bills reported:

Gas Pipelines Access (New South Wales) Bill
Judges' Pensions Amendment Bill
Periodic Detention of Prisoners Amendment Bill
State Revenue Legislation Amendment Bill
Agricultural Industry Services Bill
Coastal Protection Amendment Bill
Aboriginal Housing Bill

Administrative Decisions Tribunal Legislation Amendment Bill
Courts Legislation Amendment Bill
Legal Profession Amendment (Solicitors' Mortgage Practices) Bill
Young Offenders Amendment Bill
Workplace Video Surveillance Bill
Crimes Legislation Amendment Bill
Statute Law (Miscellaneous Provisions) Bill
Fair Trading Amendment Bill
Home Building Amendment Bill
Landlord And Tenant (Rental Bonds) Amendment (Penalty Notices) Bill
Motor Vehicle Repairs Amendment Bill
Property, Stock And Business Agents Amendment (Penalty Notices) Bill
Residential Tenancies Amendment Bill
Retirement Villages Amendment Bill
Local Government Amendment (Parking And Wheel Clamping) Bill
Duties Amendment (Managed Investments) Bill
Police Integrity Commission Amendment Bill
Public Sector Management Amendment Bill
Thoroughbred Racing Board Amendment Bill
Police Legislation Amendment (Protective Security Group) Bill
Energy Services Corporations Amendment (TransGrid Corporatisation) Bill
Mines Inspection Amendment Bill
Traffic Amendment (Penalties and Disqualifications) Bill

BILLS RETURNED

The following bills were returned from the Legislative Council without amendment:

Road Improvement (Special Funding) Amendment Bill
Statute Law (Miscellaneous Provisions) Bill
Superannuation Legislation Amendment Bill
Drug Misuse and Trafficking Amendment (Ongoing Dealing) Bill

The following bills were returned from the Legislative Council with amendments:

Legal Profession Amendment (Costs Assessment) Bill
Environmental Trust Bill
Local Government Legislation Amendment (Elections) Bill
Parliamentary Remuneration Amendment Bill

COMMITTEE ON THE HEALTH CARE COMPLAINTS COMMISSION

Mr SPEAKER: I report the receipt of the following message from the Legislative Council:

Mr Speaker

The Legislative Council desires to inform the Legislative Assembly that it has this day agreed to the following resolution:

That in accordance with section 68(2)(a) of the Health Care Complaints Act 1993 Dr Chesterfield-Evans be appointed to serve on the Committee of the Health Care Complaints Commission as a member of the Legislative Council in place of Ms Kirkby, resigned.

Legislative Council
2 July 1998

VIRGINIA CHADWICK
President

**INDEPENDENT COMMISSION AGAINST
CORRUPTION**

Report

Mr Speaker announced, pursuant to section 74 of the Independent Commission Against Corruption Act 1988, receipt of the report entitled "A Major Investigation into Corruption in the Former State Rail Authority of New South Wales" dated June 1998.

PUBLIC ACCOUNTS COMMITTEE

Report

The Clerk announced, pursuant to the Public Finance and Audit Act 1983, receipt of the report entitled "Changing of Culture: Dispute Management in Local Councils".

PRINTING OF PAPERS

Motion, by leave, by Mr Whelan agreed to:

That the following papers be printed:

- Report of the Department of School Education for the period 1 January to 3 December 1997
- Report of the Independent Pricing and Regulatory Tribunal of New South Wales on Public Transport Fares from 5 July 1998—CityRail and STA Buses and Ferries, dated 5 June 1998
- Report of the State Rescue Board for the year ended 30 June 1997
- Report and Determination of the Parliamentary Remuneration Tribunal pursuant to section 13(1) of the Parliamentary Remuneration Act 1989, dated 29 May 1998

BUSINESS OF THE HOUSE

Consideration of Legislative Council Amendments

Motion by Mr Whelan agreed to:

That standing and sessional orders be suspended to allow the consideration of the proposed Legislative Council amendments in the following bills in one Committee of the Whole:

- Environmental Trust Bill
- Legal Profession Amendment (Costs Assessment) Bill
- Parliamentary Remuneration Amendment Bill

Order of Business

Motion by Mr Whelan agreed to:

That standing and sessional orders be suspended to allow the consideration of General Business Orders of the Day (Committee Reports) pursuant to standing order 347(5), at any time, with the leave of the House, at this sitting.

**COMMISSION FOR CHILDREN AND YOUNG
PEOPLE BILL**

**OMBUDSMAN AMENDMENT (CHILD
PROTECTION AND COMMUNITY SERVICES)
BILL (No 2)**

**CHILD PROTECTION (PROHIBITED
EMPLOYMENT) BILL (No 2)**

Ministerial Statement

Mrs LO PO' (Penrith—Minister for Community Services, Minister for Ageing, Minister for Disability Services, and Minister for Women) [12.11 p.m.]: Honourable members may recall that the Wood royal commission paedophile inquiry made more than 140 recommendations to improve child protection services and reduce the risk of abuse. Implementation of these recommendations is well advanced. The matters I raise today relate to the royal commission's recommendations to establish a Commission for Children and Young People, introduce a system of employment screening, introduce a prohibition on sex offenders working with children, and have the Ombudsman overseeing departmental disciplinary procedures. Late last year the Government released a green paper on the Children's Commission. Extensive consultations have occurred on all of these matters over recent months.

More than 160 written submissions on the green paper were received. Meetings were held with a range of children's groups, and importantly, young people across the State had direct input into the development of this proposal. Focus groups were held in 11 different locations with more than 150 young people. Over the same period the employment screening task force developed a comprehensive employment screening system, working in conjunction with government departments. The task force consulted extensively with major stakeholders, including public sector unions, the Privacy Committee, volunteer organisations, and sporting groups. As a result of these consultations, the Government has decided to withdraw the two bills introduced last year and instead to table replacement bills.

I am pleased to announce that the Government is today tabling the following three draft exposure bills: the Commission for Children and Young People Bill, the Ombudsman Amendment (Child Protection and Community Services) Bill and the Child Protection (Prohibited Employment) Bill. These bills are being tabled for the information of honourable members, and to allow interested members of the community to comment on their

content before they are formally considered by Parliament next session. The Government is doing this in response to requests by organisations including the Council of Social Service of New South Wales, the public sector unions and the Catholic Education Commission. They asked that they be given an opportunity to examine the bills and see how they fit together as a package before they are proceeded with.

I will now briefly outline the content of each of those bills. The Commission for Children and Young People Bill will establish a Commission for Children and Young People. It will be an independent, statutory corporation and will report to a newly established Joint Parliamentary Committee on Children and Young People. The commissioner will be appointed for a three-year term, with the possibility of one further term. The commission will be known as the Commission for Children and Young People. The bill does not seek to vary the definition of a child as a person under 18. The legal definition of a child was canvassed as part of the review of the Children (Care and Protection) Act, which was an extensive three-year process.

The recommendations of that review will soon be considered by Cabinet. However, the term "young people" has been included in the title at the request of the young people who participated in the development of this proposal. They said that they do not consider themselves children and that including the words "young people" would make the commission more appealing to all people aged under 18. The Commission for Children and Young People will take on two of the three functions proposed by the royal commission, namely, advocacy and employment screening. Although Justice Wood recommended that the commission should also be responsible for the investigation of complaints about services to children, this will not be a function of the new commission.

Submissions on the green paper strongly supported the retention of New South Wales specialist complaints bodies, including the Ombudsman and the Community Services Commission. In recent times, those organisations have been working to make their services more accessible to children and young people by employing child and youth liaison officers. Accordingly, responsibility for investigating complaints will stay with existing complaints bodies. The bill gives the commission scope to consider any issue affecting children. This approach was supported by a significant majority of responses to the green paper, and was the unanimous view of young people who were consulted on the

commission. At the same time, all honourable members recognise that some children experience greater difficulties, and are more vulnerable, than others.

Some children do not have parents to support or advocate for them. Others do poorly against a range of indicators of wellbeing. The bill therefore provides for the commission to give priority to the needs and interests of more vulnerable children, including children in out-of-home care, children in custody, and Aboriginal and Torres Strait Islander children. A number of administrative changes are associated with the establishment of the commission. In line with the royal commission's report, the Child Protection Council will be abolished, its budget and the staff of the council's secretariat transferred to the commission. The child death review team, which currently receives administrative support from the Child Protection Council, will now receive that support from the Children's Commission. The Children's Commissioner will become the chair of the team to enhance cohesion across its various responsibilities.

The bill establishes an expert advisory committee of up to eight people with expertise in various child-related fields. This was recommended by the royal commission. In addition, the commissioner will be free to establish other advisory committees as required, for example, to assist with a particular special inquiry. The commission will encourage children's participation in decisions that affect their lives. One way it will be able to do this is by modelling different methods of consultation that are age and developmentally appropriate. The commission will also be able to assist individual children and young people by providing information, advice and referral to relevant services. In addition, the commission will enhance the skills of people who work with children and raise the community's awareness about issues affecting children, through training, public education, and research.

The commission will be empowered to conduct special inquiries, and may recommend changes to legislation, policies, practices and services that seek to improve outcomes for children. Given its focus on systemic issues, it will also be ideally placed to monitor the overall wellbeing of children in the community. Special inquiries must be approved by the Minister responsible for the Children's Commission. The Minister may refer a matter to the commission. Alternatively, the commissioner, having identified an issue that requires closer investigation, may request the Minister to approve an inquiry into this matter. The commission will have powers to conduct hearings, compel the production of

information and documents, and require a person to give evidence at a hearing.

The requirement for ministerial approval of special inquiries will ensure that the commission does not duplicate work that may already be under way within government. It is also anticipated that the commission would need to use its coercive powers only in exceptional circumstances, as it would generally work in co-operation with other bodies. Where the commission demonstrates a reasonable need for a special inquiry, it is likely to be approved by the Minister. It is proposed that this legislation will initially be administered by the Premier. It is also intended that the commission develop and administer a voluntary accreditation scheme for people who work with sex offenders.

At present people working in this field are not covered by a single registration body. The establishment of a voluntary accreditation scheme will introduce consistent standards and assist courts in seeking advice from appropriately qualified and experienced counsellors. The other major function of the commission is employment screening. The royal commission identified shortcomings in employment screening practices that gave paedophiles easier access to children. The screening system set out in this bill will significantly strengthen current practices. It has been developed around the guiding principle that the welfare of children, in particular their protection from abuse, must be the paramount consideration.

At the same time, the bill provides protections against the improper use of confidential information obtained under the scheme. Screening will help to reduce the risk of children being abused. But no matter how good the screening system, it cannot detect a person who has never been caught or never been suspected of perpetrating abuse. Screening must be complemented by other child protection strategies, including protective education for children, ongoing training and awareness for workers, and establishing professional standards of behaviour through codes of conduct and appropriate work practices.

After careful consideration the Government is introducing a model of employment screening that will share the workload between the Children's Commission and major government employers. Many government departments already have considerable expertise in this area. It makes sense that they continue to screen their own staff, as well as screen for their funded agencies. This will reduce the burden on the Children's Commission and allow it to undertake its pro-active work more effectively.

The bill establishes a mandatory group of employees who must be the subject of screening. Within government this will apply to preferred applicants for any position of child-related employment in any agency. Child-related employment is any employment that involves direct contact with children, where that contact is not directly supervised.

The staff of non-government schools—to whom screening has not previously applied—will also be included in this mandatory group. Current employees will be rescreened if an allegation of child abuse is made against them, in instances where there is reasonable suspicion of child abuse, or if they are the preferred applicant for another relevant position. The new screening system and the accompanying procedures will significantly expand the sources of information which can be used in the screening process. Employers will now be able to check criminal history information on both convictions and unproved charges relating to sexual activity, acts of indecency, child abuse, enforceable apprehended violence orders taken out by joint investigation teams to protect a child, and completed disciplinary proceedings involving child abuse, sexual misconduct or acts of violence by an employee.

The decision to include information about unproved charges has not been made lightly. However, statistics show that it is much harder to obtain convictions in cases involving the sexual abuse of children, often because of the difficulties which children experience in giving evidence. There are many cases in which children, or their parents, decide not to proceed with a court case because of the trauma to the child. The case will then be dropped without ever reaching a verdict. However, information about the unproven charge would be relevant to a risk assessment.

For the first time, checks for criminal history information will be made nationally, and conducted through the National Exchange of Police Information. This is a major improvement in practice, especially as paedophiles with convictions in one State are likely to move to another State in an effort to conceal their past. Rather than issue the unacceptable risk certificates recommended by the royal commission, risk assessments will be conducted where the records check indicates concern about a person's suitability to work with children. People subject to this process will have an opportunity to challenge or correct the information found about them. The bill includes protections against any action, liability or claim for anything done by a person in good faith and with reasonable

care in undertaking employment screening. However, to ensure that proper care is taken with this information, penalties will apply for the unauthorised disclosure, or dishonest collection, of information.

I turn now to the Ombudsman Amendment (Child Protection and Community Services) Bill. This bill responds to the royal commission's recommendation that agencies' disciplinary procedures be subject to independent oversight. The royal commission identified shortcomings and potential conflict of interest when agencies investigate allegations made against their staff. This point was made with particular reference to the Department of Community Services. Until now section 121 of the Community Services (Complaints, Appeals and Monitoring) Act 1993 has stopped the Ombudsman from investigating complaints that would be handled by the Community Services Commission, including those about Community Services Commission staff.

This bill will amend section 121 to enable the Ombudsman to investigate and review allegations of child abuse made against workers in the community services field. This change will also allow for a co-ordinated response to complaints involving more than one agency. The involvement of a number of departments is not uncommon in respect of issues relating to children. For example, the Government's new joint investigation teams comprise staff from both the Department of Community Services and the Police Service. The bill also implements an agreement made between the Ombudsman and the Community Services Commission about their respective jurisdictions.

Those bodies have undertaken to negotiate an agreement that a class or kind of complaint will be dealt with by either the Ombudsman's Office or the Community Services Commission. This arrangement implements the Wood royal commission recommendations and overcomes concerns expressed about the effect of the original bill on the jurisdiction of the Community Services Commission. The Community Services Commission will continue to handle complaints about community services provided to children, people with a disability, and the aged. Its functions, powers and budget will not be touched.

I turn now to the Child Protection (Prohibited Employment) Bill. This bill implements recommendation 139 of the Wood royal commission. That recommendation proposed the creation of a

summary offence where a person convicted of child sexual abuse seeks or obtains work which involves the care of children. As I have already indicated, an exposure draft bill was introduced into Parliament on 25 November 1997. Following consultations, this new bill makes a number of changes to the provisions of the exposure draft. I will briefly outline those changes. A number of categories of child-related employment have been added and amended. This will enable more comprehensive coverage of child-related employment. The earlier bill was drafted with the objective of not placing onerous requirements on parents who informally employ friends or relatives to mind their children.

This category of informal employment has been entirely excluded from the current bill. However, the bill will still apply to baby-sitting or childminding that is arranged by a commercial agency. The current bill also sets out more clearly the child-related employment to which the Act does not apply. Following consultation, an employee will now have one month to notify an employer that he or she is a prohibited person under the Act. The seven-day limit in the original bill was widely regarded as being insufficient time. Changes have been made to the provisions under which a person may seek an exemption from being declared a prohibited person. Current paid employees in child-related employment will now be able to make exemption applications to the Industrial Relations Commission. All other applications will be heard by the Administrative Decisions Tribunal.

This arrangement preserves the existing industrial rights of current employees. The Industrial Relations Commission will be the forum to hear cases involving allegations of unfair dismissal. At the same time, the bill provides future employees and volunteers with an inexpensive and easily accessible avenue of appeal to the Administrative Decisions Tribunal. In cases where exemption applications are made the Commission for Children and Young People will be able to make submissions either opposing or supporting a person's exemption. Finally, where an exemption is granted, the bill requires that the relevant tribunal must notify the Commissioner of Police of the terms of the order. This will ensure accurate criminal history checks under the proposals for employment screening.

These are important, sensitive and complex matters, and the Government appreciates the level of community interest in these bills. There are also links between these bills and the proposed new care and protection legislation. I am able to advise the

House that the proposal will soon be considered by Cabinet. I believe that these bills represent a comprehensive and well thought out response to key recommendations of the royal commission. The Government is tabling these bills to allow interested parties to examine them in detail during the parliamentary recess. This is in response to requests from organisations including the Council of Social Service of New South Wales, the public sector unions, and the Catholic Education Commission. The Government looks forward to receiving considered comments from interested parties by the end of August. By leave, I table the bills.

Mrs SKINNER (North Shore) [12.29 p.m.]: The Opposition welcomes the tabling of these bills. However, it does not desire to make specific comments at this time in relation to the contents of the proposed legislation, until it has had an opportunity to consider and analyse the bills. The Opposition hopes that the Government has taken note of the wide range of submissions received on the green paper, particularly in relation to the Commission for Children and Young People Bill. A number of submissions suggested that that green paper, which is inadequate, requires a major review. The Commission for Children and Young People—the Opposition totally supports the extended name for the commission—is about providing a whole-of-government approach. It should be about the promotion of positive statements in respect of children and young people. Key submissions on the Children's Commission noted that it should not handle specific complaints about child protection. They should still continue to be handled by the Community Services Commission.

The Commission for Children and Young People should become the guardian of children in the care of the State, removing this responsibility from the director-general and the Minister for Community Services. Submissions noted that employees working within the community services sector should not be located within the new commission. It should be a separate organisation which deals only with this aspect, leaving the commission to promote the well-being of young people and children. As I said earlier, the coalition generally supports the introduction of these bills, reserves its right to form an opinion after looking at them and consulting with the broader community, but believes that it is in the best interests of young people and children that legislation be introduced to firm up their protections. From that point of view we support this legislation.

LEGAL PROFESSION AMENDMENT (COSTS ASSESSMENT) BILL

ENVIRONMENTAL TRUST BILL

PARLIAMENTARY REMUNERATION BILL

In Committee

Consideration of the Legislative Council's amendments.

Schedule of amendments to the Legal Profession Amendment (Costs Assessment) Bill referred to in message of 29 June

No. 1 Page 3, Schedule 1. Insert after line 10:

[3] Section 175A

Insert after section 175:

175A Obligation to disclose that costs in motor vehicle accident matters are regulated

- (1) A barrister or solicitor who is retained on behalf of a client in a motor vehicle accident matter must, if there is a regulation in force under section 196 (1) (a1), disclose to the client in accordance with this Division:
 - (a) that the regulation fixes the fair and reasonable costs for legal services provided in a motor vehicle accident matter, and
 - (b) that, in the absence of a conditional costs agreement with the client, the barrister or solicitor is not entitled to be paid or recover for a legal service an amount that exceeds the fair and reasonable cost fixed for the service by the regulation.
- (2) The disclosure must be made before the barrister or solicitor enters into any conditional costs agreement with the client.

No. 2 Page 3, Schedule 1. Insert after line 14:

[4] Section 196(3) and (4)

Insert after section 196(2):

- (3) Subsection (2) does not apply in respect of any costs payable to a barrister or solicitor under a costs agreement with a client that relates to legal services provided in a motor vehicle accident matter if:
 - (a) before entering into the costs agreement, the barrister or solicitor made the disclosure required to be made under section 175A, and

- (b) the costs agreement complies with Division 3.
- (4) Before a regulation is made under subsection (1)(a1), the Attorney General is required to ensure that:
 - (a) a copy of the proposed regulation is forwarded to the Law and Justice Standing Committee of the Legislative Council, and
 - (b) the Committee is given a reasonable opportunity to review the proposed regulation.

No. 3 Page 11, Schedule 1[13], line 24. Omit all words on that line. Insert instead:

Insert after section 208O(2):

- (3) An assessment of costs fixed by regulation under section 196(1)(a1) is to be made in accordance with that regulation, unless:
 - (a) the disputed costs are the subject of a costs agreement that complies with Division 3, and
 - (b) before entering into that costs agreement, the barrister or solicitor made the disclosure required to be made under section 175A.

Mr WHELAN (Ashfield—Minister for Police)

[12.32 p.m.]: I move:

That the Committee agree to the Legislative Council's amendments.

The Legal Profession Amendment (Cost Assessment) Bill was amended in the Legislative Council. The Government will accept the amendments. However, I put on notice that the Government will revisit this matter during the next session of Parliament to remove unacceptable restrictions imposed by the amendments. It might assist the House if I first remind honourable members of the purpose of the Government's bill. The key element of the bill inserts a power to make a regulation in relation to legal costs in motor accident matters. Such a regulation will prescribe by reference to a scale or otherwise the amount of the fair and reasonable costs in motor accident matters. The amount set by regulation will limit the amount a legal practitioner can recover from a client and also set the basis for determining awards of costs in party-party matters.

