

LEGISLATIVE ASSEMBLY

Friday 26 May 2000

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

Mr Speaker offered the Prayer.

APPROPRIATION BILL

APPROPRIATION (PARLIAMENT) BILL

APPROPRIATION (SPECIAL OFFICES) BILL

APPROPRIATION (FURTHER BUDGET VARIATIONS) BILL

STATE REVENUE LEGISLATION AMENDMENT BILL

UNCLAIMED MONEY AMENDMENT BILL

Second Reading

Debate resumed from 24 May.

Mr STEWART (Bankstown—Parliamentary Secretary) [10.02 a.m.]: Today I proudly speak in strong support of the Carr Government's sixth Appropriation Bill and cognate bills. Once again this is a budget that delivers for the people of New South Wales and provides a fair share of the State's infrastructure and resources to my electorate of Bankstown. The Bankstown area is a big winner. This budget supports the needs of local families, and, importantly, provides an increased allocation for health, education, policing, transport and community services in the Bankstown region. I am pleased and proud to report that this budget continues the Carr Government's trend of delivering a fair share of the State's resources and infrastructure to the people of Bankstown, as the Government has done in its past five budgets.

Mr Hazzard: Tell us what they got.

Mr STEWART: The honourable member for Wakehurst will hear all about it in meticulous detail. As a result of sound and equitable financial management by the Carr Government, the Bankstown area will get a huge financial boost of approximately \$22.1 million to be spent on capital works in the Bankstown region. The funding for Bankstown goes beyond that; this is just the capital works program. At a later stage I will talk about the other benefits to Bankstown from this budget. Some of the major capital works to be undertaken in the electorate of Bankstown include \$2.3 million for education and training. That is a major stake in the budget for Bankstown. That funding will go to Bankstown TAFE college to complete a \$4.3 million upgrade. I am advised by the Minister for Education and Training that the college upgrade will be completed by early next year.

When completed, TAFE staff will be able to move from rented accommodation to the refurbished facilities at Bankstown college, saving several hundred thousand dollars in rental costs alone. Bankstown college is a key centre of the Southern Sydney Institute of TAFE. The project is a boost for the budgetary administration of that institute, and savings can be redirected into appropriate programs to meet the educational needs of the area. Bankstown TAFE college is recognised for its high standard of training and excellent staff. I congratulate Heather Crawford, the college director, and her staff, who work diligently. The college has a proud record in the Bankstown region for delivering educational excellence.

The 2000-01 State Budget provides a record \$7.2 billion for education and training throughout the State. The main focus of this allocation is to improve literacy and numeracy skills through teaching programs, statewide testing and intensive remedial programs. An amount of \$106 million has been devoted to that initiative. Also, \$1.5 billion will go towards providing quality employment-related training through schools—an important focus of modern education—TAFE New South Wales and adult and community colleges. Further, \$480 million has been allocated to improve school and TAFE facilities through new building programs,

maintenance, security and air-conditioning projects. This year the Government has made a record allocation for the capital works program for New South Wales education. Many schools throughout New South Wales, which were built in the 1950s and 1960s, need adequate refurbishment. Unfortunately, under the Coalition Government capital works programs were not undertaken in a proper and equitable manner. This Government is now in a position to start doing that.

In my electorate of Bankstown a number of schools fall into that category. Banksia Road Public School in the Greenacre area was built in the 1950s and is in need of capital works support. I hope to be able to promote its need throughout the course of the year. Yagoona Public School has archaic toilet facilities and building problems. Again, I will promote that school to the Minister as an initiative to be undertaken under our record capital works program. Greenacre Public school has building and security needs. Again, we hope to be able to address those needs through this massive capital works undertaking.

Also included in the budget for education and training is \$113.6 million to increase the access to and skills of teachers and students to the latest technology, thereby enhancing teaching and learning. Most importantly, \$74.3 million has been allocated to conduct the new 2000 School Certificate. It has taken a long time to introduce that. The previous School Certificate was a model of the 1960s; this model is for 2000 and beyond. That amount will also go towards conducting the 2000 Higher School Certificate and preparing for the first new Higher School Certificate at the end of 2001. I am proud to be able to support and applaud those huge initiatives in education. I congratulate the Minister for Education and Training on his sound lobbying of the Treasurer to receive these moneys.

The Bankstown region received \$3.1 million for public housing, which is an important issue in my electorate. My electorate office is inundated with inquiries and representations for public housing needs. In the central Bankstown area alone 5,000 people are on the priority waiting list for public housing. These people, who come from low socioeconomic backgrounds, need family support and housing in adequate accommodation. I welcome that \$3.1 million for public housing in my local area, which will better equip the public housing body to deal with public housing needs in the Bankstown region.

I am disappointed that the Howard-Costello Federal Government has progressively diminished the public housing funding allocated to the States. That is reflected in States like New South Wales, where there is a dire need for public housing. Unfortunately, State Governments—it is not only the New South Wales Government—are having difficulty meeting those needs because the Howard-Costello Government has been reducing funding resources significantly over the past few years. Nevertheless, the Carr Government is doing its best with initiatives in this State. Clearly, this \$3.1 million is needed in the Bankstown region, and I thank the Minister for Housing for that initiative.

Also, \$801,000 has been allocated to improve water distribution services in the Bankstown region. That is in addition to a number of water support services provided for Bankstown over the past few years by the Carr Government. Water services in Bankstown had not been given the priority and attention they deserved, but that has started to change. In particular, old pipe ways, water drains and so on, which are about 100 years old, have been modified and repaired but not replaced. This program and this money will enable that problem to be dealt with properly so that the people of Bankstown get the water resource service they deserve.

In the budget \$1.23 million has been allocated to the Bankstown waste transfer station. That is an important initiative. The Bankstown waste transfer station is a state-of-the-art facility in a heavily congested area that is one of the most densely populated in Australia. The disposal of rubbish is of paramount importance. It is not simply the amount of rubbish to be disposed of that is of concern, because massive quantities of rubbish must be disposed of, but whether rubbish is disposed of in an ecologically safe manner so that our precious environment does not suffer negative consequences. Rubbish is sorted and recycled. The waste transfer station is not simply an old-style rubbish dump, where everything gets buried in a great big hole. Chemicals and other materials are dealt with professionally and adequately so that they do not go back into the environment. I applaud the allocation of \$1.23 million for the Bankstown waste transfer station.

In the budget \$9.7 million has been allocated for electricity and rail service infrastructure in the Bankstown region. That money will not be wasted; it will enhance service provision in Bankstown. I am pleased to report that \$3.6 million has been allocated for local road improvements in the Bankstown region. Again, that is a record for Bankstown. I congratulate the Minister for Transport, and Minister for Roads on his dedication to improving the roads infrastructure in Bankstown to ensure that the Bankstown region gets the roads and road service delivery it deserves.

Previously, under the Carr Government \$52 million was committed to a project to construct an overpass on the Hume Highway at the intersection of Roberts Road and Centenary Drive in my electorate. That project has been delivered. A coalition Government would not have delivered that project. We discovered that the Coalition Government intended to look at that project eventually, in 2000. However, the overpass has been constructed; it is signed, sealed, delivered and in place. The overpass has eased the bottleneck of traffic travelling in the Chullora and Greenacre areas. That \$52 million project has enhanced my local area. Stacey Street has also been upgraded. That is another big tick for the Minister for Transport.

Mr Hazzard: We commenced all the planning for that.

Mr STEWART: It was delivered by the Carr Government. The upgrading of Stacey Street cost close to \$10 million. That project had been promised for a long time, but it was delivered by the Carr Government. Stacey Street, which has been widened, is a major arterial road in my electorate and carries the bulk of traffic from the Homebush site to the southern areas of Sydney, to Sutherland and so on.

Mr Hazzard: What did you do to deliver that?

Mr STEWART: Like every good member—and the honourable member for Wakehurst needs to learn this—I worked hard and I lobbied the Minister in a positive and progressive manner. And I got results. I am pleased that we have a Minister who listened and continues to listen. I congratulate the Minister for Transport on that initiative. The budget has an allocation of \$3.6 million for servicing our road needs. The Bankstown region will get a number of sets of traffic lights and safety enhancements on our roads. About \$700,000 has been allocated for rehabilitation of the road surface of Juno Parade, Greenacre, and additional funding has been allocated for the Hume Highway, for additional roundabouts and for the Street Safe Program. The list goes on.

Bankstown City Council is pleased about the initiatives contained in this budget. Council has been lobbying for these initiatives for a long time, and those initiatives are included in the budget allocations for the Bankstown region. I congratulate Bankstown council on working in partnership with the local member and the State Government to ensure that these initiatives are delivered. In the budget \$16,000 has been allocated for the local State Emergency Service[SES]. People do not know how hard members of the SES work until they observe them dealing with problems and measure the results. When people need the SES it is there. I am pleased that \$16,000 has been allocated for that important initiative.

It is no secret that the Bankstown area has more than its fair share of local crime. To address the local crime problem, police in the Bankstown area, under the leadership of Inspector Dave Madden, have worked diligently to achieve success in their quest to protect my local community in its fight against local crime. They are getting results, and they will get even more results now because I am pleased to announce that the police budget is a record \$1.6 billion.

The focus of the police budget will be investment in new technology and smarter policing initiatives aimed at supporting a more efficient Police Service and improving police investigations statewide. That will have a real application in dealing with the crime problem in the Bankstown region, particular organised crime. The budget for police capital works features funding of \$20.2 million for sophisticated technology and equipment, so that New South Wales police will be able to employ smarter, more accountable policing practices and improved communications. It is pleasing to note that this another record budget for police under the Carr Government.

Certainly in my local area, where crime is a significant concern, this budget will lead to a safer area and a more efficient Police Service. The end result will be a safer, more satisfied Bankstown community. It is important to point out that once again the Carr Government has delivered a budget that provides for an additional 200 police, in line with the Government's previous commitment to make 2,110 more police available to the front line by the end of 2003. High-tech highlights gained by the New South Wales police under this budget include \$1.2 million to enhance the Computerised Operational Policing System. We will now have a system that can deal more radically and quickly with policing needs. Also, \$500,000 has been allocated for a computerised criminal suspects identification system, \$600,000 for an automatic criminal histories project, which is under way, and \$1 million for live scan digital fingerprinting equipment.

For a long time the police have been requesting that equipment, and it is now being delivered by the Carr Government. Some \$1 million has been allocated for the acquisition of digital film processing equipment for digital speed camera technology. That will protect people on the road and ensure that drivers who are

speeding are held accountable quickly. Also, \$6.7 million has been allocated for radio and telephone equipment. The budget also provides for the installation of mobile data terminals in most first response police vehicles—that is very important—and funding of \$2.3 million for upgrading forensic laboratories.

The total capital works program for police in the 2000-2001 budget is \$67.2 million. I congratulate the Minister for Police on being at the forefront of lobbying the Treasurer and successfully achieving that allocation. As a result of this budget, police in Bankstown and other areas of New South Wales will be better equipped to deal effectively with local crime concerns. As the Treasurer indicated in his Budget Speech to this House, the budget was delivered in the background of the Sydney Olympic and Paralympic Games. As the Treasurer pointed out, these Games are paid for in their entirety. The Carr Government's Cabinet, and in particular the Premier, the Treasurer and the Minister for the Olympics, are to be commended for this outstanding achievement. It is even more outstanding when one considers that the budget, as the Treasurer reported, has achieved lower taxes, and additional spending on hospitals, schools and community services for the third year in a row. In addition, New South Wales continues to have strong job growth.

What is absolutely outstanding and most pleasing about the Government's track record is that the Carr Government has been able to pay for the Olympics in their entirety, while continuing to increase spending in the key core service areas, reduce State debt and increase State asset net wealth. As the Treasurer proudly reported, we are the first Government in the history of New South Wales to reduce the State's total debt and liabilities, rather than add to them. In this context it is pleasing and commendable to note that for 1999-2000 the Carr Government expects a tax surplus of \$393 million. As this House has been informed, only two New South Wales Governments since 1962 have ever achieved a cash surplus, but by June next year the Carr Government will have achieved four surplus budgets. That is a commendable achievement.

This type of sound fiscal economic management has led Standard and Poor's, only yesterday, to once again strongly reassert the Carr Government's triple-A economic rating for New South Wales. A triple-A economic rating in this State means that we are the best in the country. As we enter the new millennium we have a solid basis for the future of this great State as part of this great nation. The budget clearly delivers for the people of New South Wales. In particular, it is a big win for the people of the Bankstown region. I am grateful to the Carr Government for once again delivering a fair share of the State's resources and infrastructure to support the needs of my local community. The people of Bankstown thank the Government.

Mr HAZZARD (Wakehurst) [10.22 a.m.]: It was interesting to listen to the honourable member for Bankstown detail the moneys that will go to Bankstown electorate following the budget allocation. For some years I worked as a lawyer in Bankstown. I have many friends and I know many people in the Bankstown area. I am very pleased that the Bankstown community will receive appropriate funds, if that is what the honourable member says they are, from the budget. However, I find it rather amazing that he is able to stand in this House on a Friday morning, three days after the budget was delivered, and list every single item his electorate has been given. Yet I, a Coalition member and also a member of this Parliament, elected by about 50,000 people, am not able to stand here and detail the budget allocation for Wakehurst electorate with any precision.

And why not? I cannot do so because the Government plays politics to the absolute extreme. The Government has delved the depths of what might be considered partially corrupt activity by not making information fairly available to all members of Parliament about what various electorates have been given in the budget. The Premier and the Treasurer think that is an acceptable way to run the State. I can tell them that it is not acceptable, rather it is extremely arrogant. Eventually they will become unstuck because of the way they treat people. They think that they are closing me and my Coalition colleagues out of obtaining information about our electorates, but they forget that they are also closing out a fair number of New South Wales citizens.

Many of those constituents have relatives in Bankstown and Parramatta electorates, and in other electorates held by Labor Party members. When constituents hear about the arrogance of the Premier and the Treasurer and about how they have indulged in what might be considered partially corrupt activity, by not sharing information fairly with all members of Parliament, they will ultimately deliver the Premier and Treasurer their just desserts. To ensure that they do, yesterday I wrote a letter to the Independent Commission Against Corruption [ICAC], which I will read to the House:

Dear Commissioner,

I write to request that the Independent Commission Against Corruption investigate whether or not the NSW Treasurer has been partial under the terms of the ICAC Act in his failure to dispense information to Liberal/National MP's and hence, their electorates in relation to the NSW Budget.

It has been the practice of the NSW Government for the last 4 years to show partiality towards Labor and Labor-aligned MP's and their electorates by making available information on the day of the Budget, whilst at the same time, failing to make similar information available to non-Labor MP's, and therefore their electorates.

I look forward to hearing what the ICAC has to say about the matters I raised in that letter. At the end of the day the people of New South Wales will judge this Government. Day after day we watch the Premier in this Chamber behaving like a buffoon, like a babbling fool. Unfortunately, the Premier, who treats this House like a circus, like a theatre, behaves as if he is the centre act. I would rather watch a monkey doing its bit than watch the Premier conducting himself as he has done in this House. I would like to welcome here today a number of year 10 students from the Lewisham Christian Brothers High School. I hope they learn something about the way the Parliament operates. I hope that the students do well in their commerce-law course. Study hard! I am sure that welcome is a bipartisan one.

Before I embark on a more detailed analysis of some aspect of the budget of which I have knowledge, I would like to acknowledge that at about this time, at St Kieran's Church at Manly Vale, a service is being held for Robyn Douglas, who died on Sunday night, 21 May. She was Chairman of the Board of the Women's Resource Centre, commonly known as the Baringa Women's Refuge, at Dee Why. Robyn Douglas has been a member of the board for 15 years. She was the chairman of the board for 12 of those 15 years. Seven years ago she received an award from Warringah Council for her contribution to the community. At a time when we are reflecting on budget allocation of money to assist various pursuits in our community, it is worthy that the House note that Robyn Douglas served her community above and beyond the call of duty.

Robyn Douglas served not only the Women's Resource Centre, she also took part in many charitable pursuits, including raising funds and doing work for the Cancer Research Foundation. She had three sons, two of whom live in Queensland, and four grandchildren, one of whom is only two weeks old. I express my condolences, those of our local community and, I am sure, the Parliament to the family of a person who contributed greatly to the community. She died far too young: she was only 58. Unfortunately, it happened when nobody expected it. I pass on my condolences to her family, and acknowledge her wonderful work for the community.

It is disappointing for me to have to say that as of this morning I have no detailed precise information about what the budget will do for any area of the peninsula and the northern beaches. However, it would appear from the main budget documents that the northern beaches have been largely forgotten by the Government for the fifth year in a row. Nothing has been done for the northern beaches. I heard the honourable member for Bankstown refer to an allocation of \$2.3 million for the Bankstown TAFE, and \$4.3 million for an upgrade of the TAFE. I know Bankstown TAFE. It is an excellent TAFE and I am pleased that it has received that allocation. However, I draw attention to the fact that Seaforth TAFE, on the northern beaches, has closed and all of the students, both young and old, who used Seaforth TAFE up until the last year and could not get into Brookvale TAFE are now looking for spaces. Some of them have been sent as far away as Meadowbank.

I point out that whilst we welcome any moneys going into education in any part of the State—it is part of the Coalition's philosophy that all people are entitled to a fair share of the budget pie—it is extremely disappointing that Seaforth TAFE has been closed and not one cent has been allocated in this budget to address any sort of amelioration or improvements to the local TAFE to cope with the extra pressure that has been put on Brookvale TAFE. It is extremely disappointing that the Government closed Seaforth TAFE in the first place. It is also disappointing that this budget seems to have made no particular allocation for all those students who have had to transfer to another TAFE and find courses elsewhere. The honourable member for Bankstown spoke about maintenance programs. I remind him that under the Coalition maintenance programs were cyclical. Maintenance was provided equitably within five years. In other words, every school in New South Wales knew that it would receive maintenance every five years.

Mr Stewart: They get it when they need it; they don't have to wait five years.

Mr HAZZARD: The honourable member for Bankstown accurately expresses what his Government says it is now doing. But it is nothing more than a pretence. Schools on the northern beaches are absolutely desperate for maintenance, they have now waited the five years—

Mr Glachan: Under us they used to get it.

Mr HAZZARD: As the honourable member for Albury said, schools used to receive maintenance.

Mr Stewart: Not the schools in Bankstown.

Mr HAZZARD: That is puerile and infantile rubbish. It is the sort of political stupidity that will bring the Carr Government unstuck. Members opposite are a bunch of amateurs who are riding on the high-taxing nature of this State. I acknowledge that things are going fairly well at the moment in terms of the economy—largely due to John Howard, not Bob Carr. But the honourable member for Bankstown makes those sorts of silly comments. The reality is that under the Coalition Government it was a fair system. Every five years schools were guaranteed cyclic maintenance. The honourable member for Bankstown said that maintenance is now provided to schools on the basis of need. That is rubbish. The fact it is that the Government puts all the money into the electorates it needs to win and it becomes a purely political exercise and animalistic-based approach to the distribution of funds. At some stage members opposite will come unstuck and I will be there watching the smirks being wiped off their faces—it should happen sooner rather than later.

The schools in my electorate and on the northern beaches are missing out on their maintenance programs. I am aware of schools that are in desperate need of maintenance. They want their guttering fixed so that the students do not get wet when it rains and they want potholes in their playgrounds fixed, but they cannot get the money. The schools that are to receive maintenance funding will have the payments staggered over the next few years. They will not receive it now, even though they have not received any maintenance funding since the Carr Government came to office. To hear about the sort of money that is being put into electorates such as that of the honourable member for Bankstown—although I welcome that money for Bankstown—simply highlights the incredibly unfair situation that is occurring under the Carr Government.

I turn to hospitals. Under the Carr Government the paediatric ward at Manly hospital was closed and its maternity ward has been under threat of closure. When the Coalition was in government Manly and Mona Vale hospitals were secure. During the term of the Coalition Government we knew that those services would continue. Now we find that there are almost no services in that regard. Under the former Coalition Government major road upgrades took place at the same time as work was being done on the Hume Highway. As the honourable member for Bankstown pointed out, the overpass was on the agenda and lots of work was being done in the Bankstown electorate at that point, but work was also being done on the northern beaches.

Two of the major works related to Mona Vale Road and Forest Way. Now my electorate receives very little roads funding. We get a small amount of funding for Mona Vale Road, but none for some of the roads on the northern beaches that are in urgent need of attention. On my reading of the major budget documents, no money has been allocated in the budget for additional police for the northern beaches. We have lost 65 police under the Carr Government. Under the Coalition Government the northern beaches had a reasonable number of police, including beat police and community policing. The crime rate in the area has increased, break and enter offences have increased, and yet we have received no response at all from the Government.

What the Government is doing is teaching the Coalition that when it wins office it should govern for one sector only. The Government is teaching us to be politically ruthless. It is teaching us that when the wheel turns—and the wheel will turn—and local members want funding for their electorates the reply will be, "Why? That is the way you treated all of our electorates for the last 7½ or eight years." It is time for this Government to get some sense of maturity about its role. We do not need a government that is more akin to George Speight or perhaps the rule of law that arose from the Romans.

I am the shadow Minister for the portfolios of Corrective Services, Housing and Aboriginal Affairs. First I wish to address Aboriginal affairs. This Sunday Corroboree 2000 will be held. I urge all residents of Manly-Warringah and Pittwater to join me, other members of Parliament and members of the community on Sunday morning between about 8.00 a.m. and 12.00 noon in a walk across the Sydney Harbour Bridge to show support for a unified and reconciled Australia as we go into the twenty-first century. At the invitation of the Premier, I will be walking across the bridge on Sunday morning, together with the Premier, the Leader of the Opposition, Kerry Chikarovski, and the Leader of the National Party, George Souris. I will do that in the hope that walking across the harbour will represent walking across the divide that has existed for too long between indigenous and non-indigenous Australians. Hopefully it will be a fine morning and there will be very little traffic. It will be a great opportunity for us to come together with a unified sense of purpose for the future of Australia.

I was very disappointed to read about budget funding for corrective services. This Government has got really good at being obfuscatory in regard to the budget. The way in which the budget papers are presented changes each year. The budget estimates do not reveal actual expenditure. However, when the Government wants to demonstrate that it is putting a heap of extra money into the budget for the current year, it compares that figure to the estimated expenditure for the previous year—if it suits the Government to do so—rather than

the actual expenditure. The Government said the budget provided a 13.1 per cent increase in funding for Corrective Services. However, when one looks at what the Government had to spend last year, one finds that it is only a 2.9 per cent increase. Last year's recurrent expenditure on Corrective Services was \$512 million, and this year funding for Corrective Services has been increased to \$527 million.

That is a very disappointing increase, bearing in mind that what the Government is doing at the moment is turning out better criminals, not better people. It is not putting the funds into rehabilitation or literacy programs. Recently I visited the Lithgow corrective services facility. I was told that the funds for literacy programs had not increased for the last three years. That is disappointing, bearing in mind that literacy is probably the biggest priority for many detainees, to give them a sense of capacity to get a job and to get out of the cycle of criminality. I call on the Carr Government to get serious about literacy programs.

During a visit to another prison I was told that currently the Government does not even bother to assess inmates in any co-ordinated way on their capacity to read, and so on; there are no literacy standards. Therefore, when an offender comes out of gaol after serving a 10-year sentence, the Government does not have any benchmark against which to make a comparison about whether that person's literacy skills have improved. Considering the way the ad hoc program operates, the chances are there will not be any improvement anyway. That appears to be verified by the fact that so many offenders reoffend. I call on the Government to put more support services into community post-release programs. More than 100,000 New South Wales families are now on the housing waiting list. This budget makes almost no provision for any substantive increase to solve the housing crisis. In fact, few houses will be built this year for those in need.

Mr Stewart: You want to talk to John Howard about that and ask him for our money back. Ask him to give back the public housing money he took out of New South Wales.

Mr HAZZARD: In the last financial year 1,181 houses were built, but this coming year the Government proposes to build only 901. The honourable member for Bankstown said there was a reduction in Federal funding for housing. That is right; there was a 1 per cent productivity saving that applied across the board in all States. Interestingly, last week in Coffs Harbour at the community housing conference representatives from the Department of Community Services made the point publicly that on national standards New South Wales was doing worse than any other State yet receives more money than any other State. That means this Government cannot manage the increasing housing problem.

The Government has no plans for the homeless. In February, the shortest month of the year, the Homeless Person Information Centre received 3,222 calls, which was the highest number of calls on record to that centre. The housing situation is desperate yet this Government has failed in this budget to put aside any substantial funds to address homelessness. This is a disappointing budget. It has been described as a big, fat, friendly Labor budget. I say it is a big, fat, fraudulent Carr Government budget and is entirely consistent with previous budgets. This Government keeps taxing the people of New South Wales because that is all it understands. It constantly asks for more money. It puts its greasy hands into the pockets of the people and rips off more of their money, and at the end of the day says, "Aren't we doing a great job!" It is doing a lousy job. The Government is on the skids and heading towards oblivion at the next election.

