

LEGISLATIVE ASSEMBLY

Thursday 23 November 2000

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

Mr Speaker offered the Prayer.

TRANSPORT ADMINISTRATION AMENDMENT (RAIL MANAGEMENT) BILL

Second Reading

Debate resumed from 22 November.

Mr SCULLY (Smithfield—Minister for Transport, and Minister for Roads) [10.00 a.m.], in reply: I express my appreciation to members on both sides of the House who contributed to this very important debate. I thank the Opposition for indicating that it will support the amendments in both Houses. I will respond to comments made yesterday by the shadow Minister for Transport. The structural changes in 1996 did not involve a transitional period. To ensure that we maximised the chances of a successful implementation the Government accepted not only the evidence of Mr Ron Christie but also the report of the McInerney inquiry in regard to managing effectively the process of change.

As I said in my second reading speech, and as was outlined in debate, we propose to amalgamate Rail Services Australia with the Rail Access Corporation. The co-ordinator general will manage that process of change, and the relationship changes between the State Rail Authority and the new Rail Infrastructure Corporation. The shadow Minister made much of bonuses paid in January to rail chief executives before the performance problems became apparent. He stated that they should not have been paid bonuses before the performance problems became apparent. He has been a little mischievous and misleading because the performance bonuses related to a period of the financial year expiring on 30 June 1999.

At that time CityRail had just achieved the best performance of on-time running in 25 years. It had also successfully put in place two significant test events, the Easter shows of 1998 and 1999. CityRail had delivered what appeared to the various boards of the organisations to be a strong rail performance that warranted the payment of performance bonuses. In a sense the rest is history. Performance declined; on-time running reduced; the number of instances that trains went through red lights rose unacceptably; and a series of accidents and derailments occurred, including the Glenbrook tragedy, in which seven people lost their lives. The Glenbrook tragedy resulted in a judicial inquiry. The Government was compelled to take strong action and appointed a Co-ordinator General of Rail.

The strong recommendation of the Glenbrook inquiry is for the restructure of the rail industry through the amalgamation to which I referred earlier. And that is what the Government is doing. The honourable member for Oxley referred to the Government's lack of commitment to country New South Wales. His comments are most perplexing, given that this Government has reopened rail lines, unlike previous governments that have been busily closing them over the past 20 or 30 years. Cowra to Blayney and Kandos to Gulgong are two rail lines that this Government has opened in the past 12 months. The shadow Minister referred to the method of appointment of the union representative on the board of Rail Infrastructure Corporation. He should look in detail at section 19O of the current Transport Administration Act that the Opposition supported in 1996 and again in 1998. There is no difference between that provision and what is proposed in this bill.

The shadow Minister also referred to the Transport Safety Bureau. I can assure him that the Government accepts the McInerney recommendation that the Transport Safety Bureau be reviewed, and that will be done with the Director-General of the Department of Transport. The judge recommended that the Government not consider implementing change in respect of the safety recommendations until the final report is handed down at the end of the year. The McInerney report contains a range of recommendations on how to restructure the management of safety within the rail network, but recommends not considering how to implement such restructure until the final report is handed down. We accept that recommendation.

The shadow Minister commented about the accessibility of railway stations. It is extraordinary that the Opposition could make such a comment. In its last four years in government the Coalition installed lifts at five

railway stations. By way of comparison, in the past five years this Government has installed 34 lifts at railway stations, with more to follow. Very soon the Opposition will be too embarrassed to refer to accessibility to our railway stations. I appreciate the support of the Opposition. However, some of its claims are misguided. The shadow Minister referred to network control. The McNerney inquiry recommended a network control for CityRail and a network control for Rail Infrastructure Corporation for the bush, which essentially separates freight network control and passenger service network control.

That recommendation involves a number of interface issues and must be considered carefully by the stakeholders. We will continue to do that. The shadow Minister also questioned whether adequate resources would be allocated to the rail regulator. I assure him that they will be. A penalty scheme for the non-performance of published standards will be assessed in consultation with all the stakeholders. This important legislation will contribute to the improved performance of the rail network and will ensure the increased likelihood of having a more reliable and safer system. I appreciate the contribution of all honourable members to the debate. I commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

DISTINGUISHED VISITORS

Mr SPEAKER: I draw the attention of the House to the presence in the gallery of a distinguished delegation from a suburb of Seoul in Korea. It is a great pleasure to welcome the mayor and his delegation to the Parliament of New South Wales.

WORKERS COMPENSATION LEGISLATION AMENDMENT BILL

Second Reading

Debate resumed from 17 November.

Mr HARTCHER (Gosford) [10.11 a.m.]: Mr Speaker, may I join with you in welcoming our friends from Korea. I hope they find their stay here enjoyable. Workers compensation remains the black hole of New South Wales expenditure, as it was so eloquently described some years ago. Nothing has changed. The fund continues to lose money. The Government argues that the rate of loss has been decelerated, but that remains to be tested. On the most recent estimates it is losing money at the rate of \$1.5 million a day. The deficit is at least \$1.6 billion and could be as high as \$2 billion. Two years ago the Government set up an advisory council to plan for reforms to the workers compensation process and, in so doing, adopted part of the Grellman report into workers compensation reform. We have had some tinkering with the legislation, including a diminution of benefits and a loss of percentage claims for injured workers. Now we have this further amending bill.

Notwithstanding the Government's stated commitment to reduce the cost of workers compensation premiums, no table or documentary evidence has been supplied as to how much it estimates workers compensation premiums will be reduced if these amendments are carried. No statement has been given, despite ongoing questioning in another place of the Minister for Industrial Relations, about the Government's plans on how to handle the vast deficit. Last Saturday's *Sydney Morning Herald* carried an appeal to the community asking for ideas on how deficit reduction could be managed. The Government invited submissions from the community, as it does not have a clear plan on how to manage this vast deficit. It has published no paper on how it will handle it and is inviting submissions to find out how the community thinks it should be handled. We have this ongoing piecemeal approach of legislative change to try to drive down the cost accelerators and improve the overall health of the workers compensation fund.

The key to workers compensation remains employer and employee ownership of the scheme. The employers pay the premiums; the injured employees get the benefits. It is a statutory scheme designed originally to overcome the problems of establishing common law liability and ensuring speedy and just resolution of claims made by injured workers where the injury arose from or in the course of their employment. Notwithstanding that common law rights remain and notwithstanding the ongoing desire by all parties to ensure that the fund is balanced and works equitably, we have this massive maladjustment, this overpriced system. Workers compensation premiums in New South Wales are the highest of any State in Australia, workers have to wait for long periods to get satisfactory redress, and there is no basic structure of rehabilitation.

I am sure that in his reply the Minister will quote all the sections of the Act and say that one has to have rehabilitation officers and rehabilitation schemes and all the statutory formulas that give effect to the idea that words can solve the problem. But there is no ongoing rehabilitation system in New South Wales that gets injured workers treatment for their injuries, rehabilitates and retrain them and puts them back into the workforce. There is none, despite whatever words may be written about the statutory obligations of employers. The Government's reply essentially is not to try to develop a system that employers and employees own and where employers and employees work for a resolution, but to put words on paper and hope it will all go away. It will not go away and it continues to be a problem. One problem is that the scheme is open-ended. It is a scheme that says these are the benefits yet has no controls over the costs.

The whole thrust of the Grellman report was to get to a system similar to that in Wisconsin in the United States. In such a system, ownership by employers and employees works on the assumption that there is only a certain amount of money and everybody has a responsibility to drive down the cost, and everybody has a responsibility to ensure that what money there is goes to the benefit of injured workers. Injuries are not seen as a lottery from which injured workers can benefit and set themselves up for life, but as compensation for an injury and an opportunity for rehabilitation and retraining. That is the thrust of the Grellman report and the thrust of the Wisconsin scheme.

We have not seen that echoed in New South Wales. The advisory council, whose representatives support the establishment of such a system to drive down the costs, is to be abolished by this legislation. The Advisory Council that was set up amidst such fanfare only two years ago is to be scrapped. Officially it is going to be merged with the Occupational Health and Safety Council but it will become a broadly-based body whose advice will not be necessary on matters such as rating. That is one of the amendments contained in this legislation. It will simply be a sounding board for the Minister to make speeches to and to refer to from time to time. It will not have any real ongoing management or monitoring role in workers compensation. That is to the great detriment of any attempt to improve the scheme.

How will the scheme be managed? It will be managed, as it was historically, through the bureaucracy, through the WorkCover Authority. It is the authority that has failed. Why has Kate McKenzie been brought across from the Cabinet Office to run WorkCover? Clearly management was regarded as inefficient, as not getting the desired outcomes, and it was felt necessary to have someone of her stature—and she is a well-regarded public servant—to get some form of orderly control so the central agencies of government could understand what was going on. We have this vast fund that the Auditor-General has said is technically bankrupt and for which the Solicitor General has said nobody is actually responsible. There has been no real interrelationship between WorkCover, the WorkCover Authority, the WorkCover Fund and the central agencies of government. In its attempt to redress that, Ms McKenzie has come across from the Cabinet Office to head the WorkCover Authority.

WorkCover is clearly going nowhere and urgent change, not cosmetic change, is necessary. This legislation goes against the whole hope of the Grellman report for a structured system of reform: employer-employee ownership leading to privatisation of the scheme through several insurance companies that would operate in a competitive market. They would educate their clients on how to drive down the cost of workers compensation and reward those clients who do not have claims made against them. It would be a real insurance scheme rather than our present scheme, which simply pays insurance companies to manage workers compensation claims and provides for no incentive to drive down costs. The Grellman report is dead: this legislation kills it off, kills off the Advisory Council, kills off the idea of a competitive insurance underwriting scheme and reverts to the traditional structure of the authority, the bureaucracy and monopoly insurance.

The Government will reply through the Minister from notes handed to him by his advisers that privatisation is not finished and that it remains committed to privatisation while it has amended legislation underway. It will not give a date and the original date of 1 October 2000 was deferred into the never-never. The Government will say this is a wonderful concept that it will continue to advance. Notwithstanding that, there is no date for the privatisation scheme, there are no arrangements for privatisation to take place in any meaningful way and, although there will be consultative committees and interdepartmental and working groups talking about it, there is no managed program to introduce privatisation into New South Wales. No date has been set. The fund will continue to lose money and at a greater rate now that it will revert to the centralised authority under the legislation.

Needless to say, the Coalition does not support this legislation and will make its opposition clear in this House, as it did in another place. The Government narrowly succeeded with its main change, the abolition of the

Advisory Council, by one vote—20 votes to 19. Quite a number of crossbench members supported the Coalition position that the Government's legislation not only achieved nothing but was a retrograde step in the management and administration of workers compensation in this State. The first points relevant to this legislation are the abolition of the Advisory Council and rolling it into the Occupational Health and Safety Council, the abandonment of the commitment to privatisation—although not stated explicitly but that is the end result—and the failure of the Government to set up a properly managed employer- and employee-owned scheme.

The next relevant point is the ongoing role of the New South Wales Labor Council in workers compensation. When the Government in this State wishes to consult the workers, the people for whom the scheme is set up, it makes one phone call—to the Labor Council. The Labor Council has the honour of representing only 25 per cent of workers in this State. Even the Minister's own union, the Construction, Forestry, Mining and Energy Union [CFMEU]—although he always says it is the liquor and allied trades union—has a shrinking membership base. If one compares its figures of five years ago with today's figures, it is on an ongoing decline. The graph continues to drop. The whole basis of organised unionised labour in New South Wales is declining. There is nothing wrong or right about that, it is just a fact of the economic development of this State. The old industries, once heavily unionised and with large work forces, are no more.

The union movement has a legitimate part in our society, as the Coalition constantly says, and the Labor Council has a legitimate role. We offer no criticism on those grounds, but we simply make one self-evident point: 75 per cent of workers are not members of a union; 75 per cent of people in paid employment are not members of a trade union. Yet this legislation seeks to enshrine the concept that those who represent 25 per cent represent 100 per cent. Not even in the most rorted ballot of the right wing of the New South Wales Labor Party would 25 per cent equal 100 per cent. We know the Australian Labor Party is brilliant at rorting ballots; it is brilliant at making 25 per cent appear to be 100 per cent, but no-one would honestly pretend that is the case. We do not accept that and we will make that clear in our opposition to this legislation and over the next two years across New South Wales.

Therefore 75 per cent of workers have rights but are being denied their rights and are not represented by the bosses of Sussex Street. This Government is the representative not of labour but of unionised labour—a significant difference. Further, there remains the failure to secure basic fairness in the legislation. Repeatedly throughout the legislation the authority is given powers to penalise and punish. The classic example for insurers or self-insurers is that fines of \$5000 can be imposed as a form of civil penalty without right of appeal. In another place we sought, and shall seek here, to at least recognise that people subject to penalty should have the right to have that penalty reviewed. Is there anything so drastically wrong with that? I await whatever honeyed words the Minister has to say in his reply. Who would allow a government body to impose fines of \$5,000 yet not provide any right of redress? Nobody with any sense of fairness would consider that a fair system, yet it is in the legislation. If the Minister had read it before he came to the House, he would be conscious of it.

The legislation is a hotchpotch; it is all over the place. It proposes to set up a system of managed injury reduction. It allows for the appointment of injury managers in specified industries who will have wide powers under a two-year test period scheme designed to try to ensure that injuries are reduced in that specific area of employment. In many respects that proposal is to be commended and we do not oppose it; we are quite happy to have that scheme set up and to see how it goes. But the scheme needs basic fairness so employers do not have forced on them an injury manager who is just a representative of the trade unions.

That has happened with the enforcement of occupational health and safety in the way certain unions, especially the CFMEU, have used that for industrial political purposes that have nothing to do with employment or occupational health and safety. We do not intend to have the injury management scheme rorted in the same way. That is why we propose the sensible amendment that an injury manager cannot be a member of a registered industrial organisation for employers or employees. One would hope that any fair-minded person will look at that, consider it and judge it to be fair.

Further, the Opposition is concerned about the underhand way the Government is approaching common law rights. One point needs to be understood about workers compensation in this State: Workers still have certain common law rights to make claims, as well as their right to make a workers compensation claim. That is not the case in every other State. The Minister in the Legislative Council has refused to rule out the abolition of common law claims. He will not rule them in; he will not rule them out. He wants to leave it open. If an important workers right is to be abolished, it should be abolished up front. It should not be abolished piecemeal or by stealth. Under this legislation, once a person files a claim that will operate as an election. Clearly—although once again this will be denied by the Minister's advisers—that is part of a process to whittle away the whole common law system.

The Government is trying gradually, through various procedures, to chip away at the foundations of the scheme. It will cut the scheme bit by bit until there is not much left, and it can achieve its aim of abolishing workers compensation. Clearly, the Minister in the other place does not have the courage—and the Labor Council will not let him do this—to say, "I will abolish common law claims." However, he is now a party to legislation which will enable workers compensation to be slowly whittled away. The Opposition proposes that the Government should abolish common law claims up front, if that is its intention. The Government should produce the evidence, get it through an advisory council or other body and issue a white paper to show the benefits and the cost-effectiveness of the scheme. It should set it all out so that the community and those who will be involved can make an informed decision.

That is not a lot to ask. But once again the Government will not agree to that. Why will the Government not agree to that? The only inference that can be drawn is the inference I drew earlier: The Government wants to set up a scheme whereby it can whittle away bit by bit the rights of injured workers to make common law claims. A further point relates to the disclosure of information. The conciliation system set up under the Act requires that information be disclosed to the principal conciliator or his delegates during the conciliation of claims. The Opposition has no objection to that; it supports the conciliation program. However, it believes—unlike the Government, apparently—that workers should have the right to object to producing documents when those documents are not relevant to the claim or simply relate to their overall medical history. Often with claims of this nature, if a worker objected to producing a document because it is irrelevant to the claim, there should be someone who can check and say whether or not it is relevant and whether it should be disclosed.

Unlike the Minister, who will simply adopt the Government line—he could not care about the injured workers in the liquor industry—the Opposition will not pry into the private life and private medical history of a worker, and drag out extraneous information that may or may not be regarded as relevant by those disputing the claim. We will give the workers the right to say, "Yes, there are medical documents in my history but I do not think they are relevant." The Opposition proposes a system whereby someone can determine that, and so protect the right of workers to privacy—a simple right to privacy that this Government, anxious simply to achieve a bureaucratic agenda, is prepared to sweep aside. According to the Government, if it is the injured workers in this State who suffer, so be it, because it has not given any indication that it is prepared to support the Opposition's amendments in that respect.

A further point relates to the vital issue of the protection of small business. Businesses generally are being crippled by workers compensation premiums. Across suburban Sydney and across regional and rural New South Wales the constant chorus from businesses is that premiums are too high, and they are paying too much. Because the scheme is open-ended, no-one is controlling the outcomes of it. The outcomes are not being managed, and they certainly will not be managed if the advisory council is abolished. People will continue to make claims and the pot of gold will simply have to be refilled continuously to service claims. Who will pay for that? The employers will pay by trying to shed labour.

The vicious circle that high workers compensation premiums has created is simple: The more employees you have, the more you pay in premiums and the better off you are by getting rid of labour by not employing as many people or outsourcing as much as possible, leaving other people to bear the cost. This is costing jobs across New South Wales. If the Government were serious about creating jobs in New South Wales it would not be implementing grandstanding programs. The Minister for Information Technology likes announcing initiatives that will create jobs in information technology [IT]. Does the Minister remember the excellent speech he made about creating 600 IT jobs on the Central Coast? I still have a copy of that speech. I will be checking out those 600 jobs and ticking them off. So far I have not been able to find many of them; so far not many of the Minister's 600 IT jobs have been created.

There has been a bit of rorting with the Festival Development Corporation and the IT contracts for Kerry Sibraa and his mates at Mt Penang—and I assure honourable members that we will hear more about that over the next few months. We will be talking a lot more about the Minister's 600 IT jobs in the future. He should not think that that little dorothy dixer question has been swept under the carpet. I enjoy watching the Minister; it is so much fun. Those great days in the liquor and allied trade union taught him well. Truth is a dispensable commodity. I return to the impact of workers compensation premiums on employment in this State. Workers compensation premiums are costing jobs. Both the timber industry and the meat industry pay something like 13 per cent or 14 per cent of their wage bills on workers compensation insurance premiums. And both of those industries are reeling. Yet not much concern is paid to that, except for political purposes.

An enormous amount of attention was given to the Grafton abattoir when it was about to close because it is located in the endangered seat of the Minister for Local Government, Minister for Regional Development,

and Minister for Rural Affairs. However, there is not much concern for the meat industry generally across the State as it battles to pay high premiums. Nor is there much concern for small businesses as they battle to pay their regular premiums. The Opposition has one proposal to protect small business. I acknowledge the role played by my colleague in another place the Hon. Michael Gallacher, who has been vocal around New South Wales in championing the cause of small business in regard to the payment of workers compensation premiums. During his travels across the State he listened to small business, heard the concerns expressed and brought an amendment before the Legislative Council.

The same amendment is now before the Legislative Assembly. Instead of penalising small business—that is, any business that pays less than \$50,000 a year in workers compensation premiums—when a business makes a mistake it must pay twice the amount of its premiums under the double penalty provision in the Act. If a small business incorrectly calculates its premiums it should have to pay only 10 per cent extra. Clearly, it must pay something extra because it made a mistake. However, it should pay only 10 per cent extra unless it can be proved that the mistake was intentional or wilful, which is the same as in any other aspect of law. The Hon. Michael Gallacher argued strongly for that simple protection for small business, but once again the Government failed to provide that protection. The Government does not care if small business makes an honest mistake; it is prepared to have a draconian power to impose double premiums on that business.

What is wrong with accepting that amendment? For example, why should a small panel beating shop employing three or four people in a country town or in a suburban area pay double if it makes a mistake, unless it can be proved that it acted with wilful intent to evade, which would entitle the law to come down hard on that business? Opposition members will continue to fight for the amendment because we believe, unlike those opposite, that small business is the mainstay of employment. It is the biggest engine for economic growth. We do not want to impose unfair costs on it. We want to ensure that it receives a reasonable and fair run. It is not getting that with the high cost of premiums, and it will certainly not be getting a fair run if it is slugged with double premiums for making an honest mistake.

I turn to the ongoing prevalence of fraud in workers compensation. The WorkCover Authority has no real statistics on fraud. It trots out the figure of the number of prosecutions last year—very few, with only one person going to gaol—yet it is estimated by the Insurance Council of Australia that up to 30 per cent of claims involve some element of fraud. It is well known that many people exaggerate their claims or claim workers compensation for sporting injuries or injuries that they suffer at home. There is no real attempt by the authority to bring that to an end. It tolerates the situation. The prosecution figures are absolutely derisory. In the whole of last year only one person received a gaol sentence. The workers compensation legislation has a very weak section in relation to fraud.