The purpose of the amendments is to permit the Attorney General to respond quickly if the report of the Justice Research Centre discloses a significant rise in legal costs since deregulation. This is proposed against a background of rising costs of

green slip premiums and information provided by motor accident insurers, backed by actuarial studies, that a significant component of this increase is the increase in legal costs under the scheme since deregulation of legal costs. The effect of the amendment in the Legislative Council is that if a regulation is made to set the fair and reasonable costs in motor accident proceedings, first, there is an obligation upon a barrister or solicitor to disclose the fact to the client. It is probable that this section does no more than confirm the operation of the existing disclosure requirements.

Second, a barrister or solicitor may charge above the amount set by the regulation when it is in accordance with the cost agreement made under the provisions of the Legal Profession Act. Third, prior to making a regulation, the Attorney General must give the Legislative Council Standing Committee on Law and Justice an opportunity to review the proposed regulation. The Government accepted an amendment of the Hon. A. G. Corbett to permit a practitioner to contract out in accordance with a conditional costs agreement. This is because under such an agreement a legal practitioner is limited to an uplift of 25 per cent on the fair and reasonable costs. In addition, the circumstances in which a conditional costs agreement may apply are very limited in motor accidents proceedings.

This is because it is appropriate for a legal practitioner to seek a conditional cost agreement when liability is not an issue, such as in most motor accident claims, in which proceedings usually concern the quantum of damages. However, the removal of the word "conditional", which occurred in the other place as a result of Opposition amendments, will allow a solicitor or barrister to enter into a cost agreement with a client, requiring the client to pay well in excess of the amount set by the regulation. The Opposition's amendments have the potential to seriously undermine the effect of a regulation which may be made and do so in a way which is unfair to injured plaintiffs. They also have the potential to undermine the effect of any regulation of legal costs upon the cost of a green slip.

One of the Opposition's amendments is unfair because if a regulation is made it would restrict the amount that a successful plaintiff may recover for party-party costs, but not limit the amount that person has to pay his or her lawyers if he or she has entered into a cost agreement. To illustrate this point I will repeat the example given by the Attorney General in the other place. Mrs A is hurt in a motor accident. She is not at fault and consults her solicitor to bring proceedings to recover compensation for her

injuries. She signs a cost agreement with her solicitor. The matter is not able to be settled and goes to court, where Mrs A is awarded a sum of money to compensate her for her injuries and has costs awarded in her favour. The effect of the Opposition's amendment is that Mrs A will recover on the costs award the amount of her legal costs calculated in accordance with the regulation. However, she will have to pay her solicitor and barrister their fees in accordance with the cost agreement, which can be expected to be significantly higher than the regulated amount.

If a regulation has to be made because of significant increases in legal costs in motor accident matters the effect of the Opposition's amendment will be to make the plaintiff pay—make the person injured in the motor accident pay—for those increases while completely protecting the lawyers. The cost of green slips has increased. Motor accident insurers are telling the Government that these increases are due in no small part to the increases in legal costs under the scheme. The insurers and the Motor Accident Authority have undertaken studies and provided an analysis of that information which identifies legal costs as a significant problem. The Government believes that it must be in a position to act quickly to regulate costs. The Government's bill will allow this to occur. This is proper and responsible action.

However, the Opposition says that the Government can make a regulation but that it will permit lawyers to be able to contract out of the regulated amounts. The Opposition recognises that there may be a problem which needs a response but, rather than protect the community of New South Wales from increasing green slip premiums, or injured plaintiffs from being able to recover all the legal costs they pay to conduct their cases, the Opposition, once again, prefers to protect the lawyers. The Government recognises that the regulation of legal costs is not popular with the legal profession, but it believes that its duty is to the wider community, to the motorists of New South Wales and particularly to people injured in a motor accident. The Opposition promotes the interests of lawyers at the expense of the wider community. Therefore, while the Government accepts the amendments—I might add that it might look at making a regulation—it will revisit this matter during the next session to remove the Opposition's amendments from the regulation.

Mr HARTCHER (Gosford) [12.38 p.m.]: The Government has indicated that it accepts the Legislative Council amendments. I do not raise issue

with that, but I raise issue with the comments made by the Minister for Police that this will somehow increase costs, which is inimical to the good administration of the scheme. The scheme, which was established in 1988 under the Greiner Government, has worked well to achieve a fair return for people injured in motor vehicle accidents. The idea has been to be competitive in the insurance industry and, therefore, to ensure that premiums are kept within a reasonable perspective. The Government, however, has not been able to resolve the issue of contingent liabilities. Accordingly, it simply seeks to resolve this matter by hitting out at the legal profession.

The Minister's remarks today are again evidence of that. People in our society who are injured are entitled to seek legal advice and to enter into arrangements with their lawyers as to fair and adequate remuneration. That is all that the Opposition supports. The Government has to accept responsibility for the fact that it has now been in office since 1995 and the cost of green slips continues to rise.

The issue has not been resolved. The people of New South Wales are entitled to ask why they continue to pay more for green slips when car insurance and registration payments are due, and why the fund has not been brought under adequate control. The Government's only solution to its failure to bring the fund under adequate control is to engage in lawyer bashing. Lawyers' fees must be responsibly charged and appropriate to the work that is performed. However, the problem with the fund will not be solved by the Government's methods and attitude. The Minister for Police has made it very clear that this is basically a public relations exercise to transfer responsibility for its maladministration to the legal profession. It will not work. The people of New South Wales are entitled to hold the Government accountable for its failure to look after motor vehicle insurance and motor accident management. Accordingly, on behalf of the Opposition, I reject the comments of the Minister for Police.

Motion agreed to.

Legislative Council's amendments agreed to.

Schedule of amendments to the Environmental Trust Bill referred to in message of 29 June

No.1 Page 4, clause 7. Insert after line 14:

- (d) to fund the acquisition of land for national parks and other categories

of dedicated and reserved land for the national parks estate.

No. 2 Page 4, clause 9. Insert after line 26:

- (2) Each Technical Review Committee is to include at least one representative of community groups and at least one representative of industry.

No. 3 Page 19, Schedule 2.1. Insert before line 10:

[10] Section 7 Sunset on payments

Omit "30 June 1999" from section 7(a).
Insert instead "30 June 2001".

No. 4 Page 19, Schedule 2.1. Insert after line 12:

[11] Section 7

Omit "30 June 2000" from section 7(c).
Insert instead "30 June 2001".

No. 5 Long title:

Insert "and to fund land acquisition for the national parks estate " after "education".

Legislative Council's amendment agreed to on motion by Mr Whelan.

Schedule of amendments to the Parliamentary Remuneration Amendment Bill referred to in message of 1 July

Page 7, Schedule 1. Insert after line 3:

[12] Section 12(3)

Omit the subsection. Insert instead:

- (3) A special determination is to be made by such time as the Minister directs and is to take effect from such time as the Tribunal specifies in the determination.

Legislative Council's amendments agreed to on motion by Mr Whelan.

Resolutions reported from Committee and report adopted.

Message sent to the Legislative Council advising it of the resolutions.

LAW REFORM COMMISSION

Report

Mr Whelan, by leave, tabled the report entitled "Uniform Succession Laws—The law of wills".

Ordered to be printed.

PRIVACY COMMITTEE

Report

Mr Whelan, by leave, tabled the 1995-96 annual report of the committee.

Ordered to be printed.

WORKPLACE INJURY MANAGEMENT AND WORKERS COMPENSATION BILL

WORKERS COMPENSATION LEGISLATION AMENDMENT BILL

Bills received and read a first time.

Suspension of standing orders agreed to.

Second Reading

Mr YEADON (Granville—Minister for Information Technology, Minister for Forestry, Minister for Ports, and Minister Assisting the Premier on Western Sydney) [12.42 p.m.]: I move:

That these bills be now read a second time.

These bills were introduced in the other place on 26 June. The second reading speech appears at pages 1 to 4 of the *Hansard* proof for that day. I commend the bills to the House.

Mr HARTCHER (Gosford) [12.43 p.m.]: The Opposition was advised of these bills only on 26 June, the date that the legislation was introduced in the Legislative Council. Now, a few days later, the bills come to the Legislative Assembly, and the Government has suspended standing and sessional orders so that all readings of the bills can be debated in the one session. This major legislation took months to prepare and involved sections of the community such as employers, the union movement and the insurance industry. Yet, so far as this House is concerned, the second reading speech is about one sentence long. Standing and sessional orders have been suspended so that one bill comprising dozens of pages and the other comprising hundreds of pages can be rushed through the House on its last day of sitting, and no real attempt has been made to advise members of this House as to the content of the bills or to have proper debate on them.

Once again the Government is treating the Parliament with contempt. It deserves censure, and it will receive censure. The bills were introduced in the other place on Friday at a special afternoon sitting, and were debated yesterday because the

Government is not able to gag debate or suspend standing orders in that House. So the Legislative Council had some opportunity to discuss the bills; but this House will be given little opportunity. I do not intend to canvass all the issues in the bills. Most of our concerns have been placed on record by the Leader of the Opposition in the other place, the Hon. John Hannaford, in his contribution to the second reading debate.

I commend the employer groups for their enormous work on the advisory council, the concessions they made and the research they undertook. I acknowledge the contribution of the Labor Council in its recognition that action has to be taken to arrest the ongoing and spiralling deficit of the WorkCover Authority. I also acknowledge the contribution of the Insurance Council in being prepared to accept for its industry the major insurance changes that will come about as a result of this legislation. All three groups deserve commendation. The one body that does not deserve commendation is the Government. I do not include the WorkCover Authority in that comment because it is a conscientious and well-run organisation. The real failure has been the lack of direction by the State Government.

In 1991 the WorkCover fund had assets, on its actuarial estimation, of more than \$1 billion, and in 1992 it had assets of approximately \$1.2 billion. In 1998 it had a contingent deficit of approximately \$1.5 billion. To go from assets in the billions of dollars to a deficit in the billions of dollars is the hallmark of this Government. While the Government may argue that it was simply trying to administer a legacy that was left to it when it took office in April 1995, the undeniable fact is that until 1998, apart from cosmetic changes in 1996 and 1997, it was not prepared to tackle the real issue of workers compensation. It is still not prepared to tackle the real issue. It has left it up to the employers, the unions and the insurance industry, who have reached the stage at which they have said enough is enough. They are unwilling to wait upon the Government. They are prepared to sit down and resolve it because the Government is not prepared to do it.

When it became clear that the Government would never address the underlying workers compensation problems, the stakeholders came together to resolve them. The Government has welcomed the stakeholders' intervention and has gone even further by stating that it wants to vacate the field altogether. The essential thrust of what the Government has been saying is that it wants to hand over all future responsibility to the advisory council. That says a lot about this Government. It says that we have a Government that will trumpet its

successes but try to bury its failures. The performance of WorkCover and the general maladministration by the Government of WorkCover are two of the Government's failures.

As Jeff Kennett said about New South Wales, "Workers compensation remains the State's great black hole." It will continue to remain the State's great black hole as long as this Government stays in office. The advisory council comprises employers, unions and insurance companies, and other advisers. Its proposals are contained in the legislation and, as the Hon. J. P. Hannaford said in another place, the Opposition is prepared to accept those recommendations. However, it is concerned that the advisory council will simply take over all the administration of WorkCover, as the Government feels it is not a good news story. The Government is prepared to abandon the field. The Opposition does not believe that is responsible public administration, especially of a fund that contains huge amounts of money and is of such enormous significance to the working people of this State.

The Opposition does not believe that everything should simply be put in the hands of the advisory council but that the Parliament and the Government must retain overall responsibility. I have indicated by way of media release that the Opposition is of the view that ministerial control remains important, in fact essential. The Opposition will continue to argue for ministerial control over premium rates so that at the end of the day the responsibility for the decision-making process is not simply shunted away from public administration but is returned to the government of the day.

It is clear that premium rates are virtually out of control. When the coalition was last in government in 1995 premium rates were 1.8 per cent. In three years they have ballooned to 2.8 per cent and constitute the highest workers compensation premiums in the country. However, 2.8 per cent is not the actual figure because evidence shows that the underlying rate could be as high as between 3.2 per cent and 3.4 per cent. The deficit, which is now estimated to stand at around \$1.5 billion—and who knows exactly what it is—is rising at a rate of \$1 million a day. The Government itself accepts that industry cannot afford ongoing rises in premiums and is prepared to accept the recommendations of the advisory council in an effort to resolve the issue.

This legislation is flawed in that it lacks any provision for consultation with the Parliament and was surrounded by secrecy until its presentation last Friday. In a late-night ambush an attempt was made

to insert a new section 189 into the bill to deny insurance brokers their rights to commission or other remuneration for issuing or renewing workers compensation insurance policies. The bill fails to address the needs of labour hire companies and leaves open the question of what will happen to the spiralling deficit. What will happen in October 1999 when the books are ruled off and the insurance industry starts anew, as it must? The existing scheme will have to continue to handle the vast deficit.

The legislation provides that power will be vested in the WorkCover Authority to ensure that the deficit is funded by insurance companies paying increased premiums into the fund. Insurance companies will do that by increasing the workers compensation insurance premiums that they extract from industry. In short, premiums will rise to cover any deficit in the fund. The Opposition believes there will be a deficit, premiums will rise, and small business, in particular, will be hard hit. Small business has been excluded from the operation of the advisory council, which consists of many employer groups that are overwhelmingly representative not of small business but of medium-size and larger businesses. Some small businesses are in the employer groups, but they represent a small minority.

The hundreds of thousands of small businesses that exist in New South Wales are not normally in any organisations at an industrial level and are effectively cut out of the policy-making process. The Opposition is concerned about the interests of small business and for that reason foreshadows amendments in Committee. I have already indicated to the Attorney General, and Minister for Industrial Relations that the Opposition will move amendments to clauses 43, 50, 174 and part 4 of the principal bill and will move amendments to schedules 1 to both the main bill and cognate bill.

The foreshadowed amendments seek to address concerns of small business about the deficit, labour hire and the commutation of workers compensation payments. Minor amendments will be made to the time within which employers are required to establish rehabilitation plans once a worker has been injured. The amendments will also attempt to right the terrible injustice the Government has done to the Commonwealth Bank and to the Uniting Church Ministry for the Ageing. Those two major organisations have sought to become self-insurers but that intention has been held up deliberately by the Government, not because of any failing on their part but because the Government wanted to milk every drop of revenue out of two organisations that

under normal requirements would be entitled to be self-insurers.

I am pleased that amendments moved in the Legislative Council and supported by the Opposition allow self-insurance refusal appeals to proceed to the Administrative Decisions Tribunal. Also, amendments sought by the Law Society of New South Wales in relation to the necessity for the advisory council to give concurrence to regulations made under commutations under section 51 have been accepted. Therefore, it is no longer necessary for me to move those amendments. I do not intend to speak in detail on this bill. Much could be said but most has been said by my colleague in another place. The Opposition commends the work done by the various groups on the advisory council. It is keen for the advisory council to continue its work in developing pro-active management policies that will reduce the impact of premiums on industry, and that will always be the major concern.

The workers compensation scheme is clearly sound in looking after the interests and benefits of injured workers and improving rehabilitation for injured workers. For some years I have held the opinion that the Government's greatest test will be its effectiveness in containing the spiralling rise in premiums. If the Government fails to contain that rise, all its legislation will have been for nought and it will stand accused. The Government will be entitled to be commended if it can contain increases without resort to the powers it seeks under clause 174, the deficit reduction clause. The Opposition supports the motion and will move amendments in Committee.

Mr YEADON (Granville—Minister for Land and Water Conservation) [1.00 p.m.], in reply: The bills were amended in the Legislative Council after introduction, and it is the bills in that form that are before the House. Debate on the amendments is contained in *Hansard* of the Legislative Council, and I will address them in this reply to the second reading debate. The honourable member for Gosford, who led for the Opposition, complained that the Government was treating the legislation with undue haste. I can only say to him that there has been wide consultation on these legislative proposals and the only people who are not up to speed on them are members of the Opposition.

The major reforms in the bills have four main purposes. They are the establishment of stakeholder control of and accountability for the workers compensation system and related safety arrangements through the Workers Compensation Advisory Council; the introduction of effective

measures for pro-active injury management; the adoption of workers compensation insurance on a commercial underwriting basis by competitive licensed insurers as from October 1999; and, finally, various important changes concerning weekly compensation benefits, settlement of claims and return-to-work incentives.

A significant feature of the proposed measures is the acknowledgment of the crucial importance of the medical profession to injury management. In particular, the injury management provisions envisage that the worker's nominated treating doctor will play a key role in advising on the worker's return to work. Provision is also included for doctors to be established as specialised injury management consultants to quickly resolve potential disputes over whether modified duties offered by the employer are suitable. The interim advisory council has carried out detailed and positive consultations with representatives of the medical profession to assist in achieving the current proposals, and consultation on details of implementation is continuing.

The proposed legislation envisages that the injury management process will be of a dynamic nature, that is, that appropriate innovation with the aim of developing best practice is to be encouraged. This is acknowledged in clause 41 of chapter 3 of the Workplace Injury Management and Workers Compensation Bill, which provides that the object of the chapter is to establish a system that seeks to achieve optimum results by way of a timely, safe and durable return to work for injured workers. The injury management provisions in the bill include the concept of significant injury. When such an injury occurs certain procedures are required to be followed, and in particular requirements for faster reporting by the employer to its insurer and for the insurer to prepare an injury management plan for the worker.

Significant injuries are defined as those likely to result in partial incapacity for work for a total period of more than seven days. Honourable members might note that the definition does not necessarily mean that the worker is completely unable to undertake work for that period. The injury management measures are intended to be to the mutual advantage of employers and injured workers. They have considerable potential to avoid or minimise inordinate claim costs while benefiting workers through assisting them to return to work or continue at work without a break at the highest possible level of earnings.

It is an unfortunate result of workers compensation systems in general that long-term compensation recipients tend to suffer ongoing loss of employment prospects and income. The proposed legislation therefore seeks to avoid that situation.

The injury management proposals are meant to operate reasonably and sensibly. For example, the specific new obligation for injured workers to make reasonable efforts to return to work, which complements the employer's obligation to provide suitable work, is meant to take heed of medical advice, particularly from the worker's nominated treating doctor.

The initial phase of these proposals will give current licensed insurers an opportunity to prove themselves afresh in the lead-up to private underwriting in October 1999. The legislation deliberately allows current insurers considerable flexibility to develop best practice in their overall injury management programs and their implementation. In fact, it is specifically intended that insurers should compete in the provision of injury management and related services both in the initial phase and later under the privatised system. The partial regulation of the proposed new insurance premium arrangements has been developed with that aim in mind.

The proposals include permanent establishment and expansion of the conciliation service for dispute resolution, the trial of which Sir Laurence Street previously recommended. The results of that service have been independently examined and have been assessed as very encouraging and successful. The legislation includes provision to encourage proper participation in conciliation by allowing regulations to ensure coverage of proper legal costs. As with any significant package of workers compensation changes, proper implementation of the proposed changes following their enactment is, of course, vital. Insurers will be expected to follow up strongly and effectively, and their performance will be an important factor in the granting of new licence applications. The same applies to continued proper implementation of the earlier 1995 and 1996 legislative packages.

This package of watershed workers compensation reforms has been achieved through the thorough and lengthy consultation process conducted through the interim workers compensation advisory council. Experience shows that workers compensation legislation requires constant review and refinement, and the functions of the permanent advisory council specifically address that need. The honourable member for Gosford indicated he would move a number of amendments at the Committee stage of this debate. The Government will reject each of those proposed amendments. I commend the bills to the House.

Motion agreed to.

Bills read a second time.

REGULATION REVIEW COMMITTEE**Report: Some aspects of International
Regulatory Programs and Practice**

Mr SHEDDEN (Bankstown) [1.11 p.m.]: There is a growing acknowledgment of the costs of regulation, and governments, particularly in OECD countries, are questioning longstanding regulatory traditions. It is evident that attention is starting to turn away from solely examining the costs and benefits of individual regulations to examining the performance of the regulatory system as a whole. A variety of new measures have been put in place in these countries, some have been in place for several years, and experience is building up as to their usefulness. A delegation from the Regulation Review Committee comprising me as chairman, the honourable member for Murrumbidgee and the director of the committee, Mr Jim Jefferis, had an opportunity to discuss the operation of some of these initiatives at a senior management level during a visit to London, Paris and Washington in the period 29 September 1997 to 16 October 1997.