Mr McBRIDE (The Entrance) [10.42 a.m.]: The character, spirit and ideals of a government are revealed by the priorities of its budget. The priorities of this budget are consistent with this Government's five previous budgets. This is a true Labor budget. This budget balances the need for a strong and vibrant economy in an increasingly competitive and global economy with a commitment to Labor principles and ideals. This budget is based on fairness, justice and equity. It is a budget that is committed to helping the disadvantaged, the disabled and those seeking the protection and assistance of government. It is a budget that continues to give priority to the basics, the fundamentals of State government: health, education, policing, community services, public transport and roads.

This budget is for families by providing additional spending in health, education, policing, transport and community services. This budget fulfils our commitment to financial restraint and sound management within the context of up-front funding of the construction costs of the Sydney Olympics. Two days ago the final payment was made on the last permanent Olympic and Paralympic venues. As well, the budget makes ample allowance for all remaining Olympic-related expenses. Unlike other host countries where the Olympic financial burden was passed on to future generations, the Sydney Olympic Games have been paid up front, thereby guaranteeing the financial success of the event.

Central Coast families will benefit from one of the biggest increases in health dollars in the State. Under this year's State budget, recurrent funding for health services will increase by \$11.7 million, or 6.7 per cent. This year's increase is the first instalment of the Carr Government's commitment to increase recurrent funding for the Central Coast by 35.2 million, that is, 20 per cent, by 2002-03. An extra \$1.1 million will be spent this year on mental health services on the Central Coast. By 2002-03 mental health expenditure for the region will increase by \$5.4 million, representing an increase of 40.9 per cent.

The Central Coast this year will have under way \$8.2 million worth of new and continuing capital works projects. This means that, after more than 20 years of inequity, Central Coast families will finally receive their fair share of health dollars. Features of this year's health capital budget for the Central Coast include \$3.6 million towards the \$11.6 million Central Coast health service strategy, stage one; \$1 million for further planning for the Central Coast strategy, including redevelopment of both Wyong and Gosford hospitals; \$3.1 million to start work on a new 15-bed detoxification unit at Wyong Hospital; \$400,000 for the planning of the \$6.3 million new acute in-patient mental health services at Gosford Hospital and a new mental health in-patient unit at Wyong Hospital; and \$1.2 million for continuing work on the Lake Haven Community Health Centre.

The police budget has funded core policing projects on the New South Wales Central Coast. A total of \$2.8 million has been provided for the completion of capital works and the implementation of the Tuggerah-based Police Assistance Line [PAL]. PAL has brought with it 177 jobs to Tuggerah and the Central Coast as well as an extra 68 to Lithgow. The Central Coast is the nerve centre now for one of the most significant Carr Government election commitments for policing statewide. The Police Assistance Line will enable the equivalent of at least 500 extra front-line police for community safety across New South Wales. I have been assured that the Central Coast will continue to get its fair share of the new police recruits funded in this budget.

The Government has reintroduced the policy of sending newly sworn-in police to regional and rural New South Wales, not just to Sydney. Funding for the Central Coast was part of a record \$1.6 billion police budget for record recruitment throughout New South Wales and, most importantly, smarter policing initiatives to improve police efficiency and public satisfaction. The budget provides also for an increase of approximately 200 police, in line with a commitment to increase overall front-line numbers by 2,110 by the end of 2003. The major capital works program features funding for sophisticated equipment and technology, which will give police in regional and rural New South Wales better and faster access to police and criminal information thus making their jobs easier and the community safer. These smarter policing initiatives will make policing throughout New South Wales more efficient and safer for police in the city but, most importantly, for those in regional and country New South Wales.

The Carr Government is continuing to provide quality education and training on the Central Coast by increasing statewide funding to a record \$7.2 billion, which is an increase of \$300 million on last year's budget. This year's budget delivers funding for new and upgraded schools for local students and teachers. In 2000-01 more than \$23 million has been allocated for capital works projects on the Central Coast including \$62,000 towards new classrooms at Chittaway Bay Public School, which is part of a total \$825,000 project that will be ready for the start of the 2002 school year; and \$149,000 to start the Henry Kendall High School upgrade, which will total \$2.4 million and will provide better accommodation for students and teachers.

Further funding has been allocated to continue or complete projects including \$10.7 million towards the new Lake Munmorah High School; \$3.1 million towards the upgrade and consolidation of The Entrance infants and public schools onto one site with a new hall, which is part of a project totalling \$5.7 million; and \$9.3 million towards the new Wadalba community school, of which stage two totals \$14.8 million. This budget delivers on key commitments made to Central Coast communities. Perhaps more importantly is the announcement yesterday by the Minister for Education and Training that the Executive of the New South Wales Teachers Federation and the Government had reached agreement on a package of salaries and improvements to education and training, and that there would be no further disruption to schools.

This historic agreement represents a win for public education, a win for teachers and a win for parents but, most importantly, it is a win for students. Teacher quality is an important community issue. All members of the teaching profession in schools and TAFE will be involved in a strengthened annual performance review process including written feedback from their supervisor. This process will involve class observations, review of lesson plans, conferences between teacher and supervisor, and discussion of student work. This is the first time that the performances of all teachers will be assessed, not just those who are considered to be underperforming. This is an important step in ensuring the community that the quality of teaching is meeting expectations in the public sector. This settlement has been a long time coming, but now it is time to move on and renew our commitment to the improvement of public education, particularly on the Central Coast.

Funding for community and disability services has increased to \$1.486 billion. The budget highlights include \$110 million for child protection, which is a 17.7 per cent increase; a 16.3 per cent increase in child and family services—up \$54.5 million to \$389.3 million; a \$20 million increase in foster care allowance and child expenses; a \$65.2 million increase to disability services, the largest injection of new funds to the Ageing and Disability Department since it was formed by the Carr Government in 1995; and increases to a range of programs including the disability support program, Home and Community Care, the Ageing and Disability Department's budget jumping to \$890.5 million.

Since 1995, funding for child protection has increased by a huge 125.5 per cent from \$49 million to \$110.5 million. The budget includes an additional \$5 million for the establishment of the new Department of Community Services [DOCS] teleservice centre which will centralise the intake of child protection calls using the one statewide number 24 hours a day, seven days a week. That is a very important initiative because it will allow the Department of Community Services and the Department of Disability Services to constantly monitor demand right across the State. That is vital to the redistribution of resources to precisely where they are needed and guarantees that additional funding will flow to the Central Coast which has been proven to be underresourced.

During the next financial year, \$200,000 will be allocated for horticulture and the development of a horticulture protected cropping centre at Gosford. The facilities will be built at the Gosford Horticultural Research and Advisory Station and will be used to develop integrated pest management and best practice management systems for the production of high-quality horticulture products that are grown under protected structures. Major achievement of the Gosford Horticultural Research and Advisory Station have so far included the development of a range of naturally dwarf kangaroo-paw, a complete production system for Christmas bush, and work on developing a range of Asian vegetables and crops such as Daikon, edamame and Asian green tea. The station employs just over 50 staff and injects approximately \$5 million a year into the Central Coast through salaries and operating expenditure.

Funding of more than \$250,000 for the Central Coast is part of the New South Wales State Government's tourism budget for a 2000-2001. Central Coast initiatives include: \$50,000 towards the New South Wales Short Breaks campaign; \$20,000 towards the successful New South Wales Holidays Program; up to \$20,000 to be invested in a Central Coast Regional Flagship Event; and a further \$100,000 to be invested in the Regional Tourism Organisation. In addition, the Central Coast will also benefit from \$300,000 for the Pacific Coast Touring by Car Program. Development of the Gosford Gateway Visitor Information Centre will continue as part of the Government's \$2 million four-year gateway project. These Central Coast initiatives and the strategic promotion and marketing of New South Wales tourism in local and international markets will provide substantial business for tourism in the region.

Tourism is a major local growth industry. Being labour intensive, tourism is a major area of growth in new jobs on the Central Coast. Statewide tourism provides one in eight new jobs in this State. Much wider community debate is needed on the Central Coast on the future of tourism and the creation of new jobs and new opportunities to ensure that the support of the local community is behind the initiatives that have been established by Central Coast Tourism Incorporated and other tourism ventures. Another possible area of new job growth on the Central Coast is aquaculture. I encourage interested parties to follow up the \$3 million three-year aquaculture initiative that was announced by the Minister for Mineral Resources, and Minister for Fisheries. The value of aquaculture produce in New South Wales has the potential to increase from present levels of \$40.4 million to in excess of \$100 million within the next ten years. This will create jobs in regional New South Wales and benefit local businesses in rural areas.

In 2000-2001, \$500,000 will be provided for a program to assist fish farmers and new entrants to the aquaculture industry by the appointment of specialist extension officers. Additional support will be provided by the Government to assist fish farmers to better manage health and diseases that impact on the aquaculture industry. Other initiatives include: resources to promote aquaculture and assist investors to locate suitable sites, facilitation and expedition of aquaculture investments in New South Wales and continued development of aquaculture strategies to be developed across New South Wales by the adoption of a whole-of-government approach. Aquaculture industry development will feature best practice principles for construction, operation and environment protection.

There has been some debate on the Central Coast on the possibility of aquaculture development and the opportunities that may be created. Aquaculture has certainly been debated widely in the Labor Party as a way of creating new jobs on the Central Coast and as a way of increasing the employment opportunities base. On the

Central Coast, employment is a major issue in the sense that, unlike other areas of New South Wales such as Wollongong and the Hunter, the Central Coast does not have an underlying engine room of employment, so to speak. The Central Coast has a wide base of employment and a wide spectrum of employment, but not a great deal of employment in any special field.

Presently on the Central Coast, employment is dominated by the government sector, which accounts for approximately 3,000 effective full-time positions. In local government, the combined local authorities of Gosford City Council and the Wyong Shire Council have approximately 2,500 full-time effective positions. Employment is a major issue and any new initiative, including the aquaculture initiative, is a matter that should be pursued very vigorously by people who are interested in the Central Coast.

Major expenditure on road and rail infrastructure and services throughout the Central Coast is included in the budget. More than \$4 million has been allocated for transport and roads in The Entrance area. This budget delivers on the Government's commitment to fully fund a range of major transport and roads projects for the Central Coast as outlined in Action for Transport 2010. The budget includes \$1.5 million for the \$4 million duplication of the Pacific Highway between Renwick Street and Brooks Avenue at Wyoming. This project will add to the dual carriageway conditions that are already provided between Henry Parry Drive and Renwick Street. When complete, the project will result in a dual carriageway stretching right throughout the Wyoming Valley.

The Government will also spend \$1.4 million on the important area of road maintenance, including \$682,000 on various sections of The Entrance Road. More than \$642,000 has been allocated for a range of road safety and traffic management improvement projects, including \$50,000 for intersection improvements at the Pacific Highway and Lenna and Kent roads at Niagara Park. Traffic facilities costing \$160,000 are to be constructed at the intersection of Brooks Avenue and Eastern Road at Bateau Bay. Gosford City Council will receive \$2 million and the Wyong Shire Council will receive \$534,000 for road improvements. The budget will maintain funding for all rail services by CityRail to the Central Coast at existing levels while accommodating further possible expansions to meet increasing patronage.

The allocation includes more than \$15 million towards upgraded trains, including the intercity fleet, which provides services for commuters on the Central Coast. Nearly \$3 million has been allocated to commence environmental impact work on the proposed Sydney to Newcastle high-speed rail link, which will include track upgrades to improve travel times between Hornsby and the Central Coast. Commuters on the Central Coast will also benefit from system-wide programs that will be undertaken by CityRail over the next year, including the continued funding for the provision of two security guards on every CityRail train from 7.00 p.m. every night, and 24 two-person security teams from 3.00 p.m. at a cost of \$24 million; completion of the security upgrade at all stations in the Central Coast; and an additional \$5 million for the removal of graffiti across the CityRail network and cleaning of tracks.

The Central Coast received a total allocation of \$103 million for the construction of new capital works, which is an increase of \$15 million, or 17 per cent, on last year's allocation. Capital works projects will support more than 1,500 jobs on the Central Coast. Moreover, almost every first home buyer in the country and regional New South Wales can benefit from up to \$12,000 in new stamp duty exemptions and grants.

First Home Plus will apply to the majority of first home buyers in regional parts of the State. First home buyers will pay no stamp duty on the purchase of homes costing up to \$175,000 in country New South Wales. First Time Plus will not be means tested—which is a very important point—and stamp duty will be phased out on houses priced between \$175,000 and \$250,000 in country New South Wales. The average cost of a house outside Sydney is \$153,000. Young home buyers may now be eligible for assistance worth more than \$12,000. The First Home Plus provides a real break for young people and families who are buying their first home. It will also provide a real boost to the local domestic housing industry and generate employment in that field.

The State Budget is a true Labor budget. It is a budget that assists people and deals with the main issues on the Central Coast, which is the fundamental role of State government, namely, health, education, roads and community services as well as other services provided by the Government. I point out also that for a considerable period the Government has demonstrated its commitment to improving the capital, social, community and cultural infrastructure of the Central Coast. It should not be forgotten that during the last year a number of major initiatives were undertaken. One was the establishment of the Mount Penang Development Corporation which is designed to provide ongoing community festival activities for the whole of the Central

Coast area. This is a major initiative and provides an attraction not only for visitors but also for people who live in the local communities. That initiative will provide an enormous stimulus to the community and will create jobs and employment. Another major cultural and community infrastructure development was the establishment of the Grahame Park Stadium, which has been an enormous success.

Mr Hazzard: That is the only matter on which the honourable member and I agree.

Mr McBRIDE: In some ways, that is a bit disappointing. I wish that the Northern Eagles had enjoyed more success. I attended the stadium for the first game.

Mr Hazzard: Grahame Park Stadium has been very good for the local community.

Mr McBRIDE: I agree with the comments made by the honourable member for Wakehurst. It has been an enormously unifying force for the whole community.

Mr Hazzard: It is wonderful to see people walking to the stadium on Sunday nights to watch the games.

Mr McBRIDE: That is right. It has been terrific. It is something that other regions had. A comparison with Wollongong and the Hunter shows that we were underresourced in relation to that sort of community infrastructure. The new Central Coast athletics track is a terrific project that will provide a regional track for the whole of the Central Coast. It will result from a partnership of five bodies: Central Coast Athletics, Gosford City Council, Wyong Shire Council, Mingara Recreation Club and the State Government. The total project will involve \$3.7 million. Credit must be given to Gosford City Council for contributing more than \$300,000 to a project that is not even in its area. It says something about the spirit of co-operation that now exists on the Central Coast. There is a recognition of the area as a region. It is not important where a facility is; what is important is whether the people have the facility where it best services the community.

The Government allocated \$300,000 in the previous budget, and has allocated a further \$200,000 in this budget, making a total contribution of \$500,000. It is good commonsense to provide infrastructure for local communities in this way. The Central Coast community sees itself as a community and not as individual towns, regions or suburbs. Resources can be improved by two local government areas working together. State and Federal Governments also must assist because such projects cannot be done only at a local government level. In this case the State Government has put half a million dollars into a project with a total cost of \$3.7 million. The community will get another first-class regional, State and national standard athletics facility which will be of great benefit. The Central Coast, with a population of 300,000, is the fourth largest population region in New South Wales, after Sydney, the Hunter region—which has 500,000—and Wollongong. The Central Coast is a major part of New South Wales. [*Time expired.*]

Mr DEBNAM (Vaucluse) [11.02 a.m.]: As shadow Treasurer, obviously I want to talk on many aspects of the budget, but I want to start by referring to my electorate. Unfortunately I cannot talk about the details of the budget's effect on my electorate because I simply do not have them. The Government has continued its cynical approach to parliamentary democracy in New South Wales.

Mr Hazzard: Fraudulent, partial and corrupt.

Mr DEBNAM: The honourable member for Wakehurst is correct. The Government has not provided non-government members with details of expenditure in their own electorates. I wanted to talk about the police station that is under construction at Bondi even though this Government cannot easily do anything right. The police station is obviously the subject of legal action. I wanted to talk about the poor maintenance of roads in my electorate. I wanted to talk about public transport that cannot be relied on to get people to work or out and around Sydney. But I will raise those matters in a private member's statement. Perhaps by then I will have the information from the Government about my electorate.

Mr Hazzard: The people have been disfranchised.

Mr DEBNAM: That is right. I note that Government members received information on their electorates on the day the budget was delivered. Non-government members did not.

Budgets in New South Wales should be about delivering services. I want to quote somebody we all know on the topic. I refer to Gary Moore, from the Council of Social Service of New South Wales [NCOSS].

On the night of the budget he issued a press release which was beautifully titled "The Budget of Diminished Returns". That is what this budget is all about. Michael Egan has never had so much cash pouring into New South Wales Treasury coffers but the people of New South Wales have never had worse service.

Trains either do not arrive or they fall off the tracks. Even if the trains do arrive, staff are no longer on stations. People cannot get service in emergency departments of hospitals or just in the general areas of hospitals. Community services are not getting the funds they need. Services are lacking throughout State Government departments and agencies. Police staffing is a major problem. The shadow Minister for Police has already pointed out that police numbers have actually decreased. Why are we not getting police on the beat? The Government has simply not delivered on its promise which was made at the last election.

I now turn to the budget fundamentals. Michael Egan has been crowing about his budget. He is actually laughing all the way to the bank. The budget fundamentals are simply wrong. New South Wales is the highest taxed State in Australia. Bob Carr and Michael Egan over five years have managed to raise the State tax take by 53 per cent. One would expect that this would result in better service across New South Wales. But that is not the case. People are getting poorer service from every government department and agency. They are not getting value for money. We are being taxed to death—literally—because cemetery charges were also increased by the Government after the State election. State budgets should be about better quality services, but they are not being provided.

If one considers what Michael Egan has done over six budgets, he has put tax up, tax up, tax up, tax up, tax up and tax up. He has only one strategy, and that is to claw in as much revenue as he can, because he cannot control spending in the portfolios that really matter. The Government also cannot pursue proper reform and deliver better services. Michael Egan's budgets are always works of fiction, unbelievable estimates on both the revenue and the expenditure sides. Tax revenue has always rescued him at the end of every financial year. This year he will be rescued again by \$1.019 billion of extra tax above budget. Last year the figure was about a billion dollars—up again. How does he do it? He has taken every opportunity over five years to raise tax rates, to introduce new taxes, to increase charges, to increase fees and to increase fines.

This man is simply superb! If it moves, he taxes it. If it does not move, he fines it. He has done a great job in five years of raising the tax take in New South Wales by 53 per cent. But what has happened in that period of time? The fat cats have never done better than under Bob Carr. Their pay packets have increased from about 45 per cent in the five years that Bob Carr has been in charge. The bureaucracy is undoubtedly bloated but front-line services are not getting the resources they need and there is unsatisfied demand in the community. People going to hospitals, travelling on trains or requiring police services are not getting the response they need. I mentioned reform in passing. Last year in response to the budget speech I said:

Reform of the Carr Government's bureaucracy is stalled. Using the traditional, well-documented approach, instead of getting the body of the bureaucracy into shape the Treasurer is cutting off its fingers and toes at the front line. Fat cats are protected while the workers are out in the cold. Those most in need in this State are not getting the resources they need.

That is the point that Gary Moore from NCOSS made. There has never been so much money in New South Wales. And still the people in need are not getting the resources, regardless of the portfolio involved, right across the board.

The other topical matter at the moment is the Olympics. A few days ago at question time I made the point that we still do not know what the Olympics will cost, given that the ongoing operational costs of the Homebush site are not yet known. The Premier admitted that they will be determined by the Labor Party. We talked about that in question time. The Labor Party controls the show in New South Wales. The Labor Party will control the contracts. The Minister for Public Works and Services is nodding his head.

So we do not know what the costs will be. Any one of the 270,000 public servants in New South Wales this year can do work on any Olympics activity this year. It is funded under the budget in the appropriation bills. We will not know the cost of that. We will not know anything about the final cost of the Olympics until the Auditor-General actually carries out his review next year. We expect to see the results by about Christmas next year. I think that the people of New South Wales will see a few unwelcome surprises then.

There is nothing in this budget for small business. Over the past few months the Opposition has said that the Premier has simply pursued politics on the GST because he was in fact the first Premier in Australia to sign up for it on 24 June 1999. It was only after he raced down to Canberra and signed up that the other States followed suit. Every time the Premier raises the GST the Opposition says he should do something for small

business by changing government policy to apply stamp duty pre-GST not post-GST, instead of exploiting the GST to raise stamp duty further. That would remove the outrageous situation of a tax on a tax. The Government should reduce workers compensation premiums for small business and reduce payroll tax down to the 5 per cent that Michael Egan promised in April 1995.

During his first week as Treasurer he said that payroll tax was a bad tax and that he would get it down as quickly as he could. He nominated 1999 as the year when payroll tax would be at 5 per cent. He also promised to get it down to 4 per cent by the year 2000. That has not happened. The rate languishes at 6.4 per cent today, yet the Premier has made another promise on payroll tax that he might get it down to 6.2 per cent from January next year. Promises, promises! Small business would like a reduction in the payroll tax rate and for New South Wales Treasury to rule out its plan to extend payroll tax to all businesses in New South Wales by removing the threshold. Today Treasury continues to have on its web site its contingency for the downturn, which is to tax every business in New South Wales with payroll tax and raise another \$2.5 billion. The Premier could finally show some leadership by ruling that out and by reducing stamp duty and bank charges as originally planned in the GST discussions.

Land tax also impacts on small business. The land tax rate should return to the 1.5 per cent that it was when Labor came to office. It could even be reduced further. But the Government should reduce the land tax rate to 1.5 per cent, as it was before the Government raised the tax rate. The Government should also properly resource business enterprise centres. The Minister for Small Business has refused to provide three-year funding for business enterprise centres. Those centres do a fantastic job for small business across New South Wales yet they struggle from year to year not knowing whether they have funding for the following year. The Premier should provide some certainty for those business enterprise centres, which are doing tremendous work in New South Wales by allocating three-year funding, otherwise he should stay out of small business. He has nothing to offer small business and he is a hypocrite with the GST.

I now turn to review the Treasurer's claims in this budget. The Treasurer referred to the surplus in the budget and its sustainability. It may well be more than \$1 billion, depending on which surplus one is talking about because one can choose from a range of about five, but in reality it is not sustainable. New South Wales has never had so much money coming in the door from New South Wales Treasury and that is the case for two reasons. First, the New South Wales economy is booming thanks to the economic reform or employment-related initiatives of the Federal Government—which the Premier and Michael Egan have fought at every turn—be they economic reform or employment related. The Labor Party has taken every opportunity to talk down Canberra's initiatives. Australians have got behind John Howard and Peter Costello and made this country work. The economy is booming and as a result New South Wales has more tax revenue.

One would expect tax revenue to go up at approximately the same percentage rate as economic growth in New South Wales but that is not so. It has gone up at about three times the rate of economic growth in New South Wales because in the past five years Michael Egan has taken every opportunity to raise taxes, introduce new taxes, and raise charges and fines. He has never had so much money coming in the door because he has been clawing it from wherever he can. The Treasurer has referred to record spending in key portfolios. With record tax revenue there is record budgetary pressure on the services in the frontline. There is record bureaucracy and record waste, but people in the frontline at the railway stations, hospitals or police stations have never been under more budgetary pressure.

The Treasurer spoke about reducing debt. The budget papers show that over five years of a booming economy with economic nirvana he has managed to reduce the net debt by only \$1.3 billion, excluding the superannuation shuffle. He has done that through asset sales and the shuffle of debt into Government businesses, and I shall return to that shortly.

Taxes are a record 53 per cent—with payroll tax at 6.4 per cent, not the 5 per cent as promised; land tax at 1.7 per cent, not the 1.5 per cent that was in place when the Carr Government came to office; stamp duty subjected to a tax on a tax with exploitation of the GST introduction; gambling taxes up by about 60 per cent; and a raft of new taxes, charges and fines.

The budget includes a home ownership incentive and the Parliament must do whatever it can to promote home ownership. The Opposition hopes that this incentive will work for the people of New South Wales in promoting home ownership.

Every year in the budget papers there is a tax severity index, which does a comparison showing the level of taxes across each State. Lo and behold, it is not in the budget papers this year because comparison

confirms yet again that New South Wales is the highest taxed State in Australia. Over the last three months, reports from the Australian Bureau of Statistics, the Grants Commission and the Auditor-General show that the people of New South Wales are paying hundreds of dollars more than people in other States, yet they are receiving worse services and lousy services and terrible services in the state of New South Wales. The Government has not got a clue how to manage expenditure. It will be known as the Government of waste and mismanagement, and the Government that cannot forecast.