All the Opposition proposed was an amendment saying that nothing in this Act precludes a prosecution under section 175BA of the Crimes Act, which prohibits obtaining a benefit by deception, which is what someone does by obtaining an undeserved workers compensation benefit. The Government even opposed that amendment. The Government is not serious about cracking down on fraudulent workers compensation claims. It is disgraceful that the authority is prepared to tolerate the present situation and not take steps to manage it. It ill befits the reputation of the authority. If there is one thing that the new general manager should be addressing it is the level of fraudulent claims. Action in this area would drive down costs more than any other action would.

As a solicitor who practised for a number of years in the workers compensation field—I only ever acted for workers; I was never on the payroll of any insurance company—I know that a number of clients were injured not in the workplace as they had originally claimed. The injuries were pre-existing or occurred outside their place of work. Yet those conditions were being claimed for under the workers compensation scheme. The situation must be addressed if there is to be a driving down of costs. I would have thought that if the Government were sincere about protecting jobs it would be taking action in this respect. The Law Society of New South Wales has strongly argued that the whole issue should be referred to an inquiry. The Opposition in the Legislative Council has proposed the setting up of an independent public inquiry into workers compensation.

We have no wish to burden the State with purposeless inquiries but a scheme that is losing more than a million dollars a day, which is in deficit by \$1.6 billion to \$2 billion, a scheme with which there seems to be no light at the end of the tunnel, is a scheme which is not working. The one ray of sunshine the workers compensation scheme in this State had was the advisory council. That is now being abolished by the bill. We do not think that that is satisfactory. We believe that a proper review is needed, and we believe that the recommendations of the review should be implemented. If the Grellman report is not going to be honoured by the Government—the report struck many people as being very good—then let us have a full public inquiry into workers compensation. What has the Government got to lose? What is it risking by opening up WorkCover and the whole workers compensation system?

Only good can flow from an inquiry if it exposes the efficiencies and enables everybody in the community to see that the system is not working and needs to be rectified. Such an inquiry has the support of the Opposition, orthopaedic and other doctors, the Law Society and many organisations involved in workers compensation, including those covering employers and employees who have an interest in making sure the scheme works. I thank the House for its indulgence in listening to my comments. As I said, the legislation is piecemeal so any person addressing it can address it only in a piecemeal way. It is not a coherent set of reforms or changes. Bits are changed here and bits are changed there. In Committee the Coalition will move the amendment I have foreshadowed and which I now circulate.

We will divide on a number of the amendments, though not all of them. We want a scheme that works and that does justice to injured workers. We want a scheme that is manageable and cost-effective for employers. We want a scheme which will enhance employment opportunities in New South Wales. When the Coalition left office in 1995 workers compensation premiums stood at an average of 1.8 per cent of the gross payroll of New South Wales. They now stand at an average of 2.8 per cent and rising. It is estimated that the underlying cost is closer to 3.2 per cent. The 2.8 percentage was frozen by the Minister in his last set of legislative changes—but for how long and how effectively? I will end as I began: workers compensation is a black hole and until we have a government that has the courage to address it it will continue to be a black hole.

Ms HARRISON (Parramatta) [10.47 a.m.]: I support the Workers Compensation Legislation Amendment Bill. Since 1995 the Government has enacted three packages of legislative reforms aimed at reversing a decline in scheme performance. These reforms have effectively reduced costs. While the Government's reforms have produced benefits for the scheme and have reduced costs, there is a need for further reforms to bring about lasting and sustained improvement to the scheme. The deficit has grown and will continue to grow, whilst costs exceed the amount of premium collected. The bill is the first in a series of bills designed to bring about the necessary reforms. The key focus of the bill is to improve compliance with obligations under the scheme. In particular, the bill establishes the framework within which employer compliance with insurance obligations will improve.

There are a small number of employers whose performance on a number of important scheme obligations is poor and it is adversely impacting on the many employers who do the right thing. Employers who do not insure their workers impose a burden on the scheme. Non-insurance or inadequate insurance by some employers pushes up the premium rates for other employers who contribute to the scheme. This is unfair to those employers that do the right thing. This is clearly recognised by responsible employer groups, whose members are disadvantaged by non-complying employers. The Government takes the issue of employers avoiding their premium obligations very seriously.

I understand that the WorkCover Authority is proposing a series of advertisements to assist employers in understanding their obligations. The intent of this campaign is to ensure that employers know their obligations so that they can voluntarily do the right thing. However, where voluntary compliance is not achieved there is a need to ensure that the authority can recover unpaid premiums. The Act already provides the means to directly recover any premium owing, and to prosecute employers who attempt to avoid their obligations.

This bill aims to enhance the avenues available to recover unpaid premiums. Schedule 10 will provide that directors of companies are personally liable for any unpaid premium in circumstances in which they were aware that false or misleading information was provided to an insurer, or they failed to ensure that a policy of insurance was taken out by the company. Schedule 10 also contains amendments to assist the authority to recover unpaid premiums where the employer has failed to keep adequate records of wages in accordance with the current Act. In the absence of those records, the authority will be able to estimate the wages that should have been paid, based on the material available to it at the time. The amendments to section 175, contained in schedule 12, provide that interest can be recovered in cases in which wages are underdeclared from the date that the employer should have paid the correct premium. This removes an incentive in the current legislation to understate wages.

Breaches of the legislation need to be identified by WorkCover. To assist in this regard, the amendments outlined in schedule 15 will bring the enforcement provisions of the workers compensation legislation into line with the recent Occupational Health and Safety Act. This will allow authorised officers to apply for a search warrant in order to gain entry to premises for the purposes of carrying out inspections. These reforms will significantly strengthen the ability of WorkCover to secure the compliance of employers with their legal obligations. As I said earlier, most employer groups recognise the importance of employers fulfilling their obligations under the legislation. The bill also gives a legislative basis to certificates of currency, which had been trialled on a limited basis in recent years. Industry will be able to self-check that employers are complying with their insurance obligations. Contractors, union officials and WorkCover inspectors will be able to request to see an employer's certificate of currency.

Many scheme participants have highlighted that workers and service providers to the scheme have obligations to act fairly and honestly. Schedule 14 will create a new offence of fraud against the WorkCover scheme. This provision is significant because it covers offences such as making false claims by service providers and overservicing. It also prohibits others such as accountants or financial advisers who assist an employer to obtain a lower premium by making false statements. Employers and workers will benefit from the strong measures being taken by this Government to reduce the level of non-compliance with workers compensation insurance legislation.

To complement these proposals, and in recognition of the great majority of employers who do the right thing, the Government has announced its premium discount scheme, which will provide market incentives for employers to improve their injury prevention and injury management performance. This scheme will benefit employers who are providing premium discounts. Ultimately, lower premiums will result because of the improvements made to prevention and injury management systems. However, it will also benefit workers by reducing the risks in the workplace and providing a secure system to manage injury and provide a focus on recovery and return to work. In the longer term, the proposed premium discount scheme will provide net savings of about \$40 million. I support the legislation.

Debate adjourned on motion by Mr W. D. Smith.

CRIMINAL PROCEDURE AMENDMENT (PRE-TRIAL DISCLOSURE) BILL

Second Reading

Debate resumed from 22 November.

Mr HARTCHER (Gosford) [10.54 a.m.]: The Coalition does not oppose the Criminal Procedure Amendment (Pre-trial Disclosure) Bill. However, I wish to make a couple of points relating to pre-trial disclosure. The concept of pre-trial disclosure is twofold: first, to prevent trials going astray by ambush by the defence; and, second, to try to manage the conduct of trials to ensure that court delays are brought under control by having a fully informed prosecution. The prosecution is then able to prepare to answer allegations by the defence. In light of yesterday's Auditor-General's media release—which revealed that delays in New South Wales courts are the worst in Australia—it is relevant that we debate legislation that is designed to reduce the length and complexity of court cases.

According to the Auditor-General, despite numerous reports into court delays and the management of court waiting times, the situation in New South Wales "has only worsened over the last 12 months". The Auditor-General stated that the Supreme Court is officially the nation's slowest superior court for criminal matters—a new record for this State—and the District Court is experiencing an increase in court delays of between 15 per cent and 37 per cent, despite the recent self-imposed time standard of hearing cases within 112 days of committal hearing. The Auditor-General further cited the local courts report, which reveals that, on average, local courts sit for only five hours a day, with some courts sitting for only three hours a day. As the Auditor-General says on page 63 of his report, only 11 out of 155 local courts average more than five sitting hours per day.

In addition, the Drug Court has been reported by the Auditor-General as having only mixed results to date. Under this Government only 10 per cent of participants complete the program, and 42 per cent of participants are forced to leave for non-compliance. Therefore, virtually half of the entire Drug Court program is a failure. This result is not surprising given the Government's own admission that up to 80 per cent of people on the program continue to use illegal drugs. Part of the reason for this is that since 1996 under the Carr Government funding for courts has decreased by more than \$15 million. At the same time, New South Wales courts have the highest administrative costs in Australia, with the New South Wales criminal court spending more than twice that of any other State on administration. Justice delayed is justice denied, and in New South Wales justice is both delayed and denied by the neglect of the Carr Government.

I wish to detail the amounts spent on criminal courts. This is extremely relevant to this legislation, which is designed to bring criminal courts case management under control. In New South Wales \$141.7 million is spent on criminal courts. In contrast, in Victoria \$64.6 million is spent on criminal courts, and the figure for Queensland is \$70.2 million. The most comparable State to New South Wales is Victoria, although there is a slight population difference. New South Wales is spending almost twice as much on its criminal courts, and yet it is getting a far less satisfactory result. The Carr Government is simply not managing effectively. The figures

released for pre-trial delay in New South Wales are greater than in any other State, and this trend is worsening. Of criminal cases before the New South Wales Supreme Court in 1998-99, 78 per cent took 12 months or more to finalise. More than three-quarters of Supreme Court criminal cases took over a year to finalise, compared with the national average of only 14 per cent.

The New South Wales Audit Office recently reported that the New South Wales Supreme Court has the longest delays in Australia. The audit revealed that only 48 trials were conducted in the Supreme Court last year, each taking an average of 646 days to conclude, compared with 122 trials concluded in 1991-92, taking an average of 372 days to finalise. Statistics for criminal trials where the accused is found to be innocent are even worse. In 1999 the median delay for accused persons on bail who were subsequently acquitted of all charges was 810 days from arrest to outcome. For those in gaol, it took an average of 410 days from arrest to acquittal. This equates to more than a year in gaol or 2½ years on bail before a person is found not guilty of the charges preferred against him or her. The District Court of New South Wales, which is the other court to be affected by these proposed changes, faces similar problems.

The Government's own report into District Court delays acknowledges that delays have increased by 23 per cent under the past four years of Labor rule. In 1995 the District Court tried to minimise delay by introducing a time standard requiring 90 per cent of criminal trials to commence within 112 days of committal. However, under the Carr Government only 5 per cent of matters where the accused is on bail and 25 per cent where the accused is in custody meet this standard—the worst result of any comparable jurisdiction in Australia. This is despite the fact that while the number of trial, sentence and appeal matters before the court has not risen significantly since 1995, the capacity of the District Court to hear cases has increased by 92 per cent. The Local Court fared little better. These courts hear up to 95 per cent of cases in New South Wales. Official sitting hours are from 10.00 a.m. to 4.00 p.m., with one hour for lunch. However, statistics earlier this year revealed that only 7 per cent of local courts achieved this modest target.

The Chief Magistrate has taken exception to my raising this in the past, yet she can take little comfort from the Auditor-General's report, which has accepted, essentially without comment or criticism, my statements of some months ago that many courts are only averaging three hours and only 11 courts are averaging more than five hours. Of those 11, only two, Parramatta and Newtown, are in the Sydney metropolitan area. The problem is compounded by the massive increase in applications for apprehended and domestic violence orders, from 1,426 in 1987 to 23,464 in 1997—a 10-year period. Lack of efficiency in the New South Wales criminal justice system is also reflected in court administration costs. In 1998-99 expenditure for all New South Wales criminal courts amounted to \$141.7 million, more than twice the amount spent by any other State in Australia and representing almost 40 per cent of the total expenditure across the States.

The court system is clearly inefficient. More needs to be done to generate efficiency and to ensure that the justice system is fair, accountable and speedy. Little has been achieved in that area. Although the legislation is not opposed by the Coalition parties, it is certainly not supported by many outside organisations which have had the opportunity to comment upon it. The Sydney Regional Aboriginal Corporation Legal Service has raised concerns about the bill. First, it opposes compulsory pre-trial disclosure as an infringement of an accused person's right not to be compelled to answer questions or assist the Crown in proving its case. It believes that lengthy and complex trials can be effectively administered by judicial case management without infringing on the accused person's right to silence. The Sydney Regional Aboriginal Corporation Legal Service also goes on to state:

The proposal has serious funding implications ... We understand the Legal Aid Commission has made submissions in relation to their estimate of impact on workload to the effect, that is, that the disclosure requirements would apply to all matters in the Supreme Court trials and those in the District Court with an estimate of 10 days or more and to 50% of those with an estimate between 5-10 days. ... under current funding arrangements this Service is not able to have a devoted indictable section to work on trial matters, and often rely on volunteer support to assist Counsel at trial.

We estimate the proposed regime would require SRACLS to devote at least two advocates positions solely to trial work and at least two solicitors solely to trial matters in an instructing capacity.

In short, the proposed statutory regime of disclosure would be unworkable under current funding arrangements.

That is a genuine concern raised by the Sydney Regional Aboriginal Corporation Legal Service. The Government should take heed of those concerns if it is genuine about ensuring that the findings of the Royal Commission into Aboriginal Deaths in Custody are met. One finding referred to proper funding for Aboriginal legal services and proper assistance to Aborigines who are before the courts. The Law Society of New South Wales has similarly raised concerns through its community services division and through its Criminal Law Committee. The Law Society states:

The Government has not addressed concerns raised about the diminution of the right to silence and the Law Society remains opposed to pre-trial disclosure. It also appears that the Government does not propose to allow the Parliament to consider the detailed provisions of the pre-trial disclosure.

The Law Society has made a number of amendments it believes are important to make the legislation more workable and more satisfactory. I note that some of those amendments have been adopted by the Government in its tabled list of 16 amendments, some designed to take account of the Law Society's concerns and to improve the legislation. The Law Society has raised a number of concerns about the bill and it is important that its concerns, as it is the responsible body representing the great bulk of the State's legal practitioners, should be addressed.

The Coalition believes that it is important that lengthy and complex trials be appropriately managed; that they do not simply drag on for a long period and finally reach an indistinct conclusion. They need to have a focus and be appropriately managed if justice is to be done and if the rights of both parties, prosecution and defence, are to be properly respected in the forum of a court of law. Therefore, the Coalition does not oppose a system being imposed of pre-trial disclosure. It is already imposed upon the prosecution, which must disclose its full case to the defence, including statements of its witnesses. The principle of pre-trial disclosure for the defence was established long ago with the requirement that notice be given for alibi evidence. Originally, the defence was required to prove nothing and to say nothing. It could simply enter its plea on an indictable matter of not guilty, turn up at court and present whatever defence it wished or no defence at all. That was changed some years ago when notice had to be given of an alibi.

It is not correct to suggest that pre-trial disclosure of a defence case is totally new. That very important change in the notification of alibi was made many years ago. These amendments take that further. They are essentially aimed at lengthy and complex cases and seek to enable the Supreme Court or District Court to impose a management system on disclosure so that the prosecution knows what case will be presented for it to answer, if a case is to be presented, and so that it can appropriately answer it. It does not take away any rights of the defence. The defence is not bound to lead any evidence or to do anything that it was not previously bound to do. However, it will bring forward evidence that the prosecution needs to know so that it can make the appropriate answer. That does not in any way diminish a person's rights.

This measure may increase the costs of cases, a legitimate concern put forward by the Sydney Regional Aboriginal Corporation Legal Service and one that should be considered with legal aid. However, that is separate to the regime being imposed by this bill. The regime will not be imposed by the Crown or managed by the Crown; it will be managed by the courts. Arguments have been put that the Acts should be amended to stipulate that the court can only impose this regime where cases are both lengthy and complex. The Coalition does not accept that. It is difficult to give a definition of a lengthy trial. In many trials one does not know the length. Some are expected to last days and collapse quickly. Others are expected to be short and in fact drag on.

It is impossible for the court or the Crown to have a clear idea of the length of the case, so inserting a clause that says it must be lengthy when no one knows the definition of lengthy is unworkable. Also, it is up to the judge to decide what are complex cases. Once the judge is advised by the defence and prosecution as to their positions—and that is done in the absence of the jury and therefore is not prejudicial—the judge managing the trial can determine what the appropriate regime of disclosure should be. The Opposition accepts the principle. The Opposition has argued in favour of it for a considerable period and it is consistent with our policy of ensuring that justice is open and fair, and protects victims in criminal matters as much as it protects those accused of a crime. The amendments proposed by the Government, as I said earlier, address a number of concerns raised by the Law Society. They appear to be designed to make the legislation fairer. If that is the intent, and if that is the way it operates, it has the Opposition's full support.

I recommend that after the system has been in force for two or three years the Government arrange for the Legislative Council Standing Committee on Law and Justice to inquire into the matter to determine how effectively and fairly it is operating. In one sense it is new, because it is far wider than the original requirement for alibi disclosure, but it is not revolutionary. It applies in the United States of America and, as honourable members would be aware, the United States of America has an obsession with procedural fairness and with constitutional requirements of due process. In the Federal jurisdiction of the United States of America, and in the American State jurisdictions where it applies, it is not regarded as denying the legitimate rights of the defence.

I do not accept that the bill will in some way violate a right to silence. It includes a requirement that if the prosecution or the defence proposes to lead evidence they must disclose what that evidence is going to be.

There is no requirement that they have to lead evidence. As the honourable member for Miranda knows, the defence can always come to court, wait for the prosecution to put forward its case and, if so minded, offer nothing at all. That will not change as a result of the introduction of this legislation. The Coalition parties do not oppose the legislation, and will accept the amendments to be moved by the Government. However, the Coalition parties believe the legislation should be monitored and reviewed after a time to see how effectively it works. I make that plea on behalf of the various community legal services and the Aboriginal Legal Service. The amendments will impose additional costs and the issue needs to be addressed so far as the administration of legal aid is concerned.

Mr COLLIER (Miranda) [11.12 a.m.]: I support the Criminal Procedure Amendment (Pre-trial Disclosure) Bill. The principal object of the bill is to enable the District Court and Supreme Court to impose pre-trial disclosure requirements on both the prosecution and the defence in complex criminal trials. The District Court and Supreme Court will be able to impose these requirements on a case-by-case basis. The court may order disclosure on its own initiative or on application by either the prosecution or the defence. Importantly, once disclosure is ordered, the obligation on the prosecution and on the defence remains until the accused is either acquitted or convicted, or the prosecution is terminated, whichever occurs first.

The legislation will, by improving case management, reduce delays in complex criminal trials. By reducing trial delays and managing resources more efficiently the cost to the community of such trials can be reduced. Complex criminal trials have the potential to continue for weeks or months. There are men and women in my electorate who have served on juries and who have complained about the length of time they spent outside the court, either waiting in the jury room—or, in the case of witnesses, in the corridors—while barristers argued the admissibility of evidence. Witnesses often remain for days in the court precincts, waiting to be called to give what is often very short evidence and evidence which is quite often not disputed by the prosecution or the defence.

Community resources, police resources and court resources can be, and often are, tied up unnecessarily and wasted under the present system. As a barrister who practised in the District Court and other courts for 11 years I encountered these and other problems which contribute to delay and expense in court proceedings. The costs are often borne by the New South Wales taxpayer. Regardless of whether they apply to the Legal Aid Commission or the Director of Public Prosecutions, ultimately those costs will be borne by the people of New South Wales. Under this legislation those delays will be reduced by the court requiring what is, in effect, a narrowing of the issues in dispute and disclosure of evidence that is not in dispute.

By way of illustration, in complex drug trials much court time is spent disputing the chain of custody of the drug, from the time the police apprehended the suspect until the time the court proceedings commence. In many instances the prosecution will not know that that evidence is in dispute until the day of the trial. Witnesses are summonsed and, quite often, unnecessary expense is incurred while they wait around to give their evidence which, as I said, may not be in dispute. Under the proposed changes, the court may require counsel for the accused to notify the prosecution before the trial begins whether the continuity or chain of custody is in dispute. This would result in a saving of court time, court resources and witness expenses, and human resources would be released back into the community instead of wasting their time waiting around the court precincts.