This report details those discussions and some of the information gathered during the visit. I thank all the officials of the organisations mentioned in the report for their substantial assistance. A Minister of the Crown in the United Kingdom has the statutory authority to issue an order to remove or reduce statutory burdens on business, provided that would not remove any necessary protection. A number of safeguards surround the making of these orders. Details of the scheme are set out at pages 4 and 5 of the report. It may be of benefit to the Minister responsible for small business to investigate the scheme further.

The committee delegation had an opportunity for detailed discussions with the Better Regulation Unit of the United Kingdom Cabinet Office. The unit favours a reasonably simple appraisal system for new regulatory proposals that can be understood by the non-specialist, and one that does not result in documents that are too complicated for the public to follow. New South Wales could take a lesson from this approach. I sometimes think we may have set the bar a little too high in terms of the encompassing nature of the assessment we expect. There are, of course, many instances where a detailed appraisal must be carried out. In the United Kingdom a full cost appraisal is undertaken of issues that have a significant impact. The aim of the unit is to spread a culture of serious costings where it is justified.

The United Kingdom Cabinet Office provides central guidelines in cost-benefit analysis. Every

department has an officer who is responsible for better regulation. On 6 November 1997, the Better Regulation Unit introduced an Internet site specifically designed to assist small businesses, charities and voluntary organisations to find out the relevant regulations and forms, particularly when setting up their enterprises. The Internet site for Direct Access Government is set out at page 5 of the report. That is another initiative that could warrant examination by the New South Wales Government.

The report contains some interesting facts about the one-stop shop at Bexley on the outskirts of London. The essence of the scheme is to provide one point of contact from which all necessary information about a development can be obtained. It cuts down on routine and repetitious questions asked of professional officers. We were given an impressive demonstration of the potential of the program and its user-friendly software. We had some very useful talks with principal administrators of the Public Management Service of the OECD in Paris. Recently the OECD released a report on regulatory reform in response to a request by OECD Ministers. That report shows the type of benefits that can be expected from a good regulatory reform program.

Recommendations in the report constitute an action plan for regulatory reform. In co-operation with scrutiny committees of the Commonwealth and other States and Territories, the Regulation Review Committee is undertaking an evaluation of cost-benefit and sunset provisions, as well as other relevant options for the effective scrutiny of regulations. The object of the appraisal, from the New South Wales viewpoint, is to subsequently report to Parliament on whether New South Wales regulatory controls in their current form provide the best means of monitoring the impact and growth of regulations. I am pleased to report that on 4 March Mr Scott Jacobs, Principal Administrator of the Public Management Office of the OECD in Paris, advised me that the OECD would be willing to carry out the appraisal in return for a modest donation to its regulatory reform work.

The cost of this offer is likely to be shared among the Australian scrutiny committees, which have cost-benefit and sunset laws. If the other scrutiny committees agree to accept the offer, the study would be completed this year. It would come at a good time, because it would be able to make use of the findings contained in the September 1997 report to Congress on the costs and benefits of Federal regulations. I commend the report to all members who are interested in bringing themselves up to date on OECD regulatory developments that might be applicable in New South Wales.

Mr CRUICKSHANK (Murrumbidgee) [1.15 p.m.]: I support the previous speaker and commend him for his chairmanship and leadership of the Regulation Review Committee, which is the only committee that sheds light on the inner workings of not only Ministers' offices, but also departments. Unfortunately, this Parliament has a way to go before Ministers and departments, in the spirit of the Subordinate Legislation Act, do not object to outside scrutiny of the regulation making process. OECD governments are doing their best to move away from the limits of traditional regulation making procedures where government departments draw up regulations, then offer the public a short period to comment on them. The main drawback to this procedure is that departments have virtually signed off the regulation before the public comes into the picture.

My experience is that departments are fairly reluctant to take on board a contrary opinion that would produce major changes to the draft regulation. The committee saw many examples of this in the course of its inquiry into the animal research regulation 1995: New South Wales Agriculture deflected many public suggestions with the comment that they would be considered subsequently, free from the time constraints of the Subordinate Legislation Act. Changing OECD practices involves greater regulation making flexibility. Procedures are used that involve the public at an earlier stage in the making of regulations. Negotiated rule making is one of these, and involves discussions between departmental officers and a small group of representative interests prior to the drawing up of the regulation. The group actually participates in the drafting process.

When the committee's delegation was in Washington, it was told that regulations drawn up under this method tended to give rise to far fewer disputes. Another enlightened approach is performance-based regulations that specify acceptable results or goals and their monitoring. The intention is to produce some flexibility in how the objectives will be achieved and to increase the effective use of resources. This approach in regulatory management is finding growing acceptance in the United States, where performance standards are generally preferred to a command and control design standard because they give regulated entities the flexibility to achieve the desired regulatory outcome in a more cost-effective way. An added advantage is that firms continue to search for the least costly way to meet the regulatory objective, and do not stop simply because a specified design standard has been met.

Selecting performance standards allows these firms to choose their unique solutions. Examination by the OECD of the regulatory regimes in member countries has allowed it to gain an understanding of why OECD countries have found themselves in need of regulatory reform. The OECD regulatory reform report lists the following problems. The complexity of reform and uncertainty about its consequences have blocked progress. Governments often lack the necessary co-operation and planning capacities to move forward with coherent packages of policies and reforms. Vested interests have often been able to install regulations that benefit them and block needed reform. In some countries, a regulatory culture has emerged as businesses have come to look to government protection rather than to their performance for survival.

Incentives inside regulatory bureaucracies have not encouraged the effective and accountable use of discretion. Incentives have too often favoured vocal rather than general interests, short-term views rather than long-term views, the pursuit of narrow mission goals at any cost, and the use of detailed and traditional controls rather than flexible and innovative approaches. Most regulators are not equipped to assess the hidden costs of regulation or to ensure that regulatory powers are used cost-effectively and coherently. Studies undertaken by the OECD have identified many such major problems and have provided policy recommendations on regulatory reform. The OECD said that one conclusion that emerges from its work is that the most important ingredient for successful regulatory reform is the strength and consistency of support at the highest political level.

It said that Ministers have a direct role to play in assuring that strong political leadership will overcome vested interests in both public and private sectors which benefit from the status quo and resist beneficial change. That ministerial support for the work of the committee cannot be taken for granted and cannot always be secured. I cite a recent example. Over the course of the last year on various occasions the committee has written to the Attorney General, and Minister for Industrial Relations in respect of regulatory impact statements prepared by the Department of Industrial Relations. The committee has claimed that these regulatory impact statements have been defective for three reasons: a lack of assessment of alternative options, a lack of quantification of costs and benefits, and a lack of assessment of substantive matters.

The Attorney General, on behalf of his department, has disputed those claims in detail. On

30 April the chairman of the committee wrote to the Attorney General and suggested that in view of the complexity of the issues the committee would welcome the attendance of the relevant officers of the department to discuss the matter. That practice is often followed by the committee to ascertain, through informal discussion, the basis of various problems and methods to correct them. The Attorney General would be familiar with that practice, as he was formerly a member of the Regulation Review Committee. It is with some concern that I report to the Parliament that on 25 May the Attorney General wrote to the committee in the following terms:

Dear Mr Shedden,

I refer to your letter dated 30 April 1998 concerning the making of the Industrial Relations (General) Regulation 1996 and its attendant Regulatory Impact Statement.

On the basis of the strongly-held views which I detailed in my previous letter of 17 November 1997 to you, I was not prepared to accede to your Committee's request for the preparation of a further Regulatory Impact Statement in this matter. For the same reasons, I advise that I am not willing to permit any officer of the Department of Industrial Relations to attend before your Committee to discuss issues resulting from your review of the regulatory process in this matter.

That point-blank refusal by the Attorney General to allow officers to even discuss the matter with the committee does not serve the interests of regulatory reform. I find it difficult to think of a single sensible reason that would justify that refusal. If there is a problem, does the Attorney General not want to clarify it so that it can be corrected? If there is not a problem, it would be beneficial to know that the Department of Industrial Relations is producing regulatory impact statements that comply with the Subordinate Legislation Act. As part of the committee's overseas briefing the chairman and I had discussions with the Office of the Federal Register relating to the gazettal of regulations. That is documented in the committee's report.

That brings me to comment on an unsatisfactory practice that has developed in New South Wales which requires the urgent attention of the Premier. The committee noted that recently a number of important regulations have been included in special government supplements to the *Government Gazette*. These special supplements are prepared during the week, but in fact are not published until they are printed and bound with the normal gazette on the Friday of the relevant week. A good example is the Environmental Planning and Assessment Amendment Regulation 1998.

The regulation comprised 180 pages and was contained in a special supplement to *Government Gazette No. 85*, dated 25 May 1998, at page 3703. However, the regulation was not made available to

the public and subscribers to the gazette until it was bound with a number of other supplements and *Government Gazette No. 87*, which was published on Friday, 29 May 1998. To make matters worse, even though the regulation had not been made publicly available, a notice of the fact that it had been made was tabled in this House on 26 May 1998. The practice being followed is to prepare a loose-leaf supplement which is retained in the printing office until the publishing of the next regular gazette.

In his book *Delegated Legislation*, Professor Pearce, who is the leading Australian authority on the subject, referred to the decision of Justice Wells in *Myer Queenstown Garden Plaza Pty Ltd v The City of Port Adelaide*, published in (1975) 11 SASR 536. The judge held that the word "published" in the Interpretation Act of that State, which requires regulations to be published in the *Government Gazette*—as the Interpretation Act of this State requires—means "to make the regulation generally accessible or available to the public". In that case the gazette containing the regulations was printed on 9 June 1972, but was not available to the public until 13 June 1972. The judge held that the later date was the day of publication and that this rebutted the presumption in the Evidence Act of that State that the production in court of the printed rule was conclusive as to its date of publication. A particularly bad example of this practice has come to light this week. The Fisheries Management (General) Amendment Regulation 1998 was included in a special supplement dated last Friday, 26 June, and was said to commence on Wednesday of this week, 1 July.

In fact, the regulation was not published until today, when it was printed, bound and made available to the public with the later gazettes. The regulation is made pursuant to the Fisheries Management Amendment Act 1997 and introduces certain exemptions with respect to the recreational freshwater fishing fee introduced by the Act. The Minister has gone to great lengths to publicise the commencement date and to talk about prior consultation with anglers about the fee. However, had any one of those anglers, on the commencement day, wanted to obtain the regulation from the Government Information Service to ascertain details of the exemptions, he would not have been able to so as the regulation became publicly available only today. The Premier should immediately address this matter and ensure that in the future regulations become publicly available at the time they are included in the *Government Gazette*. I commend the report.

Report noted.

BILLS RETURNED

The following bills were returned from the Legislative Council without amendment:

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

[*Mr Speaker left the chair at 1.25 p.m. The House resumed at 2.30 p.m.*]

WORKPLACE INJURY MANAGEMENT AND WORKERS COMPENSATION BILL**WORKERS COMPENSATION LEGISLATION AMENDMENT BILL****In Committee**

Mr HARTCHER (Gosford) [2.32 p.m.], by leave: I move Opposition amendments Nos 1 to 7 to the Workplace Injury Management and Workers Compensation Bill and Nos 1 to 2 to the Workers Compensation Legislation Amendment Bill in globo:

Workplace Injury Management and Workers Compensation Bill

- No. 1 Page 35, clause 43(4), line 27. Omit "3 working days". Insert instead "7 working days".
- No. 2 Page 39, clause 50(2), lines 24-27. Omit all words on those lines.
- No. 3 Page 149, Part 4 heading, line 1. Omit "and deficit reduction".
- No. 4 Page 151, clause 174, line 18. Insert "or duly applied to become", after "became".
- No. 5 Page 150, clause 174 [Vote "No" to the Question that the clause as read stand part of the Bill].
- No. 6 Page 204, schedule 1, lines 10-15. Omit all words on those lines. Insert instead: (1) Where a contract to perform any work as an outworker.
- No. 7 Page 204, schedule 1, lines 16, 17 and 19. Omit "contractor" wherever occurring. Insert instead "outworker".

Workers Compensation Legislation Amendment Bill

- No. 1 Page 7, schedule 1[25], lines 10 and 11. Omit all words on those lines.
- No. 2 Page 7, schedule 1 [26], line 23. Insert "and that the termination of the liability is in the best interests of the worker" after "concerned".

I have moved these nine amendments in globo to enable the Opposition to present its case and to enable a slightly more wide-ranging debate in respect of each amendment. The first amendment relates to the time within which employers must set in motion a rehabilitation plan for injured workers, as set out in clause 27 of the Workplace Injury Management and Workers Compensation Bill. I will not refer to each amendment in detail as they have been circulated. The Opposition believes that the provision of three working days is insufficient, especially for small business people. After a small businessman receives notice of an injury he has to contact his insurer to get the process under way. He will not be able to achieve that within three days; he will need more time.

The Opposition's amendment provides for a period of seven working days. It is different for big organisations, government departments and corporations that have human resources departments; they can be expected to handle these matters. They have good access to insurers. The only contact that a small businessman has with his insurer is when he pays his premium every year. He will not be aware of all the ramifications of this legislation. He will not have the same ongoing relationship with his insurer because he will have far fewer claims and he will not know how to manage them. Accordingly, in those circumstances the three working day provision is an onerous obligation. For that reason the Opposition has proposed seven working days.

The second amendment is to clause 50, which relates to the payment of the cost of the treatment of an injured worker. This quite extraordinary clause states that the insurer has to make a payment for the treating of an injured worker even when the injured worker has not made a claim for compensation. An injured worker has not claimed any compensation, and the insurer may or may not have even accepted liability, yet the insurer is liable for his or her treatment. That goes against the whole spirit of this bill, which is to encourage people to give early notification of an injury and to comply with the provisions of the legislation. How do people do that without making an appropriate claim? If the insurer is to be liable for payment even when no claim has been made, that places an onerous burden on the insurer and it does not achieve any benefit.

If the Opposition is successful—as I am sure it will be—in attaining government in 1999, it will revisit this clause, which is quite unacceptable: no claim is made and there is no acceptance of liability, yet insurers have to pay for the treatment of an injured worker! The honourable member for Pittwater would be well aware of these problems

from his own experience in small business and would know how unjust this provision is. Amendments 3 and 5 will amend clause 174, which relates to the deficit reduction contribution. Clause 174 gives the WorkCover Authority the power, after the relevant date—which will be in October 1999—to require insurance companies to make further contributions if on actuarial advice or other information there is believed to be a deficit in the fund.

The WorkCover Authority says, "We have ruled off the books, the insurance companies are now partly privatised and are running their own show, but a liability still arises from all the claims made prior to this date. That is what the actuaries calculate, or we have some other information—and one wonders what the other information could be if it was not actuarial—which suggests there may be a deficit in the fund. We will now extract from the licensed insurers a proportion related to the risk premium."

The WorkCover Authority will take it from the insurers, and the insurers will take it from the employers. The business people of this State will be hit with a new bill. This bill relates to a reasonable sum of money, which is now estimated to be \$1.5 billion, and could be as high as \$2 billion by October 1999. That means \$200,000 million has to be suddenly found and extracted from industry in this State. If the Government were serious about looking after industry, industrial development and job creation, it would not ask the employers of New South Wales to pay it \$2 billion. The bill contains further penalty clauses. Clause 174(6) provides for the payment of 15 per cent interest on unpaid contributions. A certificate executed by the authority is to be evidence of the matters specified. The only exemptions are self-insurers who became self-insurers before 1 July, government employers, and specialised insurers, except in respect of premiums paid by employers who were first insured with the specialised insurer after 30 June 1998.

That subclause is unacceptable. It is an imposition on business, and has the potential to put a massive impost on small business. It could drive many small businesses to the wall because they will be unable to afford the increased premiums. If my calculations are right and 0.1 of a per cent is about \$60 million, then \$2 billion is more than 2 per cent. Effectively, the premiums would double. The WorkCover Authority may intend to stagger that increase, but it is under no statutory obligation to do so. Clause 174 allows the authority to determine an amount to be contributed to the fund and to direct payment of a contribution to raise that amount. The

authority is not required to stagger the payment over a year. The Government may say that is its intention, but I am sure that the Minister has not read the bill. He reads the notes that his advisers give him. In a few minutes the Minister will read from a note that his advisers have scribbled and say why I am wrong.

Mr Yeadon: I would not go to the trouble.

Mr HARTCHER: The Minister said that he would not go to the trouble. That is typical of the Australian Labor Party and the New South Wales Government. This is an enormous bill. The Minister is responsible for administering the provisions of the bill and he has never read it. He said that he would not go to the trouble. This bill is the work of the New South Wales left wing at its best. The bill is not based on principle and has nothing to do with jobs. It is all about an ideological agenda, which we have all come to know and love over the years. Opposition amendment 4 to the principal bill provides that if there is to be a deficit reduction clause then at least the Commonwealth Bank and the Uniting Church Ministry for the Ageing should be exempted, because they sought to become self-insurers long before the cut-off date. They have been denied that exemption by a deliberate policy of the Government through WorkCover, simply because the Government wants to milk as much money as it can out of those two organisations.

Both of those organisations comply with the requirements to become self-insurers: they have sufficient capital base and a sufficient number of employees. The Commonwealth Bank is only a very new member of the WorkCover system, because before being privatised it came under the Commonwealth system. Yet the Commonwealth Bank has been deliberately and flagrantly denied the rights granted to every citizen under law, simply so that the Government can take money from it. The Commonwealth Bank is a privately-owned banking company. Its shares, after being floated by the Keating Government, are owned by the ordinary people, the mums and dads of Australia. Yet that company has been treated shabbily and indecently by the State Government as a milch cow.

The Uniting Church Ministry for the Ageing is an organisation that cares for the sick and elderly in our community. It is a non-profit organisation that is run by the Uniting Church, and probably manages more retirement villages than any other organisation in the community. Any money it saves is devoted to building more retirement villages and homes, and providing better facilities for the sick and the elderly. If it saves \$1 million on workers

compensation premiums, that money does not go into the organisation's pocket, it goes to those most in need in our community. The Government is also denying that organisation the right to become a self-insurer and to save money on its workers compensation premiums because the Government wants to extract a big exit fee. I have asked questions on notice of the Minister in the Legislative Council, and all I got were bland answers that all these matters would be considered. Of course, they have been considered and effectively they have been denied.

Anyone with a sense of justice would realise that amendment 4 cries out for attention. The Opposition will wait with interest for the response of the Government. Amendments 6 and 7 relate to the system of labour hire, which is well-established in the United States of America and other developed economic systems and which many companies throughout New South Wales and Australia have adopted. The companies simply act as employment placement agencies and individuals make their own arrangements on a contractual basis for the performance of work. We are not suggesting that the outworker clauses should be amended in any way. But we are saying that those people should not be deemed employees for workers compensation purposes. The Government's response is that it will not change anything in 1998 because that has been the situation since 1929.

Is that justification? Surely the reason for amending the Act and setting up a new system is because the existing structure has been inadequate and a new system needed to be developed to look after industry and workers in this State. But the Government is clinging to an outdated practice at the behest of the Labor Council and the trade union movement. The coalition is trying to ensure that the New South Wales system is modern, up to date and looks after injured workers. But we are also trying to ensure that it does not force people who are not workers, in the ordinary definition of that word, into the workers compensation scheme. Parts of the legislation force people into the scheme. To say that was the situation in 1929 is no justification for this action. It is not a satisfactory situation now, and it should not be allowed to remain the situation.

Major organisations and businesses in New South Wales, including the Housing Industry Association and the New South Wales Farmers Association, wrote to the Opposition supporting its proposed amendments because the bills are inflexible and not in the interests of employees or employers. The Opposition sought to move the

amendments in the Legislative Council and have moved them in this Chamber. The Opposition has moved two amendments to the Workers Compensation Legislation Amendment Bill which relate to the extraordinary paternalistic attitude of the Government. Item [26] in schedule 1 at page 7 of that bill inserts an amendment that will have the effect that even when a worker wants a lump sum termination, fully understands the effect of the termination of liability, has received adequate and relevant advice and understands that advice, the court nevertheless has the right to refuse to approve the termination of liability. People have the right to make their own decisions in life. It is about time the Labor Party realised that it cannot run people's lives; that people can look after themselves when they have access to adequate advice and are able to make informed decisions.

Under the legislation workers must fully understand the effect of termination of liability and receive adequate advice about the consequences of the termination. Armed with that information, a person can make the appropriate decision. It should not then be up to the court to determine whether it is in the best interests of the worker. It is extraordinary that a worker may seek termination following advice, front the court and then be told by the court that what is sought is not, in the court's view, in the best interests of that worker. That is out of date and typical of the Labor Party's paternalistic attitude of trying to run society and make decisions regardless of individual will.