The Government has said that next year it will stick to its financial principles and achieve a 0.4 percent per annum real per capita reduction in expenditure and live within its means. However, over the past two years the Government has achieved a 3.6 per cent real growth per capita in expenditure above where it should be on its own financial management rules. It has broken its rules again. Treasurer Egan needs to do what he should have done over the past five years: not only reduce tax rates but fund that by pursuing public sector reform. As I said on the ABC *Stateline* program, Coalition shadow ministers would be happy to discuss innovative ways to deliver better service to the people of New South Wales. It can be done but this Government is not interested, as we see from Minister Scully, who says that it is not his problem. Minister, it is your problem! However, he has a responsibility to deliver better services because that is what State government is all about. He should be controlling expenditure in non-vital areas of the budget.

It is also concerning to have a look at capital expenditure. This Government has gone through much rhetoric in the past two weeks about investment in New South Wales, but the reality is that the Premier has not been investing in New South Wales but for five years has milked New South Wales. Nevertheless, it had the hide to talk about increased investment in New South Wales over the next couple of years. But, look at the budget papers! The asset acquisition program shows an 83 per cent reduction in capital expenditure next year because the Government cannot control the recurrent side of the budget. It would not have a clue how to manage its way out of a paper bag. In her budget response the Leader of the Opposition referred to infrastructure, which is critical to the State Government. Every year approximately \$6 billion or more is allocated to new assets and maintenance. The Government needs to get that program right.

I wish to make a few comments about debt. I now know why the Treasurer did not give honourable members a copy of his Budget Speech when he provided the rest of the budget papers. He has created a \$830 million slush fund for the re-election of the Carr Government. That is \$830 million of taxpayers' money. If it looks like a slush fund and smells like a slush fund, it probably is a slush fund. Before the Treasurer gets his sticky fingers on the millions of dollars to be shuffled into the slush fund, the Parliament needs to tell the Government to repay debt. That money is not for Sussex Street control. It is \$830 million of taxpayers' money, not Labor Party funds—at least not yet. In 1995 the Carr Government declared a policy of reducing State debt; it should just do it.

But the Premier is reluctant to do it. Why is the Premier reluctant to repay debt in the state of New South Wales? Between 1983 and 1988, the Cabinet of which the Premier was a member increased State debt by \$5.9 billion. When the Premier came into Parliament and was rushed into Cabinet, State debt rose dramatically. The Premier is the \$6 billion dollar man: he has an emotional attachment to \$6 billion of New South Wales debt. That is his debt—no wonder he does not want to give it up. However, the Premier was not alone; he had a few mates helping him to push up the debt. The Minister for Police was in debt in the last Labor Cabinet and the other Bob—Bob Debus—was Minister for Finance. We got two Bob's worth from the previous Labor Government. What was the economy doing at the time? The economy was doing pretty darned well during the 1980s—we all remember that—when Bob and Bob drove up State debt by about \$6 billion. They drove this State deeper into debt.

In the early 1990s, circumstances were a little different for the Coalition Government. We were in the midst of the Labor Party's recession—Keating's recession that we had to have. At that time the Coalition managed the finances of New South Wales well, despite the recession. In the 1980s, the Cabinet was not confronted by a recession: the Cabinet of Bob Carr and Bob Debus had the benefit of the 1980s boom, but still managed to add \$6 billion to State debt. No wonder this Labor Government does not want to reduce State debt; it revels in it. The Premier is attached to that debt; it is his—all \$6 billion of it. He does not want to repay or reduce it. Jack Lang is the Premier's hero because he did not want to repay debt either.

However, this money belongs to the taxpayer, not to the bank, and it is time to pay off the debt. The people of New South Wales want to reduce debt, not fund the Premier's election slush fund with \$830 million of taxpayers' funds. This Parliament must force the Treasurer to use surplus funds to pay off debt, not squirrel them away to use as directed by Sussex Street.

The summary of this budget is: Tax up, tax up, tax up, tax up, tax up and tax up. The New South Wales economy has never done better, the New South Wales Treasury has never had more money and the people of New South Wales have never had worse services.

Mr IEMMA (Lakemba—Minister for Public Works and Services, and Minister Assisting the Premier on Citizenship) [11.22 a.m.]: I am proud to stand at the table as a member of the Government and support this budget. This budget not only maintains New South Wales as the economic powerhouse of the nation but also delivers social outcomes for everyone in this State. I hope that the honourable member for Wakehurst will not leave the Chamber because the end of my speech is dedicated to the points that he made.

Mr Hazzard: Are you going to give us something?

Mr IEMMA: I will give him something, but it may not be what the honourable member expects. He should return to the Chamber in 15 minutes as I have two serves for him. This Government has correctly set aside a substantial amount of money for a rainy day fund to fire-proof the economy in the event of any downturn. That is prudent financial management.

Mr Debnam: It is a slush fund.

Mr IEMMA: The shadow Treasurer should applaud that sort of measure. He knows that the budget also repays debt.

Madam ACTING-SPEAKER (Ms Beamer): Order! The House listened to the contribution of the honourable member for Vacluse in silence. I ask him to extend the same courtesy to the Minister.

Mr IEMMA: The Premier wants to ensure that the economy continues to grow, and he is determined to work hard to deliver the economic benefits to this State. Like those before it, this budget will deliver better services in the areas of health, housing, education, transport and social services—particularly to those living in country and regional areas of New South Wales. The budget will create more jobs and improve living standards for all people in this State—particularly the battlers.

The budget will give a helping hand to young people eager to buy their first home. First Home Plus is a first-class idea that fits neatly into Labor's philosophy. The abolition of stamp duty for first-time buyers of homes valued at up to \$200,000 in the metropolitan area and up to \$175,000 in other parts of the State will make it much easier to buy a home. I note that the shadow Treasurer has now left the Chamber; he did not mention that initiative in his speech. Home buyers will now be eligible for more than \$13,000 in assistance. This is what Labor stands for: helping people to take that big step to buy a home and raise a family. The shadow Treasurer has returned to the Chamber to congratulate the Government on that initiative. There has been universal praise for the First Home Plus initiative. In yesterday's edition of the *Australian Financial Review* the President of the Real Estate Institute of New South Wales, John Hill, said:

The cuts will mean big savings in outlying areas such as Campbelltown, the Hawkesbury and Penrith.

In the same publication on Wednesday Housing Industry Association Ltd senior economist Simon Tennent also praised the scheme, saying:

The cuts are ... targeted very well for home builders who have been hard hit by the recent hike in interest rates which had dampened enthusiasm for new projects at the lower end of the real estate market.

Wollongong real estate agent Chris Hunt said the \$13,000 boost for first home buyers was the best news on the real estate front for years. Mr Hunt described the abolition of stamp duty on properties valued at up to \$200,000 for first home buyers as a "real confidence booster". He continued:

This end of the market was really facing some difficulties with GST—

I ask the shadow Treasurer to please note that—

and the likelihood of further interest rate hikes.

The shadow Treasurer should note that as well. The Federal Coalition Government will make it harder for first home buyers with its goods and services tax [GST], but the State Labor Government is helping to soften the blow of that pernicious tax. There is a reason for that. Contrary to what the shadow Treasurer said, this Government has a real commitment to improving the lot of those who live in outlying suburbs, in the regions and in country areas. We will ensure that they get the start in life.

As the Olympics draw near, the people of New South Wales can concentrate on and enjoy the Games, safe in the knowledge that the marvellous facilities have been paid for—notwithstanding what the shadow Treasurer said about the cost of the Olympics. Those facilities are there for future generations to enjoy, but, as the Treasurer explained, they will not cost the taxpayer another cent. It is unfortunate that the Opposition continues to insist on dwelling on the negatives in relation to the Olympics, including the funding. This event will put Sydney on the world stage, and the benefits—including economic benefits and benefits for small businesses—will flow for many years. The completed facilities not only are the envy of the sporting world but have drawn high praise from the international construction industry—and I know that from personal experience.

As I said earlier, not only is this budget responsible but it will deliver services in key areas. In the crucial area of health, the Government will spend \$7.4 billion this year—which is \$479 million more than last year's budget allocation. That figure has won over the Government's harshest critics. There is a guaranteed funding increase to all area health services to meet growth in demand, particularly in the Northern Rivers, the mid North Coast, the Central Coast, the Illawarra and south-western Sydney.

This year's new capital works projects include a \$5.8 million expansion to the rural health program, which will build or develop 20 hospital and health facilities in small country towns; \$6.3 million for the Central Coast mental health strategy, including the redevelopment of acute inpatient services at Gosford Hospital, and the construction of a new mental health inpatient unit at Wyong Hospital; \$13.8 million for additional services at Campbelltown Hospital; and \$16 million for additional services at Prince of Wales hospital. My ministerial colleague the Minister for Health should be applauded for those initiatives.

In education, the Government has made a similar substantial commitment, with an increased budget allocation of \$312 million, taking the total to \$7.2 billion. Another \$500 million allocated over four years for the Computers in Schools program is a fine example of how the Government is responding to the educational needs of students across the State. Construction will begin on eight new schools and there will be major upgrades at 119 schools and TAFE campuses across the State. In the housing area, I am particularly pleased to see that the Government will spend an additional \$327 million on public housing next year, including 901 general public and general community new housing units. I am sure that extra funding for public housing is supported by all honourable members. It is another example of this Government delivering for those most in need. In community services there has been a similar strong commitment to increase the level of allocation to improve services. The 2000-2001 budget provides a record \$1.486 billion for community and disability services.

As the Treasurer noted in his speech, that is an increase of \$162 million on the 1999-2000 budget, and a 68 per cent increase since 1994. Some highlights include \$110 million for child protection, an increase of 18 per cent; \$389 million for child and family services, an increase of \$54 million or 16 per cent; and \$21.5 million of growth funding for home and community care to provide an extra 500 hours of care to 8,000 more older people and those with disabilities. As the Premier noted in the foreword to the Budget Highlights for Regional and Rural New South Wales, people living outside Sydney, Newcastle, Wollongong and the Central Coast account for nearly 27 per cent of the State's population. In this budget more than 35 per cent of spending on capital works and road maintenance will take place outside those areas. That is \$2 billion of a \$5.5 billion program.

In New South Wales, 42 per cent of people live outside Sydney and they will receive 46 per cent of spending on capital works and road maintenance; a total of \$2.6 billion. Large infrastructure projects not only provide services in the rural community but also bring jobs and economic prosperity. Given that the shadow Treasurer waxed lyrical about small business, he somehow ignored those figures. He suggested that somehow small business does not benefit from the large amount allocated to capital works outside metropolitan areas. But the shadow Treasurer ignored characteristics of the construction industry: many thousands of small enterprises engaged in building and construction works often consist of only one or two people. The massive increase in commitment to a capital works program cannot but help small businesses.

The Government's commitment to capital works projects has helped create 324,000 jobs in New South Wales over the past five years. In the past 12 months another 135,000 jobs have been created across the State. We have the runs on the board on employment; New South Wales leads the country with an unemployment rate of 5.8 per cent. The Department of Public Works and Services will continue to ensure that taxpayers get value for money through procurement of Government goods and services, and will create an even better business environment that will continue to generate jobs, especially in regional areas. The Department of Public Works and Services plays a key role not only in managing major construction projects but also in maintaining those buildings.

The budget has allocated \$9.3 million for the restoration and maintenance of heritage buildings. Heritage maintenance projects include the Sydney Observatory, the Australian Museum, the Art Gallery of New South Wales, Government House, Darlinghurst Courthouse and East Sydney College. A further \$5 million has been allocated for the purchase of the yellow-block sandstone for the ongoing restoration of heritage buildings. The Department of Public Works and Services will stockpile a supply of stone for future work under the Government's very important conservation program. Negotiations are under way to purchase stone at St Patrick's Church site in Harrington Street, The Rocks, and at McCaffrey's Hill in Pyrmont. The Government program covers significant public buildings and monuments on the National Estate Register.

Across the State there are many wonderful examples of public sandstone buildings, which are a significant element of the city's character. This allocation will allow a range of maintenance work to be carried out over the next 12 months and will ensure that sufficient quantity of conservation quality, yellow-block sandstone is available for the next couple of years. The striking facades of some of Sydney's finest public buildings would not have survived without the restorations carried out in recent years under the Government's sandstone restoration program. The additional funds made available in this year's budget will ensure that those important buildings are kept in good repair.

In my electorate of Lakemba one of the most critical issues is housing. The total capital and maintenance expenditure for my electorate is \$11.742 billion, of which \$6.5 million is for major works. The honourable member for Wakehurst had a lot to say about not being provided with information on the allocations for his electorate. He sounded like someone who wanted to be spoonfed and was unable to make a few phone calls. Well, I found the figures for my electorate in the budget papers and people from my office made enquires by telephone to the local Department of Housing office. In Bankstown there is a regional office and there are local offices in Riverwood and Hurstville. Staff from my office rang the Bankstown office, which manages the capital works for the region, and asked that I be provided with details of the new capital works component of \$6.5 million.

The Bankstown office was only too happy to oblige. The honourable member for Wakehurst can get free advice by ringing the regional office in his area and asking the person in charge of capital works and maintenance what new housing projects are planned for his electorate. He could even find out what works are under way. If he has not taken the opportunity to drive around his electorate and find out, someone from the office could tell him. I am pleased that capital works are planned for Forrester Street, Kingsgrove, Rogers Street, Roselands, Nowie Street, Narwee, and Hannans Road, Narwee to meet general and pensioner housing needs.

The budget papers contain information relating to a canopy improvement program for Punchbowl railway station at a cost of \$1 million. That seemed to be a bit high so I had staff from my office telephone the office of the Minister for Transport. His staff were only too happy to oblige and provided additional information. I have determined that Punchbowl railway station will get another \$250,000 for all-weather canopies for commuters at that station. It is not difficult to get information about the budget, whether one is a school student, a lawyer, a doctor or even a member of Parliament. One need only make a simple telephone call. There is no need for anyone to make a strong criticism about the budget information.

The honourable member for Wakehurst wants to be spoonfed throughout his parliamentary career and have information provided to him. He could find out anything he needs by making a telephone call, researching in a library, or talking to his constituents. If one wanted to find out whether a railway station was receiving a coat of paint, a simple telephone call to a stationmaster would clarify the situation. The budget has allocated an additional \$6 million for the East Hills railway line amplification. This project will improve services throughout the Lakemba electorate and south-western Sydney. An additional \$280,000 has been allocated for the widening of the Bexley Road bridge, a vital project. It is part of the M5 East project and it is on track. An additional \$500,000 will be spent on repavement work along King Georges Road with an additional \$532,000 earmarked for road safety projects including Riverwood and Wiley Park Mainstreet programs.

This budget will ensure that the State continues to prosper. It is prudent and careful; it is a real Labor budget. It will allow further job creation particularly in regional New South Wales. It is a budget that will deliver better services to the people of New South Wales. I conclude by addressing a couple of issues that the honourable member for Wakehurst dealt with in relation to school maintenance. It is the responsibility of the Department of Public Works to manage contracts for school maintenance. Therefore, as the Minister responsible I cannot let his comments pass without response.

The honourable member for Wakehurst said that the allocation for school maintenance has changed and is now being made on a political basis, resulting in schools in his electorate missing out. I will set the record

straight. Contracts for school maintenance, which are performance condition based contracts, are the same for every school across the State. Contractors visit every school at the beginning of every year and check the standard against the performance standards in the contract. If a school is not performing up to the minimum standards stipulated in the contract, any deficiencies will form the program of works that will be performed at that school for the calendar year. The contractor must advise the principal of the deficiencies and, through consultation with the school community, the Department of School Education and my department, obtain an agreement on the program of work.

Every school in the State is treated the same. Contractors must meet the minimum standards. For example, they must ensure that there are no roof leaks; that painting and carpets meet the requirements; that guttering is in working order; that stormwater drains work properly and are not blocked; that all electrical systems, including lights and power points, work; that damaged fencing is repaired; and that all water services, including toilets and water bubblers, function properly. They are a few of the standards that have to be met. The contract sets out the minimum standards, and the contractor must ensure that schools meet those minimum standards. Contractors must visit the schools and meet with principals, and those visits are all recorded.

Where there are deficiencies, those deficiencies will form the program of works for the year. Inspections are undertaken by officers of the Department of School Education and the Department of Public Works and Services, and there is feedback from the local communities. Contractors are required to perform to a standard. That is how the system works. It is not a random allocation of maintenance work or maintenance money; it is a program allocation that is consistent across the State and applies to every school. For schools in Narrabeen or Dee Why, whether in the electorate of Wakehurst or in Broken Hill or Bourke the contracts are the same, the minimum standards are the same, and the program of works is assessed and carried out in the same way.

There is not a random allocation or an allocation based on the political affiliation of an electorate. Whether a school is located in an electorate that is represented by a Liberal, Independent, National or Labor member is not a factor in the program of work. Currently, 23 contracts cover 2,200 schools across the State. All the contractors are signed up to the same contract with the same standards. I can inform the House that most of the contractors are performing well and the schools are happy with the service. Where there are deficiencies, the contractors are required to fix the problems. In this year's budget the Treasurer has allocated an additional \$90 million for maintenance over four years. This financial year \$145 million will be spent on maintenance—an increase from \$128 million. That increased funding will go towards better school maintenance and, again, will be allocated on the basis of the condition of the schools, not the political affiliation of the electorate within which those schools are located.

Mr GLACHAN (Albury) [11.42 a.m.]: Due to the buoyancy of the economy—which has resulted largely from the actions of the Federal Government—the New South Wales Government has been able to put aside a significant amount of money as surplus in this budget. It claims that this money is a prepayment for superannuation to be put aside for the future. We all know that this is simply a slush fund that the Government will use at the next State election. No-one knows exactly how this prepayment for superannuation will work. It is not clearly spelt out; there is nothing in writing about it. We have simply been told that this money will be used for prepayment for superannuation. We do not know how that will work. But we do know that the Government will be able to call on it for the next election.

The honourable member for Vacluse, the shadow Treasurer, pointed out that there is very little in this budget for small business. The Minister for Public Works and Services said that current and future public works will assist small business—and they will. But small business needs more. There are many other aspects of small business, such as retailing, that need assistance. Payroll tax, stamp duty, land tax and bank charges, which this Government levies on the community, are all a burden on small business. Small business needs and deserves an easing of these taxes. With the easing of these taxes, small business will be able to employ more people and ensure that our economy remains buoyant.

I am concerned about our economy in the future. The economy is buoyant now, things are going particularly well, and I am pleased about that. However, the signs are that the economy is beginning to slow. There are problems on the horizon for the building industry. The property boom is coming to an end and construction is beginning to slow down. The end is in sight for that industry. Everyone agrees that the share market is beginning to show signs of uncertainty.

Mr Nagle: I must have missed that event.

Mr GLACHAN: I am sure that some of the shares of the honourable member for Auburn are starting to come back.

Mr Nagle: The economy is buoyant. I must have missed all this gloom and doom.

Mr GLACHAN: There are signs that the economy is beginning to slow. The Government believes that the many public works projects on its books will keep the economy moving. I can assure the Government that the economy will need more than simply government money in public works. We need an easing of the burden on small business, because small business keeps our economy buoyant, small business is the highest employer in our community, and small business needs assistance. This is a high-taxing government that makes no efforts to control expenditure. It simply looks for new ways to bring in income. The bill that was introduced in this House this week to increase the parking levy in the business districts of this city is another example of how this Government, rather than looking at ways to control expenditure, looks for ways to increase revenue. When there is a downturn in activity, prudent businesspeople look at ways to control expenditure. Not this Government—it looks at ways to increase taxes to gain more income. The Government puts control of expenditure aside. I was disappointed to see that the cost of the Olympic Games has blown out by \$100 million. When the Olympics are over we will inherit the best sporting facilities in the world.

Mr Nagle: And they are in my electorate of Auburn.

Mr GLACHAN: They are in the electorate of Auburn. I am one of the first to say how wonderful it is that the people of New South Wales and Australia will have the benefit of these great facilities. However, there is a problem, that is, the ongoing expense of running and maintaining the facilities. The people of New South Wales do not know how much that expenditure will be. The Government has not told us, because I do not think it knows. We face significant expenditure in running and maintaining those facilities, wonderful though they are, and that concerns me. I am concerned about the effect on the State of the slow-down in the economy and the fact that the Government is taking no steps to ease the burden on small business.

I congratulate the Government on the reduction in stamp duty for first home buyers. It is the best aspect of the budget. It will be of great assistance to young people purchasing their first home. It sends an important signal to the community that governments and the community value home ownership, and that it wants to encourage people to own their own homes. The Government could do nothing better for young people than to encourage them to own their own homes. It gives them hope for the future, it gives them certainty of accommodation, it gives them pride in their communities, and it gives them something to aim for as they pay off their mortgage. It also gives them an asset, which they will be able to pass on to their family.

I congratulate the Government on easing the burden on young people and first home buyers by reducing their stamp duty, but the Government should remove stamp duty from the purchase of any home for any person. People who buy homes kick the economy along. The home-building industry is a vital component in ensuring a buoyant economy. Reduced stamp duty will give the industry valuable and useful assistance which, in turn, will benefit everyone in the State. I will now return to matters specific to the Albury electorate. My main concern is for the people who elected me and for those whom I represent in this place. The capital works allocation in the budget contains very little for the Albury electorate.

Albury, like every other part of the State, will suffer from a slow-down in the economy, and we will need a boost that expenditure in public works would certainly give us. I note that \$560,000 has been allocated for the TAFE centre at Thurgoona, just outside of Albury. A few weeks ago, in company with the Minister for Public Works and Services, I was on the site and saw a few of the new buildings under construction. The buildings are of an outstanding quality and standard. They are magnificent. In some sections of the buildings rammed-earth walls were used. The philosophy behind the construction of the buildings was that they be in harmony with the environment. They are a credit to TAFE, the Government and New South Wales.

I congratulate everyone on their involvement in the planning and construction of those first-class buildings. Some of the subcontractors on the site spoke to me and told me, unfortunately, that there had been major problems and, in some instances, that there had been a waste of money in the construction of these buildings. They will give me more detail later, but they mentioned things such as concrete slabs being put in the wrong place and having to be ripped up, some important structural features being overlooked, and expending a lot of money to write those wrongs. I mentioned to the Minister that I had been given this information when we were at the site. I told him that I would follow it up by speaking with him about it and raising these matters in the Parliament.

The construction of bridges over the Murray River at Howlong is an ongoing project. Construction began some time ago. I am pleased to note that \$5.1 million has been allocated in the budget for the conclusion of that project. The construction of another bridge over the Murray River is under way at Corowa. It is a very expensive bridge funded, mostly, by an allocation from the Federal Government. However, I note that \$1.5 million has been allocated in the State budget for that project. The people of Corowa have needed the bridge for some time. I am pleased to see that money has been made available to enable the project to begin.

I was disappointed and very sad that I could not find one cent of the \$117 million in the schools public works budget allocated to the Albury electorate. The Albury electorate has needs, just as other electorates have needs. Albury has three Government high schools. The James Fallon High School, a first-class school with a wonderful principal, great staff and wonderful students, specialises in music, drama and theatre. Its productions are outstanding. It has a wonderful school orchestra. Its art section is absolutely fantastic. The school is in desperate need of a multipurpose centre. We have been trying to get one for years. At the end of the Coalition's term of government it was on the drawing board, ready to go, but it has now been put aside.

I am particularly sad about that because the Minister for Education and Training was once a teacher at James Fallon High School. He knows what a great school it is. He knows the people. It is unfortunate that he has not been able to see his way clear to provide about \$1.5 million from the schools public works budget of \$117 million to provide a multipurpose centre for a school that would benefit enormously from having such a centre. The school hall accommodates only a small number of its students. I can find absolutely nothing anywhere in the budget papers out of the total health construction budget of \$42 million for any project in the Albury electorate.

Henty desperately needs a multipurpose service. It would not cost a great deal of money. During one of my regular visits to Henty I was met by between 90 and 100 people from the area desperate for a multipurpose service. They have done and are doing everything they can to encourage the Government to build a multipurpose service, but sadly nothing has been allocated in this budget for such a project. I am also disappointed that the budget has made no allocation to build a new ambulance station at Albury. The ambulance station was built in 1934; it is as old as I am. It is right in the middle of the main street.

The Coalition Government built a brand-new, first-class hospital in Albury in another part of the town. The ambulance station was adjacent to the old hospital, but now it is totally on its own. It is a long way from the new hospital. Many of the ambulance journeys initiate and terminate at the hospital site. It is very important that an ambulance station be built. It will not cost a lot of money. Once again I am talking about only a small amount of money. The site of the new base hospital could accommodate an ambulance station but, unfortunately, no money has been allocated in the budget for such a project.