Complex fraud trials are another example of cases that often involve a good deal of documentary evidence. Again, counsel for the accused may be required by the prosecutor to indicate which documents are in dispute, further saving the time and resources of the court. This bill is also about fairness. It applies not merely to the defence but also to the prosecution. The prosecution is required not only to provide the defence with the statements of its witnesses, including the statements of experts, but also any information in its possession that is adverse to the credibility or reliability of its own witnesses. Because disclosure requirements, once ordered, continue until the trial concludes, the prosecution must continue to make available to the defence any new material that comes into its possession after the trial commences and before its conclusion.

The details and procedures for disclosure will be provided by regulation. The defence may be required to notify the prosecution as to whether it intends to adduce evidence of a number of contentions, including recognised defences—insanity, provocation, accident and intoxication. Those are in addition to the existing notification requirements in relation to alibi defence and abnormality of mind—formerly diminished responsibility. Some would argue that this is, in effect, a diminution of the accused's rights. As a practitioner who has conducted trials, I can say that Crown prosecutors and experienced persons in the court system usually have a good idea of the kind of defences that are open to the accused.

There are those who would argue that the bill will effectively undermine an accused's right to silence, and shift the burden of proof from the prosecution to the defence. Arguments of that kind ignore both the

experience of our judges, and the discretion that they have and exercise, in the administration not only of pre-trial disclosure, but of the criminal justice system. It ignores the case law and precedents established by the High Court and the Court of Criminal Appeal. It is important to note that, under the proposed amendments, the conditions under which a court may order disclosure are defined. The court must be satisfied that it will be a complex criminal trial, having regard to the length of time, the nature of the evidence to be adduced at the trial and the legal issues likely to arise. Additionally, the court must satisfy itself that the accused person is represented by a legal practitioner. These amendments provide further statutory protection to the accused, and statutory protection of his or her rights.

The bill is not designed to shift the burden of proof; it is designed to streamline the conduct of complex criminal trials in a way that preserves the rights of an accused, but which simultaneously reduces the cost to the community of such trials. The accused retains the right to object to evidence which the prosecution proposes to lead. It remains for the jury to convict or acquit the accused on the evidence before it, in accordance with the directions of law given to the jury by the trial judge. The burden of proof remains on the prosecution throughout the trial. It is important to note that, under the legislation, the obligations relating to pre-trial disclosure will not be such as to interfere with the rights of alleged victims, so far as legal immunities are concerned. For example, legal professional privilege and client legal privilege will not be infringed.

One important protection is the preservation of the communications privilege of the alleged victims in sexual assault matters. I note the operation of the Act will be reviewed by the Attorney General after 18 months from its commencement. Under clause 6 the Attorney General is to review the pre-trial disclosure provisions to determine whether they have been effective in reducing delays in complex criminal trials, and whether the procedure has been successful in reducing costs. The review is important and will be welcomed by those who support the bill as well as by those who oppose it. The review period of 18 months ensures that any issues surrounding disclosure remain fresh and are appropriately monitored for any adjustments and unexpected problems in the short term.

It is worthwhile emphasising that the legislation relates to complex criminal trials and we are talking about trials on indictment before the District Court and Supreme Court which are lengthy and where the penalty imposed upon conviction is more likely than not to be a term of imprisonment. Those convicted and sentenced also have rights of appeal to the Court of Criminal Appeal. In my experience that court scrutinises very closely any grounds of appeal submitted by counsel. The appellate courts, together with the High Court, provide, again, an inbuilt safeguard against what those opposed to the bill regard as an infringement of the accused's rights under the pre-trial disclosure regime. Complex criminal trials are, by definition, lengthy and frequently involve expert evidence from the prosecution and defence, multiple co-accused, circumstantial evidence, tendency evidence, coincidence evidence or a combination of any of those.

Last year alone more than 250 criminal trials in this State took 10 days or more to complete. The Attorney General's Department estimates that pre-trial disclosure has the potential to reduce some complex criminal matters by days and save up to 40 per cent of time spent at trial. I dare say, indeed, that there may be some cases in which certain disclosures may mean that matters are withdrawn, charges against the accused are withdrawn, or a no bill is filed. A defence based on a claim of right is a classic example. Given that criminal matters in this State are prosecuted by the Director of Public Prosecutions and the vast majority of defended matters are financed by the Legal Aid Commission of New South Wales, I was pleased to note the Attorney General's statement to the House that both those organisations will be provided with additional resources to meet the requirements of a pre-trial disclosure regime.

Clearly the Government is seriously committed to reducing court delays and reducing the waste of money that can occur. It is also worth noting that the legislation stems from a proposal put forward by a working party comprising the Director of Public Prosecutions, Crown Prosecutors, Public Defenders, the Law Society, the Bar Association, the Police Service, and the Attorney General's Department. It is pleasing to note that all parties who have a legitimate working interest in criminal courts were involved. This legislation will lead to the more efficient conduct of complex criminal matters in our court system with consequent savings for the court, taxpayers and resources. I commend the bill to the House.

Mr LYNCH (Liverpool) [11.22 a.m.]: Much of the basis of this legislation concerns the processes of speeding up trials and reducing the time spent on trials, and therefore reducing the total court lists. That is a matter of considerable interest to me, particularly in my capacity as the local member for Liverpool. For some time there have been ongoing issues at the Liverpool courthouse about the length of trials, District Court lists, how many cases are heard and how cases are dealt with. A great deal of correspondence has passed between me

and various Attorneys General on this issue, some of which I will place on record as background to my argument. On 14 March 1997 a memo from C. L. Wotton, Principal Courts Administrator of the District Court, justified the reduction of civil sittings of the District Court in Liverpool and suggested that there would be a cessation of those sittings. In part, the memo stated:

Indeed, due to demands in the criminal jurisdiction, the Chief Judge is actively considering whether to continue holding civil sittings at Liverpool in the future.

That is, criminal work in the District Court at Liverpool was so great and the court was so busy that they could not hear civil cases at Liverpool. That, in fact, came to pass. In a letter to me dated 22 December 1997 the previous Attorney General wrote:

Mr C.L. Wotton, Principal Courts Administrator, District Court, has advised that the demands of the criminal jurisdiction at Liverpool have increased to the extent that both courtrooms will be fully required for this purpose next year. All other courtrooms in Sydney's west and Sydney suitable for criminal trials are already being utilised to the maximum extent, so it is not possible to transfer the criminal work elsewhere.

That was reinforced again in a letter from the previous Attorney General on 26 August 1998, in response to representations I made. It stated:

I have obtained further advice from Mr C.L. Wotton, Principal Courts Administrator, District Court, concerning the discontinuation of civil sittings of the District Court at Liverpool. Mr Wotton has advised that the demands on the court's criminal jurisdiction in the greater Sydney area are such that every available courtroom suitable for criminal trials must be utilised for that purpose.

The Attorney advised that Mr Wotton had told him that those factors were more pressing. The Attorney wrote:

I understand that despite increases in the disposal rate of criminal trials, the pending criminal trial caseload continues to grow.

On three occasions—March 1997, December 1997 and August 1998—the District Court administration said that the criminal law caseload was so great that it had to increase the number of criminal sittings in Liverpool and, as a result, decrease the number of civil sittings. Obviously that is a matter of significance and this legislation will reduce the time it takes for cases to be heard and, therefore, will reduce the size of the lists. In that context it was quite interesting that a memo dated 23 June this year was circulated by Mr Steve Maxwell, the clerk of the Local Court at Liverpool. The memo was distributed to those who use the District Court at Liverpool. It stated:

For sometime now, rumours have been circulating concerning the closure of the District Court at Liverpool. I have been unable to confirm or deny same, as my advice has been that the Chief Judge has yet to reach a decision on the issue. Yesterday I received official notification as follows:

"The Chief Judge has announced that sittings in the Criminal Jurisdiction of the District Court at Liverpool will cease at the end of 1ST term (1/9/2000). From the beginning of 2ND term (3/10/2000) there will be a 4TH court sitting at Campbelltown."

As the memo notes, rumours had been circulating for sometime of the closure of the District Court at Liverpool. That memo was the first formal notification that after several decades there would be no District Court sitting at all. To understand the argument, it is worth noting that there are four formal courtrooms at the court complex at Liverpool. There is a Registrar's courtroom and a tenancy tribunal room as well. Of the four courtrooms two have been used by the District Court for sometime and two by the Local Court. I understand that by the beginning of next year the two vacant rooms, those that had been used by the District Court, will be occupied by two extra magistrates. So four magistrates will be sitting at Liverpool.

The interesting aspect of this is the recent Orwellian pronouncement that black is actually white and that there is now so little criminal demand that the District Court will not need to sit at Liverpool. One would have to wonder about the basis of this legislation if that were to be the case. If we need legislation to speed up criminal trials, why is it that criminal trials have suddenly disappeared in western Sydney to the extent that the District Court sittings will disappear from Liverpool? That Orwellian rhetoric is dressed up in the use of figures. We were solemnly and seriously told that at the beginning of 1999 there were 688 trials in Sydney's west. By the end of May 2000 that had been reduced to 331 trials. Another set of figures has been quoted, stating that in 1999 there were said to have been 205 trial registrations at Liverpool and by the end of May there were said to be only 49. I received a letter quoting the District Court view, which stated:

Mr Wotton has pointed to the dramatic reduction in the trial caseload and has advised that in the Chief Judge's view there are fewer criminal cases throughout the State of NSW awaiting trial now than at any time known to him in the past 35 years.

I find that special pleading to be a little disingenuous; in plainer terms it is all a bit cute. It certainly is not the case that the need for trials has suddenly evaporated in Liverpool, despite what I have described as the

Orwellian rhetoric emanating from Chief Judge Blanch. Honourable members should understand that proceedings in the District Court are almost always preceded by proceedings in a Local Court. Typically, someone who disputes a serious criminal offence will face a committal hearing in a Local Court. If there is enough evidence to justify a trial the accused person will be committed for trial from that Local Court to a District Court. The reduction in trials in the District Court stemmed from, logically, a reduction in the number of cases being committed from the Local Court.

The advice I have been given from a number of sources is that there is indeed a reduction in the number of cases being committed for trial to western Sydney District Courts. The reason for that is fascinating; it is because of the development of centralised committals, particularly at the Burwood Court complex and Sydney central business district [CBD] local courts. Cases which once had their committal hearings at western Sydney Local Courts and were then referred for trial to western Sydney District Courts now have their committal hearings at Burwood and central Sydney from whence they are referred to trial in the Sydney CBD, not the courts of western Sydney. That is, there are still cases to be heard. Those cases, which were once heard at courts such as Liverpool court, are now being heard in the centre of Sydney. Therefore, to suddenly say that the District Court workload at Liverpool has disappeared is dishonest, and the Chief Judge should know better. A letter I received from a solicitor, Mr Rod Rimes, stated:

It seems that the process of transferring as many criminal trials as possible to Sydney is continuing and it seems an easy task to simply redirect the work away from Liverpool and then say that Liverpool doesn't need criminal sittings. I agree that it seems strange that they took the civil sittings away because the criminal sittings judges were overloaded. Now we are going to lose the civil sittings altogether and permanently because there is no work to keep the criminal judges busy.

As one would expect, the closure of the District Court at Liverpool has been a matter of considerable concern to the local community. There has been a considerable amount of outrage about it. In that regard, the President of the Liverpool-Fairfield District Law Society, Mr Robert Harper, made a number of points in a lengthy letter. Quoting selectively from the letter, Mr Harper said:

It is well known that the Sydney South Western Area has a significant crime problem. Liverpool is centrally located in that Area particularly in view of its closeness to Cabramatta (5 minutes drive away), one of the highest crime sites in the South Western Area.

It is bizarre to close a District Court that is in close proximity to Cabramatta. Mr Harper also said:

It is noted in the memorandum from Claude L Wootton, Principal Courts Administrator of the District Court that the reasons cited for closing the criminal sittings in Liverpool is the reduction in the trial case load of Sydney West. This really begs the question. The reason for reduction of case loads that matters which would have been appropriately dealt with at Liverpool were in fact transferred (no doubt by direction of the Courts administration) to Parramatta, Penrith or Campbelltown thereby giving the appearance of a reduction of work. According to Mr Wootton's analysis people in Liverpool should be ecstatic about what appears to be a significant reduction of crime rate in the Liverpool area which of course is not the case. This is simply a manipulation of statistics to justify a decision that had previously been made i.e. to close Liverpool District Court.

The issue of whether a court sits in a particular place is clearly a matter, as things currently stand, for the Chief Judge of the District Court. In terms of strict legality, that stems from the provisions of the District Court Act 1973, in particular, section 173(2). At a more fundamental level, it stems from the doctrine of the independence of the judiciary. I make it absolutely clear that I would normally regard myself as the staunchest defender in this place of the doctrine of the independence of the judiciary, for a series of reasons. Often, to my own local political cost, I have defended the independence of the judiciary against a range of people who, having read the tabloid media, make assumptions about what judges have or have not done. Despite that, and despite my immense regard for and defence of that principle, I have a real problem with its application in this case.

It seems to me that the decision about where courts sit is far more an administrative than a judicial decision, and it has far-reaching implications for the attitude of people in Liverpool towards the District Court. The difficulty is that there is no way of being able to influence the view of the Chief Judge, which is why I am forced to make these comments here. I refer now to some earlier correspondence. I made representations to the then Attorney General on 12 February 1997 about the proposed closure of the civil sittings. Those representations elicited the rather disturbing advice that the Chief Judge was at that stage considering removing the civil sittings altogether from Liverpool. Regrettably, that came to pass in February 1998, which led to further representations and a response from the Attorney General dated 22 December. The Attorney, in his response, stated:

As it is a fundamental principle of our system of justice that courts remain independent of government control and political interference, I am unable to intervene in a matter such as sittings at a particular court. However, I have written to the Chief Judge advising him that it is my view that the District Court should have at least some sittings in the localities for which it provides

services. I have also indicated to the Chief Judge that it is my view that it would be desirable for the court to have at least some civil sittings of the court at Liverpool. I have asked the Chief Judge to consider my views when he is next required to make a decision in relation to the sittings of the court.

It is now a lamentable matter of record, and of considerable regret to me, that the Chief Judge took absolutely no notice at all of the Attorney General's view. It is also a matter of considerable regret that we were told on many occasions that the criminal case load in the Liverpool District Court was so massive that the civil sittings had to be abolished. We are now told that there is such a small case load that the District Court has to be closed. A little more honesty in the way the District Court administration approached the closure of the District Court at Liverpool would have been greatly appreciated.

Mr KERR (Cronulla) [11.34 p.m.]: Having listened to the speech by the honourable member for Liverpool, I must say that the proceedings in this House would be expedited if, in future, he undertook a pre-speech conference with the Chair to disclose the nexus between what he intends to talk about and the bill before the House. The honourable member spoke a great deal about the dissidents in the justice system and delivered a Liverpool kiss to quite a few of them. I was particularly interested in the cost that he said he has paid for defending the judiciary. He may care to inform the House as to where the threats to his political career came from, the nature of those threats and the extent of his defence of the judiciary. I return to the leave of the bill.

Mr Lynch: Don't surprise us.

Mr KERR: If only the honourable member for Liverpool had taken that course during his speech, it would have been shock therapy.

Mr Lynch: Typical barrister!

Mr KERR: There is no need to be offensive. I am indebted to the Parliamentary Library for its preparation of the pre-trial defence disclosure background paper. The references to the United Kingdom Law Commission criminal procedures are particularly interesting. I draw the attention of the House to the submission made by John Nader, QC, a former District Court judge and now, I understand, an Acting District Court judge. The briefing paper states that Mr Nader's submission to the Attorney General basically recommended:

... that the powers of a trial judge at a "preparatory hearing" should include ordering the prosecution to serve on the accused a "case statement" to which the accused would then have to reply in the form of a "defence response". Such response should either (a) admit, (b) identify as non-contentious or as not to be admitted or denied, or (c) deny any fact or matter alleged in the prosecution case statement. Further, it was recommended that the defence response should "specify any positive defence that it is intended to rely on". As well, formal notice should be given of all expert evidence: "I can see no legitimate forensic purpose in allowing a party to a criminal trial to catch another party by surprise with expert evidence", Mr Nader concluded.

The shadow Attorney General said that the Opposition will not oppose this legislation. However, the bill does not address a number of issues which have been raised by persons with a particular interest in the criminal justice system. On 29 May 1997 defence disclosure was raised by the New South Wales Commissioner of Police, Mr Ryan, who called for a number of reforms to the criminal justice system, including the introduction of advance disclosure of the defence case through pre-trial hearings. That has not been addressed in this bill. The Government has taken the same ad hoc approach it always takes. Rather than a comprehensive response to problems in the criminal justice system, the Government has again merely tinkered with it.

Ms HARRISON (Parramatta) [11.40 a.m.]: It gives me great pleasure to speak to the Criminal Procedure Amendment (Pre-trial Disclosure) Bill. The initiatives of the Government concerning the introduction of the pre-trial disclosure regime for the defence as well as for the prosecution are to be welcomed by all members of this place. Certain disclosure requirements are already required of the prosecution under the common law, the Justices Act 1902, the Bar Association rules, the prosecution guidelines and court practice directions. The bill encapsulates those obligations. This regime will prevent trials being ambushed, unnecessary costs being incurred and time being lost. The process is a fair and reasoned one. It requires not only proper action by the parties to trial, it also requires the police to properly record and retain information relevant to the investigation, and to appropriately disclose the information to the prosecution. Those obligations on the police are ongoing for the entire trial process.

The police have indicated that the proposal is consistent with the current obligations on them and they are pleased to implement such a formal process. The police will also be required to verify that their disclosure requirements have been met. This will make the system workable and legitimate, and should eliminate arguments about evidence being disclosed too late for the defence to cope with the prosecution's tactics. It is

essential to the proper workings of any disclosure regime that both the Crown and the defence have disclosure obligations. Prosecution disclosure will always be the precondition for defence disclosure. As the Commonwealth working party on criminal trial procedure, the Williams report, noted:

The need for complete and early prosecution disclosure of all relevant evidence, whether relied upon by the prosecution or not is essential to the promotion of a fairer and more efficient justice system.

Today the House is debating a case-managed model for pre-trial disclosure. That is the most efficient approach to the regime. It means that the court can decide when a case is complex. When it so determines, it can initiate a pre-trial disclosure regime to assist the administration of justice. This model can be considered in the context of other developments regarding disclosure and the management of criminal trials. For example, to date case-managed committals have resulted in a 21 per cent reduction in the number of matters listed for trial in the District Court. Listing of matters for trial is an important step. Otherwise everyone's time is wasted and it is costly. The District Court committal scheme has now been implemented in regional New South Wales, and there will be further improvements across the State.

Time standards in the District Court have also assisted in case management. The recent guideline judgment on guilty pleas will also contribute in the longer term to reducing court delays. It will encourage earlier guilty pleas and reduce lengthy time-wasting trials. It will allow for reductions in sentence if a party shows contrition and pleads guilty early, which will result in a net benefit to society, not only to the judicial and incarceration system. The pre-trial disclosure regime in this context is another example of the Government's commitment to court practice reforms that enhance the administration of justice. The Government has put the initiatives together over the past few years and will continue to work on improving them. I wholeheartedly support the bill and its objectives. There has been some comment from the bar about the indictment process. I quote from a letter sent by the Chief Judge of the District Court to the Attorney General's Department on 8 September:

I also commend the proposal to provide in the legislation that the prosecution cannot amend the indictment after it is presented unless the defence agrees or the Court grants leave. That provision, together with the amendments to S.54 and the new Regulation 11A will provide a regime that has some degree of certainty at least as to the charges the accused is to face. Again this change was always envisaged when the Officer of the Director of Public Prosecutions was set up and that Office was structured so as to ensure that at least a draft indictment was prepared within one month.

We need to endorse that approach. I am pleased that the profession has had the opportunity to comment on the bill, which I commend to the House.

Mr BROWN (Kiama) [11.43 a.m.]: I support the Criminal Procedure Amendment (Pre-Trial Disclosure) Bill. The bill has been the subject of a considerable degree of discussion within Government Caucus committees: the Attorney General's Caucus committee and the Caucus committee of the Minister for Police. The bill adopts the majority of the recommendations of the Law Reform Commission's report about pre-trial disclosure. The Government's proposal in relation to prosecution disclosure presents not only as an adoption of the commission's recommendations, it also has additional disclosure requirements to ensure that the regime is efficient and fair. For instance, the Government has adopted the commission's recommendations that the time frame for alibi evidence should be linked to the trial rather than the committal, but with a short time frame.