That is the basis of the Opposition amendments. Additional amendments were moved in the Legislative Council and the Government accepted those amendments. I take this opportunity to thank crossbench members of the Legislative Council who supported the amendments, one of which was endorsed by the Law Society of New South Wales and others were endorsed by the National Insurance Brokers Association of Australia. The legislation is an attempt to improve the devastating and spiralling increase in WorkCover premiums.

It does the Government no credit that it had to be dragged to the table. Three years elapsed until finally employers, unions and the insurance industry decided that enough was enough, that the Government was incompetent and that the scheme would be fixed up in conjunction with the WorkCover Authority. Those parties achieved this result, not the Government. The Government has washed its hands of WorkCover in this State. It has surrendered all its powers to the advisory council

and is trying to avoid responsibility, which it cannot do because small business is hurting. It is now 3 July and though premiums have been frozen under a general insurance order, small business will realise that the premiums are still too high.

The premium for the meat industry is 13 per cent while for the timber industry it is 15 per cent. Those industries simply cannot sustain such massive imposts and cannot employ people when they are suffering in this way. The Minister for Information Technology, and Minister for Forestry and the Government are to blame. They have failed the workers and employers of this State. Employers will not engage employees while they have to meet the enormous costs of workers compensation insurance. Though the coalition does not oppose the legislation, it will carefully monitor it to ensure that it achieves the objective of lowering premiums.

Mr ARMSTRONG (Lachlan—Leader of the National Party) [2.55 p.m.]: As Leader of the National Party I support the comments of the shadow minister, but wish to highlight a few measures in the legislation. First, workers compensation in New South Wales, coupled with the unfair dismissal laws, are the Achilles heel of small business and contracting in this State. I am sure all honourable members, particularly those who have been out in the workplace in the past few years, will acknowledge that the number one issue with employers taking on additional employees and replacing others is the cost and application of workers compensation and the unfair dismissal laws.

The object of the principal bill is to provide for the effective management of work-related injuries and injury compensation for workers in respect of such injuries and for other purposes. For the management to be effective it has to be capable of being implemented and must work in the interests of both the employer and the employee. However, there is no doubt that the current legislation and the application of it are flawed. The legislation works against employment, investment, the introduction of new technology and, most important, against the Government being able to attract new industries or to expand existing industries in this State.

The shadow minister has drawn attention to a raft of measures that indicate flaws in the legislation. It does not address the prime criteria in the workplace of giving comfort to either employers or employees. It is a halfway house which does not address some of the fundamentals. Page 51 of the principal bill relates to making a claim for compensation. Clause 65(1)(c) states:

- (c) in the case of making a claim for weekly payments of compensation—accompanied by a medical certificate that is in or to the effect of the approved form, or that is in any other form and contains information that is reasonably sufficient in the circumstances to assist in the determination of the claim.

It then makes reference to a medical certificate. Unless the legislation addresses the process for obtaining and applying medical certificates, many of the present difficulties will not be resolved. Why is the rejection rate of applications for medical certificates by people with compensation injuries so small with some doctors? Some might argue that in some instances the success rate is almost 100 per cent. Unless broader terms of reference are applied to the medical profession so that it understands the guidelines within which it is expected to work when granting a medical certificate to a worker who alleges injury, the legislation will still be fundamentally flawed.

It is obvious that in every workplace in every suburb in every town certain doctors are recommended, a certain process is followed and the community knows where to get the so-called best deal. This is in no way a slight against the medical profession but it highlights the fact of life that some doctors are soft on granting medical certificates for workers compensation. I refer the Committee to page 54 of the principal bill dealing with the time limits on making an application for compensation after an injury has been established. Clause 65(13) states:

The failure to make a claim within the period required by subsection (7) is not a bar to the recovery of compensation if it is found that the failure was occasioned by ignorance, mistake, absence from the State or other reasonable cause.

That, on the surface, sounds reasonable enough, but how does one determine ignorance? How does one define it? How does one spell it out?

Mr Yeadon: Commonsense.

Mr ARMSTRONG: The Minister said, "Commonsense." He might care to tell honourable members how one applies the word "commonsense" to the law, because that is what this legislation is all about. The law refers to the Minister's second reading speech when it is looking for determination of matters, but the second reading speech does not address that question, nor does it address "mistake" in the same context. The absence is obvious.

I raise the deficiency because recently an employer in a large family-owned firm in this State quoted to me and others the case of an employee who had been injured 18 years before the date of

application. The employee notified the health office. The injury was recorded in the book, everything was kosher and there were no problems. Six or eight months after the injury the employee left the firm and went on her way. Eighteen years later she reappeared to make a claim, in which she asserted that her weight had blown out to 18 stone. I remember that because the figure 18 was mentioned twice.

The applicant had considerable difficulties with her weight; she had had three children; she had nervous problems, and her marriage had broken up. She claimed that all her problems had been caused as a result of the accident 18 years beforehand. How long is responsibility to rest with an employer? What is a reasonable period? Did the applicant fail to lodge an application for 18 years through ignorance, or by mistake, or because she was out of the State? That is why I raise the question. The deficiency is not addressed in this legislation. That employer has now taken about half his business offshore. A considerable number of his product components are made in China and returned to Australia for assembly as his final product.

The determination of an injury by the medical profession in some cases clearly is a fundamental problem. I believe that clause 65(13) is not addressed, nor are the important issues of the definition of ignorance and mistake, therefore allowing an open-ended process to occur whereby a worker who claims to have been injured, provided the injury was recorded at the time, may make an application at any time in the future. Will that really encourage employers to take on more people, or will it drive them into taking on more contractors? If it drives them into taking on more contractors, I put it to honourable members that the contracting field is one of the employment fields in New South Wales that is lacking in workers compensation. The New South Wales Farmers Association has sent me a letter dated 1 July regarding the Workers Compensation Legislation Amendment Bill which reads:

The Farmers Association is aware that legislation to amend the Workers Compensation Act has been introduced into the Parliament, et cetera. The Association generally supports the measures being introduced to shift the focus towards improved injury management and early return to work strategies. It is essential that these changes address the cost drivers to the system. Farmers are concerned that the fund deficit is producing unacceptably high premiums and that if these new messages do not provide relief further measures will be needed to control the worsening crisis in the scheme. The transfer of scheme risk to private insurance companies must be viewed in a new light if these measures do not produce a reduction to the deficit over the next 12 months. The Association understands that an amendment to the bill may be raised in the Legislative Council tomorrow regarding the

coverage of independent contractors through the deemed employee provisions of the Act. The Association supports the position that clarity is needed in defining contractors under the Act to provide independent contractors with a clear knowledge of their insurance requirements. There is also a need for employers to have clarity regarding reliability for independent contractors in the workplace.

Shearing contractors are the most commonly employed contractors in the rural workplace. They gather up personnel for the shearing of sheep and for the primary processing of wool for despatch to the first point of market. As this Committee debates this legislation in the Chamber this afternoon it is ironic that one of the industries that cannot attract employees, particularly in New England and in the south, is the shearing industry. The industry is a traditional one, in which farmers' sons for the past 150 years have participated to earn a bit of extra cash. But they work a 40-hour week. The day starts at 7.30 in the morning, the shearers may have to drive for an hour to reach their employment, and they might have to stay overnight. So it has its drawbacks.

The greatest problem, however, is that contractors are literally going broke every day. I can name four of whom I am aware that have gone out backwards in the past 18 months in the central west because workers compensation has broken them. If the contractor is paying a \$30,000 premium this year and the insurer pays out a substantial claim of, say, \$100,000, the contractor's premium increases the next year to \$130,000. There is no logic to it and there is no benefit to the employer.

Workers compensation works against the creation of jobs and good management in the industry. The horticultural industry, which employs contract pickers of fruit and vegetables, is a large employment sector. Large groups of contractors in the cotton industry employ chippers. Large groups are employed in other industries, and in the grape industry they work on pruning, developing rootlings and cuttings, and planting out in the vineyards.

The Opposition will not oppose the proposed legislation, but the bill does not have the Opposition's confidence for the reasons I have just outlined. My colleagues have highlighted many other points in moving their amendments. Any legislation that attracts such a large number of amendments with support from the Legislative Council has basic problems with its overall fabric. The purpose of amendments is only to tidy up proposed legislation, not to change the fundamentals.

The amendments moved in the Legislative Council changed fundamentals. That indicates that

the legislation was flawed and was incorrectly drawn up by the Government. It is up to the Government to convince everyone that they will be better off after the passage of this legislation and its ultimate proclamation. I look forward to seeing results that will allow the Government to demonstrate that the legislation has been able to achieve anything to the benefit of employees or employers or to the economy of New South Wales.

Mr ROZZOLI (Hawkesbury) [3.08]: I support the Opposition's stand on this legislation. I thank the Government for giving honourable members the opportunity to talk to the amendments in globo as that will enable them to address the interrelationship of the amendments that the Opposition has moved with the totality of the Act. Firstly, this legislation is very flawed. I predict that it will not solve the difficulty and that honourable members will be back around the table in the not too distant future endeavouring to have another go at solving an enormous problem. This legislation will not bring any efficiency to the problems that beset the outstanding liabilities of workers compensation claims in New South Wales. The measures are a tinkering around the edges, an attempt to restructure in a simplistic manner, but they will fail because the legislation does not address the fundamental points at issue.

I criticise the Government also for the way in which it has introduced the legislation in such unseemly haste. I fully appreciate that certain parts of industry are most anxious that the legislation go through and have applied a lot of pressure to both the Government and the Opposition to try to expedite its passage. That, however, does not make it good legislation; it does not mean that it will necessarily work. This Parliament is abdicating its role in not taking on workers compensation in depth and endeavouring to construct legislation, perhaps through a legislation committee, to tackle its great problems in a more sensible fashion.

Clause 3 sets out the objectives of the systems proposed in the bill. Although I acknowledge that they are a general statement of intent, which is laudable, there are many reasons why they cannot possibly be achieved. This bill does not address in any real way the system objectives set out in clause 3. The objectives are certainly based on noble intentions, and no-one could argue against that. However, it is beyond belief that the legislation is expected to deliver a fair, affordable and financially viable system; to ensure that contributions by employers are commensurate with the risks faced, taking into account strategies and performance in injury prevention, injury management, and return to

work; and to deliver the above objectives effectively and efficiently.

Clause 11, membership and procedure of the advisory council, relates to matters raised by the Opposition in its amendments. The advisory council is non-representative of the industries that will be called upon to address matters relating to the legislation. The advisory council is made up of five persons appointed by the Minister as employer representatives, five persons appointed as employee representatives, two persons appointed as insurer representatives, and the general manager, who is also the chairperson. But that leaves out a number of stakeholders who are vital to the outcomes of the legislation and unfairly loads the advisory council in favour of major employee representative organisations, which are not representative of many of the small employers in the community whose interests are vastly underrepresented. The unions, as employee representatives, are important players in the work of the advisory council, but together with major employer organisations they outweigh their necessary contribution.

There is no provision for a representative of the medical profession, a vital requirement to achieve the system objectives of the bill. No mention is made of a representative of the legal profession, which plays a major part in the carriage of matters and brings expertise to the process. Nor is there any mention of direct representation of the insurance broking industry, an important step in improving the legislation's efficacy. Large pools of employers and, I suspect, employees remain underrepresented. Analysis of their needs has been attempted from a restricted base, and the legislation is less than appropriate. Part 3 deals with the capacity of a company to be a self-insurer where other companies are subsidiaries. The legislation should recognise a role for umbrella organisations to become self-insurers for industries that consist mainly of small operators.

Companies cannot afford to be self-insurers in their own right if their operations are not overseen by a major company. However, they could become involved in self-insurance. I represent the Nursery Industry Association, which is located in my area. Such an organisation could assume the role of self-insurer on behalf of its constituent members and act in the same capacity of self-insurer as a major company. Regrettably, there is not much time to discuss these matters. I would now like to turn to deficit reduction. The scheme envisaged is similar to that employed in third party motor vehicle insurance claims: the accumulated deficit has been quarantined and claims have been paid out by a levy imposed on

all motor vehicle owners. The experience of that scheme is not all that good.

The time for settling claims is now considerably longer. The levy has been maintained much longer than was originally envisaged, and still 47,000 claims are outstanding. Liability still has to be met from that levy. The scheme would be dwarfed in comparison to outstanding workers compensation claims for the same period. To now expect the employer to fund the settlement, on top of premiums that are already far too high, is an impost that will impact heavily on the capacity of employers to maintain work forces. Employers are currently crippled by workers compensation premiums. Premiums have risen to their current level because of the failure of the workers compensation industry—I use that term in its broadest sense—to manage injury and claims efficiently in the first place. The underlying principle seems to be: quarantine past claims, place a levy on future insurers to meet the claims, and then try to manage the new claims on a full cost recovery basis.

Emphasis on full cost recovery means that the actuarial elements of workers compensation are being placed above management efficiency: at the end of the day it does not matter what it costs, because premiums can be raised to cover the cost of claims. Inefficiencies in the system are ignored, as are problems faced by insurers in managing schemes, and the benefits that could flow from widening and encouraging self-insurance. Rorts undoubtedly develop in the medical profession when parties shop around for medical reports that favour one side or the other. The legal system has failed to properly handle many cases, and the trading that occurs in compensation claims is blowing out the costs of the scheme.

I doubt that the legislation will even address the major requirement of reduction in incidence of injury in the workplace. I belong to several alcohol treatment and rehabilitation organisations, and I do a lot of work on the effects of alcohol in the workplace. The cost to the workplace of alcohol-related and drug-related injuries is enormous, although the latter are not fully quantified. That factor has been recognised for a long time, but nothing of any great consequence has been done about it. No major attempt has been made to address that problem at its source, to identify and prevent work practices that are influenced by drugs or alcohol, or to manage them before an accident occurs. It is easy enough to recognise the problem and that something should be done about it, but it is not so easy to do something about it. However, those matters should be addressed.

The advisory council should have direct input into the appointment of council members who have medical experience and experience in those issues which have a dramatic effect on efficiency in the workplace and lead significantly to the occurrence of injuries in the workplace. The Opposition does not have great confidence that this legislation will go anywhere. The provisions of the bills sound fine when one reads them initially, with all their glossy words, but when one looks behind the legislation and considers the track record of those who have dictated the process of workers compensation to date, and considers also that they are the same people who drafted and crafted this legislation, one realises that the legislation has its problems. As I said at the commencement of my contribution, I suspect that the legislation will have to be revisited in the not too distant future because the cost of workers compensation will continue to blow out if we are limited to those strategies.

The cost is already at an unacceptable level to industry, and the burden that this legislation will place on industry will be even greater. Maintaining high levels of employment, efficiency in the workplace and competitive productivity levels will be placed under great threat—not so much because of this legislation but because the thought processes that have gone into this legislation are fundamentally flawed. There has been a lack of consultation with the people who most need to be consulted in relation to this type of legislation. If the community is cut out of the consultation process, the appropriate solutions will not be reached. The Opposition hopes that the legislation will achieve its aims, but believes that unless the Government is prepared to take on the amendments that the Opposition has suggested, simply as a minimal position rather than a maximum position, this legislation has a grim future ahead of it.

Mr RICHARDSON (The Hills) [3.23 p.m.]: I wish to address a few concerns that I have about the legislation. I have taken on board the comments of the honourable member for Hawkesbury. I believe it is likely that it will be necessary to again debate workers compensation in the not too distant future. Though the legislation implements many of the recommendations of Richard Grellman in his report into workers compensation, it probably does not go far enough. The aim of the bills is to change the culture of workers compensation to enable workplace injuries to be better managed, workers to be rehabilitated and the length of time they spend on compensation to be reduced. Members on this side of the House welcome those initiatives. It is in the interests of injured workers, employers and society that they are encouraged to go back to work.

I recall that in the previous debate on this issue in November 1996 the honourable member for Gosford cited a study conducted by the University of Melbourne which revealed that, on average, people took twice as long to recover from injuries when on compensation than they took to recover from injuries that occurred outside the workplace. That speaks for itself. The system is not encouraging people to get back to work and to take control of their own lives. Indeed, in the past the system has encouraged them in quite the reverse way: to stay on workers compensation benefits and not return to work. The renewed focus on rehabilitation, the establishment of the injury management plan for co-ordinating and managing treatment and rehabilitation and training for workers with a significant injury are steps in the right direction. Of course, workers will have to comply with the plan as laid down by the legislation, otherwise they will risk forfeiting weekly payments.

In 1996 I conducted a survey of 3,000 businesses in my electorate. I thought the results of that survey would be of interest to the House. About 86.9 per cent of respondents stated that their WorkCover premiums had increased since 1994. I am sure that is no surprise to members of this House. The survey revealed that the average increase in premiums was 26 per cent. About 62.3 per cent of respondents claimed that WorkCover premiums were their largest employment cost after wages. Perhaps more importantly, almost a third, or 30.3 per cent, of respondents claimed that the cost of WorkCover premiums discouraged them from hiring additional staff. So the unemployment rate is still at an unacceptably high level, and there is no question that on-costs such as WorkCover premiums are discouraging businesses from taking on employees.

I know that those statistics would be of concern to you, Mr Temporary Chairman, as I know that you are anxious to ensure increased employment opportunities in the Hunter Valley. If the cost of WorkCover premiums cannot be reduced by this legislation, that will be of concern to you and the people of your electorate. Approximately 94.3 per cent of respondents to the survey supported the consequent system of no-claim premium reductions to employers who had a claim-free year. Businesses in my electorate are disappointed that that is not provided for in this legislation. About 88.5 per cent of respondents argued that the WorkCover Authority was insensitive to the differences in risk faced by different persons within the same firm.

Members may recall that during the previous debate on the WorkCover legislation the Opposition

moved an amendment in the upper House to allow companies to set up a separate administrative organisation within their businesses to cover clerical staff. In a printery, for example, workers in the office do not go anywhere near the presses and are not exposed to the same risk of injury as workers on the shop floor. However, that provision in the legislation, even though it had been passed by this Parliament, was never proclaimed by the Government. The Opposition considered that to be outrageous. Members may also recall that the Auditor-General had some harsh words to say about the breathtaking arrogance of the Government at that time.

I draw the attention of the House to the case of Alpine Nurseries, a firm in my electorate. I wrote to the Minister for Industrial Relations on that company's behalf but received what I regard as an unsatisfactory response. It highlights the problems that exist in the system and I think will continue to exist in the system under the new regime. Mr Tony Maait, the company's financial controller, had been corresponding with me for 16 months before I received a response from the Minister about the matter. Mr Maait believed that a workers compensation claim was unfairly lodged against his company. The company has been in business for 27 years and employs almost 40 people. In early 1996 the company was approached by the Commonwealth Employment Service and asked whether it could provide a job to an unemployed man under the JobStart program. The company responded that, as a community service, it could offer the man a job and that it hoped the man would do the right thing by the company.

Alpine Nurseries took the fellow on, and he started work on 26 February 1996. He was employed for just four months, during which time he was away from work on 10 separate occasions. On each occasion he claimed that he was either sick or had car problems. Significantly, most of his days off fell on either a Monday or a Friday. On Wednesday, 19 June 1996, the man worked a full day as normal. The following day, 20 June, he did not show up for work, and the next day he produced a medical certificate stating he had sustained a back injury at work on the previous Wednesday. I recall the comments of the Leader of the National Party regarding the propensity of some doctors to issue medical certificates, perhaps inappropriately. The man was away from work for four weeks, until Alpine Nurseries' insurer, GIO, advised the company not to continue paying him until his claim was determined. Meanwhile, the man resigned from his job.

Mr Maait told me that this man's former workmates laughed at the suggestion that he had injured himself; they stated that he had claimed that he intended to rort the system. The matter went to court and GIO settled out of court for a lump sum of \$45,000. Honourable members should remember that this man, who deliberately set out to defraud the system, told his workmates that there was nothing wrong with him. He manufactured a back injury, which is one of the easiest things in the world to do and one of the hardest things for an employer to disprove. Consequently, Alpine Nurseries' premium increased from \$42,000 to \$106,000, an increase of 152 per cent. Alpine Nurseries made no other claims during the year. The company did the right thing, employed a long-term unemployed man, attempted to look after him and, as a result, is about \$64,000 out of pocket. I ask the Minister for Information Technology to explain whether this legislation will go some way towards addressing those matters. Perhaps the focus on rehabilitation plans might go some way towards resolving the problem and creating a better regime for firms like Alpine Nurseries and others in my electorate.