The Albury Base Hospital is the best hospital in country New South Wales. Its buildings are magnificent. Albury-Wodonga has 75 specialist doctors as well as general practitioners. The hospital has dedicated staff, yet waiting lists continue to grow. People come from a very wide region to have their health problems dealt with at the Albury Base Hospital, but we cannot get the money we need. Doctors are ready and waiting to perform all the procedures their patients need, but the budget has provided no money for the Albury Base Hospital. It is an absolute tragedy for this wonderful hospital and its wonderful staff that with all the facilities available to us we cannot secure the necessary funding to meet the needs of the people.

The budget allocates \$57 million for the construction of police stations, but not one cent of that is for the Albury electorate. For a number of years businesses of all kinds have been set up adjacent to the new Lavington shopping centre. Doctors, lawyers and professional people of all kinds are setting up offices adjacent to the centre. The Lavington Centre is a hub of commercial and retail activity. It has huge car parks, and thousands of people carry out their daily business in the area. But it has no police presence. The nearest police presence is more than 15 minutes away in a magnificent police station in the centre of Albury that was financed by the Coalition. As this new commercial centre at Lavington continues to grow, police presence is needed. The budget for the Police Service does not provide a cent for Lavington. Nothing elaborate would be needed. A shopfront with a police presence, which might cost about \$250,000, would be satisfactory until a police station can be built.

Roads are the lifeblood of country electorates; we do not have the public transport that is available to those in the city. Our roads are desperately in need of improvement. Although the road to the Hume Weir, which carries an enormous volume of traffic, is of vital importance to our area the budget does not allocate any money for completion of its upgrading. My electorate has been waiting many years for the improvements to that road to

be completed. When the Coalition Government was in office the reconstruction of a large section of the road was completed, but one final of improvement remains. I am disappointed that the budget contains no funding for that roadwork. The budget provides funds for road maintenance, et cetera, but not a cent has been provided for major construction in an area that continues to experience steady growth. The Albury electorate is not receiving the funding it needs for vital services.

Another important matter is the number of police in the electorate. Police from the Albury electorate will be used in Sydney, or course, for the Olympics. I suppose we have to expect that, but it will make things difficult in my electorate, which does not have enough police. Howlong is about 30 kilometres down the river from Albury and has a population of about 2,000. People from that town continually ring and tell me that the police are not available to assist them because they are being called into Albury or are having a day off. The Howlong community is in desperate need of a police presence. Albury residents believe that in many instances they are the forgotten people. We seem to be ignored and marginalised. My study of the budget papers reveals that we are not getting the resources we need, or that the Government should give us, to consider ourselves as first-class citizens. With some sadness I have to say that in the scheme of things in New South Wales the people of Albury are marginalised and ignored.

Mr MARKHAM (Wollongong—Parliamentary Secretary) [12.02 p.m.]: It gives me great pleasure to speak in the budget debate on this day, 26 May, which is National Sorry Day. Today symbolises a journey of healing and an acknowledgment of the stolen generations. I express my respect to the Aboriginal people of Australia on this important day. This year the New South Wales Aboriginal Affairs budget will increase by \$22.5 million to \$42.5 million. That increase will primarily fund the Government's previously announced Aboriginal Communities Development Program [ACDP]. The Government is working hard for all of New South Wales. It is committed to improving the health and living conditions of Aboriginal communities. Work is already under way on better housing, water supplies, sewerage facilities and roads. Importantly, this program is about working in partnership with Aboriginal communities, and offers employment and training opportunities.

Major projects are under way in eight towns including Bourke, Coonamble, Dareton, Goodooga, Gulargambone, Muli Muli, Walgett and Wilcannia. Funding in this budget is available also for two new projects. The first is the establishment of the Aboriginal Land Rights Act Compliance Unit, which is a new unit within the Aboriginal Affairs department to specifically deal with issues raised in the Independent Commission Against Corruption [ICAC] report on the New South Wales Aboriginal Land Council and local Aboriginal land councils. The second project is the establishment of a register of traditional Aboriginal owners: the people directly descended from the original inhabitants of an area and who have a cultural association with that area. The register of Aboriginal owners will ensure that the Government includes them in discussions on land issues, especially in relation to national parks. The 2000-01 Aboriginal Affairs budget demonstrates the Government's ongoing commitment to reconciliation.

I should like to tell the House something about the Aboriginal Land Rights Act Compliance Unit. The Act came into operation in 1983 and guaranteed 15 years of funding from the New South Wales Government, which was equivalent to 7.5 per cent of annual land taxes. That funding has now finished and the Aboriginal land council system which was established under the Act must now operate on interest from the Statutory Investment Fund. That new financial constraint has forced local Aboriginal land councils to rationalise their land and asset holdings. That, in turn, has increased the number of councils selling land to realise their aspirations. Therefore, it is important that the Minister and the department increase compliance monitoring to ensure that the Aboriginal land council system continues to operate effectively and in the best interests of members so that the gains of the past 15 years are not dissipated.

The Aboriginal Land Rights Act imposes many responsibilities on the Minister and, therefore, on the department. The Minister and the department have received numerous complaints regarding the conduct, policies and procedures of the New South Wales Aboriginal Land Council. In addition they have to deal with the recommendations and concerns of the ICAC, the Ombudsman and the Auditor-General. The compliance unit will deal with the Aboriginal Land Rights Act exclusively and will allow other heritage and natural resource officers to deal with other portfolio areas as well as providing for a more strategic approach on Aboriginal Land Rights Act compliance issues. It will ensure that the Minister's responsibilities under the Act are undertaken in a more effective and efficient manner. An amount of \$36.111 million will be spent on the ACDP. The \$200 million capital upgrade and construction program is thriving evidence of the Government's commitment to developing sustainable outcomes and futures for Aboriginal communities that will lead to genuine self-determination for Aboriginal people well into the new millennium.

This key program is a major part of the Government's commitment to reconciliation and to rural communities. The ACDP is generating training and employment opportunities for Aboriginal people. We are

taking every possible step to create long-term and short-term jobs for local Aboriginal people. The ACDP also seeks to establish traineeships and apprenticeships for Aboriginal people that will lead to a far greater skilled Aboriginal work force and provide opportunities for permanent employment that had not previously existed. This excellent initiative will redress one of the greatest imbalances of Aboriginal people, the unacceptably high level of unemployment and lack of opportunities.

Throughout New South Wales 37 communities have been identified to benefit from the Aboriginal Communities Development Program. I have available a map showing the different priority areas. Areas to be given priority include water and sewerage reticulation and treatment, housing and health. The objectives of the program are to provide environmental health and essential infrastructure which targets a high level of identified needs in housing, water, sewerage, roads, services, sporting, recreational and cultural facilities.

Over the last couple of years I have visited many of the communities to listen to what people have to say and to look at the situation. Working parties of Aboriginal people in the communities identify areas to which most attention should be devoted. The Government has given priority to information coming from the grassroots of the Aboriginal communities. Aboriginal people should be making the determinations and decisions on what is to be done for them. This is in contrast to the approach of the old days and the attitude that governments knew best what should be done for Aboriginal people. Under the program Aboriginal people are telling government what they believe is best and then government is doing everything in its power to meet the needs of the communities. This change is long overdue. The substantial amount in this year's budget will go a long way to repairing the damage to the relationship between Aboriginal communities and governments and government departments.

For the first time the grants program of the Department of Aboriginal Affairs is a formal and protected item of the department's budget. The grants program is supported by funding guidelines developed with New South Wales Treasury and approved by the Minister. The program will spend \$800,000 in the year 2000-01. This will better provide the department with the resources needed to discharge program responsibilities. Previously, the grants program was not a budget item but moneys were made available. In the previous financial year they amounted to \$700,000. There were 196 applicants for funds for projects totalling \$4.5 million. That means that many communities have missed out. The guidelines are stringent but the major point is that the new arrangement means that the Department of Aboriginal Affairs does not need to go cap in hand to the Treasury each year asking for money for the grants program.

I now turn to issues in the electorate of Wollongong. The media alleges that Labor governments do not spend money in safe Labor seats. That claim has been put to rest by this budget, with a \$54.8 million capital works program for the electorate of Wollongong, which will support more than 820 jobs. An amount of \$588,000 will be spent on the completion of Wollongong Hospital's clinical services block. I remember that back in 1995 there was a big hole in the ground on the site because the previous Coalition Government pulled funding out of the capital works program. It was not until Labor was returned to office that the project was funded, and building started a couple of years later. It is an incredible facility. It makes the old Hickman House hospital look pretty tired. The Government has decided to demolish Hickman House and demolition will start in November this year. An amount of \$11.5 million is provided in this year's budget towards the \$69 million for revitalisation of Wollongong Hospital campus.

An amount of \$ 1.7 million will go towards the \$4.2 million redevelopment of the inpatient unit at Wollongong Hospital. That sort of money coming into the health service through the capital works program is not too bad. An amount of \$3.1 million will be provided to build 32 new units of public housing accommodation in the Wollongong, Mount St Thomas and Berkeley areas of my electorate. This year's budget will provide \$ 5.1 million to upgrade Wollongong Railway Station. It will be made an easy access station. People with limited mobility now will be able to get between the two platforms without having to travel long distances through Wollongong central business district. Lifts will be installed on both platforms to allow people to use an overbridge from which they will be able to access Crown Street or the other street levels of the station. This is a great initiative. People from the Illawarra Disabilities Trust welcomed the news. The work is long overdue. A number of other stations throughout New South Wales will receive funding under the easy access program.

I turn now to road safety and traffic management improvements. The intersection of Crown and Denison Streets at the top of the Wollongong central business district is on a dogleg and causes many traffic management problems. For the sorting out of that nightmare of an intersection \$400,000 will be provided. At Figtree, my home suburb, \$250,000 will be spent to install a new right-turn lane to improve safety and traffic flows where traffic turns right from the Princes Highway into The Avenue. The intersection is chaotic during

peak hours and on Saturday mornings as a major shopping centre there services the dormitory suburbs of Figtree, Mount St Thomas, West Wollongong and Mount Keira. It is difficult to cross the two intersections within 50 metres. The work will free up a lot of the through traffic which is jammed at the intersection during busy times.

Another bad intersection on the Princes Highway is where it joins New Dapto Road. The budget provides \$200,000 to realign the intersection and add another lane to the three lanes of New Dapto Road where it comes on to the Princes Highway. New Dapto Road runs on the western side of the hospital and as the hospital is used by more people the traffic around the hospital will increase. This work will go part of the way to solving the problems. The Government has allocated an additional \$50,000 towards the local cycle network on Princes Highway between Kanahooka Drive and Northcliffe Drive, Berkeley. Over the years a number of cycleways, financed by the State governments and the local council, have been constructed in Wollongong. It is important that the construction of cycleways continues because cycling is a pleasant pastime and improves fitness. It gets people off busy roads onto more safe and friendly routes.

In addition to the figures I have mentioned funding of \$762,000 has been allocated to Wollongong City Council road improvements. Wollongong has two major TAFE colleges, one near the University of Wollongong and one at Wollongong west. I am pleased to inform the House that more than \$3.1 million will be spent on education facilities for those two TAFE colleges. This financial year the electorate of Wollongong has been allocated \$54 million. I have waited patiently for that funding and for as long as I remain a member of Parliament I will continue to campaign strongly to ensure that the commitment to Wollongong continues.

I turn now to the First Home Plus Scheme which will abolish stamp duty for eligible first home buyers. The scheme is a wonderful initiative from which young people and young families will benefit. However, the Federal Government has put in place a GST that will add to the cost of building and renovating homes. The New South Wales Government is trying to encourage the construction of new homes, whereas the GST will initially result in a decline in housing construction. Many builders and subcontractors have contacted me and expressed their concern about that. That matter should be addressed. The abolition of stamp duty for first home buyers will help young people who want to build new homes or renovate existing homes.

The payroll tax package for small business will provide relief to an important part of the New South Wales economy. I do not need to tell anyone in this House about the importance of small business to the economy of our State. My electorate is heavily industrialised and it is obvious that in this day and age small business is running with the economic barrow, so to speak. Because of the rapid shedding of jobs in the coal, iron and steel industries Wollongong has experienced a massive downturn in employment opportunities. In Wollongong's heyday about 15,000 were employed in Wollongong and the southern coalfields. There are now less than 3,000. Jobs in the steel industry have decreased from 22,000 to 7,000 and are declining at the rate of knots. The Government should do everything it can to support young families and small and medium business. Heavy industry is not the major player, as it was in the past. Wherever possible we must help to ensure that small business gets a fair crack of the whip. I commend this budget to the House as a great financial document. *[Time expired.]*

Mr COLLINS (Willoughby) [12.22 p.m.]: In politics timing is everything. Nothing proves that more conclusively than this budget. Any time is a good time to be in government, but this is a better time than most. In my comments as a former Treasurer of this State I want to address a number of issues. I want to look at the global picture, the national picture, the New South Wales picture and I then touch on some issues in my own electorate. I want to refer also to a portfolio that I suspect will not otherwise be addressed in this debate, that is, the arts portfolio. Let me start with the global picture. The world economy is buoyant; it is running more strongly than it has for decades. For years there has been an expectation in the United States of America of an economic slowdown that has not materialised. The United States economy, the engine room of the world economy, continues year after year to publish excellent results. The slowdown, the downturn, has failed to materialise.

The recovery of East Asian economies is strong and occurring more quickly than many forecasters thought. The economies of Europe are performing strongly. Perhaps the only cloud to note on our horizon is that the economy of our major trading partner, Japan, continues to move sluggishly. Technically Japan has slipped into recession. However, the global economy, the global picture, is strong, buoyant and positive. Australia has now had more than 100 months of continuous growth in every quarter. In other words, over the past nine years, virtually right through the 1990s after the end of the 1990-91 recession, we have had continuous sustained growth. The Australian economy is performing extremely strongly.

Every member participating in this debate should understand that by the middle of this year, in another month, Australia will have had the longest period of sustained, uninterrupted economic growth in half a century. We are all fortunate to live in this city, in this State, in this country at this time. We have never had it better. The underlying strength of the Australian economy is the output of New South Wales, which is the engine room of the Australian economy. It is performing strongly. Why is it performing strongly? It is two-way traffic. First, the world is performing strongly. The outer factors are working well in our favour and we took action ourselves during the 1990s to improve our position. The single incident that most improved our position was the winning in 1993 of the Olympics Games, which will take place in this city in September. That particular gain for the State of New South Wales, even though it has meant that a considerable cost will be borne by New South Wales taxpayers, will be enormous economic benefits.

The decisions taken by the Greiner Government, which pursued the Olympics; by the Fahey Government, which won the Olympics; and by the Carr Government, which put the infrastructure on the ground, will make New South Wales—and Sydney in particular—one of the most prominent, thriving economies in the world today. Governments, collectively and successively, have delivered a benefit to the people of New South Wales and we are about to reap the rewards of that Olympic bid. The Olympics could be viewed as a global product launch in September this year of a product called Sydney.

Anyone who understands the significance of Sydney to Australia and of Australia to the world will know that we are on the map as one of the world's great cities. We will produce one of the world's great Olympic Games—I would argue the best so far—and a model for the rest of the world to follow in delivering that great four-yearly event. The Olympic Games will have a number of flow-on effects. The Australian stockmarket has hit record highs. Although there has been some shake-out of high-tech stocks in recent months, the fact remains that the Australian stockmarket is performing strongly at the moment. Housing activity in New South Wales has increased as a direct result of the high employment rate in this State. Unemployment has reached its lowest point since the late 1980s, and may reduce even further.

Many factors are converging at present to put New South Wales in a very strong position. It is a matter of standard operating procedure that governments come to this place and say that they have delivered the best budget that the State has ever seen while Oppositions come to the Chamber and say that it is the worst budget that the State has ever seen. The fact is that the global economy is working well, the Australian economy is performing superbly and the New South Wales economy is strong—strengthened by the Olympics that will be held in just four months. That is the global context in which we must view this budget.

It is wrong for the Government to claim that this favourable state of affairs is due to the brilliance of those who sit around the Cabinet table. It has happened for the reasons that I have put on the record, and it would have happened with virtually any combination of people sitting around the Cabinet table—brilliant or otherwise—unless they were exceptionally reckless and irresponsible. We must stop point-scoring in debates such as this. Governments in this State have undertaken a continuum of activities and initiatives over the past 15 years. Late in the Wran-Unsworth era, new measures were introduced to provide greater financial accountability in New South Wales. The Greiner and Fahey governments took enormous steps to put in place important financial initiatives to limit the State's debt, reduce the State's deficit and reduce the potential liability for all New South Wales taxpayers.

I was directly involved in the sale of the State Bank, which relieved New South Wales of \$19 billion in contingent liabilities. In the 1994-95 State budget—which was my last as Treasurer—we were able to announce that we had taken steps to reduce debt and the deficit. We were able to introduce a budget that imposed no new taxes or increases on existing taxes other than indexation provisions. The then Government struck a balance between strong financial management and the needs of a community that was still emerging from the effects of the 1990-91 recession. In other words, five years ago, we were in a position to phase in a sustainable, balanced budget without increasing taxes or cutting core services—and we did just that.

As a consequence, the ball was at the feet of the incoming Carr Government in 1995 to continue precisely that strategy, and that is what happened. New South Wales was the first State to be able to guarantee a balanced budget into the future. From 1991-92—the last budget of Premier Greiner—the Fahey Government reduced the deficit by more than \$800 million. The deficits for 1994-95 marked a further reduction of \$353 million. In other words, the scene was set for a continuation of financial accountability and cost containment measures, which this Government could pursue in the face of increasingly strong New South Wales, Australian and global economies. That is precisely what happened, except that the Carr Government also increased State taxes significantly across the board.

It is not simply a matter of applying indexation provisions in this budget; taxes have increased. I will cite one example and leave it at that. The land tax take by the Carr Government is bankrolling many of the initiatives that Labor members have mentioned in this House. We are the highest taxing State in Australia and our tax growth rate outstrips that of virtually every other State. Let us consider how that impacts on electorates such as mine. That is the real purpose of this debate. Honourable members cannot change national or global trends, but we can discuss where money is allocated in our electorates.

In my electorate, the good news is that Cammeray Public School received much-needed funding for redevelopment in response to its increasing student population. However, the northside storage tunnel—an important initiative designed to improve water quality in Sydney Harbour and reduce harmful overflows in storm run-off—is not being funded adequately to provide the highest quality of service. The storage tunnel vent that is to be built at Scotts Creek—which is 90 metres from Glenaeon School—will be the largest constructed in Australia, but Sydney Water Corporation is not in a position to guarantee its quality standards with regard to the proposed vent.

Instead of providing a technical solution—the Government has the option of venting the exhaust from this tunnel elsewhere to a less harmful, less restricted and better ventilated environment—the Government's present position is simply to push ahead with Sydney Water's proposal. I argue that the budget should provide additional expenditure that will enable us to get the vent right and solve the air-quality issues before there is a major problem and before the Government faces litigation—which could be one consequence of pushing ahead with the current plan within existing parameters that do not provide the safeguards that local residents need.

That is just one example of how the Government should be spending money wisely rather than accumulating a false surplus while not meeting community needs adequately. A second matter relates to the budget provision for a high-level rail bridge to be constructed through the Lane Cove River National Park. There are alternatives to that proposal and, yes, they cost more money. However, this is a time of economic buoyancy, a time of budget surplus. Instead of providing the best services available, meeting the highest safeguards, and minimising scarring of the urban environment, the Government is pushing ahead with cheap versions which do not meet the stringent requirements the Labor Party has adhered to on other projects on which it has taken tough stands in the past. In other words, let us have a single standard.

One example of waste, mismanagement and misdirected funding is to be found in the the Arts portfolio. Not far from where this debate is taking place is one of the most extravagant examples of Government waste and mismanagement seen in recent years in this State. I refer to the Conservatorium of Music, just a few hundred metres from the New South Wales Parliament. The last capital works committee of the Fahey Government, which I attended as Treasurer, provided for the building of a \$54 million Conservatorium of Music on vacant land at the Rozelle campus alongside the Sydney College of the Arts and the New South Wales Writers Centre.

The incoming Carr Government decided to scrap that plan and instead put what I have described as a size 16 building on a size 8 site in Macquarie Street. When originally proposed, the budget for it was \$57 million but the cost is now at least double that amount. I challenge the Government to release all documents, all costings and all estimates on the final completion cost of the Conservatorium of Music. At least \$50 million has been wasted on that project, and that money could have been spent on other projects such as the Museum of Contemporary Art. That museum is wallowing, unaided by the Carr Government, which professes to be interested in the Arts.

The Museum of Contemporary Art is located in the dress circle of Sydney, the most beautiful city in the world, which this year is enjoying global prominence. The museum is being left like the proverbial shag on a rock despite the initiative taken by the Lord Mayor of Sydney, Frank Sartor, to offer city council support should the State Government also provide support. If the conservatorium project had not been so recklessly handled, an additional \$50 million would have been available to be spent on Arts capital initiatives. The Carr Government has to come clean about the cost of the conservatorium and explain why that money has been squandered so recklessly in the past five years.

There is still an opportunity for the Carr Government to do the right thing by the Museum of Contemporary Art. The University of Sydney has not provided the backing which it should have provided for the museum and seems to have other plans for that building. The Museum of Contemporary Art deserves the kinds of initiatives taken by other world-class cities that aspire to the prominence that Sydney will be accorded by the eight billion inhabitants of this earth next September. Other cities back museums of contemporary art.

Why cannot the Carr Government back the Museum of Contemporary Art, when the total cost of putting a cinemateque and major upgrade of the museum is only \$24 million? That is half the amount wasted above the original provision for the Conservatorium of Music.

It is all very well to provide the much-needed Asian Gallery for the Art Gallery of New South Wales, and I am delighted to see it included in the budget at a cost of \$13 million. But it is time that the Carr Government focused on what is happening at Circular Quay, on which the world will gaze in four months time. We need a rescue package now for the Museum of Contemporary Art. The Minister for the Arts, the Premier, should address that matter urgently. With those criticisms I conclude my comments on the State budget.

Mr NEWELL (Tweed) [12.42 p.m.]: I join in this healthy debate on the appropriation bills for 2000-01. The Government's budget builds on five years of hard work to deliver better services in the Tweed with more money for health, education, policing, transport and community services. The hard work and sound management of the State finances are certainly paying off. This year the State Government will spend \$85 million on important capital works in the Tweed, supporting more than 1,200 jobs. Over the next four years the Carr Government will spend \$21 billion on capital works across New South Wales, up \$3.2 billion on the last four years.

Families in northern New South Wales can expect to see better hospitals, schools and roads as a result of this huge boost to capital spending. The budget also contains tax cuts which will save families and businesses in the Tweed area thousands of dollars. The first-home owners scheme will see stamp duty abolished for eligible first-home buyers—a good boost to the local economy in which the average price of a home is a little less than the \$175,000 stipulated as the limit before the rebate is reduced. It is said that the economy will slow down in the next year or two, particularly in the housing industry. I have received many calls of support and best wishes for the introduction of that scheme from constituents who appreciate what it will mean to them from 1 July when first-home buyers are relieved of having to pay between \$3,000 and \$4,000 in stamp duty.

I refer now to the Fair Trading and Sport and Recreation portfolios. I congratulate the Minister, who is present in the Chamber, on his fine work and pass on to him the best wishes of many of my constituents who live in caravan parks and manufactured home estates in my electorate, particularly along the North Coast. They are most appreciative of the legislation passed earlier this session which has seen their rights enshrined. Their standard of living has improved and their sense of community is more powerful with that legislation in place. They look forward to a review of the management of strata titles and associated areas which I have notified to the Minister's office. I understand that they have been given some consideration.

Recently the Minister visited my electorate to hand over funds for the Murwillumbah Rowing Club, which adds to the \$95,000 given to it to build a new clubhouse. That facility in my electorate will be used for a long time, including the run-up to the Olympics. The Swiss rowing team will be billeted in Murwillumbah and will use the tremendous facilities on the Tweed River in their preparation for the Olympic Games. I hope they do well, but not too well—I would not want Australia to be just a canvas short of a gold medal. The Tweed is appreciative of the good work done by the Minister.

Another part of this budget that has been well received in my electorate is funding for the health portfolio. The Northern Rivers Area Health Service will receive \$42.1 million extra in recurrent funding. I emphasise "extra". This \$42.1 million over three years will bring the recurrent funding for the Northern Rivers Area Health Service up to a community standard. Historically, regional New South Wales has missed out. This Government, under the fine work of the Minister for Health, has corrected that anomaly. The resource distribution formula pays area health services on the basis of the number of people in the area. With the assistance of Country Labor members, the Minister was successful in putting that on the agenda. The Northern Rivers Area Health Service is currently sitting down to work out how to spend those extra funds.