The Government has adopted in full the recommendations concerning the consequences of non-disclosure. The bill has gone through an extensive consultation process. The legal profession, government agencies and members of the community have had input to the final version of the bill. The amendments to be moved at the Committee stage reflect the ongoing consultation that began in 1998 with the formation of a working party comprising representatives from the Police Service, the Legal Aid Commission, the Office of the Department of Public Prosecutions, the Bar Association and the Law Society, to name a few. All those parties had views on how such a regime should operate.

Some favoured a more prescriptive regime, others were wary of any regime at all. However, in the end the bill and the amendments to it are the result of a great deal of input from the working party, the Law Reform Commission and the Attorney General's Department since the introduction of the bill. The Government has opted for a case management regime. This regime can be put in place and treated in appropriate cases by the parties or by a judge. A case management regime was opted for instead of prescribing a category of matters to ensure that courts maintain control of the process. A more prescriptive regime may find relatively simple matters going through an unnecessary process.

The model we have before us draws on the existing power of the courts to issue rules of practice and procedure using the regulations that members have no doubt had the opportunity to read; they have been

circulated in draft form for some time. The regulations will guide the rule-making powers of the courts. Disclosure requirements will be restricted to complex matters in the first phase of the regime. If, after the review period, there is a compelling reason to expand the program, Parliament can consider that. I understand some concerns have been raised that the regime may mean that defence lawyers will need to do more work. However, this should not be the case at all.

Such a concern makes no sense. In effect it is the same work but it has been shifted up front and out of court. By that I mean that lawyers will rely on papers served and file appropriate objections, rather than do it at court at a later stage. The process will be fairer and more streamlined. The process will require all the parties to do their homework and get their houses in order before they prosecute or defend a matter. This should, in turn, save time, money and emotional energy for all the parties involved. It will require the police to properly record and retain any information that may be relevant to the investigation, and to appropriately disclose that information to the prosecution.

The bill also requires the police to verify that the disclosure requirements have been met. Disclosure requirements of the police and the prosecution will be ongoing. The process will also make evidence prima facie admissible, and capable of being tendered without formal proof when no issue is taken by the prosecution or the defence as to the authenticity, accuracy, admissibility or continuity of prosecution or defence exhibits. That is a breakthrough for commonsense. I am pleased to have had the opportunity to comment on the bill, which I commend to the House.

Mr CAMPBELL (Keira) [11.47 a.m.]: My comments on the legislation will be brief. The Criminal Procedure Amendment (Pre-Trial Disclosure) Bill represents a watershed in the rules governing the conduct of trials conducted in New South Wales. The principal object of the bill is to enable the court, on a case-by-case basis, to impose pre-trial disclosure requirements on both the prosecution and defence to reduce delays in complex criminal trials. All members of this place should unequivocally support the proposed regime. Why? They should listen to the community. They should understand what the members of our community are saying. They should appreciate the stress placed on victims in particular, and their families, during court procedures.

They should listen to the demands for justice and fairness from victims, as well as the demands for closure. The community is sick and tired of legal matters dragging on for years. They want closure one way or the other. They want to have the understanding that they have been listened to. I understand that the manner in which the regime will work will benefit not only the administration of justice by streamlining the trial process of criminal cases; it will also benefit victims who will be spared the indignity of lengthy trials when the regime comes into effective operation. The regime demands fairness of disclosure from both the prosecution and the defence. Ongoing consultation on the bill demonstrates the Government's hallmark of implementing reform with leadership, and bringing stakeholders along.

For those like myself who believe in the fundamental principle that one is innocent until proven guilty, I point out that this bill does not change that principle. The burden of proof remains with the prosecution to prove guilt beyond reasonable doubt. It is important to remember that the proposed legislation will be reviewed after 18 months. A review after that period of time is appropriate for legislation containing such significant changes. The review will allow the impact of the changes to be fully assessed and will test whether and how judicial officers and the courts are using the new laws. The review will also allow an assessment of whether the changes are achieving their stated goal of reducing delays in a cost-effective manner. The review will enable the recommendations in the Law Reform Commission report to be assessed to ascertain whether further adjustments to the Act are required. I commend the bill to the House.

Mr CRITTENDEN (Wyang—Parliamentary Secretary), on behalf of Mr Debus [11.50 a.m.], in reply: The House has had the benefit of an extensive and informed debate on the merits of this legislation. The Government will move amendments in Committee. The honourable member for Gosford is aware of those amendments as they result from concerns expressed by him and other honourable members. The bill has been the subject of detailed scrutiny by the legal profession and interested parties after the Government invited comment on it after its introduction in August. Submissions were received from the Chief Judge of the District Court, the New South Wales Law Reform Commission, the Director of Public Prosecutions, the New South Wales Council for Civil Liberties, the Law Society, the Bar Association, public defenders, the Legal Aid Commission, the Women's Legal Resource Centre and New South Wales Young Lawyers.

I am pleased to say that this consultation process has been constructive. I shall address each amendment in detail at the appropriate time. However, I should like to comment on the draft regulations. As the House is

aware, the bill was accompanied at the consultation stage by draft regulations. Changes are to be made to those regulations in light of the past few months of consultation and to complement the changes to be made to the legislation in Committee. I shall refer to the regulations by clause numbers to reflect the final draft. The numbers, therefore, may differ from the consultation draft. The final draft will be available to interested parties from the Attorney General's Department.

It is proposed that in regulation 11F(e) the words "to the extent disclosed by the accused person" be deleted. The reason for that amendment is that if the prosecution has information that might reasonably be expected to assist the case for the defence, it should be disclosed. Regulation 11E is to be amended to read "any" transcript and not only transcript of intercepted communications. That proposal has been advanced because pre-trial disclosure requirements for transcript should not be limited to intercepted communications. That proposal is supported by the Director of Public Prosecutions. In regulation 11E(1)(b) the words "relevant to the case" will be replaced with "to be relied upon". This is a draft improvement that will ensure appropriate defence discretion in relation to copies of reports.

It is proposed to delete "in what respect" from regulation 11E(2)(a). That will ensure that defence lawyers are not forced to take on the unprecedented burden of revealing in writing to the prosecution the perceived flaws in the prosecution case. Given that the defence will be required to serve copies of expert reports, there should be no such requirement. The prosecution will still have to prove its case beyond reasonable doubt, as emphasised in the second reading speech and in the eloquent contributions of speakers in the debate such as the honourable member for Cronulla. The Law Reform Commission report on the right to silence recommended a provision providing for the disclosure of names and addresses of character witnesses which was not included in the original draft regulations circulated with the bill. It is now part of the revised consultation draft regulations and the Government intends to implement that recommendation. The procedure will require the leave of the court and will not jeopardise the integrity of the witness process.

I shall now briefly comment on some pertinent points raised in the debate. The honourable member for Gosford quoted the Auditor-General's report which was released yesterday concerning court time frame. The honourable member claimed that little had been achieved in efficiency. Unfortunately, that is not quite correct. He must have taken only a cursory glance at the Auditor-General's report. If he had read a little further he would have noticed that reducing delays in the New South Wales court system has been a key priority of the Government, and I am pleased to note the Auditor-General has recognised in his latest report the significant efforts made to reduce court delays in recent years. These efforts include the introduction of time standards for the disposal of cases in the District Court and the Supreme Court. The courts are empowered to enforce compliance with these timetables, as well as impose realistic cost sanctions to expedite hearings, shorten adjournment periods and to deliver hearing date certainty.

In addition, a Case Management Fund has been established to provide greater flexibility to allocate resources to reduce court delays. The Auditor-General refers to the development by the Attorney General's Department of model performance indicators for New South Wales courts. That is an extremely important initiative that will provide much more reliable information about backlogs, overloads and clearance ratios. The indicators have been developed with the assistance of the Justice Research Centre. They will help courts meet increasing demands within their respective jurisdictions and provide consistent performance management information for the Government, the judiciary and the profession. The development of sound key performance indicators is absolutely essential so that meaningful comparisons can be made between jurisdictions.

The Auditor-General refers to the apparent poor performance of the Supreme Court in criminal matters when compared with other States and judged in the light of the 1998-99 figures in the 2000 report on government services. The figures contained in that report are out of date and, as the Auditor-General noted in his report on court waiting times in July 1999, comparisons with other States must be treated with caution. Civil matters coming before the New South Wales Supreme Court tend to be more complex than those in other States because of Sydney's position as the nation's financial and commercial capital. The criminal jurisdiction has a policy of transferring less contentious matters to the lower courts so that courts like the Supreme Court can concentrate on more serious offences. The Auditor-General notes the positive indicators of improvement in the Supreme Court, including the decrease in the number of cases on hand and the decrease in delays for people in custody and on bail awaiting trial.

The Government has shown its commitment to improving the performance of the Supreme Court through a contribution of \$2.5 million between 1996 and 1999 to a delay reduction program. In 2000-01 \$284,240 will be provided for acting judges in the Supreme Court. That follows the extra \$736,000 provided in 1999-2000 for the employment of extra judges to increase judicial hearing time and to reduce delays. I am pleased to report that the concerted efforts made to date to reduce court delays are bearing fruit. The Supreme

Court recorded an 18 per cent increase in the number of criminal cases finalised in the 1999-2000 financial year compared to the previous year. The number of matters on hand was reduced also by 10 per cent. Significant improvements were achieved last financial year in the Court of Criminal Appeal with a 27 per cent increase in the number of cases finalised compared to the previous year. There was also a 9 per cent reduction in civil matters on hand in the Court of Appeal.

The District Court also has benefited from the Government's commitment to reducing delays in the court system. An additional \$1.02 million has been allocated this financial year by the Government to increase the number of District Court judges available to conduct country hearings and to improve access to justice for people in rural and regional New South Wales. At the end of December 1997 there were 2,499 pending criminal trials in the District Court. The pending criminal trial caseload dropped to 2,374 by the end of December 1998, and to 1,902 by the end of December 1999 and to 1,453 as at 30 September 2000. Currently about 70 per cent of criminal trials are less than 12 months old. Ninety per cent of civil cases are now finalised within 24 months, compared with 77 per cent for the previous year. These achievements of the District Court come despite the extension of the court's jurisdiction, which has increased the number and complexity of matters filed.

The Local Court has not missed out. During 1999 additional funding was provided for four new magistrate positions, while this financial year funding has been provided for acting magistrates. There has been a spurious claim that funding in the courts has decreased by \$15 million since 1996. This claim is totally unfounded and fails to take into account the fact that in 1999 a new program called Justice Support Services was established, into which the costs of the Office of the Sheriff, Reporting Services Branch and court libraries were transferred. These costs were previously included within the programs of each of the courts. They are no longer shown as part of court costs but as support services to the administration of justice. Government will continue to fund and implement strategies to ensure that the New South Wales court system is accessible and responsive to the needs of the community.

The honourable member for Gosford referred to the Sydney Regional Aboriginal Corporation Legal Service. The service wrote to the Attorney on 21 November this year concerning the proposed pre-trial disclosure regime. The Attorney has had the opportunity to consider the concerns raised in the submission on behalf of a number of Aboriginal legal services. The Sydney Regional Aboriginal Corporation Legal Service submission states that it opposes compulsory pre-trial disclosure. So too does the Government. In order to ensure that the pre-trial disclosure is a case management based regime imposed only where appropriate, we have left it as a matter for the courts to decide whether it should apply—and then only in cases that the court deems complex. The regime we have proposed with the bill in no way compels the defence to assist the prosecution to prove a case. It may compel the defence to assist the court in case managing the trial and the facts in dispute, but in essence that is all it does.

I understand that the legal service has concerns regarding funding for matters in which pre-trial disclosure is required. The Aboriginal and Torres Strait Islander Commission [ATSIC] funds Aboriginal legal services. The pre-trial disclosure regime will not require a great deal more work in a matter over the length of the case; it will, however, require reallocation of resources and priorities to ensure that matters are prepared before getting to court. If Aboriginal legal services require enhancements to meet the costs of this they will have to make a submission in this regard to ATSIC. The Attorney will write to the Federal Attorney to advise him when the regime comes into operation and the requirements of the regime. The Standing Committee of Attorneys-General working group on criminal trial procedure report of September 1999 recommended, with the concurrence of the Federal Government, that greater disclosure should occur before the trial process. Thus the Government is of the view that ATSIC and the Federal Government would consider favourably the views of Aboriginal legal services to ensure the proper functioning of the scheme if there is a demonstrated need for further funds.

I am happy to point out to the honourable member for Gosford that the Government amendments address the concerns of the Law Society and follow a wide-ranging consultation process. The Legal Aid Commission and the Director of Public Prosecutions made submissions to the Government based on the requirements of the bill. The Government recognises that there will be some requirement for enhancing the budgets of those two organisations—to assist in the transition to the new regime, to fund personnel to deal with the requirements of the regime, and in the longer-term to enable the courts to take more cases in the court time saved by the proposal. To that effect, Treasury is allocating additional resources to ensure the smooth operation of the pre-trial disclosure requirements.

In essence, pre-trial disclosure should not mean the parties undertake more work; it will mean that the work will be shifted from the court to a processing of papers at an earlier stage. However, we recognise that the paperwork, preparation time, and responses on the process may be more resource intensive for practitioners than

time spent in court. Conversely, in the longer term there will be saving to the courts on a per case basis because they will be able to hear more trials over a period as it is envisaged that trials will be of a shorter length. The ability of the Legal Aid Commission and the Director of Public Prosecutions to put more cases before the courts means that they will need more money to utilise the trial time available as well. I commend the bill to the House.

Motion agreed to.

Bill read a second time.

In Committee

Clauses 1 to 6 agreed to.

Schedule 1

Mr CRITTENDEN (Wyang—Parliamentary Secretary) [12.10 p.m.], by leave: I move Government amendments Nos 1, 11, 12 and 15 in globo:

No. 1 Page 3, schedule 1. Insert before line 4:

[1] **Section 42 Listing for mention following committal for trial**

Omit the section.

No. 11 Page 7, schedule 1. Insert after line 8:

[5] **Section 53A**

Insert after section 53:

53A Manner of presenting indictments

The regulations and (subject to the regulations) the rules of court may make provision for or with respect to the manner of presenting indictments (including by the filing of the indictment in a court registry).

No. 12 Page 7, schedule 1. Insert before line 9:

[6] **Section 54**

Omit the section. Insert instead:

54 Time within which indictment to be presented

- (1) In this section, *relevant court*, in relation to a matter, means the Supreme Court or the District Court before which the matter has been listed for trial or mention.
- (2) An indictment is to be presented within 4 weeks after the committal of the accused person for trial, except as provided by this section.
- (3) The time within which the indictment is to be presented may be extended by:
 - (a) the regulations or (subject to the regulations) the rules of the relevant court, or
 - (b) by order of the relevant court.
- (4) If an indictment is not presented within the time required by this section, the relevant court may:
 - (a) proceed with the trial if an indictment has been presented, or
 - (b) adjourn the proceedings, or
 - (c) take such other action as it thinks appropriate in the circumstances of the case.
- (5) The prosecutor has no right to an adjournment merely because an indictment has not been presented.
- (6) The relevant court must, in exercising any power under this section, have regard to the fact that the Crown does not have a right of appeal if the accused person is acquitted.
- (7) This section does not affect the powers of the relevant court under section 64.

No. 15 Page 8, schedule 1 [7]. Insert after line 17:

Application of substituted section 54 (Time within which indictment to be presented)

Section 54, as substituted by the *Criminal Procedure Amendment (Pre-trial Disclosure) Act 2000*, does not apply to proceedings in which the accused person was committed for trial before the substitution of that section.

These are drafting improvements suggested by the Chief Judge of the District Court. They will ensure that rules of the court can be made to enhance efficiency. In essence, they tidy up and make better sense of the legislation by omitting section 42 from the Criminal Procedure Act. The section is to be omitted as a consequence of the amendment to section 54. They clarify provisions relating to the prosecuting authority presenting an indictment and the manner of presenting them to the court. They clarify the time in which the indictment is to be presented, which will be four weeks. Amendment No. 15 is a consequential transitional amendment. I move these amendments in globo because they refer to presenting an indictment to the court.

Amendments agreed to.

Mr CRITTENDEN (Wyong—Parliamentary Secretary) [12.12 p.m.]: I move Government amendment No. 2:

No. 2 Page 3, schedule 1 [1] (proposed section 47C). Insert after line 25:

- (2) The court may order pre-trial disclosure only if the court is satisfied that it will be a complex criminal trial having regard to:
 - (a) the likely length of the trial, and
 - (b) the nature of the evidence to be adduced at the trial, and
 - (c) the legal issues likely to arise at the trial.

Disclosure is limited to complex criminal trials. This amendment will insert in new section 47C words to guide the court when it is satisfied a trial is complex. Section 47A states clearly that the purpose of this division is to enable the court on a case-by-case basis to impose pre-trial disclosure requirements in order to reduce delays in complex criminal trials. Section 47C is to be amended to reflect this and to ensure consistency. The amendment will provide for guided judicial discretion in relation to defining the question of whether a trial is a complex trial. Guided judicial discretion is a more appropriate option than a statutory definition in relation to defining whether a trial is a complex trial. The judge will take into account the following factors: first, the likely length of the trial; second, the nature of the evidence to be adduced; and, third, the legal issues likely to arise.

Amendment agreed to.

Mr CRITTENDEN (Wyong—Parliamentary Secretary) [12.13 p.m.]: I move Government amendment No. 3:

No. 3 Page 3, schedule 1 [1] (proposed section 47C). Insert after line 27:

- (3) The court may order pre-trial disclosure only if the court is satisfied that the accused person will be represented by a legal practitioner.

Whilst the legislation is being implemented in its first 18 months—the review period—the Government has formed the view based on numerous submissions that pre-trial disclosure requirements upon the defence should apply only where the accused is represented. This amendment will be subject to overall review after 18 months of operation of the legislation. The Government has formed the view that it is inappropriate at this stage to require unrepresented accused persons to comply with pre-trial disclosure in its inception phase. The Government will have to monitor the legislation in the initial stages and how many cases it applies to. The Attorney has asked his department to advise him over the next few months on the figures concerning unrepresented parties at criminal trials. At this stage no concrete figures have been ascertained on how many unrepresented matters appear before courts. Obviously it would be fewer in the higher jurisdictions.

Amendment agreed to.

Mr CRITTENDEN (Wyong—Parliamentary Secretary) [12.14 p.m.]: I move Government amendment No. 4:

No. 4 Page 5, schedule 1 [1] (proposed section 47E). Insert after line 13:

(5) Application of sanctions

Without limiting subsection (6), the powers of the court may not be exercised under this section to prevent an accused person adducing evidence or to comment on any non-compliance by the accused person unless the prosecuting authority has complied with the pre-trial disclosure requirements.

This amendment will ensure defence disclosure sanctions are conditional on prior compliance by the prosecution. The second reading speech made it clear that pre-trial disclosure provisions do not alter or qualify the fundamental principle that it is the Crown's responsibility to prove the guilt of the accused beyond a reasonable doubt. Amending the bill in this way will ensure that the fundamental principle is not undermined.

Amendment agreed to.

Mr CRITTENDEN (Wyong—Parliamentary Secretary) [12.15 p.m.]: I move Government amendment No. 5:

No. 5 Page 5, schedule 1 [1] (proposed section 47F). Insert before line 19:

- (1) A statement about any matter that is made by or on behalf of the accused person for the purposes of complying with the pre-trial disclosure requirements does not constitute an admission of that matter by the accused.

Disclosures made by the accused should not be treated as admissions. This amendment follows upon a recommendation in the New South Wales Law Reform Commission report entitled "Right to Silence" and is in line with the emphasis given by the Minister in his second reading speech that pre-trial disclosure provisions do not alter or qualify the fundamental principle that it is the Crown's responsibility to prove the guilt of the accused beyond a reasonable doubt.

Amendment agreed to.

Mr CRITTENDEN (Wyong—Parliamentary Secretary) [12.16 p.m.], by leave: I move Government amendments Nos 6 and 10 in globo:

No. 6 Page 5, schedule 1 [1] (proposed section 47F). Insert after line 26:

- (3) Nothing in this Division prevents any voluntary pre-trial disclosure by the accused person to the prosecuting authority of any information, document or other thing that the accused person proposes to adduce in evidence in the proceedings.

No. 10 Pages 6 and 7, schedule 1 [4], lines 11-31 on page 6 and lines 1-8 on page 7. Omit all words on those lines.