I want to address one or two other matters. I refer first to journey claims, an entitlement that the Opposition attempted to have deleted from the legislation when it was last before the Parliament. It has always eluded me how an employer can be held responsible for the conduct of employees when they are travelling to and from work. Obviously employers cannot look after employees when they are on a train, on a road, on a footpath or on a bicycle, if they ride a bicycle to and from work. The case of Nedelsko Susljik of Waterloo, which was referred to in the *Sun-Herald* on 7 December 1997, is an example of the way in which the system can be easily rorted because journey claims are still part and parcel of the legislation. Mr Susljik falsely claimed that he was hurt on his way to work. He had a car accident which he claimed happened on the way to work. Subsequent investigations showed that that car accident actually occurred five days before he began work and he had not been injured in it, yet he collected \$70,000 in benefits, so his claim cost his employer, Gazelle Foods Pty Ltd of Hillsdale, \$70,000 and an additional sum of money.

Mr Susljik was sentenced to 18 months gaol with a non-parole period of one year. That case is the tip of the iceberg. Mr Susljik is not alone in ripping off or defrauding the system, thus generating additional costs for employers. As I said earlier, those additional costs are discouraging employers from taking on additional staff, particularly the long-term unemployed, and we all know that long-

term employment is a major headache. When people have been unemployed for more than two years, they get a mindset about not being employed ever again. That is a debilitating problem for Australian society and it must be addressed. Earlier I mentioned the need to differentiate between different classes of workers within one industry. A letter from Snap Instant Printing of Castle Hill cited a classic example of the absurdity of paying an additional loading for clerical staff who do not occupy factory premises.

The other issue that I have some concern about is the three-year statutory limit on the lodgment of claims. Obviously, in the case of diseases that have a slow onset, such as mesothelioma, there should be no statutory limitations because it cannot be predicted when such diseases will take hold of their unfortunate victims. I had brought to my attention a case of an employee leaving a company and years later making a claim for an injury that allegedly occurred while that employee was working with the company. It is extremely hard to prove or disprove that an injury occurred at a workplace. That three-year statutory limit, which will result in the payment by employers of additional costs, needs some further consideration by the Government, the Department of Industrial Relations and the WorkCover Authority.

The system is not perfect, but it is much better than it was. The reduction from 104 weeks to 52 weeks as the maximum period for which total incapacity payments can be made and the reduction to only 80 per cent of the pre-injury award rate for the subsequent 52 weeks are probably steps in the right direction. Richard Grellman suggested that what was needed was some sort of financial disincentive to workers staying on long-term compensation. The Opposition hopes that the stated goal of the Government—that workers compensation premiums will not increase over the next two years—is achieved. As I said earlier, I have some concerns about certain aspects of this legislation, which I do not believe goes far enough.

Mr NEILLY (Cessnock) [3.36 p.m.]: I want to comment on some of the matters raised by the Opposition. The Leader of the National Party took what could be aptly described as a wide-comb approach when he referred to an incident in which an employee made a claim 18 years after being injured. The honourable member for The Hills referred to situations leading to the subsequent lodging of claims. Typical examples of this—and these matters have been reported in the newspapers over the last decade—are claims associated with asbestosis. Many employees did not know at the time of their employment that their lungs were being damaged. Only the passage of time proved that

working in a certain environment could lead to problems such as asbestosis. That problem could be addressed if claims for such injuries were limited in certain circumstances to a period of, say, 10 years.

Those unknown factors to which I have referred have to be taken into account and appropriate provision has to be made to cover those sorts of circumstances. Since the early 1990s I have been associated with an organisation called the Hunter Action Group Against WorkCover. Despite its name it is not hostile to WorkCover; it is hostile to facets of WorkCover and its operations. Many members of that organisation have sustained injuries and it comes as no surprise to find that many of them have back injuries. When one attends a meeting of that organisation one understands how genuine their injuries are. Inevitably few are seated in an ordinary fashion. Their chairs are reversed and they place their arms on the backs of the chairs, or they stand up against walls in an attempt to relieve their back pain.

Their main problem is not necessarily being able to access the benefits that are payable under the Act or obtaining those benefits; rather it is the provision of appropriate rehabilitation. During the past 12 to 18 months appropriate acknowledgment has been given to the fact that the Government has an obligation under the WorkCover legislation to provide appropriate rehabilitation. No doubt many of these prolonged claims are attributable to the fact that people have not been provided with appropriate rehabilitation during their recovery phase. The Opposition has conceded that. It is easy to claim that people are malingerers. There are malingerers in all walks of life, whether they be employers or employees. Last Friday a plant operator who works for a contractor came to see me. That contractor who works all over New South Wales, particularly in some of the more remote areas, sustained an injury outside Moree about four months ago. He was a regular casual with the contractor, and he was so eager to get back to work that, on the advice of his employer, he acquired a second-hand motor vehicle.

He attended a doctor and pleaded to be given a certificate of fitness to resume duty. He handed the certificate to his employer, but has still not been given a guernsey. Unfortunately, he is now undergoing physiotherapy. He said he is not game to tell his employer about that treatment because unless he gets back to work and earns a wage his car will be repossessed. He is without a source of income. He is trying to pick up some benefits through Centrelink, but at present he is virtually on struggle street.

I have previously told the House that between 1981 and 1988 my electorate office was located in the same building as the offices of Coal Mines Insurance, and my office was adjacent to the insurance doctor's rooms. On occasions I would see workers who had been injured in the coalmining industry. I vividly recall seeing one worker who had lost a leg in a coalmining accident. The trauma that he confronted was not so much having to live with the loss of a leg, but knowing that his family had to live with the reality of what had transpired. He was unable to work in the coalmining industry and, because that was his only field of expertise, he was unable to work elsewhere. As a result of the pressure his son was admitted to a mental hospital when his marriage broke up. That put that fellow in a fragile situation.

During the course of his incapacity he was classified as fit to return to work on light duties. As soon as he returned to work, he was put to work at the coalface; he did not last one shift. He was then put into the bathhouse. The steam in the bathhouse affected the suction cap on his false leg, and his leg continually fell off. The employer then had the bright idea of putting him into the machine shop, but he fell over almost everywhere he went because of the steel shavings on the floor. He was almost unemployable within that part of the industry that required manual skill. To be frank, the industry did not want him in any event. That inevitably occurs in the course of many forms of employment. Whether it is work on the land, manual occupations or the hospitality industry, if people are not 100 per cent fit they are not wanted.

Undoubtedly we will have to revisit the legislation in the not too distant future, because the legislation does not have all the answers and the Parliament is not able to legislate to provide all the answers. Many of the answers are in the hands of employers. When I say that, I mean that employers must display a little compassion and give those who strongly desire to return to work the opportunity to do so. They should be provided with jobs they are able to perform. Opposition speakers alluded to small business. The capacity of small businesses to provide light duties or alternative employment is almost negligible.

I am associated with a small organisation, a community transport group. The group's bus driver sustained an injury. The total staff of the group consists of two full-time workers, including the bus driver, and a part-time worker. The funds available do not afford the group the capacity to hire another bus driver and, at the same time, provide light or

alternate duties to the injured bus driver who is seeking rehabilitation within the employment system. That is where I believe the system also partially falters. Legislation must address the incapacity of small workplaces, particularly those that are financed by government funding or grants, to provide an opportunity for employees to return to the workplace or to provide rehabilitation on the job. That is my personal view, but it is a relevant view. There must be a spirit of co-operation between employees and employers and a willingness by government to provide an appropriate scenario to deal with those circumstances.

The honourable member for Hawkesbury alluded to the Government perhaps giving consideration to small businesses of a like nature entering into self-insurer arrangements. Whilst the suggestion is admirable, the reality is that many small businesses—in fact, as many as 70 per cent—go belly up. Honourable members would be aware that workers compensation premiums are paid on forecast wages for the next 12 months. If towards the end of that 12-month period business slumps and the premium, which is founded on actual wages for the period, cannot be paid, the fund that is operating the scheme will not receive the income that is necessary for its survival. So far as I am concerned there is a question mark about the capacity of small businesses to provide self-insurance arrangements. Such arrangements need a stronger background.

Inevitably, most reasonably sized self-insurer businesses have experience in insurance arrangements through workers compensation coverage. They know their capacity to manage claims and influence outcomes, and to ensure that their workers compensation costs are minimised. At one time in my electorate BHP would frequently send a car to bring an injured employee to work so its track record of injuries was minimised and the figures associated with workers compensation claims were also minimised. BHP is not isolated in that regard because it is also well known to me that some coalmining companies that are trying to minimise the paper identification of work injuries or workers compensation claims assign an injured employee to photocopying for a day. I support the legislation, although I acknowledge that it must be subject to change in the future. I hope that any future changes are made in the best interest of workers and that they will reduce premium costs.

Mr KERR (Cronulla) [3.47 p.m.]: This legislation will be revisited. It is part of a sorry tale of what the Australian Labor Party has done to the workers of this State. Honourable members will recall the way in which the Workers Compensation

Act was amended, when Barrie Unsworth was Premier, to decrease benefits available to injured workers.

Mr Yeaton: Go back to the last century.

Mr KERR: The Minister should be reminded that that occurred only in the last decade, not the last century. It occurred in about 1987.

Mr Yeaton: What did you do when you were in government?

Mr KERR: I am pleased that the Minister asked what the Opposition did when it was in government. As a result of an undertaking about common law rights given by Nick Greiner during the election campaign, when the coalition came to government a working party was set up with representatives of the insurance industry, the employers, the unions, and a number of other bodies. As a result, benefits were restored to the workers. In addition the scheme became fully funded and went into reserves during the period the coalition was in government. That is the answer to the Minister's question.

When Labor came to office there was once again an attack on the workers of this State and a reduction in their benefits. The honourable member for Cessnock spoke movingly of the genuine pain and suffering of people in his electorate. Many thousands of workers in the State will again be disadvantaged by these bills because of the Government's mismanagement. The workers compensation scheme has operated since 1926. It has been the envy of the western world because of its fairness to employers and workers, but each time Labor is in government the scheme is ruined. Most accidents that occur in industry are self-evident and it is only when there is a contest as to law or fact that cases are litigated. However, the Government is content to have insurance brokers taken out of the loop, to use the colloquial term.

Insurance brokers by law act on behalf of the employer, whereas agents can only act on behalf of the insurers with whom the agency agreement places them. With fixed-price services brokers have the knowledge to choose the insurer that provides the best service, and participation by employers in accident prevention, risk management systems and rehabilitation for the injured worker reduces the end cost. That is crucial. By participating in the workers compensation accreditation course insurance brokers and staff gain a comprehensive knowledge of the workings and provisions of the various State Acts.

That knowledge provides a service to many employers that would otherwise be denied to them, and will be denied to them as a result of this legislation. Many workplace accidents occur as a result of which expenses other than insurance and injury costs are incurred. Employers and employees are assisted by the establishment of risk management systems. Employers and workers will pay a high price. This scheme struck a balance but that balance has now perhaps been irretrievably upset. Once again it will be up to the Opposition to rectify the scheme that the Government has damaged and restore some of the benefits that the Government is taking away from workers.

Mr YEADON (Granville—Minister for Information Technology, Minister for Forestry, Minister for Ports, and Minister Assisting the Premier on Western Sydney) [3.52 p.m.]: The honourable member for Gosford moved a number of amendments in globo, but I understand that they will need to be dealt with separately. I shall respond to each of the amendments in the same order as they were moved. In relation to the first amendment to the principal bill, the Attorney General, and Minister for Industrial Relations indicated in the other place that the Government believes that this amendment and other proposals should be referred for proper consideration to the Workers Compensation Advisory Council before being incorporated into the legislation. That council is representative of all stakeholders and has proved its value by developing the current package of legislation. The Minister in the other place also undertook to refer all such proposals to the advisory council, seeking a report on those matters in advance of the spring session later this year.

The amendment relates to the provision which sets out the time within which insurers will have to initiate action under their injury management programs when they receive notification that a worker has suffered a significant injury. The amendment would increase the time allowed for initiation of that action from three working days to seven working days. That proposed change is not appropriate. The existing three-day provision in the bill is the result of extensive consultation and has been agreed to by the insurers, who have to comply with it. It is not an onerous requirement and merely refers to the initiation of injury management action. It does not require steps to be taken, for example, by doctors or employers. It is vital that injury management action be undertaken as soon as possible for these measures to be successful. The Government therefore opposes the amendment.

The second Opposition amendment and other amendments are not appropriate at this stage because

they have not been properly examined through the consultation processes of the Workers Compensation Advisory Council. I have referred to the undertaking of the Minister in the other place to seek an appropriate report from the advisory council on this and other proposals. This amendment relates to the provision allowing insurers to make special advance payments to cover treatment by doctors and other health professionals in the injury management context. That can include situations where the worker has suffered an injury but has not yet lodged a compensation claim.

The general purpose of the advance payment provision is to ensure that injury management can be undertaken as early as possible so that it may be effective. The provision seeks to encourage co-operation by doctors and other health professionals in that process and it is reasonable that they would have regard to payment of their fees. It should be emphasised that this provision simply gives insurers a discretion to provide for advance payments under injury management plans; it is not a requirement to pay compensation in advance of claims.

In many or most cases when the claim is duly lodged and decided, it will be confirmed that the advance payment corresponds to the compensation liability of the employer and its insurer. The bill specifies that if after such payments are made another insurer accepts liability, or the court determines accordingly, the insurer who has made the advance payment is entitled to recover the relevant amount from the properly liable insurer. That important and useful provision should be retained and, therefore, the Government opposes the amendment.

The honourable member for Gosford spoke to amendments 3 and 5 together and I shall respond on that basis. In addition to what I have said regarding referral of these and other proposals for report by the advisory council, I note that the amendments seek to remove from the bill the provision for a contribution to be sought from appropriate parties in the event that there is a shortfall in statutory funds. The current WorkCover scheme has a deficit of \$788 million as at 30 June 1997 and actuaries have estimated that this will have increased to \$1.5 billion by June 1998. The reforms that have been developed by the advisory council and which are contained in these bills are expected to substantially and materially reduce the deficit. However, in the event that they do not, it will be necessary to raise moneys from future premiums to fund the deficit. The deficit reduction contribution is designed to meet this purpose in the event that it is required. If these amendments were agreed to, there would be no mechanism to fund such a deficit.

The advisory council and in particular the employer representatives on the council have acknowledged that any WorkCover scheme deficit is a liability that is to be funded by employers. The clear consequence of the amendment is that the burden for meeting any shortfall in statutory funds would fall on the taxpayers of New South Wales. That is clearly inappropriate. The deficit reduction contribution provision is based on a similar provision to that in the current legislation for a catch-up component to be built into later premiums if funds collected prove to be insufficient and result in a deficit.

The deficit reduction contribution provision in the bill includes safeguards in the form of a requirement for the advisory council to be consulted for a period of not less than six months before the deficit reduction mechanism is activated. That mechanism would be activated in future only if determined to be necessary. It is a financially responsible provision which should be retained. Therefore, the Government will oppose the amendments.

Opposition amendment 4 seeks to exclude a small number of large employers from having to contribute to any deficit reduction contribution that may be raised in the future. The advisory council considers it appropriate that the entities referred to in the bill as it stands be excluded from making any contribution to the deficit reduction levy as they are separate from the statutory funds. As self-insurers, specialised insurers and government employers do not hold policies of insurance and it is not appropriate that they contribute to a reduction of the deficit in statutory funds. The statutory funds consist of premiums paid into the statutory funds, and employers who have applied for self-insurer licences but to whom no grant has yet been made should make contributions along with other employers towards the reduction of the deficit. For those reasons the Government will oppose the amendment.

The honourable member for Gosford addressed amendments 6 and 7 together. I will therefore respond in like fashion by speaking to those amendments. The Workers Compensation Act provides for compensation for workers. The definition of "worker" is extended to incorporate a number of categories of deemed workers, including certain independent contractors. The amendment would remove the main category of contractors from coverage of the Act. It should be noted that contractors who are deemed workers under this provision are only those who are not carrying out the work in question under a trade or business regularly carried on by them. When they are carrying on a relevant trade or business the Act does

not deem them to be workers employed by the person for whom they are working.

The bill seeks to ensure that the employer provides cover for employees and those persons for whom cover should be provided but who are not, as a result of the flexible work arrangements which currently apply in the employment market, workers in the technical sense but, rather, workers disguised as contractors. The provision deeming independent contractors to be workers for the purposes of workers compensation has been part of the legislation since 1929 in recognition of the need to ensure compensation cover for certain independent contractors.

Implications of the proposed change would include an increase in litigation because it would make the question of whether a particular worker was working under a contract of employment or a non-employment contract much more significant than at present. Other implications which may not have been thought through by the proponents of these amendments involve the common law effects. Specifically, the removal of persons from the scope of the Workers Compensation Act would remove them also from the provisions of that Act restricting common law entitlements to damages. Consequently, persons for whom those contractors proposed to be removed from the Workers Compensation Act are working may unexpectedly find themselves vulnerable to damages claims.

Workers compensation insurance policies include all relevant common law cover and provide a sound statutory base for protecting employers and deemed employers against all relevant liability. The issue of who should be a deemed worker under the workers compensation legislation was exhaustively considered by the Heads of Workers Compensation Authorities inquiry. Its recommendations support the retention of the deeming provisions, particularly in relation to independent contractors who are nominally self-employed but who are as much on the payroll of the employer as those who are described as workers. In fact the report of the Heads of Workers Compensation Authorities suggested that the boundaries for contractors who are to be deemed workers be extended.

Retention of such a deeming provision is consistent with the notion that the employer should provide compensation for persons injured while in his or her employment. Of particular relevance is the fact that the Grellman report includes a specific recommendation that the question of the coverage of contractors be the subject of further detailed examination by the advisory council. This is a

complicated issue that affects many industries and differing circumstances. It requires thorough examination before any decision is made for legislative amendment. For those reasons the Government opposes the amendments.

Finally, I will address Opposition amendments Nos 1 and 2 to the Workers Compensation Legislation Amendment Bill. The amendments would remove the role of the Compensation Court to deal with proposed commutation lump sums that protect injured workers. In particular, they would remove the reference to the court having to be satisfied that the proposed commutation is in the worker's best interest. By doing that it would remove an important safety net. It is critical for the court to perform this role to safeguard the interest of the worker.

It should also be noted that it is long established, as noted in texts on New South Wales workers compensation, that the court's role in considering proposed lump sum redemption applications under the former legislation involves the purpose of protecting the interests of the worker, namely, that the proposed lump sum settlement is in the worker's best interest. That applies similarly to the current commutation approval role of the court. The proposed amendments would depart from those long-established principles. It is not appropriate for such a change to be adopted in a hasty fashion. If that change were made, the court's approval role would have such little significance that it would raise the question of how the court would operate under the amended provision. This matter must be properly evaluated. As previously mentioned, the proposal is to refer it to the advisory council for report. For those reasons the Government opposes the amendments and, indeed, all the amendments put forward by the Opposition.

The TEMPORARY CHAIRMAN (Mr Gaudry): Order! With the consent of the Committee the Opposition amendments to the Workplace Injury Management and Workers Compensation Bill and the Workers Compensation Legislation Amendment Bill were debated in globo. I shall now put the amendments to the Workplace Injury Management and Workers Compensation Bill in groups of clauses and schedules.

Amendments 1 to 4 negatived.

The TEMPORARY CHAIRMAN: The question is, That clause 174 stand part of the bill.

Mr HARTCHER (Gosford) [4.09]: The Opposition places on record its total abhorrence of

this clause and its determination to see it defeated and will resist the clause. If the Opposition is defeated today, it will revisit this clause.

Amendment 5 negatived.

Amendments 6 and 7 negatived.

Clauses agreed to.

Schedule agreed to.

The TEMPORARY CHAIRMAN: Order! I will now put the amendments to Schedule 1 to the Workers Compensation Legislation Amendment Bill to the Committee.

Amendments negatived.

Schedule agreed to.

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

BUSINESS OF THE HOUSE

Order of Business

Motion by Mr Whelan agreed to:

That standing and sessional orders be suspended to allow the consideration forthwith of private members' statements and any Legislative Council amendments to the Companion Animals Bill at this sitting.

PRIVATE MEMBERS' STATEMENTS

CRIME PREVENTION SUMMIT

Mr STEWART (Lakemba) [4.12 p.m.]: I applaud Canterbury City Council's inaugural crime prevention summit held on 29 June and conducted by Canterbury City Council's community protection committee in conjunction with local police. Speakers at the forum included Councillor John Hatzistergos, chairman of the community protection committee; the Mayor of Canterbury City Council, Kayee Griffin; Councillor Barbara Coorey, also a committee member; Police Superintendent Morris West, Area Commander of Campsie Local Area Command; and me. I commend to the House the work of the community protection committee under the leadership of the mayor and the chairmanship of John Hatzistergos. The community protection committee has taken a leadership role within the local community to highlight the needs involved in community protection, particularly the requirement

to work in partnership with the police and in co-operation with local State members, who have also had a significant input into the committee.