I am also delighted with an extra \$107 million in recurrent spending over the next three years for mental health services across New South Wales. In my initial speech to the House, I raised the issue of the underfunding of mental health on the North Coast. The Northern Rivers area is to receive \$6.4 million out of the budget, which will go a long way to addressing the shortfall in funds. The area, with a high retiree and low socioeconomic population, has only one clinic in Lismore. For a long time the community has been calling for further funds for mental health. This Government is delivering. The Government is also delivering on stage three of Tweed Heads hospital. Funds have been allocated for the completion of that \$36 million project over the next three years. That project has been in the pipeline for some time. Again the Carr Labor Government is delivering.

A mental health clinic has been included in the development of Tweed Heads hospital. That announcement has been well received by the local community because of the difficulty of travelling from the Tweed to Lismore or, if the need arises, to a Queensland hospital. Also, there is a cross-border anomaly concerning psychiatrists' certificates. This clinic will help overcome some, but not all, of the difficulties that have arisen. In the local media today were reports of waiting lists for elective procedures and gynaecological services in the Tweed. The media are having a fair bit to say about it. That is unfortunate, because I am sure that the extra funds will be spent in that area. Although it is up to the area health service to decide its priorities, no doubt those responsible for the allocations will address that aspect for the good of the people in the Tweed.

Some attention has been focused on the regional development aspect of the Carr Labor Government budget. Although the Federal Government has a Department of Regional Development, it has not allocated funds for regional development for a number of years and has essentially left it to the States to fund. That is unfortunate, because there had been some good Federally funded programs. The Minister for Regional Development and his Department of State and Regional Development is doing wonderful work. In particular, the Department of State and Regional Development is funding a study for the location of a co-operative packing house in the Tweed. When that study is complete, further initiatives will take place. Farmers, represented by the Banana Growers Federation, have taken charge of that, and I thank them for their efforts. For a long time the vegetable farms and banana and passionfruit plantations around Cudgen have had a crucial need for a central packing house. This Government is well on the way to delivering.

Every honourable member is concerned about education and training. After all, it provides for the future of our State and country. I am pleased to note that capital has been provided for new work at Bogangar Public School, at a total cost of \$4.5 million on completion. The preliminary and planning processes have received money in this budget. The people of the Tweed coast are pleased that the money has finally come through for that school. There are funds also for a new library at Cudgen Public School at a total cost of \$592,000. The Premier visited Cudgen Public School—which is in a wonderful position at the top of a hill—just before the State election and was delighted to announce funding for its library. I am pleased to let the school community know that the money has come through in this budget. It is a wonderful school. I congratulate the staff and the parents and citizens association for the community feeling and atmosphere at that school.

At the present time one of the largest spending areas in my electorate is transport, particularly through the Roads and Traffic Authority on sections of the Pacific Highway. In this budget there is \$84 million to go towards the \$340 million Yelgun to Chinderah upgrade of the Pacific Highway. That upgrade, which began a few months ago, will be a two- to three-year project. When complete, there will be a dual carriageway on the Pacific Highway right through the Tweed electorate, and from Tweed Heads all the way down to the Mooball and Crabbes Creek area. I have been assured by the Minister that shortly after stages further south will be completed. The Tandy's Lane section, which is outside my electorate, receives \$24 million. The local community has sought that upgrade for a long time, because of the nature of the Mullumbimby turn-off. It has expressed to me its thanks to the Government for the road upgrade. I will pass its thanks on to the Minister.

I am pleased to report \$1.4 million for the replacement of the Kynumboon bridge, near Murwillumbah. Unfortunately, this old bridge—which is almost old enough to be heritage listed—has rotting piers. It is unlikely the bridge can be saved. The one-lane bridge causes problems during the cane season. At present, a weight restriction has been applied. The Minister and the RTA have acted quickly and a Bailey bridge will be put in place for this year's cane harvest at the end of June, so that the heavy cane vehicles will be able to use the bridge and not have to make an expensive and time-consuming detour.

As to policing, the electorate of Tweed has done well, with the completion of upgrading to two police stations. Kingscliff police station will receive approximately \$250,000 and Tweed Head police station \$500,000. This morning I received a phone call about a strong rumour spreading in the township of Murwillumbah about the closure of the local police station. This rumour may have originated from the presence in the electorate a week ago of the police properties group. At that time I met with Commander Peter Walsh of the North Coast police, who informed me about the progress on the upgrades of Kingscliff and Tweed Heads police stations.

I can assure the constituents of Murwillumbah and other areas who are genuinely concerned about the future of Murwillumbah police station that I have again spoken with Mr Walsh and he has assured me that there is no plan to close the police station. The properties group is simply determining repairs and maintenance, and will carry out any necessary work. The Murwillumbah police station is an integral part of policing in the electorate of Tweed. It was a little bit of humbug on the part of some people. It is unfortunate that they did not bother to ring their local member to check out the rumour, rather than telling other people about it and raising their concern when there was absolutely no need.

I am pleased to see the continuing initiative in the budget of the \$71 million to provide the State's 400,000-plus pensioner households, about one-third of whom live in country areas, with rebates on council rates. In the Tweed shire there has been some debate and some concern within the council about balancing its budget. Some comments were made about the cost of the council rebate to pensioners. I am pleased to see that the Government will continue its policy of providing that rebate for pensioner households so that the cost is not borne by other ratepayers in the Tweed. The budget has continued the \$4.5 million Septic Safe program, particularly for councils in sensitive catchment regions, to monitor septic systems in the local area, as well as programs in other areas of the budget to enable councils to put in place upgraded sewerage works, which has already occurred at Uki.

I look forward to the budget providing further funds in that most critical area. The Government has already spent and will spend some \$92 million to expand and manage New South Wales hardwood plantations. An area in my electorate has already benefited from that program, and I understand that additional studies are under way to further expand hardwood plantations by 2,000 hectares. Obviously, not all of it will go into my electorate, but I look forward to getting my fair share. On Sunday I will go into Woolumbin State Forest to ascertain the likely effect of logging in certain parts of the forest. I hope that Sunday is fine so that it is not too boggy. The Government will provide \$7 million to continue the implementation of the upper and lower north-east regional forest agreement, of which the Woolumbin State Forest is a part. I commend the Minister for Fisheries for the proposal to introduce fishing licences.

Fisheries officers, in conjunction with the Department of State and Regional Development, have developed maps to indicate suitable areas in the lower Tweed along the estuaries for aquaculture, particularly prawn farming. There have already been a number of expressions of interest in that area, plus other areas of the Tweed. The allocation of \$2.4 million over two years to provide rebates for the purchase of tractor rollover protection systems is very welcome. My area is not the wealthiest agricultural sector in New South Wales. It is essentially an area of small farms where tractors are mostly what we might call the orchard-type tractor. Quite a number of them are still in use, but they are not equipped with rollover protection systems. I am delighted that funds have been allocated to try to promote the installation of rollover protection systems to ensure that lives are not lost unnecessarily. *[Time expired.]*

[Mr Acting-Speaker (Mr Mills) left the chair at 1.02 p.m. The House resumed at 2.15 p.m.]

Mr O'DOHERTY (Hornsby) [2.15 p.m.]: I can report to the House and to my electorate that the budget just handed down continues the practice of the New South Wales Government over the last five years—failing to give Hornsby a fair go. I shall first make some brief comments and then outline my comments in detail. Briefly, roads funding to my electorate this year has been cut and funding has not been provided for school projects or major road upgrades. We have no news about the Landcom sites, which present a serious environmental issue in my electorate. Hornsby hospital has received no funding although it is desperately in need of upgrading. The budget does not provide any funds for major recreation facilities. The list goes on.

The total amount that the Government claims to be spending in my electorate for capital works projects is \$32 million. That is less than the \$39 million allocated for capital works projects to my electorate by the Fahey Government in the last budget handed down by a State Liberal Government. I should like to tell the House why that figure of \$32 million is a false figure. It needs to be discounted quite substantially because the funding allocations claimed to make up that figure are artificially bolstered. Included in the \$32 million is \$5 million which the Government claims is for the Hornsby electorate but which has simply been allocated to various utilities and government agencies that just happen to have headquarters in my electorate.

For example, the Government has allocated \$5 million for the Sydney electricity facility and others like it, but that funding is partly for ongoing work. The Government claims that the allocation is specifically for the Hornsby electorate, but that is clearly not the case. That \$32 million includes \$1.3 million of Federal Government money through the Australian National Training Authority [ANTA], which is being used to upgrade Hornsby TAFE. The people of Hornsby have been watching that TAFE project with growing interest. They should know that the \$8 million or thereabouts, which is the cost of the total project, is being funded through ANTA by the Federal Government. The State Government has claimed, in this year's aggregate figure, that it has been allocated to Hornsby.

The budget papers contain a figure of \$14,000 for the Historic Houses Trust. When I checked with the trust I learned that that money is actually being spent on Rose Seidler House, which is in the neighbouring electorate of Ku-ring-gai, not the electorate of Hornsby. Therefore, the Government's total capital works figure of \$32 million must be further discounted by that amount. An amount of \$200,000 has been allocated for State

Rail Authority office and train maintenance. The regional headquarters of the SRA in my electorate are being refurbished, and train speedometers are being updated. The Government claims that money is for the Hornsby electorate, but that is clearly not the case.

The Government is artificially inflating the amount that it claims to be spending in my electorate. Roads funding needs to be discounted, on my rough calculation, by at least \$5 million of Federal Government money that has been spent on various projects on the F3. The State Government is claiming money that has come to it from the Federal Government. It is also claiming as part of the allocation to the Hornsby electorate funds for block roads maintenance grants to local councils. Those funds go to ongoing maintenance and are part of the normal cost-sharing arrangement between State and local government authorities.

The \$32 million which the Government claims it is allocating to the Hornsby electorate needs to be substantially deflated by all of those amounts that I have referred to, and more. The Government claims to be allocating funds which are clearly not funds for the Hornsby electorate. This year only one local project in my electorate is being funded by the State Government: I am pleased to announce that after much persistent work by me, local residents and the local council for more than five years—going back to well before the Government was elected—we finally have a commitment from Sydney Water to spend money to upgrade the sewage plants at Hornsby Heights and west Hornsby.

Honourable members should know the history of this project, which arose from concern about the health of Berowra Creek not long after I was elected, in 1992. After agitation on my behalf, the then responsible Minister, Robert Webster, set up with Hornsby council—which had also lobbied the State Government about the quality of Berowra Creek water—a technical working party between various government agencies and the council to work through all technical issues on the problem. What emerged from the process was a statement of joint intent [SOJI]. The SOJI has been hailed as an absolute landmark in environmental management of sensitive urban waterways. In the history of public administration in Australia it ranks amongst some of the most important achievements for urban protection.

What came out of the statement of joint intent signed by the Fahey Liberal Government and Hornsby council was an agreement from all government agencies responsible for the catchment to clean up the catchment. Hornsby council for its part imposed a levy on residents and has been doing work on stormwater and other issues. The New South Wales Government for its part, with its agencies, was going to do a range of things. One was to upgrade the sewage treatment plants at West Hornsby and Hornsby Heights. When the Fahey Government lost office in 1995 the incoming Labor Government inherited a process that had already mapped out clearly what the responsibilities of the State Government were in protecting Berowra Creek. It is five years since the election of Labor but just this year Sydney Water has finally allocated money and put out a tender for contracts for work to begin on the upgrading of the sewage treatment plants. It is hoped that work will start by October this year.

It is way beyond time it did that. It should have acted much more quickly. I have been continually raising this issue with Sydney Water, in this House and in correspondence. My community has been concerned. I am pleased that persistence finally has paid off. Work will not be completed until 2002 but when it is it will be a victory for a community that pushed for that solution and for the Fahey Liberal Government, which clearly set out the way forward to manage this issue. The work would not have been proceeding today had the process not been started by Robert Webster following discussions I had with him and with the then newly formed Hawkesbury-Nepean Catchment Management Trust back in 1993-94. Honourable members will be interested to know that the Berowra Creek catchment committee was the first formed. I am very sad that the Government has recently disbanded the catchment committees and neutered them in their power to speak powerfully on local issues.

Many things are missing from the budget for the electorate of Hornsby. Sadly, it is my constant job to remind the Government that it is not giving Hornsby a fair go. State revenues have never been higher. The Government is absolutely raking in State taxes at the moment. A government in this State has never taken more money out of the pockets of New South Wales families than this Government will this year. Yet very little money is being spent in areas where it is needed. And very little is being spent in the electorate of Hornsby. My electorate is being taken for granted by the Labor Government, despite its clear election promise in 1999 not to take Hornsby for granted. My electorate raises an unequal share of State revenue. In land tax and stamp duties, just two areas, my electorate contributes a great deal to the revenue of the New South Wales Government.

We are not arguing that all of that money needs to be spent in my electorate. If all the money raised in my electorate was spent in my electorate we would be very well off indeed. But that would not be equitable or

fair. That is not how taxation and public policy work. However, we expect to get a fair go. We expect that our schools, roads and recreation facilities will be equitably funded by a government that has an interest in the development of our area. That is not happening in the electorate of Hornsby. It is growing at 4 per cent, faster than most other areas of metropolitan Sydney. The population, particularly in the Hornsby town centre, is about to go through yet another boom. To my recollection, more than 20 new high-density residential units are about to be constructed in the Hornsby town centre. A number of such units have been constructed over recent years as a result of State Government policies to force high-density development near railway stations.

The commercial development of Hornsby is going ahead in leaps and bounds with the Westfield development involving tens of millions of dollars of investment by the private sector. Yet the infrastructure that the State Government is responsible for has not kept pace. Our rail networks, road networks, car parks at railway stations and schools have fallen well behind after five years of continuous neglect by the current Government. The last serious spending that took place in the electorate of Hornsby was by the previous Liberal Government.

I will quickly mention a few of the projects it funded. We build the mental health unit at Hornsby hospital in the last couple of years of the Fahey Government. We provided school hall facilities at Wideview school. We approved a hall for Hornsby Heights, which still has not been built under the current Government. We approved planning for the development of Mount Colah public school. That was taken off the list by the incoming Government in 1995. We approved the planning for the development of Wahroonga Public School. I am pleased to say that that is proceeding. It is now in the electorate of Ku-ring-gai but I was on the school council when my electorate of Ku-ring-gai used to take in that area. I am delighted to be able to report to the House that the work is proceeding. That is so because Virginia Chadwick put it on the list in 1994, because I hassled her to do so.

A long list of things need to be done, and I take this opportunity to make sure that these things are very clearly on the record of the House for the Government to be accountable for when I report back on next year's budget. We need halls for Mount Colah Public School and for Berowra Public School. We need money for Hornsby South Public School to finish the installation of a yurt built with community donations. The honourable member for Keira will have to look up what a yurt is. He has never seen a yurt. It is the first public school that has ever installed a yurt. The parents did it all with sweat equity. They put their physical attributes to work and they now have a yurt. It is a kind of circular building. They use it for before- and after-school care and for school programs during the day, English as a second language teaching, and other things. It is a great school and a great community. Less than \$10,000 from the Government is needed to finish the work off. The Government has already refused to provide the money.

We need the administration block and the refurbishment of classrooms at Mount Ku-ring-gai Public School. We need to replace the demountable library and expand classrooms at Brooklyn Public School. It is a small but extremely important school for the community. In the roads budget we need kerbing and guttering on Galston Road. I am pleased to say that after many years of lobbying the Roads and Traffic Authority has finally agreed to set up a working party with Hornsby council to look at the various issues in relation to Galston Road. I hope that what comes out of that working party is an agreement by the RTA and the council to jointly fund kerb and guttering. I will be pushing hard for money for the project in next year's State budget, because it is certainly not in this year's budget.

We need a State contribution to the work that the council has just agreed to partly fund at Duffy Avenue, including a bridge over the railway line. In the last election campaign the Labor candidate said, "I have spoken to Carl Scully. There is \$600,000 ready to go for this project." It did not appear in last year's budget and it did not appear in this year's budget. I have used my microscope, but it is just not there. If it was ready to go, it has now gone somewhere else, not to Hornsby. If the State Government does not pay its share of this project, Hornsby Council will need to use more taxpayers' funds to finance the job, funds that could be spent elsewhere in the community. Once again the community has lost out because of the Carr Government's neglect of the needs of Hornsby.

A solution is needed to the gridlock problems on Pennant Hills Road, the Pacific Highway and the road network in the northern part of Sydney. Communities are divided by a sea of cars in the morning. A journey to drive a child to school that would normally take five minutes outside peak hour can take up to half an hour for those who live on the wrong side of Pennant Hills Road. The traffic has reached dreadful proportions. An NRMA study found that during peak hour the average speed along much of Pennant Hills Road in my electorate and the electorate of Epping was 10 kilometres per hour. It would be faster to walk! Sometimes on sitting days I drive to Parliament House because I have to arrive early. Cyclists who leave home at the same time as I do get

here before I do. That is how bad the highway is. The Government must provide funding for studies of the gridlock problem that is dividing our community. The Government must make a commitment to put lights on the Pacific Highway at Mount Colah. Residents are experiencing difficulties getting onto the highway and it is not safe.

A couple of years ago the RTA knocked back that proposal but we need a commitment for that project to proceed now. The 600 Landcom sites in Berowra Valley need protection. Those sites were put up for development by the incoming Government in 1995. That had been on the books for decades but the development has not been proceeded with because the former Coalition Government knew that the area was environmentally sensitive. When Labor came to office it opened up those sites for development. It was only following a motion moved by me in this House and action by local council and residents that the Government finally agreed to a moratorium.

That led to an ecologically sustainable development study, which has been with the Government for 12 months, and there has been no result. The Government is aware that the sites contain environmentally sensitive flora and fauna and that the development by Landcom of the site will ruin Berowra Creek and the newly created Berowra Valley bushland. Nevertheless, it has made no commitment to it. I expected that an asset transfer would be listed in this year's budget for this project, but it is not there. It must appear in next year's budget. The sites must be saved as a matter of urgency.

Included in the capital works budget are amounts to upgrade rolling stock, notably the speedometers on trains, and to refurbish the offices of the State Rail Authority in Hornsby. Those amounts total \$234,000. However, I ask where is the money that was promised for upgrading security. The security measures promised by the State Government have not been made available to any of the stations in my electorate. The action plan for public transport made it clear that security at all stations and car parks on the Sydney network would be upgraded July 2000. That date is rapidly approaching and only one station has been upgraded, that is, Hawkesbury River station. Because no money has been allocated in this year's budget for those projects I fear that they have slipped off the list entirely. The Minister for Transport must reveal when rail commuters will receive the security that was promised.

No money has been allocated for the upgrading of car parks in my electorate. The Government has an obligation not only to provide car parks but to upgrade the car parks at Hornsby and Berowra because of chronic need at those two stations. I am offering a workable, positive solution. I want the SRA to start investigating the development of the space over Hornsby railway station, which would generate enough revenue to provide a more-than-adequate car park at Hornsby for those who use trains now and those who will use them in the future. The development of that area would also provide money for a proper car park at Berowra. That study should be undertaken as a matter of urgency.

My electorate needs a contribution from the Government for sewerage works at Cowan, Brooklyn, Dangar Island and the Ku-ring-gai industrial area. Cowan should be first on the list of projects to be funded under the backlog sewerage program because it has previously been left off. I do not know whether that was deliberate, political action aimed at the people of Cowan or a mistake because both Brooklyn and Ku-ring-gai are on the list, although they have not received funding. Those three projects should be undertaken as a matter of urgency and the funding should be allocated during the next 12 months.

Finally, and most importantly, I refer to Hornsby Hospital, which provides excellent health care in very poor facilities. In 1996 the Government tried to close the hospital down. That demonstrates its commitment to Hornsby Hospital. Money is needed now to redevelop the hospital to secure its future—and that was the theme of Michael Egan's Budget Speech in this Chamber on Tuesday. If he wants to secure the future of Hornsby, he should secure the future of Hornsby Hospital. The Coalition made a \$30 million commitment to upgrade Hornsby Hospital. The Coalition asks this Labor Government to honour that commitment because that is what the community deserves. In summary, Hornsby needs a fair go, and I will be holding the Carr Labor Government responsible for whether they get a fair go when I report back on next year's budget.

Mr CAMPBELL (Keira) [2.35 p.m.]: I support the responsible budget delivered by the Treasurer, the Hon. Michael Egan, in this Chamber on Tuesday. The budget reveals a government that is working hard for all of New South Wales. However, before I talk in detail about the budget, I want to acknowledge that today, National Sorry Day, falls on the eve of a weekend of celebrations on the road to reconciliation that has been termed Corroboree 2000. I indicate my passionate support to the ongoing process of reconciliation between indigenous and non-indigenous people in Australia. I return now to the 2000-01 New South Wales budget. The

budget delivers on the broad fiscal imperatives of reducing debt, reducing tax, encouraging families and building reserves to meet future liabilities. In his Budget Speech the Treasurer outlined a program of measures that demonstrates the financial management credentials of the Labor Party in government.

Those financial management credentials have been reinforced through the hard work of the Carr Government in ensuring that the Olympics are paid for as we go rather than on the never-never of debt, which would become a burden for future generations. That means that future generations will have a legacy of first-class facilities and economic activity of which they can be proud and in which the present generation can be confident. The responsibility for this project is clearly articulated in the following remarks of the Treasurer in his Budget Speech. He said:

For five years we have worked hard.

We cannot promise never to make a mistake. We can't promise to solve each and every problem that arises.

But what we do promise is to keep on listening, to keep on learning, to keep on improving and to keep on achieving.

In my view these are the real credentials of Labor government, credentials that deliver a budget that will support the families of the Illawarra region generally and, indeed, the families of Keira. The new initiative of the First Home Plus Scheme will support families and provide a full exemption from stamp duty for metropolitan homes valued up to \$200,000, phasing out between \$200,000 and \$300,000, and a full exemption from stamp duty on vacant land in metropolitan areas valued up to \$95,000 and phasing out at \$140,000.

These measures will apply to contracts signed on or after 1 July 2000. This represents an approximate benefit to first home buyers of \$6,000. When one combines this initiative with the First Home Plus Scheme to offset the impact of the GST on home purchase, that is real assistance and is a real incentive to young families to purchase their first home. But wait, there is more. There is more support for families through a reduction in stamp duty on general insurance, which includes household insurance. That stamp duty reduction is from 11.5 per cent to 10 per cent. Although this is modest, it will result in a cost saving to families on an annual basis. The continued and accelerated reduction in payroll tax will flow to families through lower business costs and therefore reduce prices. However, importantly, the reduction in payroll tax will increase the capacity for business to employ people. I note that the manager of the Illawarra Business Chamber, Mr John Roach, recently made positive comments about this aspect of the budget. This is undoubtedly every inch a Labor budget, with initiatives to encourage families in New South Wales.

This budget puts paid to the myth that the Illawarra misses out because it is a traditional Labor-voting area. Let us consider some portfolio areas. Recurrent funding to the Illawarra Area Health Service has increased by 5.5 per cent, or \$11.8 million, as the first instalment of a \$35 million, or 16.3 per cent, funding increase by 2002-03. In addition, there will be an increase of \$1 million for mental health services in the region, services that have been traditionally underfunded and under significant stress. There is an impressive allocation for health capital funding, including \$11.5 million for the redevelopment of Hickman House at Wollongong Hospital, the major referral and critical care hospital in the region that serves all communities in the Illawarra.

Some \$9 million has been put towards the \$28 million Shoalhaven District Memorial Hospital redevelopment. That is great news not only for the Shoalhaven area but for Wollongong because, when the work is completed, it will take patients from Nowra and remove pressure from Wollongong Hospital. Some \$2.288 million has been allocated for further capital works at Wollongong Hospital for inpatient and clinical services facilities, and there is \$250,000 to fund continued improvements at Coledale District Hospital, which the former Coalition Government intended to close. That record health funding is targeted to ease the stress on local health services.

The budget makes another record allocation for education statewide, with an increase of \$300 million making an expenditure total of \$7.2 billion. Our region will benefit from \$11 million in capital expenditure, with specific allocations to TAFE, including \$380,000 to expand Internet access at TAFE's Teaching and Learning Centre, \$390,000 for new library facilities at West Wollongong TAFE and \$890,000 for new facilities for electro technology and refrigeration courses. There is \$2.4 million for building course facilities at the Wollongong TAFE campus and \$2.7 million for a new plant nursery and classrooms at Yallah TAFE. That is not a complete list of capital expenditure, but it is an indication of the Government's commitment to capital investment in education.