These amendments will delete voluntary pre-trial disclosure and replace it with "nothing in this part prevents voluntary pre-trial disclosure by the defence". The bill was introduced as the consultation draft. As the Crown must make full disclosure in any event, there is simply no need to legislate for any voluntary scheme outside the context of the complex criminal trial. This is not intended to discourage the parties resolving pre-trial issues well in advance of the trial. In fact, the whole scheme encourages this process. Amendment No. 6 inserts a truly voluntary regime and amendment No. 10 deletes the previously drafted section that caused concern to a number of practitioners.

Amendments agreed to.

Mr CRITTENDEN (Wyong—Parliamentary Secretary) [12.17 p.m.]: I move Government amendment No. 7:

No. 7 Page 5, schedule 1 [1] (proposed section 47F), lines 27-29. Omit all words on those lines. Insert instead:

- (3) This Division does not limit any obligation (apart from this Division) for pre-trial disclosure, but this Division prevails to the extent of any inconsistency with any such obligation. Any such obligation extends to obligations imposed by the common law, the rules of court, the rules of practice of barristers or solicitors and prosecution guidelines issued by the Director of Public Prosecutions.

New section 47F of the bill is to be amended to explicitly not overrule existing prosecution disclosure requirements. The prosecution's disclosure requirements apply in all criminal trials. The Act must not permit any inference that such disclosure requirements in the prosecution apply only when a judicial officer so orders in relation to complex criminal trials.

Amendment agreed to.

Mr CRITTENDEN (Wyang—Parliamentary Secretary) [12.17 p.m.]: I move Government amendment No. 8:

No. 8 Page 5, schedule 1 [1] (proposed section 47F), line 32. Omit "client legal privilege". Insert instead "legal professional or client legal privilege".

The proposal amends new section 47F (4) to insert a reference to legal professional privilege. New section 47F (4) refers to client legal privilege. Since the High Court has now made it clear that as common law legal professional privilege continues to apply in ancillary processes, a reference to legal professional privilege should be inserted. The Government moves this amendment as the proposal is supported by both the Director of Public Prosecutions and the New South Wales Bar Association.

Amendment agreed to.

Mr CRITTENDEN (Wyang—Parliamentary Secretary) [12.18 p.m.]: I move Government amendment No. 9:

No. 9 Page 6, schedule 1 [3], lines 9 and 10. Omit "21 days before the trial is listed (either for mention or hearing)". Insert instead "21 days before the trial is listed for hearing".

This amendment is designed to improve the drafting of the section. The provision in the bill is designed to ensure that notice of the particulars of the alibi evidence is given 21 days before the trial is listed for hearing. This amendment will improve the drafting by deleting "mention or".

Amendment agreed to.

Mr CRITTENDEN (Wyang—Parliamentary Secretary) [12.19 p.m.]: I move Government amendment No. 13:

No. 13 Page 7, schedule 1 [5], lines 12-18. Omit all words on those lines. Insert instead:

- (1) An indictment may not be amended after it is presented, except by the prosecuting authority:
 - (a) with the leave of the court, or
 - (b) with the consent of the accused.
- (2) This section does not affect the powers of the court under section 64.

A court has no role in determining the content of an indictment. An indictment may not be amended after it is presented except by the prosecuting authority with the leave of the court or consent of the accused person, according to section 63A. This measure will now remove "by order of the court".

Amendment agreed to.

Mr CRITTENDEN (Wyang—Parliamentary Secretary) [12.20 p.m.]: I move Government amendment No. 14:

No. 14 Page 8, schedule 1 [7], lines 6-12. Omit all words on those lines. Insert instead:

Application of Division 2A of Part 3 (Pre-trial disclosure - case management)

Division 2A of Part 3 extends to proceedings for an offence that were instituted before the commencement of that Division, but does not apply to any such proceedings if the accused person was committed for trial before that commencement.

The amendment will ensure that, in relation to transitional provisions, the legislation should apply to proceedings in which the accused is committed for trial after the commencement of the division and the section. Legislation should apply only to proceedings in which the accused is committed for trial after the commencement of the division and section in the transitional provisions. This amendment is supported by the Director of Public Prosecutions. It is an important amendment in regard to clarity and certainty of application of the pre-trial disclosure requirements.

Amendment agreed to.

Schedule 1 as amended agreed to.

Schedule 2

Mr CRITTENDEN (Wyang—Parliamentary Secretary) [12.21 p.m.]: I move Government amendment No. 16:

No. 16 Page 9, schedule 2. Insert after line 11:

- (2) The duty of disclosure continues until one of the following happens:
 - (a) the Director decides that the accused person will not be prosecuted for the alleged offence,
 - (b) the prosecution is terminated,
 - (c) the accused person is convicted or acquitted.

The amendment to section 15A will ensure that disclosure by investigating police officers will be an ongoing requirement during the course of criminal proceedings. I understand the amendment is supported by both the Director of Public Prosecutions and the New South Wales Bar Association.

Amendment agreed to.

Schedules 2 as amended agreed to.

Schedule 3 agreed to.

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

FITNESS SERVICES (PRE-PAID FEES) BILL**Second Reading**

Debate resumed from 1 November.

Mr OAKESHOTT (Port Macquarie) [12.22 p.m.]: I lead for the Opposition on this bill and indicate that the Coalition does not oppose the bill. It really is a case of this legislation finally hitting the table. Approximately 1,300 creditors are the worse for wear in New South Wales because of the delay in introducing the bill. Half a dozen fitness centres have closed later than they should have, due to the late introduction of the bill. However, it is pleasing finally to see this legislation make it into this House so that the future of the industry can in some way be secured against predatory marketing and other aggressive practices within the fitness industry. This issue has had a huge impact throughout New South Wales, with the fitness industry expressing concern for well over three years, that they are the victims of predatory marketing based on the industry voluntary code of practice—or breaches of the industry voluntary code of practice.

Those practices have been demonstrated clearly during the past six to twelve months, with one particular fitness centre chain encroaching into Sydney, affecting those in the industry who are playing by the rules, forcing many of them out of the industry and impacting on consumers. The background to this bill has been growing industry concern over the past decade, with fitness centre closures, presale of memberships before fitness centres have even opened, and one-dollar and two-dollar companies relying on presales of memberships to establish a business. It has been an extremely unsettled industry, due to those various practices. That has reflected on the entire industry and, as I said before, it has had a significant impact on consumers.

That led the former Minister for Sport to consider the formation of the peak industry body, Fitness New South Wales, in an attempt to get some industry co-ordination. It also led to the development in 1997 of a voluntary code of practice in an attempt to establish industry standards. Unfortunately, some in the industry have continued to engage in predatory marketing practices, and the boom-bust approach of selling memberships in the fitness industry, leading the newly established body, Fitness New South Wales, several years ago to call for a mandatory maximum industry standard for prepaid memberships of 12 months.

This has been going on within the industry for some time. I acknowledge that the Minister asked the New South Wales Sports Advisory Council, which includes Dawn Fraser and others and is headed by Alan Whelpton, to examine the issue. At the start of this year that council recommended a range of options, one being the mandatory membership standards. That took place 12 months ago. Last month we saw another fitness chain

go into voluntary administration—pleasingly picked up by Fitness First, a United Kingdom company. We welcome that group to Sydney and hope all goes well for a bright future for the group.

However, the matter remains unresolved so far as many creditor issues are concerned. A trail of destruction has been left, due to the snail-like approach of the Government in dealing with this issue. In regard to the creditor issue, I understand that in excess of \$15 million is owing in one particular instance and that only a percentage of the entitlements will be paid. That is having a significant impact on the creditors involved. There have been many phone calls, letters and discussions. One instance that springs to mind relates to a tiler who was doing work almost solely for this particular company. He is going to be out of business unless the entitlements issue is resolved in his favour. There has been a history in the past 12 months of doing everything to promote rogue behaviour in the industry. The Special Minister of State, and Minister for Industrial Relations, Mr Della Bosca, was to open this company's Bond Street gym, I understand because of some family or friendship connection.

On the one hand we had a Minister in this House talking about the voluntary code of practice and saying that the body that should be abided is Fitness New South Wales. On the other hand, by accepting an invitation to open the gym, the Special Minister of State was promoting the rogue bodies and those in breach of the voluntary code of practice, and Fitness New South Wales. Fortunately, he pulled out beforehand, after significant pressure was brought to bear. Perhaps he should thank members of the Coalition for their public expressions of concern. I believe in light of subsequent events that it would have proven embarrassing for Mr Della Bosca as a Minister of this Government if he had to deal with 1,300 creditors of a company that he had been promoting and endorsing.

This is good legislation and something the Opposition has been calling for for some time. It is sensible legislation and I hope it will result in the establishment of industry standards that will enable fair competition. We have seen all sorts of practices in breach of the voluntary code, such as two-year, five-year and life-long memberships being offered to consumers. That was completely inappropriate, because five-year or life-long memberships involve a significant cost. Consumers would receive a double whammy within a month or two through their fitness centre closing down, leaving no form of redress. That practice needed to be addressed by Government. Hopefully it is being addressed through this legislation. The priority of the legislation is to protect consumers against financial losses caused by the closure of fitness centres.

The legislation will allow the industry body, Fitness New South Wales, to properly promote the voluntary and mandatory sections of its code of practice. I encourage that industry body to do that and encourage the Government, in particular the Minister, to do everything to promote a healthy industry in New South Wales. In this post-Olympic environment there is a great opportunity for the promotion of healthy lifestyles and for people of all ages and abilities to enjoy the services of fitness centres. This morning the Minister and I attended a breakfast with the stars at which 750 schoolgirls from Sydney also attended. Another 300 schoolgirls were turned away. That is a great example of the success of events promoted by Women's Sport.

There is a real interest in healthy lifestyles in the promotion of sport. There is now a great window of opportunity for the Government to encourage and endorse healthy lifestyles. Last night's *A Current Affair* television program highlighted research carried out by Quantum market research. The research indicated a significant growth in the number of young women involved in unhealthy lifestyles including drug taking, smoking and drinking alcohol—the complete opposite to what we saw at the breakfast this morning. Groups such as Women's Sport need as much promotion as possible if the market research announced in the public arena by Quantum is to be taken as true. I hope that the Government will endorse and promote such groups.

I congratulate Johanna Vescio, Janice Crosswhite and everyone connected with the Women's Sport breakfast this morning. Likewise, I congratulate the team at Fitness New South Wales, Ian Grainger and Justin Tamsett, as well as everyone involved in the fitness industry. I believe it is the role of Government to promote as much as possible the industry bodies and peak groups and to endorse and support them by providing a level playing field. Hopefully many of the issues involving predatory marketing and the boom-bust that occurred over the past decade will disappear when the legislation takes effect.

Several people within the industry have argued the case that the maximum level of 12 months is too high. I think we should all watch that very closely and analyse whether that should be on a month-to-month basis. That argument does not come from the industry group, but from several fitness centres. I hope that 12 months is a sufficient time to allow for the level playing field that we are all looking for and to negate many of the problems that the industry has experienced. I alert honourable members to watch that over the years as the legislation comes into practice.

The principle of buyer beware still applies within the 12 months period and I send a general warning to everyone who joins a fitness centre to do their homework first and make sure that the business is legitimate. People should inspect the premises, and, as much as possible, do a background check on the business. The principle of buyer beware still very much remains. From the Government's point of view this legislation will provide consumers with a fair level of protection against aggressive industry sales and marketing practices. The legislation will allow the fitness industry to improve its overall image. This is good legislation and I am pleased that it has finally hit the table after all the discussion, announcements and reannouncements. It will be great to see it in practice, and I for one hope it works.

Mr CAMPBELL (Keira) [12.35 p.m.]: I agree with the honourable member for Port Macquarie: this is good legislation. It is good because it has been developed in consultation with the industry and with organisations such as Fitness New South Wales and because it builds on the continuing efforts of successive Labor governments to ensure consumer protection. I will comment on the drama that is caused when gyms or fitness centres go belly up. In the past 12 to 18 months four organisations in the Wollongong area I represent have closed. As they were small local businesses there have been no sensational claims about people losing fees paid in advance. However, concern exists in my electorate particularly as a Healthland project is currently under construction. It seems that that business has been sorted out and that it will trade. Nevertheless there is some concern.

A couple of years ago, in my capacity as the Lord Mayor of the city of Wollongong, I ensured that the two gyms operated by the council, one at Beaton Park leisure centre and one at Lakeside leisure centre, signed up the voluntary code of practice with Fitness New South Wales. With that background we made sure that there was protection for consumers in that voluntary sense. I am pleased that the financial aspects of that voluntary code have been translated and written into the legislation. That will provide additional protection to many people who would otherwise not be protected from people who do the wrong thing.

This legislation builds on the tradition of consumer protection and the fair trading credentials of successive Labor governments. It is the result of a great deal of consultation and effort. I acknowledge the commitment of the Minister to introduce legislation which will overcome many areas of concern. I have said it before, and say it again: This is good, sound, appropriate legislation and I commend the bill to the House.

Mr WATKINS (Ryde—Minister for Fair Trading, and Minister for Sport and Recreation) [12.39 p.m.], in reply: I thank previous speakers, and, in particular, I thank the Opposition for its support of this legislation. The fitness industry is a growing and important industry in New South Wales. This bill ensures that the many thousands of people in New South Wales who use gymnasiums are afforded the best possible protection. This legislation provides for people to take up membership of a fitness centre in the knowledge that any financial loss they may incur as a result of a centre closure would be greatly reduced. The legislation builds on the financial protection presently afforded to fitness centre users under the voluntary code of practice for fitness centres.

I particularly thank members of the Sports Advisory Council for their contribution and advice. I also thank officers of both my departments, particularly Lynne Murray, for their work. Finally, I thank the industry peak body, Fitness New South Wales, for its advice, which helped in the framing of this legislation. I received a letter from Mr Ian Grainger, Chief Executive of Fitness New South Wales, indicating his organisation's support for the introduction of this legislation. Mr Grainger, in his letter, states:

Dear Minister,

On behalf of the Fitness Industry in NSW we congratulate you on the Fitness Services (Pre-Paid Fees) Bill introduced into Parliament this week.

Mr Hartcher: Point of order: The standing orders are explicit. A Minister in his speech in reply may speak to issues raised during the second reading debate. He may not introduce legislation, set out the policy of the legislation or set out the views of interest groups who are supportive of the legislation. Unless the Minister is replying to a matter that was raised by one of the speakers in the debate he is outside the leave of the bill.

Mr WATKINS: To the point of order: The honourable member for Port Macquarie, who made his contribution to the debate when the honourable member for Gosford was not in the Chamber, spoke at length about the role of Fitness New South Wales and its views about this legislation. This matter arose during the debate in this Chamber about five minutes ago. That is what I am speaking to.

Mr Oakeshott: To the point of order.

Mr SPEAKER: Order! I will hear no more on the point of order. The Minister may continue.

Mr WATKINS: The letter continues:

We greatly appreciated the opportunity to comment on the draft document and thank your Department for their cooperation and the comprehensive consumer protections built into the Bill.

We trust the Bill has a safe and speedy trip through both Houses and can be enacted as law at the earliest opportunity.

fitnessnsw believes your action was both timely and necessary and trusts it will protect the NSW consumer in a manner unique to this state. (However, we believe a number of other states have been eagerly waiting to take a lead from this state and your action should precipitate similar protections in other states in the not too distant future).

fitnessnsw will make every effort to publicise the new laws throughout the industry but sincerely hope that the Department will also launched a consumer education program to reinforce the message of the legislation and make consumers totally aware of their rights. Our member businesses would be pleased to assist in such a public education program.

Congratulations and Thank You—this is a significant moment in the growth and security of our industry.

Yours Sincerely

Ian Grainger
Chief Executive—**fitnessnsw**

I commend the bill.

Motion agreed to.

Bill read a second time and passed through remaining stages.

CONDUCT OF MEMBERS

Personal Explanation

Mr BLACK, by leave: Yesterday the Leader of the Opposition made reference to an alleged comment made in this Chamber. I apologise unreservedly for any hurt the remark may have caused her. I also regret that my colleague the honourable member for South Coast was wrongfully accused.

LAW AND JUSTICE FOUNDATION BILL

Second Reading

Debate resumed from 17 November.

Mr HARTCHER (Gosford) [12.43 p.m.]: The Law and Justice Foundation Bill reconstitutes the Law Foundation of New South Wales and sets up a new foundation to be known as the Law and Justice Foundation of New South Wales. The bill also provides for the establishment of the Law and Justice Foundation Fund. I will not go through the bill; it is not for me to repeat the second reading speech. However, I want to raise some matters of concern. The first issue is that the New South Wales Bar Association and the Law Society of New South Wales are entitled to have representation on the board, but they must do so by submitting six names, from which the Minister will choose the one member he wishes to appoint.

The composition of the board is set out in schedule 1. The bill provides that one member is to be a legal practitioner who is appointed from a panel of six persons nominated by the Bar Association and one member is to be a legal practitioner who is appointed from a panel of six persons nominated by the Law Society. That provision is extraordinary. The custom is for organisations to nominate three people. For the Government to demand a panel of six is going too far. I draw to the attention of the Attorney that the Opposition may seek to amend that provision when the bill comes before the Legislative Council. The Attorney General, or any other member, has not given good reason why a panel of six is required from which to choose one member.

The general requirement is for a panel of three to be nominated, from which one member is drawn. That concern has been expressed by the Bar Association and the Law Society. They do not know why this provision is in the bill. It is not the normal process. Those organisations will be put to the embarrassment of having to go through a list of people and ask whether they are willing to be nominated on a panel of six from

which the Attorney General will choose one person. They will then have to tell five of the panel that the Attorney General did not consider that they were appropriate. The discretion rests with the Attorney. If he is not satisfied with the panel of three nominees, he can indicate that to the organisations. As I said, this matter may be raised in the Legislative Council.

The next issue relates to the appointment of the director. The bill provides, in effect, that the position of director is to be readvertised. The bill terminates the office of director and appoints a new one. Yet the present director was appointed only on 30 October for a three-year term. The Law Foundation of New South Wales, in a press release dated 27 October and headed "New Director for Law Foundation", states:

The Law Foundation of New South Wales Board of Governors today named Mr Geoff Mulherin as the new Director of the Law Foundation. Mr Mulherin takes up his position on Monday, October 30, and will be the third Director in the Law Foundation's 33-year history.

The director was appointed barely three weeks ago. Now his position has to be readvertised and reappointed. What is the attitude of the Attorney about his appointment, which was made three weeks ago? The director was appointed on 30 October, and now legislation has been introduced to abolish and readvertise his position. I want the Attorney to reply to that issue. I give notice that if his reply is not satisfactory, the matter will be raised and debated in the Legislative Council. It is appropriate to raise such issues, which have not been addressed in the Minister's second reading speech. I await the Minister's reply.

The Law and Justice Foundation Bill has been suddenly brought to the Parliament. The bill is not opposed, but the Coalition reserve its rights, subject to these matters being resolved. I raised with the Law Society and the Bar Association their concerns about the six nominees. I am not sure whether other organisations have definitive views they would like put to the Government. The Coalition will put any concerns that organisations raise, if we consider them to be appropriate. I again draw the Minister's attention to the Director of the Law and Justice Foundation, who was appointed on 30 October. Clause 7 of schedule 3, Termination of appointment of Director, states:

A person who held office as Director ... of the former Law Foundation immediately before the repeal of the 1979 Act:

- (a) ceases to hold that office, and
- (b) is not entitled to any remuneration or compensation because of the loss of that office, and
- (c) is eligible to be appointed as Director of the Foundation under this Act.

As set out in clause 7 of schedule 3, the man appointed three weeks ago is now sacked without rights of compensation. We await the Minister's reply on this and other matters I have raised. As I said, the Opposition reserves its rights in the Legislative Council if the Minister's reply is not satisfactory.

Mr DEBUS (Blue Mountains—Attorney General, Minister for the Environment, Minister for Emergency Services, Minister for Corrective Services, and Minister Assisting the Premier on the Arts) [12.50 p.m.], in reply: The second reading speech adequately sets out the reasons for the changes introduced in the legislation. The organisation has my active support and adoration. It is one that will function more effectively under the new legislation. It is worth reiterating that the legislation reflects the wishes of the board that will retire. It reflects a very great deal of consultation between all the bodies that have been most interested in the Law Foundation.

The reason the bill requires both the Law Society and the Bar Association to submit six names is that in view of the specialised nature of this body and the requirement for members to have special expertise, it is appropriate that there should be a broader panel than is the case for many of the other bodies to which the two peak organisations within the legal profession make nominations in the general course of events. During discussion about representation on the board of which I was a part, a not insignificant number of members of the legal profession, including those quite closely associated with the Law Foundation, questioned whether either the Law Society or the Bar Association should in all the circumstances be given the right to nominate members at all.