The crime summit was attended by approximately 100 people drawn from a cross-section of the local community. The evening involved addresses from keynote speakers, and participation in organised group activity and group reports to the crime summit. I told those in attendance at the summit that their participation and reports have provided local police and Canterbury City Council with excellent feedback and ideas that will help to form the basis of local policing strategies and activities. The crime summit is the first of its type in the Canterbury city area. It has provided a constructive opportunity for the local community not only to voice its concerns about crime levels but also, importantly, to put forward ideas and strategies aimed at reducing local crime concerns.

The crime summit examined and discussed a range of local crime issues. Group reports to the summit demonstrated that the main concerns in relation to local crime were drug activity, property theft, youth crime, domestic violence, poor local lighting, crimes against the elderly and street hooliganism. It was a very important crime summit and resulted in a team effort by the local community, police, Canterbury City Council and State members of Parliament to address positively local crime concerns. It is pleasing to note in this House that the local newspaper, the *Canterbury-Bankstown Express*, today highlights the achievement of the summit in the following terms:

Canterbury crime rates are lower than any other Sydney region, police statistics tabled at a community crime summit show.

Only 2.8 per cent of all recorded crimes across Sydney for 1997 occurred in Canterbury city.

Crime levels in my electorate and surrounding areas are being reduced with the co-operation and involvement of the community and police, and that was highlighted by the summit convened by Canterbury City Council. I commend the leadership shown by the local police and, importantly, by the new Superintendent for the Campsie patrol, Morris West, who has worked diligently with his team in my local area to successfully target local crime. Target operations conducted by police in relation to street crime, hooliganism, local street prostitution, car theft and break and enters have been successful. Most recently, targeting of street crime has been very successful.

Targeting hooliganism has resulted in more than 100 arrests in my local patrol area. The sorts of

concerns that have been raised continually in this House by members from both sides about street behaviour have been dealt with effectively in my electorate and surrounding areas. I am pleased with the overall approach because it is delivering results. The community is beginning to see that the recipe of this Government for preventing crime is successful because it has been backed up by police resources, local members and the local council. More importantly, the police have in place a focus and a strategy that are working for our local community. I commend the summit to the House.

BROGO WILDERNESS NOMINATION

Mr SMITH (Bega) [4.17 p.m.]: I wish to speak about the Brogo wilderness nomination. Once again this area has been nominated by the Colong Foundation and detail about the nomination was put on public exhibition for only six weeks, from 15 May to 26 June. As hard as it might be for the Minister in her office in Sydney to realise, the south-east corner of this State has been in drought for many months. People who make their living either directly or indirectly from the land have had to concentrate most of their energies on their livelihoods. Although many people in my electorate take considerable pleasure from activities such as horse riding, camping or four-wheel driving, they do not all belong to organised clubs with access to networks.

I suspect it is for this reason that it has taken some time for people to become aware of the nomination. Now that it is truly in the public arena, letters of objection have poured into my office. A public rally will be held in Bega this Saturday, 4 July, to lodge the strongest protest against this nomination. To date I have received not one letter or phone call from anyone in favour of the nomination. As I have said on numerous occasions, the wilderness legislation is flawed. It is open to any person or organisation to nominate any parcel of land capable of being regenerated to its original state.

The honourable member for Ballina has already alerted the people of New South Wales to the Premier's intention to target more land for national parks and wilderness areas. I assure the House that the people of the Bega electorate are outraged at the likelihood that they will no longer have access to that land. It is beyond my understanding how the Government can continually lock up land for so-called environmental protection, decimate rural industries, and renege on its promises of jobs for displaced timber workers. The National Parks and Wildlife Service does not have the

resources to successfully manage the land that is now under its control. The restricted access to wilderness areas can lead only to a proliferation of noxious weeds and feral animals, and the increased threat to life and property by wildfires. Traditionally farmers, landowners and country folk have always been willing to help governments fight bushfires that have emanated from national parks. Realistically, it is likely that they will continue to do so for some time in the future. However, there is a growing reluctance and resentment from people who are being asked to risk their lives in order to help control bushfires on land to which they no longer have access but which they were previously able to enjoy with their families.

I referred to the deluge of letters I have received regarding the Brogo nomination. The letters refer to handicapped children who can ride but cannot walk; to people in their 70s and 80s who have regularly enjoyed visiting Brogo; the bush knowledge that young people are able to acquire from trips into more rugged land; and the experiences that are being increasingly denied to the very young, the old and the infirm. People have also cited inaccuracies in the report prepared by the National Parks and Wildlife Service and statements by park rangers. Horse riders and drivers of four-wheel drive vehicles, particularly from my area, respect the bush and care for it deeply. They use established trails, and their assistance in clearing the pathways of fallen trees and advising authorities of badly eroded areas is invaluable.

Once declared a wilderness, the more remote parts of Brogo will simply be abandoned by all but the hardiest and fittest walkers, and will probably be visited only once in a blue moon by park rangers. There is no need to worry about regeneration of native bushland and fauna; if the bush is not destroyed by bushfire, feral dogs, pigs, goats, cats or noxious weeds will have free reign. I urge the Minister to reject the Brogo wilderness nomination. If she is in any doubt about the passion of my constituents on this subject, I invite her to attend the public rally to be held in Bega this Saturday and to talk to the local people about how they feel.

ILLAWARRA LILAC COMMITTEE LUNCHEON

Mr SULLIVAN (Wollongong) [4.22 p.m.]: I inform the House about the Illawarra LILAC committee luncheon which was held in Wollongong on 19 June 1998. The committee is made up of the wives of government backbenchers and Ministers. The luncheon was the first function of the committee held in the Illawarra but one of many

held throughout the State in the last 18 months. The purpose of the luncheon was to raise money for the Southern Region Westpac Life Saver Rescue Helicopter Service, which is establishing a base at Coniston to provide a search and rescue service for the area extending from the Royal National Park to the Victorian border.

The day of the luncheon was a most enjoyable and beautiful Illawarra winter's day. Around 200 people attended the luncheon, and funds were raised from a raffle and the luncheon itself. A cheque for \$9,000 was presented yesterday to Mr Brian Chaseling, the chairman of the Southern Region Westpac Life Saver Rescue Helicopter Service. The guest of honour, Jacqueline Samuels, gave an interesting and entertaining speech about her experiences on the stage in the United Kingdom and Australia, and also of her experiences in the early days of television in Australia. Almost \$2,000 was raised from the raffle, which was the culmination of a significant effort from the sale of raffle tickets. I give credit to those who made donations of prizes for the raffle.

In particular, I thank Mr Brian Wallace, of Merry Beach Caravan Park, who donated the major prize, which was extended holiday accommodation at the Merry Beach Caravan Park. Kits were provided by the Wolves soccer club, the Hawks basketball team and the Illawarra Steelers, and a number of donations were made by local businesses. On behalf of the wives of the five local members, I express my appreciation to the donors of those prizes. As I said, the luncheon was a most successful fundraising effort. Indeed, it is the most successful fundraising effort undertaken in New South Wales by the LILAC committee. It is a feather in the cap for the wives of the members who included my wife Rhonda, Dot McManus, Ann Harrison, Melissa Markham and Pat Rumble.

An interesting feature was the amount of support the luncheon received from the wives of members of Parliament representing other areas of the State. In attendance at the luncheon were the wives of the members representing the electorates of Bathurst, Port Stephens, St Marys, Bankstown, Drummoyne, Charlestown, Rockdale and Mount Druitt. I thank those women for their support; it was much appreciated. To raise that amount of money is a great tribute to those women. I also place on record the achievements of the wives of Illawarra members in raising funds for a soon-to-be-established search and rescue helicopter service to be located at the Coniston heliport, which is run by Wollongong City Council.

GREAT SOUTHERN ENERGY RURAL ELECTRICITY CHARGES

Mr GLACHAN (Albury) [4.27 p.m.]: I wish to raise the matter of the cost of power to rural consumers in the Great Southern Energy area. At the outset I declare that I am a rural consumer of energy from Great Southern Energy because I live out of town. I understand the need for competition in the electricity market. I also understand that, as with any other market, competition can bring great benefits to electricity consumers, and I am sure that in time it will. However, I am concerned for rural consumers of electricity in my electorate because, although the electorate of Albury comprises the city of Albury and a number of reasonably sized country towns, many of its residents who are consumers of electricity live in isolated rural towns.

An article in yesterday's *Border Morning Mail* reported that Great Southern Energy announced its intention to freeze electricity prices, and that homes in urban areas would benefit from electricity prices being frozen at the 1997-98 rates. The article stated that some consumers in urban areas would receive a reduction in electricity costs but that rural residents would notice an increase in their electricity bills, with users of more than 1,500 units per quarter to be hit by an increase of 4.9 per cent. The article stated also that rural businesses would face a 4.9 per cent, or \$12.50, per quarter increase in electricity bills. That would mean an increase for rural business consumers of about \$50 a year. The article further stated that businesses in towns would benefit from a reduction of 2 per cent in their electricity bills. That is unfair to rural consumers in my electorate. People in towns and in the city of Albury will receive reduced power bills but rural consumers will pay more. Although I recognise that the changes are supposed to benefit electricity consumers, at this stage at least they are not benefiting rural consumers in my electorate.

It is unfair that rural electricity consumers should pay an extra \$50. People in rural areas are already finding it tough as services are being withdrawn from country New South Wales. Indeed, increased power bills will be the straw that breaks the backs of many people. Small business people across my electorate contacted my electorate office today to complain about the increases. They are concerned that they will not be able to pass the extra cost on to their customers; they will have to absorb the cost at a time when they already absorb too many costs. Small business people are already disadvantaged in many ways. I hope that Great Southern Energy can be persuaded to re-examine these increases and perhaps give rural customers the

same advantage of a 2 per cent reduction in electricity prices as it gives the people in towns and in the city of Albury.

SWANSEA ELECTORATE SURF LIFESAVING CLUBS

Ms HALL (Swansea) [4.31 p.m.]: I draw to the attention of the House and recognise publicly the fine work done by the surf lifesaving movement in New South Wales, in the Newcastle branch, and especially in the electorate of Swansea. Honourable members will be aware that Swansea electorate is a coastal electorate with a wide expanse of beaches that need to be controlled and cared for to ensure community safety. Swansea electorate is extremely fortunate to have three fine surf lifesaving clubs, and residents of Swansea are members of the Redhead Surf Lifesaving Club. The three lifesaving clubs in the electorate are Swansea Belmont, Caves Beach and Catherine Hill Bay. Swansea Belmont Surf Lifesaving Club, which has a fine tradition, celebrated its seventieth anniversary last year. It is situated at Blacksmiths and has the support of the community. It has hosted both State and Australian surf lifesaving titles. The club, which has a large membership, including ironman Joshua Blair, has an outstanding patrol record. It is one of the most competitive surf lifesaving clubs in Newcastle and, indeed, in New South Wales.

Caves Beach Surf Lifesaving Club is a smaller club with a fine tradition, and is supported by the community. It has 168 senior members and treble that number of junior members. Some club members are known as dad's army and in their spare time get together to build boats. Indeed, a boat they have built, named *Arthur York*, in recognition of a longstanding club member who is terminally ill, will be launched on 11 July. The club came fifth in the branch patrol championships. The third club I mention is Catherine Hill Bay Surf Lifesaving Club. Catherine Hill Bay is the smallest community in the Swansea electorate, and the beach is extremely dangerous.

Catherine Hill Bay Surf Lifesaving Club has always battled to attract members. The club has 25 new members this year, each of whom was awarded the bronze medallion. In addition, this small club came second in the branch patrol championships for the second consecutive year. That is a big feat for a small club that has always struggled to attract members. Members of these clubs give many hours of voluntary service to the community. I have observed their work not only in my capacity as a member of this House. When I was on Lake Macquarie City Council I was intimately involved

with the clubs and saw the savings they made to local government. I am sure honourable members would join me in congratulating the surf lifesaving movement on the fine work it does keeping our beaches safe and protecting people not only in the Swansea electorate but throughout New South Wales.

WINDSOR ROAD TRAFFIC CONGESTION

Mr ROZZOLI (Hawkesbury) [4.36 p.m.]: I draw the attention of honourable members to the appalling conditions that currently exist on Windsor Road from Baulkham Hills to Windsor township. Those who travel on this road regularly know that many hours are lost during the week in interminable nose-to-tail traffic jams which have not been addressed in any shape or form by this Government in the past three years. One could say that it was unrealistic to expect something to be done in only three years, but honourable members will recall that the then shadow minister for roads gave a clear and specific undertaking that upgrading of Windsor Road from Baulkham Hills to Windsor to a four-lane highway would be completed in the first term of this Government. However, the Government reneged on that promise soon after it was elected in 1995. The Government cannot escape the fact that its promise was spurious because it could not be kept. That shows the level of irresponsibility of some of the promises made at that time.

The Government should compensate for breaking an unreasonable promise to upgrade the road. Schemes devised to improve conditions on Windsor Road should be implemented in the interim to alleviate the massive congestion on the road. Recently the Roads and Traffic Authority commissioned Thompson Roads to undertake a study. As a result, several initiatives were identified, including slip lanes, passing lanes, traffic lights and traffic engineering initiatives designed to facilitate the flow of traffic along the two-lane highway. Also, a diversion of the road from east of McGraths Hill to Forbes Street, Windsor, was proposed for one-way traffic travelling west along that road and for a dedication of Windsor Road from Windsor to McGraths Hill.

That would provide four traffic lanes—two westbound lanes on the new road and two eastbound lanes on the old road—which would result in an enormous short-term benefit to Windsor and relieve that most critical point of congestion on Windsor Road. That submission, which has been placed before the Roads and Traffic Authority, is supported by Baulkham Hills, Blacktown, and Hawkesbury councils because each of those three councils has a share of the Windsor Road problems.

Blacktown council's involvement relates to the intersection of Old Windsor Road and Windsor Road. There is nothing to facilitate the passage of traffic through that intersection, which is causing long delays. Because of increased traffic on Old Windsor Road, traffic that uses the M2 has a quick run through to Old Windsor Road, where it turns right, and then travels from Old Windsor Road to Windsor Road. So there is heavy traffic in both directions on both Windsor Road and Old Windsor Road. The Government should give urgent consideration to the submission to the RTA. Many local businesses are frustrated at the loss of time, and I suspect income, as congestion at Windsor Road is reaching an intolerable level. That congestion can be witnessed on any day of the week, in the morning and afternoon peak periods. Anyone wishing to verify that congestion has only to be there at that time to see the gravity of the problem and the need for urgent attention to address that problem.

Mr AQUILINA (Riverstone—Minister for Education and Training, and Minister Assisting the Premier on Youth Affairs) [4.41 p.m.]: It is fortuitous that I am in the Chamber to respond to this matter of vital concern to the Hawkesbury and Riverstone electorates. The substantial portion of Windsor Road to which the honourable member for Hawkesbury has made reference forms a boundary between Riverstone and Hawkesbury electorates and The Hills and Baulkham Hills electorates. The Government is aware of the necessity for improvements to Windsor Road. The Minister for Roads has already done a lot of work on that road and the honourable member for Hawkesbury referred to a detailed study that has been undertaken. I would hate it if people thought that nothing had been done in relation to that road.

A substantial amount of work has already been undertaken, particularly on the eastern end of the road which connects to the M2. This Government has allocated \$13 million—\$6.8 million in the current budget—for the construction of four lanes on the Old Windsor Road. That will result in the completion of Windsor Road between Seven Hills Road north and Sunnyholt Road, where it will form a major intersection with Sunnyholt Road—a road constructed by this Government at a cost of \$25 million. In relation to that section of the road referred to by the honourable member for Hawkesbury, the Government has allocated \$950,000 for the construction of a major intersection at the corner of Windsor Road and Schofield Road, which happens to be a major road in my electorate. Anyone travelling along Schofield Road at 8 o'clock on any morning will see cars banked up for one or two kilometres. Good work is occurring in that area.

I will convey the remarks made by the honourable member for Hawkesbury to the Minister for Roads.

REGISTERED CLUBS COMMUNITY PROJECTS TAX DEDUCTION

Mr ROGAN (East Hills) [4.43 p.m.]: I commend the Government and in particular the Minister for Gaming and Racing for the initiative announced last week. I refer to the guidelines to allow larger registered clubs in New South Wales to claim a tax deduction for an estimated \$30 million a year spent in funding community projects. Those guidelines have been developed, as is typical of this Government, in a spirit of consultation with the Registered Clubs Association and the Council of Social Service of New South Wales, NCOSS. The overall effect of these guidelines is to provide those registered clubs earning taxable poker machine gaming profits above \$1 million with a tax deduction of a further 1.5 per cent, reducing their tax burden to 24.75 per cent.

Larger clubs will not only benefit from this lower taxation; their donations will benefit the communities that they serve. What impact will these guidelines have on my local community? Revesby Workers Club, the sixteenth largest club in New South Wales, will be able to direct an additional \$140,000 to the local community, thus conforming with the Government's guidelines. This additional amount, over and above the \$150,000 which the club currently spends on junior sports, lawn bowls and the like, will substantially benefit a number of organisations. Revesby Workers Club will donate \$1,000 a year to each of the 23 local schools, both public and private, in my electorate. That represents an annual donation of \$23,000 a year, which is not an insignificant amount. I know that the schools within my electorate which will benefit from that \$1,000 will be able to put it to good use.

Revesby Workers Club is just one of the clubs in New South Wales that is making this type of contribution. I have not referred to the club movement overall, which provides \$1 million a year to the New South Wales Institute of Sport. Revesby Workers Club is a community-minded club. Last summer, when there were massive bushfires in the Menai area, that club, together with Club Menai, opened its doors to the schools that had to be evacuated. Those schools were relocated at both Club Menai and Revesby Workers Club. I was delighted to be able to assist in looking after the children who were relocated and the animals that were tethered outside the club.

I later received a number of moving letters from parents who said that they were delighted that their children were safe and sound. It was a great comfort to those parents who could not reach their children because the roads had been closed to know that they were in good hands and that they had been fed. The children were also shown a movie in the club auditorium. This is just one of the ways in which the club movement can help the community. Now it will be able to do even more for the community as a result of the agreement that has been reached to give larger clubs a 1.5 per cent tax deduction. That money, which will go directly to the community, will benefit the community and will be much appreciated.

SHOALHAVEN INFRASTRUCTURE FUNDING

Mr ELLIS (South Coast) [4.48 p.m.]: The people of the Shoalhaven are most concerned and disappointed that after 3½ years of this Government there has been insufficient infrastructure spending so necessary to promote job growth and improve the prosperity of the community. The community feels that the Government is either ignoring it or does not appreciate that the community needs jobs and does not want money to be misspent on national parks at this time. Apparently that fact has not dawned on the Government because its 1998-99 budget provides \$14.2 million in the environment portfolio for purchase of land in and around Jervis Bay for conversion to a national park.

Within the South Coast electorate a number of projects have come to a sudden stop and remain in limbo. For instance, the Government has had plans on the drawing board for 3½ years for the relocation of a shooting complex along Braidwood Road but there has been no word on its progress. A proposal for an urban expansion at Culburra Beach which would have provided opportunities for hundreds of short-term and long-term jobs has been suspended and its future is uncertain. It is a de facto veto on land use and that veto is open ended. No-one knows if or when the National Parks and Wildlife Service will decide whether to acquire the land.

Because of that arbitrary and grossly unfair use of power the price of the land has been driven down. The Government can then step in and purchase at bargain basement prices from the unfortunate landowner. I know that the Minister has had her eye on such land in my electorate for some time, having read last year in the media of her approach to the Treasurer for \$20 million to buy Halloran's land or land around Jervis Bay. I am

aware that the Government downgraded works desperately needed in the Shoalhaven when it came to power in 1995. In the face of persistent requests and the spectre of political damage the Government recanted this year and finally provided for a school at Callala Bay and an ambulance station at Culburra Beach.

The \$14.2 million could be better spent on such things as hospitals, schools, ambulance stations, roads, police, and a myriad of other urgent infrastructure needs. A new school is needed at Mollmook because of gross overcrowding at nearby Milton Primary School, which is mostly made up of demountables. Milton-Ulladulla Hospital is in desperate need of an upgrade because of population growth over many years. Money has been put into Kiama District Hospital but surely the isolation of Milton-Ulladulla makes the needs of their hospital much more compelling. The population of the Milton-Ulladulla township quadruples in the tourist season yet the hospital has virtually the same structure as it had 20 years ago.

The waiting lists at Shoalhaven hospital are not getting any shorter. The stage two upgrade of the hospital will not be realised for at least another three years because no money has been allocated for its commencement this year. The hospital also needs a dialysis unit and more spending on staff so that underutilised theatres can deal with the waiting lists that have blown out. More police are needed to deal with a crime surge but the Government believes that is a low priority and no money has been allocated to it.