While I celebrate the budget wins for education, I celebrate equally yesterday's announcement in this place by the Minister for Education and Training that there has been a breakthrough by the parties in the dispute

over the teachers award, who have reached a settlement in their long-running negotiations. Commonsense has prevailed at last, and the collective bargaining approach to industrial relations has again proved successful. I trust that the parties will now get on with the task of building a strong and contemporary public education sector in New South Wales, a goal for which I again indicate my total support.

The Government's commitment to student access to technology continues with the allocation of \$113.6 million in 2000-01 as part of a \$500 million four-year Computers in Schools program, which will result in an additional 25,000 computers and replacement of the existing 90,000 computers, along with an allocation of \$10.2 million over four years to enable all government schools to be cabled with local area network infrastructure. The \$106 million to be spent this year on the State literacy and numeracy plan is also welcome news.

I must also highlight community and disability services and acknowledge the commitment of the Minister for Community Services, Minister for Ageing, Minister for Disability Services, and Minister for Women in this area. A snapshot of budget measures reveals allocations of \$110 million for child protection, which is a 17.7 increase, and a 16.3 per cent increase in child and family services funding to \$389.3 million. There is also an increase of \$20 million in the foster care allowance and a \$65.2 million increase in disability services. I have no doubt that families in the Illawarra will get a fair share of these increased resources.

In relation to roads and transport there is expenditure of about \$5 million for improvements at Wollongong railway station, \$200,000 for the northern distributor environmental impact statement in my electorate, planning funds of \$700,000 for the new rail link between Thirroul and Sydney, \$900,000 for Mt Ousley Road, \$100,000 for planning the intersection of the Princes Highway and Lawrence Hargrave Drive at the foot of Bulli Pass and funding for the North Kiama bypass, the Oak Flats interchange, the F6 on-off ramps at Helensburgh, rail electrification south from Dapto, bus priority at traffic lights and a pedestrian refuge at Woniora school. There are huge amounts of money for road and rail safety as part of the Government's infrastructure spending to underpin regional economies.

Economic activity in the Illawarra also gets a boost in this budget. More than \$2 million has been allocated to improve assets at the port at Port Kembla. It is the deepest port on the eastern seaboard and will, in the near future, become as relevant to exports from the Sydney market as it is to those from the Central West and south-west through the existing grain terminal. There has been an allocation of funds to the Illawarra Advantage Fund, which the Opposition and the Federal Government continue to ignore. There is also an overdue, but welcome, initiative in the portfolio area of urban affairs and planning under which a strategic review of vacant industrial land at Kembla Grange and the Pacific Power site at Tallawarra will be undertaken. That approach is about better, active planning that can deliver more jobs to more people. I welcome wholeheartedly the approach to securing use for this land.

The Government's election commitment to establishing a regional tourism gateway centre moves forward with the allocation of planning funding to locate the project at the top of Bulli Pass in the Keira electorate. I acknowledge the support and commitment of the Minister for Small Business, and Minister for Tourism to this project. I appreciate the opportunities that I have had to talk to her about it, and I assure her that I will have further positive discussions with her as the project moves forward. The diversification of the Illawarra economy away from a traditional coalmining, steel and heavy engineering-dominated economy is an ongoing priority, and I acknowledge the commitment of the Premier, the Treasurer, and the Minister for Regional Development to this effort. The Main Street program is funded in this budget, and I trust that the Northern Suburbs Chamber of Commerce will be successful in its Main Street efforts.

Housing families is one of basic functions of society, and this budget demonstrates the Government's commitment to this issue. I spoke earlier about the first home owner initiatives, and I note that some \$7 million is allocated for the purchase or construction of new housing stock by the Department of Housing in the Keira electorate, along with a further \$600,000 to continue the community renewal strategy at Bellambi. Bellambi Point is a large Department of Housing estate that I have mentioned before in this place. The \$21.6 million allocated to upgrade the sewage treatment plant in Wollongong to tertiary treatment is good news for the environment, for users of the great beaches in this area and for the families of Bellambi Point, who will see the closure of the Bellambi primary treatment plant. The general increases in funding for the protection of our environment, as outlined on page 12 of Budget Paper No. 1, will be welcomed by the residents of Keira.

I am disappointed by the Opposition's attitude to these bills and to the budget, and I was disturbed to observe the Leader Of the Opposition giggling her way through a contribution to this debate. The State budget is

a serious matter. It contains measures that reduce taxes on families, and reduce payroll tax. Equally serious is the opportunity that the Government has taken to provide other unfunded superannuation liabilities by setting aside money for that purpose while delivering a budget in surplus. That is sound and responsible fiscal management. However, we have come to expect Opposition members to carp and harp continually about the fact that the budget will take us nowhere. The complaint by the Leader of the National Party that too much money has been spent on the Olympics defies belief. On Wednesday 24 May the editor of the *Illawarra Mercury* wrote an article under the banner "Budget Solid and Sensible". That is exactly what it is: it is recognised by people outside this House as a solid and sensible budget. Unfortunately, the Opposition does not choose to see the sense and solidity of the budget.

I take this opportunity to mention that the Wollongong Wolves, who play in the National Soccer League, will play the return leg of the major semi-final against Perth Glory in Perth this week. The Wollongong Wolves defeated Perth Glory 1-0 in Wollongong last weekend, so the pressure is now on Perth. I wish the team well. The players are a great group of ambassadors for the Illawarra region; particularly Wollongong. The team includes a number of local juniors who are playing in the highest soccer competition in this country. The coach, Nick Theodorakopoulos, is leading a great team of players who represent our area. I wish them well. I could delve into all of the detail of the myriad programs and capital investment that this budget delivers for the Illawarra, Wollongong and the Keira electorate, but suffice it to say that through the hard work of the Government, the hard decisions and careful strategic planning, we can be confident that the families of the region, a Labor-voting heartland, will receive their fair share of a Labor budget from a Labor Government.

Mr KERR (Cronulla) [2.55 p.m.]: I noticed that the previous speaker was reading his speech. I was tempted to take a point of order—not on the basis that he was reading his speech or that he was reading it badly, but simply on the basis that it was not worth reading.

Mr Nagle: Point of order: I was upstairs watching this debate on the monitor and I saw that the honourable member for Keira was using copious notes. I cannot understand how the honourable member for Cronulla can claim that the honourable member for Keira was reading his speech. He was merely using copious notes.

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

Mr KERR: Although I did not take a point of order, there is one aspect of the speech on which I congratulate the author. That is in relation to what was said about the strategic planning of the Department of Urban Affairs and Planning. I will return to that matter later. The remarks of the honourable member for Keira about the soccer team, which could be roughly described as a non-core area of the budget, were probably his own work. I certainly share those sentiments. I will address the speech made by the Treasurer in this House, the historical references, and I will then address basic services in my electorate. This budget is, of course, another of Mr Egan's budgets. He reminds me very much of a bloke I used to meet down at the Cronulla Workers Club before it was closed. He would say, "Give me a couple of hundred dollars and I'll buy you a beer." That is very much like what has been said here by the Treasurer, who spoke about a surplus.

In Cronulla there is an old saying, "They are as sick that surfeit with too much as they that starve with nothing." The last part of that saying is particularly relevant to my electorate. The Treasurer spoke in this House about his largesse. The honourable member for Willoughby spoke about what is happening in the world economy and the national economy. They have never been better. The Treasurer is operating in an economic climate that is conducive to a surplus, but that has not always been so. The Treasurer mentioned few previous governments that had delivered surpluses to this State. He did not mention that the Greiner Government was one of those governments, and he did not mention how different the international scene and national scene were in those days and how different the management of this State was then. In the former Premier's 1988-89 Budget Speech he said:

... my Government's strategy consists of two major elements:

- financial rehabilitation by which is meant getting the State out of hock; and
- management improvement, that is, upgrading the responsiveness of the public sector to the real needs of the people of New South Wales and ensuring that the community gets good value for its money.

Those elements provided a benchmark for future budgets and should be measured against the stewardship of this State by the Hon. Michael Egan. Today's *Australian Financial Review* contains a profile of the Hon. Michael Egan by a former Auditor-General who is no friend of the Liberal Party. He said, "This is a typical right-wing

Labor budget: if you've got it spend it." That is exactly what has occurred! The *Australian Financial Review* contains another reference to the Government's philosophy. An episode of *The Simpsons* is referred to in which a cartoon equivalent of Plato's Republic is set up.

The mayor had to leave town as a result of missing lottery funds. The intellectuals in town took over and formed a new Plato's Republic to dictate what was best in the national interest. Unfortunately, this attempt at good civics went terribly wrong. The situation degenerated into petty squabbling and violence. Homer Simpson took the opportunity to lead a counter-revolution of the stupid, with the rallying cry, "C'mon, you idiots, we're taking back this town". That episode is based on what happened in Sussex Street in 1995, the rallying call that occurred there. Since then this State has been governed very stupidly. The Hon. Michael Egan was once the member for Cronulla.

Mr Nagle: And a good member too.

Mr KERR: As far as the Cronulla electorate is concerned, he is no longer a good member of this Parliament because of the largesse that is given to other areas of the State, the money that is spent. Referring to him, it is no wonder people in Cronulla say:

Tis a common proof,
That lowliness is young ambition's ladder.
Whereto the climber-upward turns his face;
But when he once attains the upmost round,
He then unto the ladder turns his back,
Looks in the clouds, scorning the base degrees
By which he did ascend.

Mr Nagle: Point of order: There is a lot of noise about. Is it a radio?

Mr KERR: It is a protest in Macquarie Street.

Mr Nagle: They are protesting against the speech of the honourable member for Cronulla. My point of order is that Hansard may have had trouble hearing the quote. Would the member read it again so Hansard can take it down verbatim? Would he also cite the source? Was it the Caringbah pub?

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

Mr KERR: I will respond to that. I am not surprised that a protest was recorded when the honourable member for Auburn took a point of order. I give an undertaking to provide the quote to Hansard. It did not originate in the Caringbah pub, it is from Shakespeare's *Julius Caesar*. Let me look at this budget in terms of basic services to Cronulla. The most basic service that any government can provide to its citizens is law and order. In the 1994 budget provision was made for the upgrading of Cronulla police station. That upgrading has never taken place. There has been a downgrading of police facilities in Cronulla. That is despite the importance of those facilities not only to the people of my electorate and the shire but to the people of Sydney, including residents of the Auburn electorate who often catch a train to Cronulla. They are entitled to have their personal and property security safeguarded. That is not happening while there are inadequate policing facilities.

Cronulla police station is in dire need of upgrading and refurbishment, so that it can become a facility of which all of us can be proud. Cronulla is a seaside suburb with a rail link. Thousands of people during winter and hundreds of thousands of people during summer use that rail link to visit Cronulla. They are entitled to a police station where people can be charged and to an adequate response time. The station is undermanned at the present time. It will continue to be undermanned because of the secondment of police to the Olympics Games. A large number of police will not be available for general policing. I will be interested to see how many police are seconded to the Games. When I raised this matter before the last election, I was given every assurance that there would not be any dramatic changes as a result of the requirements of the Olympics.

I will now turn to the railways. I have already indicated to the Minister for Transport that I will speak about local CityRail situations during private members' statements this afternoon. Adequate track work maintenance is not taking place and signal failures have occurred. I draw the attention of the House to yesterday's *Daily Telegraph*, in which there was criticism of the Government's signal maintenance. That source of criticism was the union movement, an organisation that puts its loyalty to its workers above that to the Minister for Transport. Although great danger can arise from signal failure, as the Leader of the Opposition has said, there is no additional funding in this budget for signal maintenance. Yet, hundreds of millions of dollars will be available on the eve of the next election for whatever purpose.

As to education, as is acknowledged by the Teachers Federation, the amount devoted to education has fallen for the fourth year in a row. What a great commentary on someone who was going to promote himself as the education Premier! What a great commentary about the investment by the Government in the future of New South Wales. This Government has presided over the most bitter confrontation with the teaching profession that this State has ever witnessed.

Mr Nagle: Don't you recall the bitter confrontations—

Mr KERR: The honourable member for Auburn asks if I recall the Metherell years. The honourable member might like to talk to teachers in his own area. The feeling and morale of teachers is lower than it was at that time and the sense of betrayal is far greater. This situation has been allowed to continue. Although teachers have spoken about their needs as teachers, the honourable member's Government has ignored them. We disparage the teaching profession at our peril. The quality of every profession and trade in society is dependent on the teaching profession. That is why teachers deserve to enjoy higher morale and a monetary return from the community that is commensurate with the significance of their profession.

Cronulla South school—where Gough Whitlam was once president of its parents and citizens association—continues to be denied a school assembly hall. There you go! Despite an association with a Labor hero, basic facilities are denied to that school community. I now turn to the planning that was mentioned by the honourable member for Keira. Since 1995 there has been a huge amount of development in Cronulla. People everywhere, not only in Cronulla, are feeling like strangers in their own shire. This situation cannot be allowed to continue. In 1997 the local council adopted a development plan for Cronulla. The principal objective of this plan was:

to ensure Cronulla's future as a vibrant, attractive, sustainable, mixed use urban village.

An "urban village" can be defined as an urban centre providing a range and mix of different dwelling types, shopping, employment, entertainment, business and community facilities and services which permit a reasonable degree of self-reliance within the centre. It is set within a high-quality landscape and is characterised by a high standard of design of public places. The centre is linked to efficient and effective public transport and there is an emphasis on walking and cycling, with a reduction in the dependence on the car.

Sutherland shire has just released a local environmental plan. That local environmental plan does not meet the principal objective that was set out and adopted by Sutherland Shire Council. The answer is not to simply ban developments in an area, because one risks degeneration. All sides in the development debate have talked about the need for sustainable development. When buildings become old and dilapidated an area needs regeneration. There must be scope for sustainable development and redevelopment in any area. Cronulla's future should be as an urban village within the definition I have given to the House.

I have previously spoken about this issue in the House. The traffic problems in Cronulla are major congestion and virtually non-existent parking. The matter is critical. As there is only one road leading to the Cronulla Peninsula, a gridlock or minor traffic accident could cause a major disaster. The *St George and Sutherland Shire Leader* drew attention to this problem, but the council has not adequately responded. A traffic and parking plan has to be prepared by no later than 31 July, and must then be put on display. I want to ask a few questions about the development of Cronulla. Has the Sutherland Shire Council sought the advice of the Institute of Architects and the Institute of Town Planners about its local environment plan?

Mr Nagle: You're the local member.

Mr KERR: The honourable member for Auburn said, "You're the local member." I would have thought that with his family history in local government he would have been able to distinguish between what can be done at an operative level in State and local governments. That is why I mentioned strategic planning.

Mr Nagle: Ask the mayor.

Mr KERR: The mayor must answer the question. I join with the honourable member for Auburn in demanding an answer from the mayor of Sutherland shire as to whether those bodies were consulted about the local environment plan. When the traffic and parking study is completed advice must be sought from the NRMA, the Roads and Traffic Authority and, most importantly, local residents. People who live in an environment must have a substantial say in its future. It is very fashionable these days to talk about stakeholders. Nobody has a greater stake in the future of the local environment than its residents.

Mr NAGLE (Auburn) [3.10 p.m.]: This is the twelfth budget for which I have been present—seven budgets of the former Coalition Government and five of the Labor Government. The Carr Labor Government 2000-2001 budget builds on five years of hard work to deliver better services in the Auburn electorate with more money for health, education, policing, transport and community services. The hard work and sound management of the State's finances are paying off. This year the Government will spend \$173 million on important capital works in the Auburn electorate, which will support more than 2,500 of jobs.

Capital works projects in the electorate include \$2.5 million for continuing improvements to Bicentennial Park at Homebush Bay; \$500,000 to begin work on a major upgrade of Auburn West Primary School; \$500,000 to commence work on the Birrong Girls High School; \$1.8 million for easy access improvements to the railway station at Regents Park, the suburb in which I live; and \$553,000 for major upgrading work along Brunner Road. In the next four years the Carr Labor Government will spend more than \$21 billion on capital works across New South Wales, up some \$3.2 billion on the last four years. Families in my electorate can expect to see better policing, better hospitals, better schools and better roads as a result of this huge boost to capital spending.

The budget also contains tax cuts that represent a saving for families and businesses in the Auburn electorate. Auburn Hospital will get a boost; it will be retained, not downgraded or closed. One only has to read media reports about the State budget 2000: \$13,000 to assist first home buyers; cash surplus \$393 million; operating surplus \$1.24 billion; rainy day fund \$830 million for prepaid Government superannuation contributions; all permanent Olympic venues paid for and on time; and \$653 million Olympic taxation revenue over the Games period. Some 60 per cent of the Games activities are in the seat of Auburn, which has resulted in a great improvement in facilities for my electorate. It will be difficult next year: there will be no major capital works because the money will have been expended in my electorate in the past four years for the Games..

The list continues: first home buyers scheme; capital works program \$2.5 billion; health spending \$7.4 billion; \$36.5 million for mental health services; and \$16 million for spinal medicine and a 60-bed rehabilitation unit at the Prince of Wales hospital. The list goes on and on. But the response of the Opposition, led by the honourable member for Lane Cove, is that it is all a fairytale. If it is all a fairytale, it is showing results. One need only go to the Olympic site to see the great work that has been done. Legal aid will be available over the phone. Some \$87 million has been allocated to upgrade the rail system, and funds have been made available to assist the elderly. There is page after page of allocations.

The verdict of School Captain Michael West from Cherrybrook Technical High School is that without good teachers we will not have students achieving their best. We have been able to put an end to the teachers dispute. We will have good teachers back on board to do the job to which they are so dedicated. The editorial in the *Daily Telegraph*, although not glowing and exciting, supports Michael Egan's budget, and we must remember that it was the budget of the Olympics. If there is a complaint about police not being available during the Olympic Games we should remember who won the Olympic Games bid: the Hon. John Fahey, the then Liberal Premier of New South Wales.

What happened to the agreement between the parties about the Olympics being non-partisan and non-political and, focusing on a successful Olympic Games? That agreement seems to have gone by the board since Mr Fahey's Government lost office and the honourable member for Maroubra became the Premier. In the past five years we have been able to create 324,000 new jobs. In the past 12 months alone jobs have increased by 135,000. New South Wales has one of the lowest unemployment rates in Australia.

The budget has achieved lower tax rates; additional target spending on hospitals, schools and police; a reduction in the Government's debts and liabilities; a significant increase in the State's asset and net wealth; and a strong and continuing job growth. As the Premier said in this House, the budget got the big tick from all the financial institutions. My constituents in the electorate of Auburn—45,800 enrolled, 91,000 residents—will benefit from a \$2.5 million increase for major works on the Bicentennial Park; \$6 million for the Silverwater Detention Centre; and \$570,000, which represents the first work progress payment for the first stage of Auburn West Public School, a school that has 21 demountable classrooms, 17 of which were erected between 1988 and 1995.

But under this good Minister for Education and Training, we will now be able to begin work. By this time next year the work will be well under way. The children from that overcrowded school will no longer have to sit and swelter in summer and freeze in winter. When it is a hot day they will no longer have to endure their computers going down as the library will no longer be in a demountable classroom. I commend the Minister for

putting Auburn West Public School right where it should be, at the head of the capital works program. I also congratulate the Principal, Barbara Reynolds, and the parents and citizens association that have fought so long and so hard on receiving this funding.

Newington Public School, a new school, will be completed this year at an estimated cost of \$2.45 million. An allocation of \$254,000 in this year's budget, will be used to upgrade Birrong Girls High School and do away with its demountable classrooms. Two schools in the Auburn electorate will be able to go ahead with desperately needed rebuilding and refurbishing works. The Government will spend \$11.54 million for accommodation in Auburn, Yagoona, Birrong, Bass Hill and Sefton. These are where working-class people live, where 50 per cent of the population is of ethnic and non-English-speaking background, and where people of 48 different nationalities have an average income of \$27,000 per annum. They are poor areas with unemployment at almost 18 per cent. We are trying to do what we can to assist those people, to give them a life, to encourage them to go out to work and to encourage their kids to do the same.

The new Auburn Police Station will be completed with an allocation of \$150,000 at an overall cost of \$4 million. It will be opened before the Olympic Games. Where did that come from? Modesty dictates otherwise, but I will say it: as a result of my efforts and the efforts of the then mayor, Pat Curtin, we persuaded the Police Service that it should join with Auburn Council to build new council chambers and offices. They would have been still stuck in that old Station Road building which, when the Coalition was in government, housed the police officers. Now there is a new complex and there will be better policing in an area that really needs it. As the Premier said to me, "More money is being spent in the electorate of Auburn than in any other electorate in the history of the State." Enough said about that. I will move on.

Under the State Rail Authority budget Lidcombe railway station upgrading works and refurbishment has been allocated \$8 million. All sorts of things are happening with funding for the State Rail Authority. Extensive roadworks are being undertaken in the Auburn electorate. All of this work is exemplified by the Minister for Transport, and Minister for Roads. Before I continue perhaps the House should consider the Coalition's transport policy and budget. The Opposition's policy is to privatise our railway system. It wants to sell off the public rail and transport systems to private enterprise. The path the Coalition is going down is to get rid of our public transport. The Deputy Leader of the Opposition, the honourable member for Ku-ring-gai, asked the Victorian Government for help on his privatisation policy. The people in the electorates should not forget that the Coalition's policy is to privatise our railway system. Who will subsidise the privatisation? The good old taxpayers. Who will get anything back from it? No-one.

The amount of money being spent on roads and transport in the Auburn electorate is enormous. The Great Western Highway from Concord Road to Lidcombe will be upgraded, as will the Granville section of the road. The budget allocates \$220,900 for miscellaneous roads acquisition and investigations for better improvement in the Auburn electorate. Funds have been allocated for improvements to the Hume Highway and Rawson Road amounting to \$47,500; Church Street and John Street, Lidcombe, pedestrian scramble phase, \$40,000; the Northumberland Road and Rawson Street, Auburn, scramble phase, \$30,000; and road safety, \$66,710. The list continues with funding advantages for the Auburn electorate. Liberal-National Party electorates are receiving these same funding allocations, but Opposition members come in here and continually tell the world, "We didn't get this and we didn't get that."

I did not get some things from the budget, but I am not putting down the Minister for Education and Training or the Minister for Health because I did not get everything I wanted. I have acted constructively, unlike Opposition members. Only the honourable member for Albury, God bless his soul, complimented the Government today on some of its initiatives in the budget. I have not heard similar comments from anybody else on that side. During his contribution there were present in the gallery students from Homebush Boys High School. The honourable member for Albury told me that he is an ex-student of that high school. Indeed, he is a good Liberal-National Party member!

Every electorate is protected by our police and I place on the record the great work carried out in the Auburn electorate by Sergeant David Seedsman, who is Flemington's community safety officer. He is an exceptionally good policeman, as are all the police officers stuck in that hole at Flemington but who will soon be relocated in a new, modern police station in the centre of Auburn—in the heart of the Auburn electorate. I commend Sergeant David Seedsman for the great job he does. No-one could say anything bad about him. I thank Sergeant David Seedsman and Janet Martin, who is the Olympic Rail Transport Authority's Local Government Liaison Officer, for conducting seminars with Auburn Council about the impact the Olympic Games will have on the electorate.

I will comment briefly about Auburn Council's plans for the Olympic Games: they are too little and too late. The council had the opportunity four years ago to get on board, but all it wanted to do was bag the Minister for the Olympics, the Minister for Health and the Premier and carry on a great treat. Auburn Council has lost so much, but that is another story for another day. I can provide just one example of the necessity for a new Auburn police station. A constituent of mine has been living in the area all her life. For a few months her family has put up with being harassed by youths of a particular ethnic origin outside her home with loud music at all hours of the night and day. Each morning the council would have to clean up the area where food scraps and paper were littered everywhere. Police often were called to the area but were not able to catch the group responsible, but they caught other little thugs around the place.

One of the little thugs went to her house and said, "You have to accept \$160,000 for your property." She said, "No." He then said, "Well, we are going to continue what we are doing." That is happening throughout the Auburn electorate: ruthless and unprincipled people are sending out these little thugs to harass people to sell their houses. The Auburn police patrol has to put up with that behaviour and we are trying to stop it. This particular constituent is determined not to move from the area; she is not going to allow those thugs to push her out of the Auburn electorate. That is the good work police that the Bankstown and Flemington patrols carry out in my electorate. I congratulate the officers and their leaders on the great work they do.

Education is always a dicey area. For the information of members opposite, I did not receive everything I wanted from this budget. For example, I would have liked to have received appropriate funding for improvements to Sefton High School. That school was built for a student population of 800; it now has 1,050 students enrolled. It has a number of demountable buildings. The staffroom accommodates 12 staff in a small room originally meant to accommodate six. I have toured the school and I know the dedication of its school teachers and office staff. The staff common room is now virtually unusable for staff meetings, in-service days, et cetera. At present, the library must be used, but during the school day it presents a lack of privacy.