I thought it was appropriate that they should be able to nominate members, but on the other hand it is also appropriate that there be a broader range of individuals with a wider range of specialist expertise available amongst those nominees from which the Attorney General may appoint a panel. The bill does not impede the reappointment of Mr Mulherin as chief executive. It is a matter for the new board. The existing board was on

notice of the provisions within the bill, and it made no objection to them. But it is important to emphasise that the bill in no way impedes the rapid reappointment of Mr Mulherin, should that be the wish of the board. I commend the bill.

Motion agreed to.

Bill read a second time and passed through remaining stages.

LAW REFORM (MISCELLANEOUS PROVISIONS) AMENDMENT BILL

Second Reading

Debate resumed from 17 November.

Mr HARTCHER (Gosford) [12.53 p.m.]: The bill relates to the decision of the High Court in *Astley v. Austrust* (1999) 73 ALJR 403. The High Court ruled that where a party sued in contract it was not possible to reduce the amount of damages on the basis of contributory negligence. Had the same party sued in tort it would have been possible to reduce the damages on the basis of contributory negligence. That is a ruling in relation to common law, and it is essentially consistent with the principles of the common law. Contract law has never allowed for contributory negligence. Initially the common law never allowed for contributory negligence in tort, either. An amendment was passed in the 1940s to allow it to be pleaded as a reduction in the amount of damages in tort.

The same problem is now arising in the law of contract as a result of the decision of the High Court. The United Kingdom has enacted legislation to overcome a similar difficulty in the common law in the United Kingdom. Other States of Australia have also enacted similar legislation. The bill is not opposed by us on that basis. It is a fairly sensible reform. The Coalition parties are conscious of the fact that this is legislative reform to the common law that has been made in other jurisdictions. However, I draw the attention of the House to and express my concern about the element of retrospectivity contained in the bill. The bill provides that the amendments concerning contributory negligence will operate retrospectively. New schedule 1 (3) (1) states:

Subject to subclause (2), the amendments to this Act made by the amending Act are taken to apply to wrongs that occurred before the commencement of those amendments as if those amendments had been in force when the wrong occurred.

In other words the bill is retrospective. The retrospectivity is then qualified in new schedule 1 (3) (2):

This Act, as in force immediately before the commencement of the amendments made by the amending Act, continues to apply to a wrong which:

- (a) a court has, before that commencement, given judgment or made a decision (including a judgment or decision about liability only), whether or not an appeal has been made against that judgment or decision, or
- (b) the persons responsible for the damage have, before that commencement, entered into an agreement to settle claims arising from the wrong (including an agreement about liability only).

On my reading of it, if the case is proceeding this legislation will apply. I do not know that that is the desired result, and it needs to be addressed by the Attorney. Anyone who presently has a case before the courts will be caught by the legislation, which has clear retrospective operation assured through new schedule 1 (3). The only way that is not caught by the retrospectivity is if judgment has been given or a decision has been made. If the case is part heard or if the case is finished, all the evidence has been taken and the case is awaiting judgment, it could be caught up in the retrospective aspect of the legislation. That is not academic, because representation has been made to me by a barrister who currently has a case that he believes could be caught by the legislation. It would be neither desirable nor fair to parties who conduct litigation on the basis of law to change the law suddenly before judgment is given. I would like the Attorney to address that matter in his reply.

I serve notice that if his reply is not satisfactory the Coalition parties, although we do not oppose the legislation in the Legislative Assembly, will reserve our right to raise the matter in the Legislative Council. I am sure a number of the crossbenchers will support our concern. They would be expected to support any amendment that sought to redress the injustice that new schedule 1 (3) can create. I am not sure if I am reading it correctly, nor am I pretending to give an expert legal opinion. But it would be unfair if one had run a court case and was awaiting judgment or was part heard in the court case to suddenly find this legislation changing the nature of the court case. It is fair enough if the action has not been commenced. Obviously, that is not an unfair application of retrospectivity, but to apply that provision to current cases would be extremely unjust. Although we do not oppose the bill, I would like the Attorney's reply on that matter.

Mr DEBUS (Blue Mountains—Attorney General, Minister for the Environment, Minister for Emergency Services, Minister for Corrective Services, and Minister Assisting the Premier on the Arts) [12.58 p.m.], in reply: The honourable member for Gosford has raised a significant point. We are dealing with a model bill which, I understand, has already passed through a number of other legislatures around the country. To ensure the highest possible level of clarity it might be appropriate if I were to wait to move to the final procedural stages of the bill in this House until later in the day so that I may make a clear response to the legitimately raised point of the honourable member. I propose to adjourn the debate and to complete it in a formal sense later in the day.

Motion agreed to.

Bill read a second time.

UNIVERSITY OF WESTERN SYDNEY AMENDMENT BILL

Bill introduced and read a first time.

Second Reading

Mr AQUILINA (Riverstone—Minister for Education and Training) [1.00 p.m.]: I move:

That this bill be now read a second time.

The University of Western Sydney [UWS] has now come of age. The bill takes the next step in the evolution of the university, changing it from a federated structure to a unitary structure. Honourable members would be aware of my long and deep commitment to the University of Western Sydney. I have been a major supporter of the university since its creation in 1989, both as a western Sydney member of Parliament and, more recently, as Minister for Education and Training. Over the past 11 years the University of Western Sydney has provided tremendous opportunities for students throughout the greater west to access higher education, opportunities that simply did not exist for young people, for women and for mature age students prior to putting a university in their own back yard.

In 1997 when the University of Western Sydney Bill was being debated, I reflected on my own experience of growing up in western Sydney. I have lived in western Sydney since I was 12. When I finished school there was no access to higher education, and little expectation that students from western Sydney would go on to higher education. It required an extra level of commitment to travel into the city to access educational opportunities which today many take for granted. Today students in western Sydney can take for granted the opportunity to earn a degree, to conduct research, to learn, explore and grow because of the success of the University of Western Sydney. The University of Western Sydney has cemented its reputation as a leading university in New South Wales, across Australia and internationally.

The university has now come to maturity as an institution of higher learning, something of which it and its students can be proud and of which I, as Minister and friend of the university, am proud. When the university was formed in 1989, it was created as a federated network of members. Three former Colleges of Advanced Education became the University of Western Sydney, Hawkesbury; the University of Western Sydney, Macarthur; and the University of Western Sydney, Nepean. This structure, a legacy of history, has come under increasing pressure in recent years. The structure ensured three of everything: three university councils, three chief executives, three administrative structures and three different sets of academic rules. It tended to promote competition, rather than collaboration between the members of the university. This has been to the detriment of students and the university as a whole.

Originally, each member of the federation had a great deal of autonomy. The co-ordinating functions of office of the vice-chancellor originally did not even exist at the university. In 1995, one member—the University of Western Sydney, Nepean—sought to secede to gain even greater autonomy. This led to a review process on the structural changes necessary to secure the future viability of the university. The result of extensive consultation within the university and throughout the community was the University of Western Sydney Act 1997. The 1997 legislation went part of the way: it retained the federation, strengthened the central co-ordination, and broadened the representation of the governing board of the university. However, since 1997, there have been further pressures on the federated structure.

Commonwealth Government funding cuts have left all universities in Australia with a bleak funding outlook. Over the past few years, the proportion of Commonwealth revenue to the University of Western Sydney has been falling, even while student numbers have been rising. Universities with federated structures faced a particularly pressing need to reform their structures to better deliver services to their students. Charles Sturt University moved from a federated structure to a unitary structure in late 1998, itself under pressure from funding cuts. Left with a burdensome and inefficient administrative structure, the board of trustees in 1998 requested the vice-chancellor, Professor Jan Reid, to review the university's administrative and governance structures.

On the basis of this internal review and extensive consultations with staff, students and regional communities, the board of trustees produced "The Shape of the Future: A Structure for UWS in the 21st Century". "The Shape of the Future" is the blueprint for a new, stronger, better University of Western Sydney. While the cumbersome administrative structures were alone a solid foundation for change, there was further impetus for a move to a unitary structure. In October 1999, the Auditor-General issued the findings of his performance audit of the University of Western Sydney. The audit opinion states:

The Audit Office is of the opinion that cost of administration at the University is unnecessarily high and could be reduced. In addition, its approach to administration can place barriers in the way of potential students and other users of the University.

To its credit, the University has recognised that administrative costs are high and is developing plans to reduce these costs. The Audit Office considers that there is now an urgent need to accelerate those activities and move from planning to implementation. Further delays will be costly and will affect the service the University provides to its customers, the students and other users.

The Auditor-General was unequivocal in his views that the university needed reform. The vice-chancellor and the board of trustees, to their tremendous credit, have championed the process of implementing reform over the past two years. The reforms contained in "The Shape of the Future" are vital to the ongoing success of the university: removing triplication of administrative and academic support structures by moving from a federated structure to a unitary structure; organising academic disciplines in university-wide colleges to provide better access to subjects and a more effective research effort; and a single, central, administrative structure accountable to the vice-chancellor and the board of trustees. The management and administrative reform is already well under way, but the governance structures of the university now need to be reformed as well. This bill will do just that: put in place the final plank in strengthening the University of Western Sydney.

I turn now to the specific provisions contained in this bill. The bill provides for a new structure that retains the existing six campuses at Bankstown, Blacktown, Campbelltown, Hawkesbury, Parramatta, and Penrith. These campuses are named after key local government areas of greater western Sydney which the university is already serving. The current binary structure of governance that comprises a university and university members should be abolished. Accordingly, the bill removes reference to university members, councils of university members, the chairs of those councils, and the chief executive officers, principal executive officers, of university members.

The focus of the new structure is the university's academic organisation, with a unified university in place of a network of three quasi-autonomous members with subregional identities. The unified structure provided for in the bill will engender an interactive network of UWS campuses that extends across all of greater western Sydney. The bill also provides for the trustees to appoint two deputy-chancellors in place of the current three—one deputy-chancellor for each of the three member councils of the university created under the 1997 legislation. As the bill will abolish the member councils, the number of deputy-chancellors that the new unitary structure required has diminished. The decision to appoint two deputy-chancellors followed the vice-chancellor's assessment of the workload associated with the leadership of the board of trustees and coverage of the whole range of functions across UWS's six campuses.

The university's links with the community it serves are one of its real advantages. Progress that the UWS has made in forging these links has been outstanding and their benefits to greater western Sydney have been immeasurable. The contribution that UWS made to the joint TAFE and senior secondary schools campus at Nirimba, Blacktown, is but one example. The UWS partnership at Nirimba has provided opportunities and encouragement for western Sydney students at local TAFE colleges and schools to access a university education that would have been otherwise denied them for reasons of distance and other related factors.

The Government considers representation of persons on the board of trustees of the university who have an interest in greater western Sydney and its development or an interest in the students or other clients of the university to be of paramount importance. One section of the greater western Sydney community, which in

the past has been underrepresented in our universities, is the Aboriginal and Torres Strait Islander community. The UWS is committed to reconciliation with Aboriginal and Torres Strait Islander people. Through the development of higher education entry pathways and support for indigenous students, the university is assisting this process.

The UWS is an education institution that shares with the Australian community the cultures, languages, history, and contemporary experiences of Australia's indigenous people. To further the goals the university is committed to co-opting Aboriginal and Torres Strait Islander representation to the board of trustees. The current UWS Act allows the board to co-opt one additional person who is not a student or member of staff of the university. This bill proposes to increase these positions to two. The UWS trustees plan to appoint one of these persons to represent the interests of the indigenous community. The actual number of the 17-member board of trustees remains unchanged.

Change is never easy to effect. I take this opportunity to pay tribute to Chancellor Sir Ian Turbott and Vice-Chancellor Professor Jan Reid for their dedication and commitment to the university and its success. The chancellor and vice-chancellor have worked tirelessly for the past two years to bring the university community with them on these essential changes. On this special occasion I pay tribute to and honour Sir Ian Turbott, the foundation chancellor of UWS. Sir Ian retires as chancellor at the end of this year. For many years I have been a great admirer of Sir Ian's dedication to the people of western Sydney. His heart has been set on ensuring that the University of Western Sydney becomes the great institution it is today. For that he can take much personal credit. I am sure that all members would join with me in thanking Sir Ian for his hard work and advocacy, and wish him all the very best for the future.

I take this opportunity to assure members that the best interests of the students and staff of the university have been and are at the heart of these changes. In relation to staffing, the university has been working closely with the National Tertiary Education Union and the Community and Public Sector Union to produce an agreement on staffing under the new structure. Wherever possible, any displaced staff members will be redeployed. Vacant positions will not be advertised externally unless the requisite skills are not available within the university.

I am convinced that the university has gone to great lengths to do the best thing by its staff. For its students, the university will actually free up funds currently tied up in triplication of administrative structures. Savings will be reinvested in the academic programs of the university to better benefit the people of western Sydney. The changes in this bill are essential for the university's long-term future. I am pleased that the university has taken these steps. It has not been an easy two years. This bill will remove barriers to an even better University of Western Sydney, and I commend it to the House.

Debate adjourned on motion by Mr R. H. L. Smith.

[Mr Acting-Speaker (Mr Lynch) left the chair at 1.15 p.m. The House resumed at 2.15 p.m.]

MINISTRY

Mr CARR: I advise honourable members that in the absence of the Minister for Small Business, the Minister for Local Government will answer questions on her behalf. In the absence of the Minister for Health, I will answer questions on his behalf.

PETITIONS

North Head Quarantine Station

Petition praying that the head lease proposal for North Head Quarantine Station be opposed, received from **Mr Barr**.

Willoughby Paddocks Rezoning

Petition praying that the Legislative Assembly will advocate for the retention of all vacant land in the area historically known as the Willoughby Paddocks and its development as public parkland for the enjoyment of the community, received from **Mr Collins**.

McDonald's Moore Park Restaurant

Petition praying for opposition to the construction of a McDonald's restaurant on Moore Park, received from **Ms Moore**.

State Environmental Planning Policy No. 5

Petition praying that a moratorium be placed on State Environmental Planning Policy No. 5, received from **Mr O'Farrell**.

State Taxes

Petitions praying that the Carr Government establish a public inquiry into State taxes, with the objective of reducing the tax burden and creating a sustainable environment for employment and investment in New South Wales, received from **Mr Debnam** and **Mr Maguire**.

Cronulla Police Station Upgrading

Petition praying that the House restores to Cronulla a fully functioning police patrol and upgrades the police station, received from **Mr Kerr**.

Eastern Suburbs Police and Community Youth Club Closure

Petition praying that the House stops the Board of the Police and Community Youth Club New South Wales Ltd from closing and selling the Eastern Suburbs Police and Community Youth Club, received from **Ms Moore**.

Newtown Police and Community Youth Club Closure

Petition praying that the House ensures that the Newtown Police and Community Youth Club is not sold and is re-established as a viable centre, received from **Dr Refshauge**.

Kings Cross Policing

Petition praying for increased police presence in the Kings Cross area, received from **Ms Moore**.

Surry Hills Policing

Petition praying for increased police presence in the Surry Hills area, received from **Ms Moore**.

East Sydney and Darlinghurst Policing

Petition praying for increased police presence in the East Sydney and Darlinghurst areas, received from **Ms Moore**.

Malabar Policing

Petition praying that the House note the concern of Malabar residents at the closure of Malabar Police Station and praying that the station be reopened and staffed by locally based and led police, received from **Mr Tink**.

Randwick Police Station Downgrading

Petition praying that the House note the concern of Randwick residents at the major downgrading and possible closure of Randwick Police Station and praying that the station be staffed 24 hours a day by locally based and led police, received from **Mr Tink**.

Orange Police Station Upgrade

Petition praying that consideration be given to the upgrading of Orange police station from category three to category two, received from **Mr R. W. Turner**.

Manly Hospital Paediatric Services

Petition expressing concern at the decision of the Northern Sydney Area Health Service to discontinue paediatric services at Manly Hospital and praying that full services at Manly Hospital be maintained, received from **Mr Barr**.

Northside Storage Tunnel Gas Emissions

Petition praying for the installation of an acceptable system to address health risks associated with the discharge of sewage gases from the northside storage tunnel, received from **Mr Collins**.

Coffs Harbour Health Services Funding

Petition praying for increased funding for health services in the Coffs Harbour area and a reduction in surgery waiting lists, received from **Mr Fraser**.

Genetically Engineered Food

Petition praying that the House suspends the commercial release and trials of genetically engineered crops, supports the implementation of mandatory labelling of food derived from genetic engineering and funds independent scientific research to investigate the potential risks to health and the environment, received from **Ms Moore**.

Canley Vale Public School Facilities

Petition praying that the House considers the commencement of a major capital works program at Canley Vale Public School, received from **Ms Meagher**.

Non-government Schools Funding

Petition praying that the Government reimburse the \$5 million in funding that has been withdrawn from non-government schools and reverse its decision to withdraw a further \$13.5 million in funding in 2001, received from **Mr Richardson**.

Tumut Regional Roads Upgrade

Petitions praying that regional roads in the Tumut area be upgraded and that a regional roads summit be conducted, received from **Ms Hodgkinson, Mr Piccoli and Mr Webb**.

Windsor Road Upgrading

Petitions praying that Windsor Road be upgraded and widened within the next two financial years, received from **Mr Merton, Mr Richardson and Mr Rozzoli**.

Moore Park Passive Recreation

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

Moore Park Light Rail

Petition praying that consideration be given to the construction of a light rail transport system for Moore Park, received from **Ms Moore**.

Surry Hills Clearway Restrictions

Petition praying that the clearway restrictions on Albion, Fitzroy and Foveaux streets, Surry Hills, introduced by the Roads and Traffic Authority, be removed, received from **Ms Moore**.

South Dowling Street Traffic Management

Petition praying that the Roads and Traffic Authority investigates all possible traffic management options and implements measures to restore residential amenity and safety to South Dowling Street between Flinders and Oxford streets, received from **Ms Moore**.

M5 East Tunnel Ventilation System

Petition praying that the Government review the design of the ventilation system for the M5 East tunnel and immediately install filtration equipment to treat particulate matter and other pollutants, received from **Mr J. H. Turner**.

Old-growth Forests Protection

Petition praying that consideration be given to the permanent protection of old-growth forests and all other areas of high conservation value, and to the implementation of tree planting strategies, received from **Ms Moore**.

John Fisher Park

Petition praying that the Government supports the rectification of grass surfaces at John Fisher Park, Curl Curl, and opposes any proposal to hard surface the Crown land portion of the park and Abbott Road Land, received from **Mr Barr**.

Wagga Wagga Electorate Fruit Fly Campaign

Petition praying that the Government resources the Fruit Fly Campaign for the years 2000, 2001, 2002 and 2003, upgrades the Wagga Wagga electorate to a fruit fly control zone, and develops and implements a fruit fly strategy to eliminate fruit fly from the electorate within the next five years, received from **Mr Maquire**.

Animal Experimentation

Petition praying that the practice of supplying stray animals to universities and research institutions for experimentation be opposed, received from **Ms Moore**.

Animal Vivisection

Petition praying that the House will totally and unconditionally abolish animal vivisection on scientific, medical and ethical grounds, and that a new system be introduced whereby veterinary students are apprenticed to practising veterinary surgeons, received from **Ms Moore**.

Freedom of Religion

Petition praying that the House rejects proposals to reform the Anti-Discrimination Act which would detract from the exercise of freedom of religion, received from **Mr Brown**.

Guy Fawkes River National Park Animal Slaughter

Petition praying that the Minister for the Environment discloses to the public all findings, information and submissions relating to the inquiry into the inhumane and barbaric slaughter of brumbies in the Guy Fawkes River National Park by the National Parks and Wildlife Service, ensures that the NPWS is accountable for its actions in this matter and ensures that culling of this nature will not be inflicted on any animal in the future, received from **Mr Fraser**.

White City Site Rezoning Proposal

Petition praying that any rezoning of the White City site be opposed, received from **Ms Moore**.

QUESTIONS WITHOUT NOTICE

POLICE STATION CLOSURES

Mrs CHIKAROVSKI: My question is directed to the Premier. Does the Premier recall giving a guarantee that all police stations closed for the Olympics would be re-opened after the Games and returned to existing strength? How does he account for the fact that four of the 13 police stations closed in the metropolitan area—including those at Petersham, Broadway and Fivedock—are still not operational more than 50 days after the Olympics have finished and nearly a month after the Paralympics have finished?

Mr CARR: I was asked the same question weeks ago. We live in an age of recycling, but recycling questions asked a month ago at question time is a bit rich. You will have to work harder than that to prove your green credentials!