The Government is sending a message to the people of rural New South Wales and the Shoalhaven that it is far better to overspend on acquiring land for national parks. The land will remain there, it will not be used, and the Government is sure that no-one else can use it. Why misspend the money at this time? The taxpayers of the Shoalhaven do not want their money frittered away on what is perceived in this economic climate as a project that can be put on hold, especially when the future of their children is in the balance. The Shoalhaven needs more mundane things such as sportsgrounds and education and job opportunities—not more national parks.

At present 70 per cent of the Shoalhaven cannot and will not be developed. The community wants money put into infrastructure for its needs and its children's needs. The rapidly expanding bay and basin area needs a heated pool, better roads and

services. Vincentia High School and the surrounding community need more sports fields. Members of that community need an environment in which they can feel safe, enjoy good health and live in harmony. I call on the Premier to redirect the \$14.2 million allocated to purchase land to be added to the existing Jervis Bay National Park into projects desperately needed by the community. We are not against national parks but 70 per cent of the land in the area is taken up and is under the control of the National Parks and Wildlife Service.

WARATAH AND MAITLAND POLICE PATROLS

Mr PRICE (Waratah) [4.53 p.m.]: I express my concern about delays with the consolidation of police patrols in the Waratah and Maitland patrol areas. I have already raised this matter with the Minister for Police, who fully appreciates the difficulty. He has undertaken action to ensure that the problems are resolved. It is worth mentioning that the community has concern about the delay in construction of police stations in designated areas. The matter is significant in as much as the Wallsend and Waratah patrols combine into one patrol with headquarters at Waratah.

Minister West in the previous Government opened a series of joined demountable buildings that constituted the new patrol headquarters on a \$1 million school site at the old Waratah school. The police station as it is currently constituted houses about 15 detectives, a small group of administrative personnel, the patrol commander and, I suspect, his deputy. They are unable to undertake the full policing requirements of the community. When I had to surrender my son's gun during the amnesty period I went to Waratah police station where I was courteously told that police at that station were unable to accept the weapon and that I should go to the Wallsend patrol headquarters.

The Wallsend patrol headquarters is made up of a series of demountable buildings, and heritage buildings that are currently at various stages of restoration. Again that restoration has stopped because of the proposed consolidation. The electorate has a significant problem with police administration. The patrol commander is extremely competent, but he and his team work under difficulties, and obviously there is a limit to what they can do. The Minister has assured me that there will be an announcement on the Waratah patrol headquarters within the next two months. That is great news because the site is large and has existing

heritage school buildings and the old Waratah courthouse.

However, the buildings and facilities required such as radio headquarters and parking space will only occupy a relatively small portion of the total site. The sale of surplus property would contribute significantly to the cost of the new patrol headquarters. Likewise, reorganisation problems at the Maitland patrol area impact on the northern and western sections of my electorate through Beresfield to Kurri Kurri. Already a report by the local patrol commander and his officers suggests that detective staff be consolidated onto one site. That idea has some practical advantages but I understand Maitland police station may require additional space to house the full detective contingent.

Cessnock, Raymond Terrace and other centres require compensatory location of general service police through to highway patrol units to their areas. Police numbers must be maintained at all costs and hopefully improved as a result of the review. One proposal that should be considered is the expansion or enlargement of the Beresfield police station, which is currently a residence and a two-shift operation. Without too much modification that station could be expanded into a three-shift operation, which would greatly facilitate police presence in the southern area of the Maitland electorate and the northern area of the Waratah electorate.

Those things are important. The community has certain expectations. There is allocation for construction of, and recurrent funding of staffing for, a new police station at one end of the electorate, together with expansion of Beresfield. The inclusion of more officers at that station would allow facilities there to be used fully and would also provide an extra vehicle that would make better response times possible. Better police presence is important for the area. Patrols have already been increased on the railway system, and transport police are up to speed. But it is essential that the work of getting these patrols in order is finished, and the sooner the better.

CARERS ASSOCIATION OF NEW SOUTH WALES INC.

Mr BROGDEN (Pittwater) [4.58 p.m.]: I bring to the attention of the House a matter referred to me by Mr Neville Maxwell, a resident of Terrey Hills, which is in the electorate of Pittwater. I have known Mr Maxwell for more than two years in his role as a carer for his wife, Judy, who was struck down with an illness some years ago. For the past few years she has been recovering at a magnificent

pace to a greater level of health and mobility. Much of her recovery is a result of the incredible hard work, love and care of her husband, Neville. Because of the illness of his wife, Mr Maxwell became involved with the Carers Association of New South Wales Inc. When he was vice-president he became very concerned about many of the association's activities. Mr Maxwell forwarded to me a letter dated 3 July regarding some of his concerns. The letter states:

Although five members of a Board of twelve confirmed the deficiencies, and Statutory Declarations were supplied, only one of these members was involved in any discussions with the so called "investigation".

The investigation that Mr Maxwell refers to was undertaken by the Department of Gaming and Racing at the Minister's request. The letter continues:

By not ensuring a proper investigation was carried out, the Minister has failed the community at large and those responsible citizens in particular.

The allegations were supported by comprehensive and compelling evidence and should have been immediately and promptly investigated in a professional and impartial manner. Although the matter was also referred to the Minister for Community Services, at the time, the Hon Ron Dyer, he too failed to adequately investigate the concerns and apparently merely conducted an internal check.(?) Without at any time discussing the matter with any of the complainants. These allegations include travel without board knowledge and approval. Making submissions for taxpayers funds without observing the normal requirements, thereby leaving the board responsible, but without adequate information, to fulfil their fiduciary duties. Failing to provide financial information when requested.

The people making up the Board are unpaid volunteers giving their time to help the community and government, and I believe they must not be exposed to the potentially extremely serious risks they have been exposed to in being legally responsible for the organisations funds, but not being permitted to know how those funds are spent.

The letter continues:

The Carers Association NSW Inc. has received, in the current year, nearly \$1 million of taxpayers funds by way of various Grants, both State and Federal. If indeed this Association is, as it seems, not accountable for the way those funds are spent, can disregard its own constitution, and disregard various corporate requirements. There exists an extremely serious situation for the volunteers who so generously give of their time, yet could well be exposed to the same fate as the voluntary chairman of the National Safety Council. It should certainly not continue to receive taxpayers funds.

We demand transparency and accountability as a matter of course, so I ask, why should the Carers Association of NSW be exempt? It appears that this Association is not being held accountable by any of the Departments charged with applying the various acts of legislation, which are in place to protect the taxpayers funds and those responsible for administering them.

I believe this serious situation must be addressed without further delay.

By failing to properly and thoroughly investigate these serious matters the Ministers have, in my opinion, demonstrated a cavalier attitude towards the application of taxpayers funds and an unacceptable standard of probity. Thereby failing in their duty. When taxpayers funds are granted to community bodies, the Government has a "Duty of Care" to ensure that at least normal standards of commercial practice are adhered to.

The handling of these concerns to date, can only be described as absolutely scandalous. I ask that the Minister request a "performance audit" by the Auditor General's Department forthwith, and I have here a letter indicating the Auditor General is prepared to act upon request.

Mr Maxwell has been extremely concerned about these issues. I gave him an undertaking some months ago that when the opportunity arose I would read his letter onto *Hansard*. I request that the Government examine this issue more closely. It would appear that the concerns Mr Maxwell has raised are difficult to handle because they fall between the cracks in the administration of government funds by voluntary organisations. To that extent, I seek the support of the Minister to further examine this matter.

CANTERBURY HOSPITAL FUNDRAISING

Mr MOSS (Canterbury) [5.03 p.m.]: I want to sing the praises of the many organisations and individuals who are involved in fundraising activities for the new inner west hospital to be opened later this year in Canterbury. As I have previously told the House, that project is a great success. It is running ahead of time and is scheduled to open before the end of the year. It has excited the community, which is digging deep to raise money. A number of organisations have been involved in ensuring that the hospital becomes a world-class centre of excellence. One such organisation is the Campsie Rotary Club, which is quintessential of the local business community. To commemorate its fiftieth anniversary, the club donated \$50,000 to the hospital to build and fit out a quiet room which will be used as a chapel when appropriate, a counselling room or a room for reflection. District hospitals rely on support from the community for the acquisition of such venues within their hospitals. Campsie Rotary Club is to be congratulated.

The multicultural community of Canterbury is also behind the hospital in a big way. I will single out the Chinese Australian Services Society in Campsie, commonly known as CASS. It recently raised \$7,000 from a walkathon which enabled the hospital to purchase ten tympanic high-tech thermometers; these thermometers give very fast readings. CASS is a successful organisation, but it is flat out trying to look after its own people. In the

main, the Chinese residents of the Canterbury electorate are living on the breadline. Many of these people came to this country a few years ago as refugees. Although the majority of them are now starting to get on their feet, their generosity knows no bounds when it comes to donations to the new Canterbury hospital.

The Central Sydney Area Health Service, which has poured \$80 million into funding the building of the hospital, is also involved in fundraising activities. We often tend to blame bureaucrats for overexpenditure, but we never acknowledge that they are also excited about the local projects. The service is conducting a ball at Canterbury racecourse on 22 August which will be patronised by the local community, the area health service staff and many past and present staff members of the Canterbury hospital board. The Greek Orthodox Parish of All Saints, Belmore, has raised \$27,000 to date. I attended one of its fundraising evenings, where a fortune was made merely by the auctioning of an arrangement of flowers. Two young men wanted the flowers for their respective girlfriends. It is amazing how much a young man will spend when he is in love.

At that function I commented on the generosity of the parish community, because it is also responsible for the maintenance of its church and the financing of its own charitable works. At the same time it is prepared to donate to the hospital. I was told in a humble way that the parish members feel obliged to support their local hospital. The male bowlers are getting behind the hospital with a fundraising day to be held on 2 August. I particularly commend Mr Bill Sadler, District President and Vice President of the Campsie South Bowling Club, and Mr Bill Small, who are working hard towards the day's success. They have invited 19 clubs to become involved and have lobbied numerous business houses. Further thanks are due to the efforts of the former member for Canterbury, Kevin Stewart. Canterbury-Bankstown Leagues Club has committed itself to raising \$100,000 over the next five years towards the new 20-bed children's ward. That is a phenomenal donation and I hope that the new ward is known as the "Bulldog ward". Community fundraising for Canterbury hospital dates back to 1909, 20 years before the current hospital was built. That fundraising continues today and those who have contributed are to be commended.

DISORDERLY HOUSES LEGISLATION

Mr O'FARRELL (Northcott) [5.08 p.m.]: From time to time the hardest thing any of us do is admit that we are wrong. It is an even harder thing to do when the admission must be made by an

organisation or corporation. Nevertheless, there are times when it must be done and a fresh start made. Legislation covering the operation of brothels is one thing about which this Government, this Parliament and its members should genuinely express remorse. In 1995 this place passed the Disorderly Houses (Amendment) Bill. It did so on the basis that its passage would empower local councils to deal with the operation of brothels in their areas. In his second reading speech the Minister for Police said that the bill would provide an avenue for the community to make complaints to local councils about the operation of brothels. In his response to the Minister's second reading speech the Opposition spokesman said:

As a consequence of the passage of this bill, local councils will be able to require development applications from persons wishing to use premises as a brothel. That includes premises being used as a brothel where only one person is working in such premises.

The 1995 legislation was supported by the Local Government Association on the basis that it empowered council decision making. Regrettably, nearly three years later, that is not the case. We should own up to having got it wrong; we should urgently review the legislation and start again. There are two principal problems with the legislation as it currently operates. First, the Minister for Urban Affairs and Planning, and Minister for Housing has been standing over councils and advising them that they cannot issue blanket bans on the operation of brothels in their areas. How democratic is that? If ratepayers have decided they do not want brothels in their areas, why should their view not hold sway? Why will the Minister not accept the word of elected councillors instead of forcing some councils into costly referenda? Democracy operates on the basis of empowering people and trusting people to make their own decisions. This is not happening in relation to this matter.

Ministerial and departmental activity also helps to thwart the intent of this legislation. Currently in the municipality of Ku-ring-gai there is continuing concern about applications from brothels in areas such as Wahroonga and Roseville, which have been the subject of representations by other members in this place. I point out that one of the local councils has brought to my attention the fact that for more than 12 months the Department of Urban Affairs and Planning has failed to process Ku-ring-gai council's draft local and environmental plan and development control plan for the control of brothels in the municipality. In other words, for more than 12 months council has been seeking the department's approval for this plan.

Such activities may be established in virtually every shopping precinct in the Ku-ring-gai local government area, to the detriment of current retail trade and residential amenity. The activity is also permissible as home occupation under council's 1972 planning scheme ordinance in residential zones. Clearly, the department's delay in the Ku-ring-gai municipality is giving brothel owners an unacceptable opportunity to open establishments and operate in residential and commercial areas. The second and larger problem is the fact that council's decisions are being overridden in the Land and Environment Court. Time and again appeals have been lodged against council decisions and the appeals have been won by brothel operators. That is costly to taxpayers and detrimental to neighbourhoods and shopping districts. Unless urgent action is taken by government and Parliament this unholy mess will continue.

The intent of the 1995 legislation was the right one. Councils are best placed to determine where brothels should operate. Councils should be supported by the State Government in making those decisions. The State Government should make the necessary legislative changes to stop the Land and Environment Court thwarting the operation of the 1995 Act. In short, we should admit we got it wrong and try again to get it right. Unless we do so there is no guarantee that this place or any council can offer the local communities any guarantees about where brothels can and cannot operate.

I have managed during this contribution not to respond to the interjections of members on the Government benches. If the honourable member for Wyong and others do not believe this is an important problem in local communities, if they are happy for brothels to be operating in local neighbourhoods and in small suburban shopping centres within their community, be it on their own heads. But that is not how they voted in 1995. In 1995 the Minister for Police indicated to the House that the Disorderly Houses (Amendment) Bill was designed to empower local councils to help local communities determine where brothels should be located. The legislation is not operating in that way.

Ms Ficarra: It's a farce.

Mr O'FARRELL: It is a farce, as the honourable member for Georges River says, and as the honourable member for Wyong and others know. Until the Government accepts it got the brothel legislation wrong and until it starts again, it will be a disaster that blights the whole community.

NEWCASTLE KNIGHTS FOOTBALL CLUB

Mr MILLS (Wallsend) [5.13 p.m.]: By the time this House resumes after the winter recess the National Rugby League final series will be under way. We will be down to the last eight or 10 teams. I am confident that the Newcastle Knights will be in the play-offs and I expect they will be there as minor premiers. I raise this matter in the House because many members in the Legislative Assembly showed support for the Newcastle Knights prior to the grand final last year, and I want to discuss some of the important issues that most members would be aware of that have arisen in the past two months.

This morning I spoke to my constituent Mr Steven Crowe of New Lambton. Steve Crowe is the marketing manager of the Newcastle Knights and is also a player. He is injured at the moment; he is recovering from a broken sternum. He is not expected to resume playing until shortly before the final series. After the stories of positive drug test results in the club, Steve Crowe spoke out and told the world what had happened in his case, as there was speculation about other players being involved. He was honest and courageous to do so. He indicated that well over 18 months ago he had a serious injury that was not healing, and under medical direction he was administered a steroid. The club and Mr Crowe had written to the Australian Rugby League telling them that happened.

They received a letter from the ARL warning that such substances should not be used by professional athletes even to assist recovery from injury. That was the end of the matter. I commend Steve for what he did. I asked him how things were going and he told me it was very difficult for the players to focus on football week by week, but that hopes were high in spite of the difficult times. I wished him a speedy recovery and assured him of my support for him and the club. There is extremely strong support for the Newcastle Knights from the local community, despite what has happened. There is a great deal of trust in the players, even though we are stunned by the events relating to drug tests.

The top attendance at rugby league fixtures last weekend was 25,090 at Marathon Stadium for the match against Parramatta, which the Knights won 36 to 12. There is also respect in the region for the administration. It is very fair. It has treated the players as innocent until proved guilty, but it has been tough following the convictions. Last night the board sacked Robbie O'Davis from his job as a development officer for the club and fined him \$60,000 for taking a banned substance for months, even though he was not aware it was banned.

Wayne Richards has been sacked from the club altogether because he admitted to deliberately administering a banned substance to himself.

People in the region are upset and disturbed by what they regard as a Sydney media push to discredit the Knights' fairytale win in last year's grand final. The latest manifestation of that is the description by Dr Brian Corrigan, the inaugural chairman of the Australian Sports Drug Agency, of Robbie O'Davis' testosterone ratio of 2.5:1 before last year's grand final as "very strange." However, the ASDA's spokeswoman, Vicki Kapernick, is reported in today's *Newcastle Herald* as confirming yesterday that results were negative and saying:

... O'Davis's T/E reading of 2.5:1 at the time was well inside the legal limit of 6:1.

An article in today's *Newcastle Herald* about Newcastle chairman, Michael Hill, and coach, Mal Reilly, read:

... they strongly rejected suggestions that their players were using performance-enhancing drugs before beating Manly 22-16 in the grand final.

The article quoted them as saying:

"Robbie was tested three times by ASDA last year and he was well under the legal limit in his levels in September 1997.

ASDA passed him and we're not going to cast doubt on that.

Graham Richardson, former senator, was called in by the club to investigate the Knights administration and determine where the club went wrong in an effort to ensure it does not recur; to make recommendations about systems, checks and balances; to ensure players fully understand their responsibilities under the drugs code; and to ensure that staff are properly educated and aware of their responsibilities. I reiterate that there is strong community support for the team and the players. We reject the media-based campaign to denigrate the Knights. The supporters insist that continued victories are the best way to show their pride in the club.

LEARNING LINKS

Ms FICARRA (Georges River) [5.18 p.m.]: I congratulate an organisation called Learning Links. I am sure the Minister for Education and Training is aware of the organisation, which was previously known as the Association for Children with Learning Disabilities—ACLD—situated in Pindari Road, Peakhurst. I have been associated with the group for 20 of its 25 years, during which time it has done a marvellous job. I congratulate in

particular Maria Cook, the chief executive officer. Since 1995 the association has extended its early childhood service to children under the age of three, and this has been an incredible success. Children as young as six weeks now have an opportunity to participate in a number of programs, graduating to the Learning Links inclusive pre-school that prepares them for entry into a normal school environment.

In the past children with special needs had only one program, a segregated pre-school experience. They now have a choice of four: baby, early starters, inclusive pre-school and the assessment and consultancy service. It was only in 1994 that Learning Links provided a totally inclusive pre-school program and positioned itself to have a direct and positive effect on how children, their families and the community generally understand, accept and value human differences. In the early years only 40 children per week were enrolled in early childhood services. Weekly services are now provided to 130 children, who benefit from a complete range of therapists, teachers and family counsellors. School-age services provide psychometric services and special provision assessments.

Children can now choose from individual tuition using specialist programs and a range of small group classes. Back then far fewer than today's 110 children would have been enrolled in weekly classes, and assessments would have averaged two to three per week, as opposed to the seven that are carried out today. The concept of a totally integrated service with teachers, occupational therapists and speech pathologists all working together to enhance each child's development was still a dream 25 years ago and not the reality of today. The central theme that links the faces of today with those of the past is the need for assistance with learning. It is important that the children not have a label such as learning disability, autism, Down syndrome or special needs, but rather the unifying factor that benefits all children—individual learning programs.

Behind the faces of the children are the faces of the many thousands of families who have benefited from the services that Learning Links provides. It has always had a strong tradition of valuing families and working with them to guide their children's development. Many faces make up the team of learning links: dedicated staff, voluntary board members, supportive governments, State and Federal fundraising bodies, local members, service club representatives and volunteers. Each plays his or her part in the vital business of ensuring that necessary resources are available to help the children.

I should like to thank the outgoing board and congratulate the incoming board: Tim Martin, who was re-elected as president; Christine Johnston and Stephen Daly, vice-presidents; Cathy Dalby, treasurer; Deborah Walton, secretary; and Col Grieg, Julie Hough and Julie Sinnus, all returning board members. I also welcome two new board members Shukri Barbara and Chris Hall. Together with the many workers they do a fabulous job.

Learning Links is considering extending its program beyond the city limits into rural areas. As the Minister for Education and Training would be aware, there is a great need for specialised services to prevent many ongoing difficulties with the education system. Early intervention and specialist care are the way to go. I congratulate the association on the production of its new learning links newsletter, an involved and informative publication that has a lengthy dissertation on dyspraxia—a silent condition that affects many of the children whom the association helps. I am pleased to represent Learning Links within the Georges River electorate.