The library does not adequately cater for the 1,050 students. Sefton High School needs three-phase electrical wiring. With the introduction of a large number of computers, networking, electrical instruments et cetera, the two-phase originally installed is not adequate and is out of date. The roof also leaks. These problems are suffered by a school whose status is half community and half selective. This is the next project I will bring to the Minister for Education and Training—I am sure when he hears that he will not be overjoyed! I called on the Minister to help west Auburn primary school, Birrong Girls High School and Auburn north primary school, and had those things fixed. We will now fix up Sefton High School.

I should like to commend the students, captains and vice-captains who were present in the gallery today and who met with me during the lunch break. These students are the leaders of the twenty-first century. Mai Campbell is from Strathfield Girls High but resides in Auburn. Mai's father is the secretary of one of the Australian Labor Party branches and is the delegate to my State Electoral Council. Mai is a switched on young lady who will go a long way to achieve many things. She was accompanied by her friends Julia Tanious and Amanda Andrich. Abeer Karaali and Denise Robinson-Rennie of Birrong Girls High School also met with me and I have spoken about the funding provided for improvements to their school.

Eman Abdu is captain of Auburn Girls High School. Eman's family are struggling battlers in the Auburn electorate. She is a switched on and bright young student who is a great leader. Danny Petrushenko and Fadi Al-Sharawneh of Birrong Boys High School again are local residents and are leaders in our community. I met also with Hasanka Wickamanayake of Homebush Boys High School and Edward Chan and Belinda Tonnaer of Chester Hill High School. I commend all of the students who were present today as future leaders of our government and of Parliament.

I commend also the way the Minister for Education and Training finally settled the teachers dispute. Commonsense has prevailed. As a representative of the Teachers Federation said, "Well, we gave in on some and they gave in on some, but we were able to settle it." The matter may not be totally concluded but the teachers will be back at work. It does not matter how hard the Opposition wants this dispute to continue to get some political mileage out of it, it should look past its petty politics and petty ambitions in trying to get on the Treasury bench. It will not be until at least 2020 or thereafter before the Opposition is returned to that bench with its present performance. The Minister for Education and Training should be commended for his courage. It is easy to capitulate and give in, but it is hard to fight. It was hard also for teachers to give in. They had to fight for their way of life and conditions of employment. Their value is important and they are good teachers.

Overall, the total budget is for the purpose of being able to help the people of New South Wales. Finally, I should like to comment about Auburn hospital. The Unity Party, Liberal Party and Auburn Council

said the hospital was to be downgraded and closed. The Minister for Health, the Premier and I have said that is nonsense. That fool who says she is the shadow Minister for Health went out there when there was a protest meeting and told the crowd that she had seen me that morning in the Auburn shopping centre. That would have been very difficult because I was in the city. That is what a liar she is. How can one believe anything she says?

Mr Richardson: Point of order.

Mr NAGLE: She mishandles the truth.

Mr Richardson: It is contrary to the standing orders of this Chamber for a member to call another member a liar in this House. I ask that the honourable member withdraw the remark.

Mr NAGLE: I did not say that she lied in this House; I just said that she lied to the community outside. But I withdraw the remark. The Minister for Health is involving the community in decision making. He is further advancing the fair allocation of available funds to area health services, promoting funding arrangements that promote continuity of care and allowing doctors and managers to provide good quality and timely health services. When the Coalition was in power it closed Lidcombe Hospital, one of the best hospitals in Sydney. It downgraded St Joseph's Hospital from an acute care hospital. It destroyed two of the three hospitals in Auburn. If the Coalition were in power there would be no debate about Auburn hospital. The woman who represents the Liberal Party in this place as shadow Minister for Health would close Auburn hospital. I commend the Treasurer for a great budget.

Mr RICHARDSON (The Hills) [3.30 p.m.]: It was interesting to hear the Treasurer say when he was delivering his budget speech, "We must secure the future". If there is one thing that this budget most assuredly does not do, it is secure the future. Indeed, the Government had relied on a \$1 billion tax windfall in the 1999-2000 financial year to achieve its cash surplus of \$314 million. Without that bonanza, largely attributable to the booming housing and share markets, the Government would have been in the red to the tune of several hundred million dollars. The Government is predicting an even higher cash surplus of \$393 million next year, even though every economic commentator in the country is predicting a slowdown. We heard only last week that new housing starts were down by 8 per cent in March, a major GST-induced shift. Of course, the Treasurer could argue that he and this Government will actually benefit from the GST overall, something the *Daily Telegraph* recognised in its editorial of 24 May when it said:

Any grumbling from Michael Egan about the GST should be taken with a truckload of salt.

It added:

However, Mr Carr and Mr Egan cannot dispel the impression that the NSW economy has done well despite, rather than because of, their management.

But it would be too gracious of Mr Egan to thank the Howard Government for giving his and every other State Government to come a real growth tax, something the States have not enjoyed since they ceded their income taxing powers to the Commonwealth during the war. Instead he insists on including a break-out box in Budget Paper No. 2 on why the GST does not represent a revenue windfall for New South Wales.

Nowhere in that break-out box does he explain how the Australian Democrats watered down the GST tax take by billions of dollars by excluding certain food items, thereby limiting the State taxes which could be eliminated. Nowhere in that break-out box or in his Budget Speech does he mention that it was Bob Carr who was the first Premier to agree to the GST, almost falling over himself to sign on the dotted line. The real windfall for Michael Egan has been the strong economic growth engendered by the Howard Government, which has generated equally strong economic activity in this State.

Michael Egan has milked that growth for all it is worth. Income from stamp duties is up 72 per cent over the last five years; land tax, up 74 per cent; payroll tax, up 39 per cent; and gambling, up 47 per cent. There has been a total tax increase of 53 per cent over that period. As the *Daily Telegraph* said, no great skill is required to raise money from land taxes during a period of asset inflation. No economic genius is required to pull in millions from gaming. The skill surely is to provide good service delivery to meet as many of your obligations to the people of New South Wales as you reasonably can, remembering that government is all about the allocation of scarce resources, and to do it without the very blunt instrument of excessive taxation.

On both these counts the Government has failed. It has failed to deliver on core services such as health care, policing and public transport. It took 11 months to resolve the teachers dispute. That will have significant

ramifications for education. I was talking to a school principal in my electorate last week. He told me that many of his teachers were simply waiting for settlement of the dispute to get out of teaching. We can ill afford to lose those experienced teachers. They are fed up with the acrimony and the attitude of the Government toward them and their professional skills. They will be lost forever to the system. That will blow out of the window all the talk about the most radical overhaul of the State's schools in decades because it cannot be done without the teachers.

On the issue of taxes the Government has failed dismally. This is the biggest taxing Government in New South Wales history. Every man, woman and child in New South Wales is paying \$2,432 in tax a year, or \$842 more than was the case before this Government came to power. Part and parcel of the budget is the iniquitous indexed parking space levy on Parramatta businesses and commuters, which I spoke about extensively in debate on the bill, and a significant increase in train fares. Michael Egan is saying, "If we cannot get commuters when they are using their cars we will get them on the trains." It is an absolute disgrace.

Specifically for my electorate, the budget has been a mixed bag. The Minister for Education and Training has visited my electorate on a number of occasions over the last year. He has listened to my concerns and those of many of my constituents regarding the desperate need for new schools in the Kellyville area. An amount of \$4.5 million is allocated to the new Beaumont Hills Public School, work on which has almost started. The site has been acquired and the Minister has turned the first sod. Of the total \$5.4 million cost of the project \$3.6 million has come from the Federal Government. More than half the cost of the school will be met by the Federal Government. Some \$170,000 is allocated to a new \$7.7 million high school in York Road, Kellyville. The issue has really concerned the residents of the area for a sustained period.

We all want to have things brought on stream as soon as possible but I have checked with the education department and I understand that the school should be completed in time for the 2003 school year. Obviously, we sincerely hope that that is the case. That is the promise that the Minister made when he came to a meeting of the Kellyville-Rouse Hill Progress Association in my electorate last year. We will certainly hold him to that promise because there is simply nowhere else for kids in the area attaining high school age to go.

The budget also provides \$3.5 million for Cherrybrook Technology High School, one of the best comprehensive schools—in fact one of the best schools—in the State. I listened to the ravings and rantings of the honourable member for Auburn with a degree of interest. I noted that he talked about Sefton High School and the need for additional accommodation there because it had been designed for 800 students and there were 1,050 students there. Cherrybrook Technology High School was designed for 800 students and now has 1,600 students. It is the biggest high school in the State. So it cannot be said that this additional accommodation is not justified. In fact it is long overdue.

Mr Stewart: How long overdue?

Mr RICHARDSON: It is long overdue. There are 24 demountables on the site. It is the biggest school in the State and yet it occupies a site that is actually undersized for a high school. There will be new and permanent accommodation for the school. The school council, headed by Richard Hobson, and the school parents and citizens association, headed by Janette Hooper, will be delighted by that, as will the principal, Lyn Wendtman. We have all been working together to achieve that result.

This has been a good budget for my electorate in relation to education; however, with regard to roads and transport it has been a shocker. You, Madam Acting-Speaker, represent an outer western Sydney electorate and would appreciate that these issues are important, particularly to my electorate, which has the largest population in the State. The honourable member for Baulkham Hills, the honourable member for Hawkesbury and I have been fighting inside and outside the Parliament to get additional funding for Windsor Road. Every day a petition is presented in this House containing the names of residents of western Sydney who use that road and want it upgraded.

The Government commitment to the road is woefully inadequate. It is not sufficient for the Government to talk about partially upgrading the road within 10 years, given the extraordinary amount of growth in the Kellyville-Rouse Hill area. The only amount allocated to Windsor Road in this budget is \$4 million. Some of that is in the Hawkesbury electorate and some is a continuation of funding for roadworks between the intersection of Old Windsor Road and Schofields Road currently in progress. I emphasise that no new money has been allocated in the budget for Windsor Road or to upgrade New Line Road in Cherrybrook. There have been a number of fatalities on that road and Windsor Road. It is a bottleneck in the mornings and upgrade of that road is desperately needed because of the significant growth of that area.

No alternative has been proposed to Pennant Hills Road, which is the only link between the F3—the Newcastle expressway—and the M2. A deal has been done between the Government and the Greens, exchanging Browns Waterhole at Marsfield for no protests about the bridge over Lane Cove River, no protests about the alienation of national park estate down in that area. This means that there is no possibility that a tunnel will be put under that area. The Government has not put up one alternative and is condemning tens of thousands of people to continuing worsening congestion and extreme air and noise pollution, particularly those who live on or in the vicinity of Pennant Hills Road.

My electorate does not have government-run public transport. The Government is promising much in its 2010 transport action plan. The Parramatta to Mungerie Park transitway is essential for the planned Mungerie Park regional centre to proceed. Baulkham Hills Shire Council has jacked up about further planning for that town centre because of its concern about lack of public transport to that area and the fact that the Government has not upgraded Windsor Road within a realistic time frame. Has the Government allocated \$5 million or \$500,000 for this \$160 million project? Unfortunately, it has allocated only \$5,000. As one of my colleagues said, \$5,000 would pay only for the hire of a Portaloo for six months! That is what the Government thinks about providing public transport to the fastest-growing and most populous part of the State.

My constituents are also concerned about the County Drive link, a public transport link between New Line Road and Castle Hill Road that the Government originally promised to finance by the end of 1998. It provided the money in the 1997-98 budget but then took it away. Funding appeared in last year's budget and some work has been done on that \$6 million project. However, only \$1.8 million has been allocated this financial year, leaving a shortfall of \$2.1 million. Despite all the promises made subsequent to 1998, that much-needed road, which would significantly ease traffic congestion and improve public transport for Cherrybrook, will not be completed until the end of 2001 at the earliest. I am very concerned about that.

I note in the Western Sydney Budget Statement mention has been made of relocation of Castle Hill fire station to Glenhaven. I am sure that Madam Acting-Speaker will have examined that budget statement and seen the section in the back detailing the initiatives given in the 1999-2000 budget and the outcomes. In the 1999-2000 budget \$225,000 was allocated to acquire land for that new fire station. Nothing appears in the outcomes column for that. No action has been taken to move that fire station. It is a requirement that fire stations be within 10 minutes call of the homes that they service, yet that fire station is well over 10 minutes from homes in Cherrybrook—a suburb it services. I do not know whether the Government is fair dinkum about the Parramatta to Mungerie Park transitway or the Epping to Castle Hill railway line, for which \$298,000 has been allocated for a pre-feasibility study. It is most unlikely that \$225,000 would buy the block of land required in Glenhaven. I hope that the Government is not waiting for a significant downturn in the Sydney property market because it could well be waiting until hell freezes over.

I should like to speak about health care. There is an increase of \$26 million, or 5.2 per cent, for the Western Sydney Area Health Service but, as the Auditor-General noted in his last report to Parliament, the increase in funding to area health services is insufficient even to cover increases in employee-related expenses. This will do nothing to reduce the notorious queues in the emergency department of Westmead Hospital. Between July and November last year the emergency department was closed one day in three to all but life-threatening ambulance admissions. Therefore, if my constituents suffered an accident at home and were taken by ambulance to Westmead Hospital for one day in three they would not have been admitted unless their injuries were life-threatening. I acknowledge that \$1 million has been allocated to emergency departments but that is throughout western Sydney and is a drop in the ocean in comparison with what is needed for Westmead Hospital, the biggest hospital in New South Wales.

The Government plans to complete the replacement of the Ford F-series ambulances for western Sydney this financial year. That is terrific, but I see these ambulances driving around like the flying Dutchman, never able to pull into port. Perhaps the Government should consider upgrading emergency services before it upgrades ambulances. Westmead Hospital will also receive \$900,000 for new intensive care beds, and that is important. My father died in the intensive care section of Westmead Hospital following a fall from a ladder, so I feel strongly about that. Also, \$1.5 million has been allocated as the down payment on a new procedural centre.

The budget offers nothing for the much-needed refurbishment of the hospital. That hospital is now 25 years old and the medical council informs me that it needs a \$200 million investment for the benefit of the people of western Sydney. Hornsby hospital—the other hospital that services my electorate—does not get a look in. Perhaps that is not surprising as there has been an increase of only \$23 million in the health care capital works budget. Hospitals have been badly neglected by this Government so they require much work.

I note that \$75 million has been allocated to the Parramatta-Chatswood rail link. That link will be very welcome when it opens in 2006, but that allocation is only 5.6 per cent of the project's total cost. Overall, the budget is a mixed bag for my electorate, as it is for the State. I have a few words of caution for the Treasurer: Beware hubris; remember Paul Keating's budget that brought home the bacon, which shortly turned into the recession we had to have. It would not take much of a downturn in the economy to blow the rubbery figures in this year's budget out of the water.

Mr BARTLETT (Port Stephens) [3.50 p.m.]: The 2000-01 State budget outlines expenditure both for the next 12 months and for the next three or four years. This budget offers five clear gains to the community of New South Wales: a decrease in State taxes; decreased debt and liabilities; increased spending on health, education, police and community services; a \$2.2 billion increase in State assets; and increased job growth of about 135,000 in the period from April 1999 to April 2000. That is a tremendous achievement, especially in an area such as the Hunter, which has taken many economic hits in the past two years. They are all important issues, but time allows me to address in detail today only the decrease in debt and liabilities—debt that New South Wales has borrowed and liabilities, mostly superannuation, that the State owes—which will provide long-term good health to this State.

In the past five years the Carr Government has reduced the total State net debt and other liabilities from \$43.8 billion to \$40.1 billion by repaying some \$3.7 billion. These financial liabilities mainly comprise borrowings of \$21.3 billion and superannuation liabilities of \$13 billion, with a related cash interest bill of \$1.9 billion. Some \$2.5 billion will come off debt this year and an extra \$5 billion will come off debt in the next four years, making a total of \$7 billion. As I said before, the interest bill fell from its level of \$1.9 billion a couple of years ago to \$1.2 billion last year, and will fall again to \$900 million by 2004. That represents a \$1 billion saving on interest over that period—an achievement unmatched elsewhere in Australia.

As New South Wales and Australia approach the peak of the economic cycle, tax receipts from the tax on share transfers and property give us an opportunity to reduce debt. As long as the South Sea bubble of the information technology sharemarket remains, State government taxes will continue to roll in and New South Wales will be fine. However, when the bubble bursts and the economy falters, New South Wales will be hit with a double whammy if the debt issue is not addressed. Taxes fall further behind expenditure as economic activity decreases and interest rates on the debt rise, as do interest rates in the community. While less money is coming in, more money is going out.

Queensland has investments and no debt. If the economy falters when interest rates rise, it will gain additional income. It has a financial cushion for when taxation declines. That is the position to which the Treasurer is obviously taking the New South Wales economy. This Government is the first in living memory to reduce the State's net financial liabilities on an ongoing basis rather than adding to them. I agree with that position. When the Government brings down a surplus budget, that surplus is used to reduce the debt and liabilities to prepare for future bad times. Some \$335 million from last year's surplus was used to offset the superannuation liability of \$13 billion.

As for being a high taxing State, this financial year New South Wales families sent \$1.3 billion to the smaller States, at a cost of \$200 to each person in New South Wales. The introduction of the goods and services tax [GST] will make the matter worse. New South Wales will raise 37 per cent of GST revenue but get back only 30 percent of that revenue in Commonwealth payments. In 2000-01 New South Wales will send \$1.7 billion to Queensland—I have no idea why we should fund it when it has many natural resources—South Australia, Tasmania and the Northern Territory. That is the equivalent of \$261 for every man, woman and child in New South Wales.

This State budget delivers a big boost to capital works in the Hunter, with more than \$458 million being spent on vital capital projects—an increase of \$91 million on last year. The Labor team in the Hunter has worked hard to ensure that the region gets its fair share of the State's \$5.6 billion capital works and road maintenance budget. That work has paid off, with a 25 per cent increase in capital works spending over the next 12 months. This year, State Government capital works projects will support some 6,800 jobs in the Hunter region. There is \$21.5 billion for capital expenditure over the next four years—which will create 84,000 jobs statewide—with \$3 billion over the last four years leading up to the Olympics, which is now paid for.

The Hunter has a bright future, with a skilled work force, massive infrastructure and people who are optimistic, resourceful and close knit. Hunter innovation is leading Australian industry in many areas, and I will mention just four examples. The CSIRO has more than doubled its stake in the Steel River site in Mayfield in

the past year. Already locked into a two-hectare deal with Steel River, the CSIRO has increased its commitment by 150 percent by acquiring a further three hectares. Starting some time next year, it will relocate 150 jobs from its Sydney-based energy research division to Steel River at a cost of some \$25 million.

The Port Waratah coal services at Kooragang Island, next to Steel River, are undergoing their stage three expansion. This comprises a third stacking conveyor that will handle 6,600 tonnes per hour; a third rail receiving station; a third stockpile pad and third reclaimers; and a third shiploading conveyor stream and shiploading machine. That expansion will cost \$345 million, provide 500 construction jobs and increase the loader's capacity by 12 million tonnes to 89 million tonnes per annum. The job is due to be completed in 2001.

Twenty coal suppliers send a diversity of coal down the Hunter Valley. Trains travel down the corridor and are often diverted around the circuit until the train with the required coal type reaches the front of the queue. Coal trains can travel around the loop in the Newcastle area for some time before that happens. That is causing enormous problems to the people of Mayfield and those who live along the railway line, because the trains have to keep moving to keep the shuttle running. I am pleased that \$1 million has been allocated for the rail noise mitigation committee to address the noise problems that occur 24 hours a day in Mayfield, Waratah and other areas.

Redbank power station is not in my electorate, but it is another example of innovation in the Hunter. That station, which is near Singleton, employs the world's first integrated technology to generate 130 megawatts of electricity from the clean combustion of coal tailings. The plant's output is enough to power a typical Australian city of about 100,000 people. Tailings come from the adjacent Warkworth Mine, which processes the tailings using Jameson cell froth flotation technology developed by Professor Graeme Jameson at the University of Newcastle. Redbank is the first power station in the world at which that technology using processed tailings has been used for direct power generation.

The Redbank project uses a fluidised bed combustion technology, which is the world's best practice for clean combustion of coal and waste fuels. Combustion at relatively low temperatures in the presence of limestone results in low NO_x or SO₂ emissions. The Hunter Valley is one of the world's major producers of black coal, and every coalmine produces tailings. Approximately one-tenth of the material taken from a coalmine is washed away as tailings. The Redbank process uses those tailings and converts them into a product similar to toothpaste, which can be used in the power station. That process will revolutionise coalmines and power stations throughout the world, because it increases the output from the mine by one-tenth. It is a win-win for the people of the Hunter.

Another innovation, the bedminster co-composter, has been working in the Port Stephens area for 10 months. It takes 30,000 tonnes a year of domestic waste and 15,000 tonnes of sewage sludge and converts that into compost. Cairns is now building Australia's second plant with a 300-tonne per day unit. Edmonton, Canada, is building a 700-tonne per day plant which will take all that city's waste and most of its sewage sludge. That would certainly take the nutrient load off Sydney! The Port Stephens Council has recognised the potential tourist value of this co-composting waste site and has developed Back to Earth tours to cater for the tourism interest.

Last year, in my contribution to the budget debate, I said that there were three major legs to the triangle of growth in the Port Stephens electorate. One is the Kooragang-Steel River site that I mentioned previously. Another is Newcastle Airport and the Royal Australian Airforce [RAAF] base at Williamstown. The Hawk lead-in fighter rolled off the production line some time last week, and is now undergoing trial flights. There is a \$850 million, 25-year contract to build and maintain the aircraft. At Newcastle airport a project is under way to revamp the gateway to the Hunter Valley. John Holland has won a \$4.5 million contract to redevelop the airport at Williamstown, with 50 jobs on-site and 50 jobs off-site.

John Holland has just completed the Eastroc headquarters building for No. 2 squadron on the Williamstown RAAF base, which was re-established to allow for the operation of the airborne warning and control squadron. Newcastle airport is the fastest growing regional airport in Australia and, when completed, the new passenger terminal will be twice the size of the existing terminal and will be capable of accommodating aircraft carrying as many as 300 passengers. In the past six years the airport has increased its passenger numbers three-fold to 170,000 a year. The redevelopment is having a major impact on the building of infrastructure for the opening up of further land for industrial development. Watch this space—I am sure I will mention that again in future.

I turn now to the third leg of the triangle, tourism. The Tomaree peninsula has traditionally been a summer tourism destination, but in a short time tourism has greatly impacted on jobs, profit and viability. The increase in whale watching, plus other non-water attractions has padded out that season to an all-year-round experience. The humpback whales are due to arrive off the coast of Port Stephens in the next few days. Approximately 6,500 of them are heading north about four kilometres off shore. More people now watch whales than watch dolphins in summer, and that has extended the tourist season. I have some figures in relation to tourism that I will announce on another day.

Last year in Port Stephens job numbers increased by 6.4 per cent, outstripping Sydney, where the figure was 3.6 per cent. The Hunter area did even better. Although recent publicity claims that many large industries there are closing, the many small industries that are opening do not receive promotion. A recent Nelson Bay Chamber of Commerce survey indicated that 40 per cent of traders had set up in the past five years. The budget highlights state that 42 per cent of people live outside Sydney and 46 per cent of all capital works are outside Sydney. Nearly \$40 million of that will be spent in the Port Stephens electorate, including \$1 million for rail noise mitigation; \$2 million for the Waratah police station, which adjoins Mayfield; \$1 million for construction of the St Joseph's Nursing Home in Sandgate; \$46,000 for a planning fund for the Charlestown to Sandgate Road; and \$12 million for a new pathology building at the John Hunter Hospital. The last allocation is part of the Newcastle health strategy.

Almost \$1 million has been allocated for the Karuah bypass. During the Easter holidays that area was gridlocked from Hexham to Karuah with delays of up to five hours. They were the longest travelling delays experienced in a long time. The bypass should alleviate those delays in the years to come. The dual highway from Raymond Terrace to Karuah should be operating by the middle of this year. Funding of \$7 million has been allocated to that project this year, making a total of \$67 million for the completed project. A total of \$1.8 million has been allocated for a 200-metre bridge near Grahamtown Dam. That will allow the spillway to be increased from 20 metres to 200 metres, and the capacity of the dam will thus be increased by 50 per cent.

Some \$2.1 million has been allocated for work on the Tomago sandbeds to increase water supplies for the Hunter region, and \$5.2 million has been allocated to complete the Raymond Terrace waste water treatment plant to take sewage from Medowie and Raymond Terrace. That figure will allow 13,000 extra connections in years to come. Port Stephens is growing by approximately 4 per cent a year and that is reflected by the amount of work being undertaken at present. The plant will treat Medowie and Raymond Terrace waste water at a higher level than at present, and \$600,000 has been allocated for the Medowie No. 14 waste water pumping station. The Karuah and Sutton Park sewage transfer schemes should commence operation in the next few weeks. The allocation of \$15 million for the Karuah scheme will result in one of the highest standards of waste treatment in Australia and will allow for 3,000 future connections.