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

REGIONAL FLOODING

Mr HICKEY: My question is to the Premier. In light of the Premier's second visit to flood-affected areas, what is the latest information on the situation?

Mr CARR: This morning I travelled to Narrabri to inspect flood damage in the State's north-west. At regional headquarters I met State Emergency Service Divisional Controller, Neville Clark, and was briefed on the work of the State Emergency Service and other volunteers during the night. Neville Clark advised that State Emergency Service workers, the Rural Fire Service and other volunteers—this is a remarkable achievement—have filled and placed no fewer than 15,000 sandbags in Narrabri. Even with the sandbag machines, that is an extraordinary—indeed, a back-breaking—performance. I saw them there, placed in the main street. The water had not reached the main street and, with a bit of luck, it will not. But sandbags were there, in the entrance to retail outlets in anticipation of the flood reaching the peak. By mid-morning there had been hopeful signs that it would not do so.

Let us continue to hope for the best on the weather front. I toured flooded areas with SES workers calling on shopkeepers and families, with floodwaters literally lapping below their floorboards. As I said, the weather has stayed fine. Many homes and businesses are threatened, but the township of Narrabri is breathing a sigh of relief. On Tuesday in this House we discussed the efforts of workers from the Department of Community Services [DOCS]. I report to the Minister that the DOCS presence is admirable; they are there. In the disaster recovery centre I met DOCS people working hand in glove with the Salvos, Red Cross and Seventh Day Adventists. That is a great example of non-government organisations working with the DOCS people.

I have always said that in emergencies the DOCS workers are out in the field looking for opportunities to give assistance to people; they are not waiting in some remote position to be called on, to receive submissions. That is very admirable. In Narrabri I spoke with Peter Olney, the manager of emergency services, who is co-ordinating the emergency relief effort in that region. The emergency services are processing the requests as they get them. An estimated 35 per cent of the State is now affected by floods. More than 500 people have been evacuated from their homes to alternative accommodation. A premature baby, who was born only yesterday at a property in the north-west, has been airlifted to Westmead Children's Hospital.

The SES, the Rural Fire Service, DOCS workers, hundreds of volunteers, people from aid organisations and people from non-government organisations are doing an outstanding job for flood-affected families and businesses. Tomorrow I will meet with the New South Wales Farmers Association, the Deputy Prime Minister, John Anderson, and the major banks to discuss the full range of flood assistance measures available to stricken communities. It must be noted that the farmers who have lost so much in this flood—the loss of winter crops, and dwindling prospects for the next—are farming some of the State's most viable enterprises. As the honourable member for Tamworth has said, these are well-run businesses.

With one-third of the State underwater, grain crops destroyed and stock drowned, this flood represents a disaster for farming families. It is not only the presence of the flood but also the impact of that heavy continuous rain that has caused problems. The fine weather has given limited relief but many communities are still under imminent threat as the floodwaters move, largely unpredictably. The New South Wales Government has today extended the natural disaster declaration to cover the shires of Cabonne, Moree and Bogan. And there is scope for further extensions. I am confident that all we can do now is being done. My Government remains prepared to provide needed assistance over coming weeks and months.

REGIONAL FLOODING ASSISTANCE

Mr SOURIS: My question is directed to the Premier. Following his previous answer and his second visit to inspect the extent of flood and rain damage to crops and infrastructure in the north-west of the State, is he still not satisfied that cash grants are essential if the grain belt of New South Wales can continue to farm?

Mr CARR: That is precisely why I have convened the meeting that I will attend tomorrow morning.

POLICE TARGET ACTION GROUPS

Mr NEWELL: My question without notice is to the Minister for Police. What is the Government's next stage in its plans to target crime?

Mr WHELAN: I commend the honourable member for Tweed for his continued interest in policing. A little later in my answer I will give an indication for not only his benefit but for the benefit of all honourable members who have electorates northwards from Port Macquarie about the effect of policing in New South Wales. At dawn yesterday heavily armed police swooped on six Newcastle premises, seizing heroin and arresting seven people on drug and other charges. The raid followed a similar operation on Monday when more than 16 kilograms of heroin, with a street value of \$16 million, and illegal firearms were seized.

These daring dawn raids were assisted by the Hunter region's target action group—that is, the Hunter region flying squad. Newcastle's raid is a great example of what is being achieved by the crack flying squads across the State—and putting a flying squad into every police region across the State was a key Government commitment before the 1999 election. I am happy to advise the House that that commitment is becoming a reality. Across the State, 400 police are being committed to the special flying squads. Criminals frequently change tactics; they are more mobile and savvy than ever. But one thing does not change: the determination of the New South Wales Police Service to stay one step ahead.

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

Mr WHELAN: Police must be more flexible, more mobile and equipped with the latest technology—and those flying squads do just that. They are trained officers who will support local police to crack down on violence, drug and property crime, antisocial behaviour and public disorder. Thus far, the Police Service has formed five special mobile flying squads, with another six to come on line within months.

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

Mr WHELAN: The squads will not only hit crime where it is worst, but where crime is emerging. In each region, of which there are 11, the flying squads are known as Target Action Groups [TAGs]. Every flying squad is proactive, basing its actions on the very best of local intelligence. If a car theft racket emerges in the Hunter, the TAGs will be there. If there is a rash of break and enter offences in the Tweed, the TAGs will be there. If criminal gangs move from Tweed Heads to Tamworth, they will be tracked. Each of the 11 police regions throughout the State will have at least one Target Action Group. As I said, 400 police will be broken into units of more than 20 officers to blitz crime where it is worst. So far, TAG teams have been allocated to five regions: Endeavour, south-eastern, the Hunter, city eastern and northern.

By the end of December police expect to allocate teams to the north metropolitan, Georges River and western regions. By early next year the Southern Rivers, the greater Sydney and Macquarie regions will come on line. The flying squads are already having a dramatic impact. Their aim is to provide a highly visible police presence, using intelligence to target local crime, with the capacity to conduct covert operations. In other regions where TAG teams have been operating the results speak for themselves. As I indicated to the honourable member for Tweed, the northern region squad with 26 officers was established in June under the command of Peter Walsh through the advice of the six local area commands. The squad has made property crime, and its link to drug dealing, a key priority. The team is working with pawnbrokers and second-hand dealers in targeting repeat offenders, repeat victims and repeat crime locations, all based on local intelligence.

Mr J. H. Turner: What about car crime and ram raids?

Mr WHELAN: The honourable member would be interested to know that the squads have made 544 arrests, laid 1,352 charges and had 207 convictions. The squads have been involved in 42 covert operations. A bit closer to home, in the Endeavour region 44 officers targeting break and enter, serial robbery offences and mid-level drug crime have arrested 108 people, laid 270 charges and already had 31 convictions. In the south-eastern region, 26 officers are targeting street-level drug offences and public order management. That team has arrested 140 people and laid 278 charges. In the Hunter, the team of 31 officers has arrested 121 people, laid 407 charges, and had 12 convictions, which does not include last night's operation.

In the city east region, the 40-officer team includes bike squads and uniform and plain-clothes officers who are targeting property offences, break and enter, and drug dealing. So far they have arrested 367 people and laid 706 charges. The Government put aside about \$1 million to set up the squads, including property fit-out where required and extra policing equipment. The Government is committed to giving police the resources they need to do their job. And we are committed to giving the people of this State the most mobile, intelligence-based policing teams available. The Government and all its members have full and complete faith and trust in the hard-working men and women of the New South Wales Police Service. Again, I make a plea in this House for support from the Opposition for the New South Wales Police Service.

CHILD MURDERS

Mr HAZZARD: My question is directed to the Premier. Why has the Premier not kept his 1995 promise to publish details of all cases where murdered children have been previously notified to the Department of Community Services [DOCS]? I refer to the case of four-year-old Jessica Gallacher, who was stabbed and scalded to death, even though concerned relatives had notified DOCS on numerous occasions—they pleaded for help from his Government to save the child's life.

Mr CARR: This is a tragic case concerning the death of a four-year old girl. Murder charges were laid and the Supreme Court today handed down judgment. I am advised that Justice Graham Barr found that the accused was not guilty by reason of mental illness. The court has ordered that the accused be detained and referred to the Mental Health Tribunal. This means that he will never be released unless the Mental Health Tribunal can be satisfied that the safety of any member of the public will not be jeopardised. A number of agencies are currently inquiring into the circumstances of this case, including the Coroner, the Child Death Review Team—the independent monitor in this area—and the Community Services Commission.

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

Mr CARR: It would be inappropriate for me to comment further on this case before these inquiries are completed.

Mr SPEAKER: Order! I call the honourable member for Hornsby to order for the second time. He should not interject while the Premier is providing an answer to the House. If he wants to ask a question he should seek the call.

LOCAL GOVERNMENT FINANCIAL RESPONSIBILITY

Mr PRICE: My question without notice is to the Minister for Local Government. What is the Government's response to recent concerns about the financial situation of New South Wales local councils?

Mr WOODS: Every year the State's 173 local councils are required to provide a full copy of their audited financial statements to the Department of Local Government. Those submissions had to be lodged by 7 November—16 days ago. The Department of Local Government and I agree that nine councils have failed the test of financial responsibility. The Director-General of the Department of Local Government, Mr Garry Payne, has officially written as a matter of urgency to those councils demanding they explain their financial position. Mr Payne has also asked them to detail how they planned to fix their financial problems. The Department of Local Government advises that more councils could be added to this list as more financial reports are further analysed.

Those nine councils, which are spread across the State, have a combined population of almost 180,000. The situation of the nine varies from poor to extremely serious. Their financial position will threaten the capacity of some councils to deliver basic services to their communities, such as garbage collection and road maintenance. Residents and ratepayers have a right to know why their councils are in this position. Honourable members will be saddened to hear that those councils, comprising 77 councillors, are Mosman Municipal Council, Warringah Council, Brewarrina Shire Council, Holbrook Shire Council, Goulburn City Council, Nundle Shire Council, Deniliquin Council, Merriwa Shire Council and Copmanhurst Shire Council. I await their explanations and proposals for recovery. I have previously warned councils of the possible outcome of poor financial administration.

I congratulate council auditors on their part in exposing these issues. The auditors provide advice to their clients—the councils—that the councils may not want to hear. The auditors' efforts, combined with monitoring by my department, have served to highlight those councils which have not resolved problems as they arise. It gives me no pleasure to do so, but two councils have been dismissed in this term, and I will not hesitate to pursue that option with other councils if it proves necessary. Make no mistake, local councillors are dealing with millions of dollars that are provided by hard-working families and businesses. Residents and ratepayers have a right to know how the councillors have put their ratepayers in this position. How have the councillors spent the money? I realise that some of these councils are currently experiencing flood devastation, but these financial statements cover the previous financial year.

The financial concerns that have been highlighted include councils not providing for workers' entitlements, such as leave. If called on to pay these amounts, the councils would need to cut services or further

borrow money. Some councils are using specific funds, such as section 94 developer contributions or water and sewerage funds, to carry out the day-to-day operation of the council. There are also cases of serious expenditure and waste. For example, I am advised that the General Manager of Warringah Council, Dennis Smith, travelled to the United States of America to seek solutions to the council's financial problems. What did he discover? He discovered that turning the lights out at night reduces the power bill. He went overseas to discover that! Warringah Council has an operating deficit of \$11 million—that is \$83 for every man, woman and child in the area. That follows a 22 per cent blow out in expenses from \$76 million to \$92 million. The auditor found that Warringah Council's cash reserves are not enough to cover possible retirement of staff.

Mosman Municipal Council does not have sufficient current assets to fund current liabilities. If loans and creditors considered by the council as current had to be paid at the balance date, the council would be unable to make payments without taking out additional loans or selling assets. Deniliquin Council, in the south of the State, is in such bad shape that I understand it is considering placing a ban on fixing potholes and replacing bitumen road with gravel. Like some of the other councils, Deniliquin Council has limited reserves to pay for employee leave entitlements. In my electorate of Clarence, Copmanhurst Shire Council has no reserves at all to replace old plant and equipment, such as trucks and graders. Holbrook Shire Council, in the south of the State, would have to increase its operating revenue by 42 per cent, or \$1.3 million, to cover its expenditure. The population in that shire is only 2,600. In the Upper Hunter, the shire of Merriwa, with a population of 2,330, has no cash reserves to finance employee leave entitlements or plants and infrastructure assets. The council's auditor has identified that the council needs to raise \$660,000 in working capital to meet its short-term day-to-day commitments. That is \$283 for every man, woman and child in that local area.

I have consistently emphasised at local government conferences that councillors must understand their financial position and responsibilities and they must be in a position to convey a true position to their ratepayers. Councillors must realise that they are using ratepayer funds and that they must use them well. It has been put to me by some councillors that they do not understand their financial position. That is simply not an acceptable position. They were elected to manage public funds. It is therefore up to them to ensure that they have a firm hand on their councils' financial position. I assure honourable members that the Department of Local Government will maintain the pressure on councils and their financial performance. This should serve as a warning to councils that have not acted to get their house in order.

HONOURABLE MEMBER FOR FAIRFIELD SEXUAL ASSAULT ALLEGATION

Ms SEATON: My question is directed to the Minister for Police. Will the Minister explain why investigating police ignored police policy and failed to immediately refer the young woman allegedly sexually assaulted by the member for Fairfield to sexual assault services for support and counselling? How often are these official protocols ignored?

Mr WHELAN: As the honourable member for Southern Highlands knows, this is a matter for police investigation. I have been asked a detailed question on that issue before. I have already answered a question in relation to that issue. If honourable members look at *Hansard* they will see that the question has already been answered.

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

COALITION POKER MACHINE CASHBACK POLICY

Mr THOMPSON: My question without notice is to the Premier. What is the Government's response to community concerns about proposals to increase taxes and cut poker machine numbers?

Mr CARR: We are approaching that magic time of year, early December, when the Liberal Party thinks about leadership. Anniversary time is coming around.

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

Mr CARR: Honourable members will remember nearly two years ago, the last bells were ringing—

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

Mr CARR: The last bells were ringing, and the Opposition was into stabbing its leader. A two-year anniversary is time—

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

Mr CARR: A two-year anniversary—

Mr SPEAKER: Order! The Government Whip and the manager of Opposition business will dispose of their business as quickly as possible. Opposition members will cease conversing.

Mr CARR: Mr Speaker—

Mr SPEAKER: I place the Deputy Leader of the Opposition on three calls to order.

Mr CARR: Last week we heard about the Opposition's plans for cashback. It was the Opposition's first policy in two years. Its first policy since the 1999 State election is to abolish cashback.

Mr Merton: Yes, that's right.

Mr CARR: The honourable member for Baulkham Hills said, "That's right." Today we learn of the Opposition's second policy, cashback for pubs and clubs. What a remarkable bit of policy work. Before we come to the detail of what the Opposition has announced—

Mr Oakeshott: Point of order: What the Premier could explain is why the Minister for Gaming and Racing is at the Taree races today rather than in the Parliament to put his policy on the table.

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

Mr CARR: Mr Speaker—

Mr SPEAKER: Order! I have called the honourable member for Myall Lakes to order on three occasions and he has continued to interject. I ask the Serjeant-at-Arms to remove him.

[The honourable member for Myall Lakes left the Chamber, accompanied by the Serjeant-at-Arms.]

Mr CARR: The Deputy Leader of the Opposition said this: "We've sort of set ourselves a timetable for the end of the year to get some bits and pieces together." That is policy development. The Opposition has cobbled together some bits and pieces. Here we are, at the end of the year, and we have two policies from the Opposition: cashback for motorists to go, to make way for cashback for pubs and clubs. What the Opposition proposes in its policy—and bear in mind it is only the second policy it has got out in two years—is that taxes be raised, that taxes be increased for a cashback scheme for poker machines from pubs and clubs. There are 100,000 poker machines in New South Wales.

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

Mr CARR: Permits to operate poker machines in hotels are trading for \$200,000. To be conservative, let us assume that poker machines are worth, on average, only half of that. It will cost \$2 billion to buy back only 20 per cent of poker machines. Here is the Opposition's cashback policy. Cash back for machines, if one were to withdraw only 20 per cent of the machines, would cost no less than \$2 billion. The honourable member for Hornsby says, "We are going to increase taxes to take account of that." That is what the Opposition's policy says: taxes will rise to pay for the buying back of machines. Treasury advice is that to raise that amount of money there are three options. You raise payroll tax from 6.4 per cent to 9.6 per cent per year. That is option one. That is a tax increase that the honourable member for Hornsby—

Mr SPEAKER: Order! The honourable member for Gosford and the honourable member for Hornsby have been conversing for the past two minutes. If they want to discuss tactics, they should do so outside the Chamber. If they do not wish to do that, the honourable member for Gosford should resume his seat.

Mr Hartcher: I understand that. Point of order: The standing orders and the Speaker's rulings require that when newspaper articles are quoted they are verified by the person quoting them. They also need to be quoted properly and fairly rather than selectively.

Mr SPEAKER: Order! I ask the Premier to identify the newspaper report.

Mr CARR: It happens to be in a very reputable paper. What he is now asking me to do is to dwell on the report and get the details of the report. Am I reluctant to do that? Here we go. The report appears in a very reputable newspaper. The report has supporting quotes from the honourable member for Hornsby.

Mr O'Doherty: That's right.

Mr CARR: The honourable member for Hornsby is quoted in it. He says—

Mr O'Doherty: Point of order—

Mr CARR: 2GB is having a shake-up at the moment. They might have a place for him.

Mr O'Doherty: You wish, Bob, you wish. To assist the Premier, he might quote where I said that taxes will reduce. This is the biggest taxing Government in Australia. We will bring taxes down.

Mr CARR: The paper that apparently broke this diligent policy work wrote, "Tax hikes to cover costs of compensated pubs and clubs for removal of machines. Taxes to go up." The justification is that if you increase taxes to withdraw the machines there are savings down the track because you apparently spend less on counselling work for people with gambling problems. There it is, spelled out.

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

Mr CARR: Does that satisfy the honourable member for Gosford? To return to the cost of the policy proposal, yes, I am returning to taxes. First, payroll tax up from 6.4 per cent to 9.6 per cent. For one year that would give you the money to withdraw 20 per cent only of poker machines. Second, jack up motor vehicle registration duty on an average family car from \$750 to \$3,300. Remember how the Opposition tried to make land tax an issue at the last election, and there was a 5 per cent rise in the Labor vote in Vaucluse! They must have thought their member was an idiot. The third option is to triple the rate of land tax from 1.7 per cent to 5.1 per cent to give the \$2 billion required. That is the costing. Always go to shadow cabinet with your costing worked out.

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

Mr CARR: Raise taxes to buy back poker machines, set yourself a goal of 20 per cent to buy them back. You need \$2 billion. What taxes do you increase? That is the sample.

Mrs Chikarovski: Decrease Government expenditure.

Mr CARR: The Leader of the Opposition said you cut government expenditure to raise the money. This is what you have to do. Talk about making policy on the run! Take \$2 billion from government expenditure. Halt all country capital works? You would have the crossbenchers petrified.

Mrs Chikarovski: Point of order: It is now the third occasion on which I have taken this point of order, that is, that in this House we have come to expect that there should be at least some level of decency and honesty in replies from the Premier. We actually expect that there will be some honesty.

Mr SPEAKER: What is the point of order?

Mrs Chikarovski: We would like you to make sure the Premier tells the truth. Previously you have said to me that I cannot call him a liar. Rather than me accuse him of being a liar, I ask you to ask the Premier to tell the truth and make sure, when he supposedly responds to interjections, and that the truth of the interjection is acknowledged.

Mr SPEAKER: Order! The Leader of the Opposition has asked that the Chair ensure that all answers to questions asked in this House are always truthful. Having been a member of the House for some period of time, I am able to say that it would be difficult for the Chair to ensure compliance with such a request.

Mr CARR: We have established that the cost of their promise is \$2 billion. You either do what their policy paper canvases—increase taxation, and I have spelled out how that would have to happen—or you do as the Leader of the Opposition suggested and cut government spending, and this is what you would have to do.

Two billion dollars is a lot of money to find. It would mean closing all country capital works. Or it would mean closing the Police Service. Or it would mean scrapping all hospital building for a year. That is if you want to fund by compensation the buying back of \$2 billion worth of poker machines in New South Wales, which is 20 per cent. But that is not the entire cost!

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

Mr CARR: Because there is the loss of \$150 million in gaming revenue, and that is enough to build 10 high schools. No wonder this is the policy making that comes from the honourable member for Hornsby. Honourable members in this House will recall its policy-making at the last State election. My source for that—we come to the ever-popular book review segment of question time—is the Erskine May of the New South Wales Parliament, the book of precedents, sage observations and penetrating insights. Would you not think they would like to hear the literary work of a trusted colleague?