Mr AQUILINA (Riverstone—Minister for Education and Training, and Minister Assisting the Premier on Youth Affairs) [5.23 p.m.]: I join with the honourable member for Georges River in extending my congratulations and sincere thanks on behalf of the many children helped by Learning Links, the newly elected board and the outgoing board. It has been some years since I have had personal involvement with Learning Links. Indeed in those days it was known as the Association for Children with Learning Disabilities—ACLD. I remember shortly after I became Minister, and even in opposition, having meetings with representatives of the organisation and, with the former Minister for Community Services, the Hon. R. D. Dyer, providing funds from both our portfolios to assist that association.

The integration of children with disabilities into mainstream education is of concern to us all. This Government strongly supports and endorses that initiative. This year the Government has allocated \$28 million in the education budget for continued integration of children with disabilities into mainstream education. It is a quiet, positive revolution undertaken in the education system. It produces enormous benefits for the young children involved and the general school community, carers and parents. Learning Links provides special assistance to special children and its work should be recognised publicly and applauded in the Parliament.

KULNURA AND JILLIBY PUBLIC SCHOOLS

Mr CRITTENDEN (Wyong) [5.25 p.m.]: It is my pleasant duty to advise the House of two

successful applications for funding for covered outdoor learning areas at schools in my electorate. The Kulnura Public School and the Jilliby Public School applied for funding under the joint funding of capital works and schools program conducted by the properties directorate of the Department of Education and Training. It is appropriate that the Minister for Education and Training is in the Chamber, because he approved the applications. The funding was not announced in the budget but was a separate program for which the two schools have worked long and hard for many years.

Both schools are small rural schools which, over many years, have made concerted efforts to achieve this outstanding result. It could not have been achieved without the allocation by the Minister of \$17,500 to the Kulnura Public School, which has 90 to 100 pupils. On 9 June I had the pleasure of attending that school and listening to the students' excellent and particularly stirring rendition of "I am Australian". Schools in small communities are the heart of the entire community. Kulnura Public School's only area suitable for school assemblies, recess breaks, aerobics and presentations for parents and community gatherings has no protection from sun or rain.

Obviously, this will change with the covered outdoor learning area—COLA—which will be built in the near future. Kulnura Public School went through the process of obtaining Australian Taxation Office concurrence to obtain tax deductibility for donations to this project. Given that there are only 63 families at the school, the amount of \$17,500 raised by the community was certainly a great effort. The Kulnura Parents and Citizens Association set up a subcommittee to manage the construction and maintenance of the building. The President of the Kulnura Parents and Citizens association, Gary Freeman, also served as the president of the building committee. Mr Laurie Gerrard, the Treasurer of the Kulnura Public School Building Fund, did an excellent job, as did many of the parents, including Mr Simon Carless.

A lot of work has gone into this major project. The large area to be covered will serve as a focal point for the entire community in the Kulnura district. There has been wide-embracing consultation involving all the families at the school, local businesses, clubs, the school staff, the general community and the Wyong Shire Council. We have achieved an excellent result with the help of the Government. Similarly, Jilliby Public School, outside Wyong, had sought a covered outdoor learning area for some time. The school sought \$6,475 and I am

pleased to report to the House that its application for that amount has been successful. The principal, Mrs Margaret Balderston, has done wonders with that school. The scale and scope of this project was deemed appropriate by the parents and citizens association at Jilliby. I am pleased that the amount sought by Jilliby school, 50 per cent of the funding of the \$6,475, has also been met in full by the Government.

Mr AQUILINA (Riverstone—Minister for Education and Training, and Minister Assisting the Premier on Youth Affairs) [5.30 p.m.]: I congratulate Kulnura Public School and Jilliby Public School on their success in achieving funding to construct their covered outdoor learning areas, known as COLAs. I congratulate the honourable member for Wyong, who is relentless in seeking benefits for his electorate, particularly on education matters. As Minister for Education and Training I value the support of the honourable member for Wyong and the interest he shows in relation to education matters. As a former teacher, he is aware of the diverse needs of educational communities and is therefore able to speak with authority, as he has this evening in relation to the needs of the schools.

As he indicated, small rural schools deserve special consideration. In many ways they are the focus of local communities. A school in a rural community adopts a significance far greater than one in an urban metropolitan area because in many ways it is the focus of many activities over and above education. Therefore, it is fitting that they receive special consideration. I was delighted to recognise the hard work that both school communities performed in raising their share of funds. It is not easy in a small rural community to raise funds to go towards a dollar-for-dollar payment. Therefore, I was happy to respond by providing the Government's share to enable the work to continue. I am told that the work will start at Jilliby at the end of term three.

CRONULLA WOMEN'S BRANCH OF THE LIBERAL PARTY

Mr KERR (Cronulla) [5.32 p.m.]: I pay tribute to the Cronulla women's branch of the Liberal Party, which has been in existence for more than 50 years. The Cronulla women's branch of the Liberal Party has given sterling service to the Liberal Party, Liberal members of Parliament and the community. The members of that branch have served Australia in both war and peace. I pay tribute to Dorothy Monro, now deceased and the widow of Joe Monro, one of the early members for Cronulla. Dorothy was a great member of the women's branch.

I thank also Ita Mowbray, who has given sterling service to the branch. Previous Premiers, including Robert Askin, Eric Willis, Tom Lewis, Nick Greiner and John Fahey, as well as the Leader of the Liberal Party, Peter Collins, have been greatly impressed by the dedication and service of the women's branch. Muriel Fenwick is its president.

A short time ago the branch celebrated its fifty-first anniversary at a luncheon at which the honourable member for Lane Cove was the guest speaker. Among its members is May Dwyer, who has been a strong identity in the Cronulla area and is extremely well known for her community work. It is a great tribute to this voluntary organisation that it has survived for more than half a century, throughout various changes that have occurred to society. The organisation represents the individual virtues of its members: there is a love of country, a commitment to make both a better nation and a better community. Through raising families and friendships with members of the community they have made for a better local, State and national scene. It is significant that the members of this branch are also members of a wide range of community groups, including church groups.

Cronulla had a branch of the Red Cross, but because of a declining membership it closed not long ago. That activity, once again, showed a commitment to improving the lot of not only Australians but also people on the international scene. All members of this House would be well aware of the work done by the Red Cross. Over the past 50 years schools have grown in the Cronulla electorate. People such as May Dwyer have had close associations with a number of primary schools. Once again, I convey my thanks and appreciation to the members of the Cronulla women's branch of the Liberal Party and wish them well for their future.

Private members' statements noted.

COMPANION ANIMALS BILL

Bill returned from the Legislative Council with amendments.

In Committee

Consideration of the Legislative Council's amendments.

Schedule of amendments referred to in message of 3 July.

No. 1 Page 2. Insert after line 7:

3 Application of Act to working dogs

- (1) The following provisions of this Act do not apply to or in respect of a working dog:

- (a) Part 2,
- (b) section 10,
- (c) Parts 6 and 8.

- (2) In this section, *working dog* means a dog used primarily for the purpose of droving, tending, working or protecting stock, and includes a dog being trained as a working dog.

No. 2 Page 2. Insert after line 7:

3 Policy regarding animal welfare

It is declared that the protection of native birds and animals is an objective of animal welfare policy in the State.

No. 3 Page 3, clause 3(1). Insert after line 14:

council pound means:

- (a) a public or private pound established by a council under the *Impounding Act 1993*, or
- (b) any other place approved by a council or the Board as a place for the holding of animals seized under this Act.

No. 4 Page 4, clause 3(1). Insert after line 5:

pound operator, in relation to a council pound referred to in paragraph (b) of the definition of that term, means the person or body that manages or has control of the pound.

No. 5 Page 4, clause 3. Insert after line 26:

- (2) A reference in Part 7 to a council is, in relation to a council pound referred to in paragraph (b) of the definition of that term, a reference to the pound operator.

No. 6 Page 5, clause 5(1)(c), lines 12-14. Omit all words on those lines.

No. 7 Page 5, clause 5(1)(e), line 16. Omit all words on that line.

No. 8 Page 12, clause 12, line 24. Insert "or public recreation (including a beach)" after "public bathing".

No. 9 Page 14, clause 12(6). Insert after line 5:

- (a) in a vehicle that is secured in such a way as to prevent the dog from escaping from it, or

No. 10 Page 15, clause 14(1), line 2. Omit "worries". Insert instead "harasses".

No. 11 Page 15, clause 14(2)(e), line 19. Insert "or the training of the dog in the working of stock" after "dog".

No. 12 Page 15, clause 15(1), line 22. Omit "worry". Insert instead "harass".

No. 13 Page 16, clause 15(2)(e), line 8. Omit all words on that line.

No. 14 Page 16. Insert after line 8:

16 Dog that has attacked or bitten may be secured or seized

- (1) If a dog attacks or bites any person or animal (other than vermin) otherwise than in the circumstances referred to in section 14(2), an authorised officer may, at any time within 4 hours after the attack or bite:
 - (a) secure the dog in accordance with this section, or
 - (b) seize the dog.
- (2) Any other person may seize the dog if the dog is on property owned or occupied by the person.
- (3) However, a dog is not to be seized under this section if the dog:
 - (a) is adequately secured on land occupied by the dog's owner, or
 - (b) is under the effective control of its owner (unless the owner set on or urged the dog to attack or bite the person or animal concerned).
- (4) If an authorised officer has reason to believe that the dog is on land occupied by the dog's owner, the authorised officer may seize the dog only if the authorised officer is unable to secure the dog on that land.
- (5) An authorised officer may enter any land (but not premises) for the purpose of exercising the authorised officer's powers under this section.
- (6) This section applies whether or not any injury is caused to a person or animal by the dog's attack or bite.

17 Procedure concerning securing or seizure of dog that has attacked or bitten

- (1) A person who seizes a dog under the authority of section 16(2) is not required to comply with section 59 (Seized animals to be taken to council pound) if the person delivers the dog to its owner or to an authorised officer.
- (2) An authorised officer who secures or seizes a dog on land that the authorised officer has reason to believe is land occupied by the dog's owner must, before leaving that land, prepare a notice setting out:
 - (a) the reasons why the dog has been secured or seized, and
 - (b) the method by which the dog has been secured, or the place to which it has been taken, as the case may be.

(3) The notice must be left:

- (a) in a conspicuous place on the land, or
- (b) with a person (being a person apparently above the age of 16 years) who appears to be an occupier of the land.

No. 15 Page 17, clause 17(1)(c), line 1. Omit "or urinates".

No. 16 Page 17, clause 17(1)(d), line 5. Insert "and, in relation to an animal, otherwise than in the course of droving, tending, working or protecting stock" after "vermin".

No. 17 Page 17, clause 17(1)(e), line 7. Insert "and, in relation to an animal, otherwise than in the course of droving, tending, working or protecting stock" after "vermin".

No. 18 Page 17, clause 17(1)(f), line 8. Omit all words on that line.

No. 19 Page 17, clause 17(1)(g), line 9. Omit "damages". Insert instead "causes substantial damage to".

No. 20 Page 17, clause 18. Insert after line 33:

- (3) However, subsection (2) does not authorise the seizure of, injury to or destruction of a dog that is engaged in the droving, tending, working or protection of stock unless the action is reasonable and necessary for the protection of a person from injury or death.

No. 21 Page 18, clause 18(6)(b), line 24. Insert "returned to its owner or" after "to be".

No. 22 Page 18, clause 18. Insert after line 26:

- (7) An authorised officer is not to give a direction under this section for the purpose of causing a dog to be taken to a council pound unless the authorised officer is satisfied that the owner of the dog cannot be identified.

No. 23 Page 19, clause 19(3)(a), line 28. Omit all words on that line.

No. 24 Page 20. Insert after line 11:

20 Appeal against disqualification from owning dog

- (1) A person against whom an order disqualifying the person from owning a dog is made under section 19 may appeal to the District Court, in accordance with the rules of that Court, against the order.
- (2) An appeal may be made only within 28 days after the date on which the order is made.
- (3) An appeal that is duly lodged operates to stay the order of disqualification pending the determination of the appeal.

- (4) The District Court has jurisdiction to hear and determine an appeal made under this section.
- No. 25 Page 20, clause 20(1)(a), line 15. Insert "or attacking" after "wounding".
- No. 26 Page 21, clause 21, line 2. Insert "or attacking" after "wounding".
- No. 27 Page 21, clause 21, lines 5 and 6. Omit "wounding, the wounding". Insert instead "wounding or attack, the wounding or attack".
- No. 28 Page 21, clause 22(2). Insert after line 20:
- (b) a dog attacking or chasing another animal in the course of droving, tending, working or protecting stock, or
- No. 29 Page 23, clause 24, lines 2 to 22. Omit the clause. Insert instead:
- 24 Cat to wear form of identification**
- (1) A cat must wear a form of identification that enables a local authority to ascertain the following information:
- (a) the name of the cat and the address or telephone number of the owner of the cat,
- (b) (once the cat is registered) the information contained on the current registration tag for the cat.
- (2) The identification may take any of the following forms:
- (a) a collar worn around the cat's neck with a tag or tags attached,
- (b) a microchip,
- (c) any other form of identification prescribed by the regulations.
- (3) The owner of the cat is guilty of an offence if this section is not complied with.
- Maximum penalty: 5 penalty units.
- (4) This section does not affect the operation of section 6.
- (5) This section does not apply to:
- (a) a cat on property of which the owner of the cat is the occupier, or
- (b) a cat being exhibited for show purposes or proceeding immediately to or from a place at which it will be, or has been, exhibited for show purposes.
- No. 30 Page 23, clause 25(1)(a), lines 25-28. Omit all words on those lines.
- No. 31 Page 24, clause 25(1)(c)-(e), lines 1-19. Omit all words on those lines.
- No. 32 Page 24, clause 25(3), lines 31-36. Omit all words on those lines. Insert instead:
- (3) Any person (including an authorised officer) who finds a cat that is in a place in which cats are prohibited under this section may seize the cat for the cat's own protection.
- (4) If the owner of the cat is present, an authorised officer (but no other person) may seize the cat (whether or not for the cat's own protection), but only if the owner fails to remove the cat from the place when the officer directs the owner to do so.
- No. 33 Page 25, clause 25(5) and (6), lines 4-12. Omit all words on those lines.
- No. 34 Page 25, clause 26. Omit the clause.
- No. 35 Page 25, clause 27(1), lines 31-35. Omit all words on those lines.
- No. 36 Page 26, clause 28, line 20. Omit "**and property**".
- No. 37 Page 27, clause 28(5)(b), line 13. Insert "returned to its owner or" after "to be".
- No. 38 Page 27, clause 28. Insert after line 15:
- (6) An authorised officer is not to give a direction under this section for the purpose of causing a cat to be taken to a council pound unless the authorised officer is satisfied that the owner of the cat cannot be identified.
- No. 39 Pages 27 and 28, clause 29. Omit the clause.
- No. 40 Page 36, clause 48. Insert after line 6:
- (b) The dog must not at any time be in sole charge of a person under the age of 18 years.
- No. 41 Page 36, clause 48(1)(b), lines 8 and 9. Omit "under effective control so as to prevent it from attacking or chasing any person or animal". Insert instead "in a child-proof enclosure".
- No. 42 Page 36, clause 48. Insert after line 39:
- (g) The dog must not be sold to a person under the age of 18 years.
- No. 43 Page 37, clause 48(1)(g), lines 1-13. Omit all words on those lines. Insert instead:
- (g) The owner must notify the council of the area in which the dog is ordinarily kept of the following matters within the time specified in relation to each of those matters:
- (i) that the dog (with or without provocation) has attacked or injured a person or animal (other than vermin)—notice to be given within 24 hours after the attack or injury,

- (ii) that the dog cannot be found—notice to be given within 24 hours after the dog's absence is first noticed, council—notice to be given as soon as practicable after the change of location.
- (iii) that the dog has died—notice to be given as soon as practicable after the death,
- (iv) that the ownership of the dog has changed—notice to be given within 24 hours after the change of ownership,
- (v) that the dog is no longer being ordinarily kept in the area of the council—notice to be given as soon as practicable after the change of location,
- (vi) that the dog is being ordinarily kept at a different location in the area of the council—notice to be given as soon as practicable after the change of location.
- No. 44 Page 39, clause 53(1)(a), lines 14 and 15. Omit "under effective control so as to prevent it from attacking or chasing any person or animal". Insert instead "in a child-proof enclosure".
- No. 45 Page 39, clause 53. Insert after line 15:
- (b) The dog must not at any time be in the sole charge of a person under the age of 18 years.
- No. 46 Page 40, clause 53. Insert after line 4:
- (e) The dog must not be sold to a person under the age of 18 years.
- No. 47 Page 40, clause 53(1)(e), lines 5 to 17. Omit all words on those lines. Insert instead:
- (e) The owner must notify the council of the area in which the dog is ordinarily kept of the following matters within the time specified in relation to each of those matters:
- (i) that the dog (with or without provocation) has attacked or injured a person or animal (other than vermin)—notice to be given within 24 hours after the attack or injury,
- (ii) that the dog cannot be found—notice to be given within 24 hours after the dog's absence is first noticed,
- (iii) that the dog has died—notice to be given as soon as practicable after the death,
- (iv) that the ownership of the dog has changed—notice to be given within 24 hours after the change of ownership,
- (v) that the dog is no longer being ordinarily kept in the area of the council—notice to be given as soon as practicable after the change of location,
- (vi) that the dog is being ordinarily kept at a different location in the area of the
- No. 48 Page 44, clause 59, line 3. Omit "**Seized animals to be taken to council pound**". Insert instead "**Seized animals to be returned to owner or taken to council pound**".
- No. 49 Page 44, clause 59, line 6. Insert "to its owner if the owner can be identified or otherwise" after "as soon as possible".
- No. 50 Page 44, clause 59, lines 8 and 9. Omit "(being a place provided by the council for the holding of animals seized under this Act)".
- No. 51 Page 44, clause 59. Insert after line 9:
- (2) A person who seizes an animal and does not comply with the requirements of this section is guilty of an offence.
- Maximum penalty: 20 penalty units.
- No. 52 Page 44, clause 60(1), lines 13 and 14. Omit "from reasonable inquiries made by the person". Insert instead "from the best endeavours of the person in charge to establish who the owner is".
- No. 53 Page 44, clause 60(1), line 15. Omit "reasonable inquiries". Insert instead "best endeavours".
- No. 54 Page 44, clause 60(2), lines 17-20. Omit all words on those lines. Insert instead:
- (2) Without limiting the requirement that the person in charge of a pound use his or her best endeavours to establish who the owner of an animal is, the person must make the following inquiries:
- (a) inquiries to determine whether the animal is registered or identified as required by this Act and, if so, a search of the Register to
- No. 55 Page 46, clause 63, lines 6 to 27. Omit the clause. Insert instead:
- 63 Owner not entitled to compensation for sale of animal**
- (1) A council that sells an animal under this Part may transfer the proceeds of sale to such of its funds as it considers appropriate. The money then becomes the property of the council.
- (2) A person who claims to be the owner of an animal sold by a council under this Part is not entitled to any compensation for the sale.
- (3) If the proceeds of sale of an animal are less than the release fees and maintenance charges determined by the council under this Part (together with any expenses reasonably incurred by the council in selling the animal), the council is entitled to recover from the person who was the

owner of the animal at the time it was seized the whole or part of the difference between the proceeds of the sale and the amount of those fees, charges and expenses.

No. 56 Page 47, clause 65(1), line 6. Omit "20 penalty units". Insert instead "5 penalty units".

No. 57 Page 53, clause 76. Insert after line 28:

(3) Of the members holding office under subsection (1)(d) from time to time, no fewer than the number of members specified in subsection (4) as the minimum animal welfare organisation membership must be members appointed on the nomination of organisations that the Minister considers to be recognised animal welfare organisations. Each such member must be appointed on the nomination of a different organisation, unless subsection (5) applies.

(4) The minimum animal welfare organisation membership is:

(a) 1 member, for a membership under subsection (1)(d) of from 2 to 5 members,
or

(b) 2 members, for a membership under subsection (1)(d) of from 6 to 8 members,
or

(c) 3 members, for a membership under subsection (1)(d) of 9 members.

(5) If, for the purposes of subsection (3), a sufficient number of nominations of persons for appointment as members is not duly made within the time and in the manner specified by the Minister in a notice published in the Gazette calling for nominations, the Minister may appoint, in addition to any persons nominated, as many persons (being persons referred to in subsection (1)(d)) as are necessary to cure the deficiency.

Legislative Council's amendments agreed to on motion by Mr Aquilina.

Resolution reported from Committee and report adopted.

Message sent to the Legislative Council advising it of the resolution.

**House adjourned at 5.41 p.m. until
Tuesday, 8 September 1998, at 2.15 p.m.**