The allocation of \$300,000 for the construction of the Tilligerry ambulance station in this financial year honours a Government promise for this term, and the development of 130 Landcom lots will strengthen the economic viability of the Tilligerry area. Many traders are looking forward to that development to create a more secure future for themselves and their employees. A total of \$3.6 million will be spent on the construction of new public housing in the next 12 months in Port Stephens, and total road expenditure will be in the vicinity of \$14.3 million. There is \$100,000 for the completion of the Medowie to Raymond Terrace cycleway, which is being funded 50-50 by the Government and Port Stephens Council, and there is \$135,000—again 50-50 funding by the Government and Port Stephens Council—for the Ferndale Road-Medowie Road roundabout.

Funding of \$1.325 million has been allocated for the Salamander Bay effluent line, \$100,000 for renovations to the Taylors Beach Fisheries Research Station, and a continuing \$900,000 towards the oyster lease clean-up program in Port Stephens. There is \$300,000 for the ongoing planning of the Bobs Farm upgrade on Nelson Bay Road and extra planning funds for the Tourle Street bridge duplication. This is a budget for New South Wales, for the Hunter and for the people of Port Stephens. As I look back at my election promises to the people of Port Stephens, I am extremely pleased that we are finally giving most of those projects a big tick.

Mr STONER (Oxley) [4.10 p.m.]: The 2000-01 State budget represents the loss of an opportunity to repay country areas for the deprivation they have suffered over the past six years as a result of funding going to Sydney, particularly for the Olympic Games. A massive post-Olympics infrastructure and rebuilding program is needed for country New South Wales. The Treasurer waxes lyrical about the regional and rural aspects of this budget. However, this budget once again is mostly a budget for Newcastle, Sydney and Wollongong: the Carr Labor Government's version of New South Wales. If one excludes road funding, which one would expect to be far greater in country areas where the distances travelled are much greater, one will realise that a disproportionate amount of funding has gone to the Newcastle-Sydney-Wollongong area.

I am pleased to see funding in the budget for some crucial projects in the electorate of Oxley, particularly for a new ambulance station at South West Rocks. The community has fought for that facility for at least five years since the sale of the previous station. Yesterday I personally thanked the Minister for Health and acknowledged his attention to that issue. I note that the new gaol at Kempsey on the Mid North Coast will receive more than \$15 million funding in the new financial year. That indicates that construction will commence shortly. As I have said before, that gaol represents a positive boost to the economy of the Kempsey-Macleay area and the neighbouring shires. Funding has been provided for of the finalisation of Camden Haven High School. I visited the facility recently, and I am happy to report that construction is well progressed and that the facilities will be second to none in the State. I will be pleased to see the completion of this important school in my electorate.

Funding has also been provided for Wauchope TAFE campus. The funding is listed in the budget for rationalisation. I hope that it is for upgrading and not cutbacks. I hope that funding will modernise the TAFE facility in my home town. Funding for a library conversion at Eungai Public School will be welcomed by the local community. Funding for sewerage works at Hat Head, Kendall and Nambucca Heads addresses an important environmental issue, which I am pleased is receiving attention from the Government. Similarly, in relation to water quality, some small centres in my electorate, such as Comboyne, Long Flat and Telegraph Point are receiving some attention in the way of funding to supplement the Hastings Council water quality improvement initiatives. I also welcome funding for improvements to the Oxley Highway between Wauchope and Tamworth and to the Pacific Highway. These will provide obvious benefits in road safety and will be an economic boost to my electorate.

I will deal with some of the specific aspects of the budget. There has been reported a \$100 million blow-out in the State's contribution to the costs of the Olympics. That equates with \$100 million less for country areas, which, as I said earlier, have suffered a decline in services with funding flooding into Sydney for the Olympics. That money would fund a new hospital, several schools, an upgrade of rail facilities, which is very important along the mid North Coast, and more police. That \$100 million blow-out, which is the result of mismanagement, is an opportunity lost for country areas, particularly the mid North Coast. The Treasurer talks about lower tax rates. I should applaud the Government's endeavours to lower tax rates to make New South Wales more competitive with other States. However, under this Government the tax take has risen by 50 per cent.

New South Wales residents are now the highest taxed people in Australia. Every man, woman and child is taxed to the tune of \$2,157 per annum. I would like the Government to address some fees and charges relevant to my electorate. National park entry fees and fishing licence fees are an impost on the battlers on the mid North Coast and on tourism, which is one of the major economic aspects of the local economy. I would also like the Government to address waste and mismanagement within the public sector. That would free up additional revenue, resulting in a cutback in taxes, fees and charges.

The Treasurer rightly points to the State's extremely low unemployment rates. However, the Federal Government has contributed with responsible financial management, including lower interest rates, inflation and debt levels. In addition, the Olympics has been a major boost to New South Wales, resulting in a job boom, particularly for Sydney and, to a lesser extent, regional areas. The Treasurer and the Government have had a good ride on a buoyant economy. But the next few years will tell just how good the Treasurer and Treasury are at managing the State's budget. Thus far, due to windfall revenues, the Government has been able to spend big, but it has not sufficiently addressed waste. That cannot continue as the Olympics wind down and we are influenced to a greater extent by international economies, such as that of the United States.

The Treasurer and the Government intend to reduce payroll tax, and that is certainly a step in the right direction. But I would suggest that we need to go further. New South Wales is losing business to Queensland and Victoria. Recently representatives from Express Coach Builders Pty Ltd, a company that is based at Macksville in my electorate and manufactures bus and coach bodies, told me that payroll tax and workers compensation add thousands of dollars to the cost of production of one bus in New South Wales compared to the cost to the company's competitors in Queensland. We need to get serious about reducing payroll tax so that we can provide a competitive business environment in New South Wales. The Treasurer should keep his promise to reduce payroll tax to 5 per cent sooner rather than later.

I give credit to the Government for the introduction of the First Home Plus Scheme. I hope it will stimulate the building industry in my electorate, particularly in growing areas such as South West Rocks, Nambucca Heads and Wauchope. However, I must speak against the decision to charge stamp duty on post-

goods and services tax [GST] prices. That is effectively a tax on a tax. The people of New South Wales are already the highest taxed in Australia.

I note that the recently announced increase to health funding is part of the budget. The Mid North Coast Area Health Service needs substantially increased funding on a per capita basis. The figures given to me by those in the medical profession indicate that the mid North Coast has the lowest per capita rate of health funding of any area. The result is that up to 18 beds have been closed at Macksville and 12 have been closed at Kempsey, despite strong demand for those beds. That impacts on surgery and other services provided at those hospitals. People in need have to travel to Port Macquarie, Coffs Harbour and even Newcastle because the facilities that exist in the area cannot be maintained due to lack of funding and, therefore, are not available to local residents. Equity of access to services is something that people from other parts of the State probably take for granted. I will watch closely to ensure that the guaranteed funding increase flows through to reopen some of the existing facilities in hospitals like Macksville and Kempsey. Their location on the Pacific Highway makes them absolutely critical, as they were, for example, following the tragic bus crash at Clybucca some 10 years ago in which 35 people were killed and many more were injured.

I note an increase in the budget for dental health services. I am sure that most members in this place would have constituents who regularly come to them and say that they are in pain but they have been turned away because of long waiting lists. I am pleased that the Government is putting money into this service. I suggest that \$4 million over the course of this financial year will not be enough. The battlers, people who have not been able to afford private health insurance, are those who are most affected. It is tragic to see people in severe pain who have no option but to wait until treatment is available.

I am pleased to see an increase in funding for the school maintenance program. Several schools in my area are in a near-dilapidated state. Wauchope Primary School, which has one of the highest enrolments in the area, is overcrowded. I inspected the grounds of the school and I have no doubt that they are unsafe. I am aware that the school has been on a maintenance program for several years, but nothing has been done to improve the unsafe situations at that school. A unique heritage building is part of the school at Frederickton. Some parts of the building are falling apart. The building is desperately in need of maintenance. Bearing in mind the size of the student enrolment, facilities at Crescent Head Public School are sadly lacking.

I hope some of the additional funds for school maintenance flow through to those schools in my area. Lack of Government funding for school improvements has resulted in schools raising their own funds. It was unfair of the Minister for Education and Training to criticise schools that have effectively raised their own funds and built up their bank balances in an effort to deal with inadequate maintenance. I am concerned about the ongoing cuts to TAFE staff. As many as 730 TAFE teachers will be cut from the system, and those cuts will be felt in country areas. I will watch to ensure that the staffing levels at the TAFE colleges at Wauchope, Kempsey and Macksville are not to be reduced to the detriment of those areas.

The *Port Macquarie News* reported that 30 per cent of the officers in the mid North Coast local area command will be sent to Olympic venues. In the case of Nambucca Heads that translates to eight police officers remaining from a strength of 21. We need to maintain police numbers, whether it is during the Olympics, before the Olympics or after the Olympics. We must maintain police on the streets in the hot spots of Nambucca Heads, Scotts Head and Kempsey. I hope that the increased budget flows through to staff much more quickly than the initial promise of 2,100 extra police made by the Minister for Police last year.

Giant Parramatta Grass is a problem in my electorate. This problem costs the State economy a significant amount of money and renders pastures totally unproductive. I was disappointed to see a miserly funding increase in the budget for noxious weed control of only \$200,000. In the car park behind my electorate office, which is next to the office of the Department of Agriculture, there is a growth of giant Parramatta Grass. It sticks to car wheels and spreads like wildfire through the area. I hope that future budgets pay more attention to this significant problem. Acid sulphate soil is also a problem in the Hastings area. We will need a substantial share of the money that has been committed to dealing with that problem. It affects not only the oyster industry but the overall quality of the environment in the Hastings.

The North Coast train line has been problematic for some time. I am receiving an increasing number of complaints from constituents about late trains, trains not stopping, fewer seats being available for pensioner and concession fares, and the overall quality of stations, which are often vandalised or have inadequate facilities. I am concerned about the 30 per cent cut in direct operating grants and subsidies to Countrylink. Many of the complaints I receive relate to the quality of the equipment, the track and the trains. I will monitor that situation to ensure that the quality and safety of Countrylink services are not adversely affected.

I am pleased that the State is committed to continuing the program for the Pacific Highway upgrading together with Federal funding. That will be a boost to tourism and the economy and will also provide greater road safety on the mid North Coast. The budget provided a \$29 million allocation for improvements to timber bridges. Certainly the Hastings, Kempsey and Nambucca shires have many timber bridges needing replacement. I am aware of towns losing economic activity because heavy transport cannot cross some of these timber bridges to collect crops and the like. Therefore, our agricultural industry is suffering. Those bridges must be replaced sooner rather than later. The Treasurer referred to an amount of \$830 million as a service delivery insurance fund, but it appears to me to be a slush fund. It certainly is putting money away into a hollow log.

I call on the Treasurer to release some of those funds for a dairy adjustment package, as that is the major crisis country areas face and could potentially cost thousands of jobs in regional New South Wales. The State has been allocated a National Competition Policy payment of \$156 million from the Federal Government. Assisting dairy farms is the purpose for which that payment should be used. Overall, the budget, whilst containing some funding for my electorate, is a disappointment. It is built upon record taxation, fees, charges et cetera that affect battlers in my area. Country New South Wales has been so far behind the eight ball that a massive injection of infrastructure funding was needed, but unfortunately this opportunity has been lost.

Mr MILLS (Wallsend) [4.30 p.m.]: The sixth Carr Labor Government budget contains lots of good news and benefits for families in New South Wales, in the Hunter region and in the Wallsend electorate. I should like to highlight those benefits and express appreciation on behalf of the communities I represent to the Labor Government, which has demonstrated once again this year that it will look after its heartland areas, including safe seats like Wallsend and other Hunter electorates. First home buying families in the Hunter, like families all over the State, will benefit greatly from the new First Home Plus scheme, which provides for exemption from stamp duty for first-home buyers in the Hunter for homes valued up to \$175,000 tapering down to phase out at \$250,000.

Exemption from stamp duty will be provided on vacant land valued at up to \$80,000 in the Hunter, phasing out at \$110,000. Income is removed as an eligibility criterion for the scheme. This scheme is a real help for families and young people struggling to buy their first home. Tax reduction measures in the budget will be appreciated by many people, especially those in business in the Wallsend electorate. The phasing out of the \$43 third party motor vehicle levy from all business vehicles starting from 1 July follows the phase-out for all private vehicles in the past year.

Surcharge on vehicle registration fees and transfer fees will be abolished from 1 July. The Payroll tax reduction from 6.4 per cent to 6.2 per cent has been brought forward six months and will apply from 1 July. Stamp duty on general insurance, including household and some commercial insurance, has been reduced from 11.5 per cent to 10 per cent. My constituents will certainly appreciate that reduction as they were cynical of the otherwise gratuitous increase in stamp duty that would have applied to insurance premiums inflated by the Commonwealth Liberal Government's goods and services tax. Perhaps the most important feature of State Labor's budget for the year 2000-01 is the post-Olympics boost to public works expenditure in the Hunter and other regions outside the metropolitan area.

This boost in expenditure achieves two objectives. First, it keeps employment going after the completion of Olympics works. New South Wales will avoid the kind of post-Olympic economic job slump suffered by such Olympic cities as Barcelona and Montreal. Second, it gives regional and rural New South Wales more than their fair share of public works for a few years to make up for Sydney being the focus of attention during the pre-Olympic years. Those of us outside Sydney have been jealous of that attention.

The Hunter region has received a huge boost in this year's State budget with more than \$458 million being spent on capital projects in the region, which represents an increase of \$91 million on last year. The eight Labor members of Parliament in the Hunter work as a team and set out to ensure the region got its fair share of the State's big capital works and road maintenance budget in the years after the Olympics. This year there will be a 25 per cent increase in capital works in the Hunter. State Government capital works projects allocated this amount of money should support more than 6,800 jobs in the Hunter region.

This financial year the Government will spend \$13 million on schools in the region. On behalf of the Hunter region I thank the Parliamentary Secretary to the Minister for Education and Training for his efforts. A big chunk of those funds is \$10.7 million to complete the new Lake Munmorah High School. The budget has allocated \$20 million for health facilities, including \$12 million to start work on the new pathology building at John Hunter Hospital—I shall refer to that in detail later. Through Hunter Water \$54.5 million will be spent to improve water supply and treatment plants across the region, including a \$5.2 million boost to upgrade the Raymond Terrace treatment plant.

Just over \$40 million will be spent to buy, build and improve public housing. This represents a significant increase over previous budgets. An amount of \$25 million will be spent to build Millennium trains in Cardiff, which will boost economic activity in the Hunter region significantly. Funding in the amount of \$24 million has been allocated to replace the sleepers on the rail line between Dungog and Craven; \$2.9 million has been allocated through the Newcastle Port Corporation to upgrade work at the basin terminal, and for wharf extensions, helicopter facilities at Dyke Point and disabled access; and \$2 million has been allocated to start construction on the Waratah police station, which will make a difference to quite a few police officers serving in the Wallsend police station.

Only last week with the Parliamentary Secretary to the Minister for Police I inspected \$150,000 worth of works carried out during the past financial year. I thank the Minister for Police for those works. That did not appear on last year's budget papers, but it was necessary expenditure to provide a safe and efficient workplace for officers at Wallsend police station. I assure the Minister that that objective was achieved. The honourable member for Newcastle and I received a good reception from the police officers serving at that station.

We are working hard to ensure that police officers and those who work generally in the public sector have safe, efficient and good workplaces. That way I know the people who work for government will achieve community respect. To summarise, the major capital works investment in the Hunter will mean long-term economic benefits for the region. These projects are another indication of the State Government's commitment to invest in the future of the Hunter. I mentioned earlier that funds have been allocated for the new pathology unit at John Hunter Hospital. Our Government has allocated \$12 million for work to commence on the new building this year. This will provide up-to-the-minute pathology services for Hunter families.

The total value of the project will be \$17.1 million and construction is expected to take two years. Completion of this pathology building will allow the research institutes scattered around the Hunter region to move into the vacated space inside the John Hunter Hospital building. Therefore, we will be able to make use of the telethon funds that were generously donated by the people of the Hunter two years ago to promote children's medical research and medical research institutes in general in the Hunter. The early use of those telethon funds will be appreciated by the people of the Hunter, who have a long history of contributing generously to cancer and drug-related projects, mainly in the health system but also in the education system, in the Hunter region.

Planning will also start this year on the John Hunter child and adolescent mental health unit, which has been allocated \$0.125 million this year. The total cost of the unit will be \$2.8 million. This is part of a most worthwhile development in health to ensure that mental health treatment is taken into the general hospital system so that we provide holistic treatment for patients. Many people needing mental health treatment have a co-morbidity: they have other problems as well. We increasingly need medical psychiatry beds in our public hospital systems. Maitland hospital already has one and John Hunter Hospital will get one shortly. The unit should be completed in 2002. John Hunter Hospital will also benefit from \$1.5 million for continued work on stage one of the Hunter strategy that includes the John Hunter emergency department, intensive care unit and operating theatres as well as the Mater cancer institute.

A further \$1.5 million will be spent on planning for the Newcastle strategy, which includes various projects at John Hunter Hospital. This year's health budget also provides \$3 million for the Rankin Park Hospital refurbishment. The total project amounts to \$4.7 million and it will be nearly completed by the end of this financial year. I welcome the continued funding of that important project. In all, about \$19 million worth of new and continuing health capital works projects will be in the Hunter region this year. That is in addition to the huge increase in recurrent funding for health services that was announced in March. That involves not just acute care services in public hospitals. The Treasurer helped the Minister for Health to achieve something of enormous benefit to families, patients and the whole of New South Wales.

In the Hunter we are getting closer to getting a fair share under this Minister for Health and this Treasurer. There will be the certainty of three-year health budgets. It was announced some months ago and has been delivered. Dental health funding will increase significantly. It is hoped that we will recover half the ground that was lost when the Howard Liberal Government cut out the Commonwealth contribution to dental public health care some years ago. This also applies to mental health funding. I should mention the recently announced \$2.85 million from the Minister for Health which will go towards research infrastructure for the Hunter's medical research institute. The institute, along with the medical school of the University of Newcastle, has joined the list of distinguished research institutes such as the Garvan Institute. This funding by our State Labor Government is the first of infrastructure at a medical research institute outside a capital city in Australia.

In Maryland \$1.5 million will be spent on sewerage works and \$1.66 million will be spent on other water and wastewater improvements, including at Wallsend and Shortland. In road safety rehabilitation and maintenance, the electorate will receive \$1.8 million. I will comment particularly on two items in the roads capital works budget: to improve safety for school students at Glendale Technology High School the amount of \$70,000 has been allocated for a bus bay to improve bus access to the school; and \$200,000 has been allocated to improve the intersection of McCaffrey Drive and Lookout Road. That will involve lights and other improvements at the intersection. This follows a Roads and Traffic Authority study begun 18 months ago. An amount of \$3.6 million will be spent on commencement and/or completion of 48 units of accommodation for the Department of Housing. That is a significant increase on previous years. It will reduce waiting times for a number of categories of battling people seeking public housing accommodation. Families in the Wallsend electorate and the Hunter region can expect to see better hospitals, schools and roads as a result of the big increases in capital spending.

In this debate I have heard the Opposition whingeing that New South Wales is a highly taxed State. That argument is supplemented with the claim that the State's services are declining. That supplementary argument is patently wrong. But one would expect that from a Liberal Party that simply makes up its criticisms. There are two reasons for the level of taxation in New South Wales being what it is. Firstly, a high level of service is provided to families, businesses and communities. Our teachers are the best paid in Australia. Our school class sizes are the lowest in Australia. Our TAFE class sizes are the lowest in Australia. Teachers in public schools are doing a dedicated and professional job of educating the majority of New South Wales students, and they deserve their good and improved pay levels. Those remarks include the casual teachers.

Other educational benchmarks show that New South Wales public schools are leading the nation. In health, our nurses and other medical staff, along with all the supporting and administrative staff in New South Wales Health, are doing a first-class job of delivering health services to patients and clients in a caring and professional way. They deserve the good pay rises that are coming over the next few years in recognition of the value of their work for New South Wales families. On all the health and hospital services benchmarks such as waiting times, waiting lists, speed of emergency response, and efficiency improvements, New South Wales Health is leading the nation.

Across other vital areas from policing to child protection, emergency services, juvenile justice, roads, housing, forestry and even in the area of practical delivery of services to Aboriginal families and communities—call it reconciliation in practice—the New South Wales government sector is leading the nation. Therefore the level of tax collection in New South Wales can be justified because of the increased budgets and increased services and service improvements that have come from six budgets brought down in this State by the Carr Labor Government. Being a Labor Government we have made sure that we have allocated the most significant growth in spending to the social areas. There have been five years of rising budgets in these areas. In education, in the Carr Government's time there has been an increase of more than 32 per cent. In health, the increase has been more than 40 per cent. In social and community services the increase has been more than 64 per cent. Those growth rates have been achieved while the Olympics have been paid for.

The second reason for the level of taxation in New South Wales is discrimination against New South Wales, to the extent of \$1.7 billion this year, taken out of this State's rightful share of Commonwealth tax revenue, to subsidise Queensland, South Australia, Tasmania and the Northern Territory. Per capita, we subsidise them by \$261. That is substantial. Every man, woman and child in New South Wales contributes in tax—these figures are all in Budget Paper No. 2—\$85 to Queensland, \$78 to the Northern Territory, \$54 to South Australia and \$44 to Tasmania. That kind of transfer of funds is deplorable. It is unjust. It is unfair to my constituents and the people of the Hunter. The Commonwealth takes taxes off people in New South Wales and hands it over to the people of other States as a subsidy. I call on every member of this Parliament, especially the Premier and the Treasurer, to increase the pressure on this Federal Government and its successor next year—hopefully a Beazley Labor government—to make fundamental changes to the system of fiscal equalisation. The arguments in favour of it are well laid out by the Treasurer in Budget Paper No. 2.

I turn briefly to some items that come from the budget highlights for regional and rural New South Wales. I refer particularly to the response by the Government to calls by Country Labor to set up a \$2.4 million rebate scheme to help farming families put rollover protection on tractors. Another reason why the Government should be congratulated on this budget—and it is a clever budget in this sense—is its commitment to improve safety for people living on farms in New South Wales. Last year 16 people died and another 328 were permanently disabled in farm accidents, most of which were tractor-related.

I want to comment, in particular, on the regional co-ordination program in the Premier's Department. This applies in the Hunter, the Illawarra and many other areas in regional and rural New South Wales. People in the Hunter appreciate having a regional co-ordinator. I compliment Ben Chard, who is that officer, on the work he does in relation to many activities of regional significance in the Hunter, in particular, strengthening local community strategy, issues flowing from the Drug Summit and, most important, economic activities. He also co-ordinates the activities of the Hunter Advantage Fund.

The Premier recently announced a couple of hundred new jobs obtained through the Hunter Advantage Fund. To date, assistance has been offered to 30 companies, and 1,383 full-time jobs, 213 part-time jobs and 216 construction jobs have been created. This has meant a total investment of more than \$158 million for the Hunter. The Premier then went on to launch the Hunter advantage strategy and called on the various bodies in the Hunter—State government, education, TAFE, university, local unions, local government and business—to co-operate, all working towards a common strategy. It being National Sorry Day, I want to compliment the Government on the big boost this year to the community development programs and the 37 communities identified for priority attention. The funding for these programs has more than doubled in the current year, and this will go a long way towards providing an appropriate response to Aboriginal reconciliation at a practical level.

The Ageing and Disability Department has received 20 per cent increase in funding, an impressive increase in funding for disabilities, which no doubt will reduce the unmet need, even though honourable members will be aware from lobbying by people with disabilities that it will not eliminate the unmet need. However, combined with last year's increase it makes serious inroads into unmet need. TAFE is preparing to have registered training status and because of Federal reductions has had to look for greater efficiencies in the competitive training market. It is important that the balance is right between, on one hand, the need for efficiency and, on the other hand, the need to respond to industry needs and to maintain a skills base to maximise the opportunities that arise for new jobs. We need to get the balance right in the Hunter also. I commend the budget.

Debate adjourned on motion by the Hon. R. H. L. Smith.

BILL RETURNED

The following bill was returned from the Legislative Council without amendment:

New South Wales Lotteries Corporatisation Amendment Bill

SPECIAL ADJOURNMENT

Motion by Mr Whelan agreed to:

That the House at its rising today do adjourn until Tuesday 30 May 2000 at 2.15 p.m.

House adjourned at 4.52 p.m.