Mr Hazzard: Point of order: Quite apart from the unfair behaviour that goes on in this place, and quite apart from the tedious repetition—

Mr SPEAKER: What is the point of order?

Mr Hazzard: He is also not entitled to use props. You have previously directed that members should not use props in the Chamber. Sit him down and shut him up!

Mr SPEAKER: Order! There is no point of order. The House will come to order.

Mr CARR: Do you realise how hurt I am?

Mr Fraser: Point of order—

Mr SPEAKER: Order! The tolerance of the Chair is exhausted in relation to the taking of points of order.

Mr Fraser: I draw your attention yet again to Standing Order 105 which states that when a member rises to take a point of order the person speaking shall be seated and you will then rule on the point of order. Yet again the Premier ignores—

Mr SPEAKER: Order! The honourable member for Coffs Harbour will resume his seat.

Mr CARR: Whatever you say about him, the honourable member for Hornsby is a diligent policy maker. We saw that during the last State election. The reminder for it is the Collins book. I do not want to embarrass anyone by referring to it.

Mr O'Doherty: Would you like a copy of the policy?

Mr CARR: Yes. Throw out the line! We look at his record in policy making during the last election campaign, and he promised whopping pay increases for State teachers. But then he was caught up in electricity privatisation. As the honourable member for Willoughby observes in his book at page 317:

Generous salary handouts to the state's schoolteachers under Stephen O'Doherty's Education policy could not be funded without tax increases.

So any policy work from the honourable member for Hornsby wings its evil way back to tax increases: payroll tax, land tax, registration fees—the high tax end of the Liberal Party. That is what it is all about. Taxes to pay the cutback on pokies. It is pretty clear. We look forward to the release of the policy. You get it to me and I will see that it is widely distributed. All our sympathies are with the honourable member for Willoughby. Two years ago he returned to the office because a general alarum was sent out, "Peter, you must return to the office." What was the name of the former deputy leader who summoned him back? Yes, Ron Phillips, and Photios. Imagine being summoned by Phillips and Photios! You hurtle back to the office and they tell you, "From the business polls, time has expired." But the ultimate humiliation would be for the honourable member for Hornsby to come in wringing his hands, unctuously proclaiming, as reported in the words of Peter's book: "Stephen O'Doherty came in, recited the approved text and left."

Mr O'Doherty: That's not true either.

Mr CARR: It is not true? Oh! The wound is still open. Disputing an account of these things on the floor the House!

Mr Hartcher: Point of order: My point of order relates to remarks about gambling in gaming. There is no relevance in anything the Premier is now saying. He is not answering an interjection. He is simply using the time to make personal comments about a member of the House. Given that he has now been speaking for 11 minutes on this question, I ask that you draw him to a close.

Mr SPEAKER: Order! I suggest to the manager of Opposition business that he asks members of the Opposition to desist from interjecting. If they do so, the Premier will not feel the need to respond to interjections.

Mr CARR: I am about to conclude. Just consider that text. What a terrible way to see out your days as leader of the Liberal party! "Stephen O'Doherty came in"—he might have added, "wringing his hands in a terribly ingratiating manner"; he might have added that, but he did not—"recited the approved text and left." The point I am making is that in the two years since then they have had two policies: cashback for motorists to go, but cashback for clubs and pubs to come in, and at a terrifying cost to the State's taxpayers.

AUSTRALIAN LABOR PARTY ELECTORAL TACTICS

Mr ARMSTRONG: My question is directed to the Premier. Can you give an assurance that the Labor Party electoral rorting and branch stacking now exposed in Queensland that has led to the resignation of the Queensland Deputy Premier is not standard practice for the New South Wales Labor Party?

Mr CARR: The member for Vaucluse is hoping that this issue passes by because what has happened in Vaucluse, if I recall the *Wentworth Courier* report correctly, is that the local Liberals have placed their branch books in the hands of the police. It was all reported in another one of the city's great and reputable newspapers on 27 May 2000, speedily produced to me by former CIA employees. That training in Langley, Virginia stands them in good stead for work in our simple jurisdiction. It is pretty terrifying for me. I am appalled by reading this type of thing. Being a member of the ALP since I was 15 has not prepared me for horrors like this.

Mrs Skinner: Read the Young Labor report. I have a copy.

Mr CARR: I am reading this report. It says:

Police are investigating allegations of branch stacking in the blue ribbon Federal seat of Wentworth, in Sydney's eastern suburbs.

The sitting MP and former Howard government minister, Mr Andrew Thomson, sparked the inquiry after learning a woman had been enrolled in the Rose Bay branch without her knowledge.

So she is out walking the dachshund under a sun umbrella and someone dashes up and lobbies her for a vote. She is not aware that she has been stuck in the Rose Bay branch of the Liberal Party. She could have been a card carrying member of Socialist International. I agree with the honourable member for Lachlan: this kind of thing must end, wherever it rears its ugly head. I would hate to think that anything like this occurred in the Australian Labor Party, Australia's oldest and greatest political party. Apparently the honourable member for Vaucluse can now confirm that the matter is with the police for investigation. Obviously it will be taken further. There are \$53 membership fees in the Liberal Party.

This story grows words. It does not mention Yabsley's name, but I am sure he has a role in it somewhere. This is the kind of thing that gives organised political parties a bad repute. I urge the Liberal Party to clean up its act. While you may not realise it, you are the party of Menzies. You are the party of Alfred Deakin. There is a great tradition involved here and you do not realise it. I hope that the Liberal Party can tend to the problems it has in Wentworth, straighten the situation out and, above all, relieve this Rose Bay person of the suggestion that somehow in the past she has been in the Rose Bay branch of the Liberal Party. The honourable member for Gosford is the son of a field marshal, a former national director of the Liberal Party. I urge this great party to clean up its act.

Mr Stoner: Point of order: It relates to relevance. The question was about electoral fraud in the ALP. The Premier was asked about the New South Wales Labor Party.

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

Mr Fraser: Point of order: I refer to Standing Order 105. Once again the Premier has totally ignored the question.

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

Mr ARMSTRONG: I have a supplementary question. In view of the non-answer from the Premier, will he now order an immediate investigation into allegations that the St Peters-Sydney-Tempe neighbourhood centre has been subject to a Labor Party takeover organised by Anthony Albanese, Dr Burgmann and his Minister for Juvenile Justice?

Mr SPEAKER: Order! That is not a supplementary question. It does not arise from the Premier's answer.

BLUE MOUNTAINS WORLD HERITAGE LISTING

Mr ANDERSON: My question is to the Minister for the Environment. What is the Government's response to the nomination of the Blue Mountains National Park for World Heritage listing?

Mr DEBUS: If the World Heritage Committee approves the nomination of the Greater Blue Mountains area for World Heritage listing next week the area will rank internationally alongside the Grand Canyon, Kakadu and the Great Barrier Reef. The 16-member World Heritage Committee commences its meeting in Cairns this week—

Mr Armstrong: Point of order—

Mr SPEAKER: Order! The Chair also is having difficulty hearing the Minister's answer.

Mr Armstrong: That is the substance of my point of order. The Minister is speaking on a most important matter. It is a unique area. I ask that you bring the House to order.

Mr SPEAKER: Order! I am sure that all members will listen quietly now.

Mr DEBUS: I thank the House for its courtesy. As I was saying, the 16-member World Heritage Committee of the United Nations Educational, Scientific and Cultural Organisation commences its meeting in Cairns this week with delegates from all over the world. The decision of the committee is expected next week. When we think of World Heritage areas, exotic and remote Australian landscapes such as Kakadu, Uluru and the Great Barrier Reef come to mind. But right on the doorstep of Australia's largest city is an area of world-class and extraordinary natural beauty. It contains more than 500,000 hectares of wilderness, the largest wilderness area in the State and the largest remaining wilderness of eucalypt forest in the world.

Many people think of the Blue Mountains as simply the blue haze that can be seen from the Great Western Highway. But to put it into perspective, the area is in fact a total of 1 million hectares, equivalent to almost one-third of Belgium—or twice the size of Brunei. It is a region roughly 200 kilometres by 60 kilometres and stretches from the Hunter Valley in the north to the Southern Highlands in the south. It includes the following national parks: the Blue Mountains National Park, the Wollemi National Park, Yengo National Park, Nattai National Park, Kanangra Boyd National Park, Gardens of Stone National Park and Thirlmere Lakes National Park.

The greater Blue Mountains represents an extraordinary story of natural antiquity, diversity and beauty. It chronicles the evolution of Australia's unique eucalypt vegetation and its associated communities, plants and animals. It also has the highest biodiversity of any temperate environment in Australia. Therefore, in its own right the Blue Mountains clearly has outstanding universal values and it deserves World Heritage listing. I take this opportunity to quote briefly from a press release issued by the Colong Foundation for Wilderness, which states:

The approach preferred by a broad consensus of leading plant scientists is to have Australia's eucalypt values represented in a stand-alone Blue Mountains World Heritage area. The Blue Mountains contain the greatest diversity of eucalypt forests, superlative scenery and outstanding natural wilderness that has ensured the protection of such relict species as the Wollemi Pine.

In response to some issues that were raised by the world conservation union, the International Union for the Conservation of Nature [IUCN], 13 respected experts consider that the Blue Mountains should be on the World

Heritage list, including those whom the IUCN relied upon to advise it upon the World Heritage values of eucalypt forests. The Blue Mountains are also of immense cultural significance for Australians, and especially for indigenous Australians. The area is rich in evidence of the cultural continuity of its Aboriginal occupants and their artistic and spiritual expression. The landscape is scattered with dreaming sites, rock paintings and engravings. Eucalypt trees from Australia can be found dotted around the planet, but nowhere else in the world are these extraordinary and beautiful species represented on such a vast scale as they are in their native habitat. In addition, the steep terrain has wrought major evolutionary change on some species, including eucalypts, resulting in an exceptional biodiversity within the eucalypt communities that dominate the area.

The greater Blue Mountains is a natural laboratory for the study of the evolution of eucalypts. The unique environment has survived and evolved over time and in its deepest recesses many species remain virtually unaltered. The recent discovery of the internationally significant Wollemi pine is evidence of the immense evolutionary significance of the area. Around the world the Wollemi pine is now recognised as a remarkable living fossil. It once dominated the landscape but now exists in only one place in the world—within the deep gorges of the greater Blue Mountains. More than 400 different kinds of animals also live within the gorges and tablelands of the Blue Mountains. They include threatened or rare species such as the spotted-tailed quoll, the koala and the yellow-bellied glider. The outstanding universal value of the greater Blue Mountains area also includes the superlative natural beauty associated with its unique combination of rugged sandstone escarpments, plateaus and gorges, and the uniquely Australian eucalypt communities that I have discussed. This combination of terrain and vegetation produces an array of landscape vistas of outstanding beauty found nowhere else.

The World Heritage list is the who's who of the Earth's great cultural and natural treasures. Listing of an area provides recognition by the international community that it is irreplaceable and needs to be conserved for the benefit of people throughout the world. To date, 12 Australian icon areas have received World Heritage listing, including Kakadu, Uluru, the Great Barrier Reef, Fraser Island, the Tasmanian wilderness and, in New South Wales, Willandra Lakes and the central eastern rainforest reserves. The governments of New South Wales and the Commonwealth have worked hard since 1998 to achieve a World Heritage listing for the Blue Mountains. This time around we have our best chance of success. Renowned experts in biology, botany and plant geography have recently written to the International Union for the Conservation of Nature supporting the Blue Mountains nomination. If this time we are successful in achieving this listing, as the people of the Blue Mountains profoundly hope, the Blue Mountains will finally receive the international recognition it so richly deserves.

Questions without notice concluded.

CONSIDERATION OF URGENT MOTIONS

TAFE Funding

Mr AQUILINA (Riverstone—Minister for Education and Training) [3.25 p.m.]: My motion is urgent because last Friday training Ministers met at Hobart to draw members' attention to the Commonwealth Government's continued failure to restore growth funding to TAFE New South Wales. The national training system, and TAFE New South Wales in particular, is experiencing rapid growth. That growth is exciting with more Australians, both young and mature-age, seeking the skills and qualifications they need for jobs. More Australian businesses, from national employers such as Woolworths down to local smash repair businesses, are employing apprentices and trainees. More people realise the value and, indeed, the necessity of training.

However, although the Commonwealth Government is trying to talk up Australia as an advanced technological nation, claiming it wants more training, it is failing repeatedly to provide any funding to support the growth. This motion is urgent because I, as Minister, and the people of New South Wales need certainty that next year TAFE New South Wales will be able to keep delivering the best-quality training in Australia and that it will be able to keep on growing and training for jobs.

Police Service Audits

Mr TINK (Epping) [3.26 p.m.]: My motion is urgent because it goes to the heart of the police royal commission reform process. The final and most important recommendation of the Wood royal commission was that an external strategic auditor be appointed by the Police Integrity Commission to carry out an external audit of the Police Service reform process. My motion is urgent because it is clear from page 363 of the Auditor-

General's report which was tabled in Parliament yesterday that the first report of the independent strategic auditor recommended by the royal commission has in fact been completed. The motion is urgent because the Auditor-General has reported to Parliament that the Police Integrity Commission has advised him that this first independent audit report was provided to the Minister and the Commissioner of Police in October 2000.

My motion is urgent because at least three weeks, and possibly more than a month, have elapsed—according to the Police Integrity Commission—since the Minister and the Commissioner of Police took possession of that report. My motion is urgent because it goes to an undertaking that was given by the Minister for Police to this Parliament on 2 June 1998 and because the undertaking by the Minister was fundamentally important. To understand the urgency of the motion I shall outline the undertaking of the Minister:

This Government has led and supported reform within the New South Wales Police Service to a degree never seen before in this State. This Government will ensure that the reform process does not stall and it is happy to have an independent audit to ensure it. This Government also believes it is important that the public is kept informed.

For this reason, the Government intends that the audit reports will be made publicly available.

The motion is urgent because that was the Minister's undertaking to this Parliament in respect of a report that was obviously received over three weeks ago, possibly four weeks ago, by both the Minister and the commissioner. The motion is urgent because when one looks at Justice Woods' comments at page 535 of the report of the Royal Commission into the Police Service—

Mr Whelan: Point of order: The honourable member must tell the House why his motion for urgent consideration should have priority over the motion of which the Minister for Education and Training has given notice. He is correct when he says that I have given undertakings. I repeat those undertakings as I repeated them during the estimates committees and when I introduced a bill into the House. There is no reason the honourable member's motion is more urgent than the motion of the Minister; there is no urgency about the issue at all. There is no pressing reason for this matter to be debated.

Mr SPEAKER: Order! It is a matter for the House to vote on which matter should have priority.

Mr Whelan: Whoever is providing him with his information is giving him a bum steer.

Mr SPEAKER: Order! No point of order is involved. The Minister is now debating the substance of the motion.

Mr TINK: I was about to say that the matter is urgent and demands priority because the royal commissioner regarded this as his most fundamentally important recommendation. At page 535 he specifically referred to section 98 of the Police Integrity Commission Act, and foreshadowed that the audit report should become public as a top priority. That being so, and the Minister having had the report for three weeks and having agreed that it is a top priority, it ought to be tabled by now. This matter is urgent because there are allegations and counter-allegations flying through the Police Service. They have been described by me as civil war in the Police Service.

There have been claims by members of the reform unit that they have been stitched up. Those claims have been hotly denied. That is why this matter is urgent. The police commissioner has been making comments in the last few days about unspecified oversight bodies not being able to run a chook raffle. It is about time we heard what an independent auditor has to say about the reform process in this State, rather than listening to a stream of insults and looking at what appears to be a civil war in the Police Service. The independent auditor will put a stop to that one way or the other. Let us see what the audit report says, and let us see what it says now.

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

TAFE FUNDING

Urgent Motion

Mr AQUILINA (Riverstone—Minister for Education and Training) [3.31 p.m.]: I move:

That this House:

- (1) applauds the massive growth in demand for New South Wales TAFE courses, especially in rural and regional New South Wales;

- (2) notes that while New South Wales government funding for TAFE has increased every year, the Federal Government has cut \$187 million from vocational education and training in New South Wales since 1997;
- (3) expresses concern that last week's ministerial council meeting failed to reach any workable agreement on TAFE funding for 2001, despite every State and Territory siding with New South Wales against the Commonwealth; and
- (4) calls on the Federal Government to meet its obligations to New South Wales families by properly funding growth in the TAFE sector and helping deliver jobs for young people across the State.

Last Friday training Ministers from around Australia met in Hobart to put their case to the Federal Minister, Dr David Kemp, for much-needed additional funding for their TAFE systems. One by one State and Territory Ministers, Labor and Coalition, detailed the rapid growth of their TAFE systems. One by one State and Territory Ministers, Labor and Coalition, demanded that the Commonwealth Government stop the cuts and secure the future for hundreds of thousands of young Australians. This motion is of particular importance and urgency for TAFE New South Wales, the greatest success story of Australian training, which is under threat from ever-declining Federal funding.

Next year an additional 18,600 students will enrol in vocational education and training in New South Wales, most of them in TAFE. That is on top of the record 455,000 enrolments in TAFE this year. Since coming to office in 1995, the Government has helped to create more than 50,000 extra TAFE places. Honourable members should remember that our promise was for an additional 10,000 students, but the Government has created 50,000 extra TAFE places, giving students in every part of the State a chance to get the skills they need and to find jobs. Students from Bondi to Broken Hill, from Albury to Alstonville, have taken up the chance to get into TAFE and to get a career. That does not include the massive job that TAFE New South Wales did in training 110,000 volunteers and staff for the Olympics and Paralympics.

We are not only training more people than ever before; we are doing it better, we are doing it smarter and we are doing it more efficiently. Earlier this year in this House I outlined the superb levels of growth in all aspects of vocational education and training in this State. National figures show that annual hours of training in New South Wales increased by 7.8 per cent during 1998-99, compared with the national average of 5.8 per cent. New South Wales is now delivering more than one-third of all training in Australia. The number of hours of training delivered in New South Wales grew by 8,122,000, the largest growth in the nation.

The number of enrolments in individual subjects grew by 14 per cent, with an additional 461,700 in 1999, again the highest in the nation. As well, 8.5 per cent of New South Wales vocational education and training students were undertaking training and secondary school at the same time, compared with 7.6 per cent nationally. Our apprenticeship and traineeship commencements in New South Wales increased 57 per cent in the first quarter of this year, more than 20 times the national average growth rate. There are 72,340 apprentices and trainees currently in training, an increase of almost 32 per cent on last year and almost 30 per cent of Australia's apprentices and trainees are employed in this State.

More than 3,500 traineeships have been created in the New South Wales public sector since 1 January 1999 under the Carr Government's 2000 by 2000 traineeship strategy. TAFE New South Wales is growing because it is the leading training provider in Australia. Indeed, it is one of the leading training providers in the world. Last week I met with representatives from some of Australia's largest national companies: Coles Myer, the Ford Motor Company, Woolworths, Qantas, Big W, Toyota, Brambles and Chubb. Each of those companies sang the praises of the New South Wales training system. For example, Qantas has recently moved its training operation from another State to New South Wales because, they said, the Department of Education and Training is the best in Australia.

Those companies alone could enable thousands of young Australians to get a job, to get trained—indeed, to get a future. I have now received my department's official projections for grants for vocational education and training for 2001. They show more growth, more students, more opportunities for a skilled and qualified work force for this State. The number of hours of training will swell by another five million next year, a further increase of 5 per cent on the figure for 2000. Student numbers will be up by 18,600 and State funding up to match the growth.

Honourable members will be aware that the Federal Government also has a role in TAFE funding. While the State Government runs TAFE and provides two-thirds of the funding, Canberra has historically contributed extra money to support growth. That has been in recognition of the fact that extra TAFE places mean extra job opportunities. Federal funding has allowed State systems to increase their students load in courses such as computer studies, engineering and agriculture, and to train future generations for jobs. All that has changed.

Last week all States and Territories were told that there would be no extra Federal funding, that States with growing TAFE systems would simply have to economise by cutting teachers or increasing class sizes. After years of supporting TAFE New South Wales, the Federal Government has announced that it will no longer provide the funding for extra growth places. That follows a period of three years when we did not receive any increased funding for growth places either. We have had to fund all the increased growth over the last three years from State taxes, from State funds. Not an extra cent has been received from the Commonwealth Government since 1997.

Last Friday I took up the New South Wales case with the Federal training Minister, David Kemp, at a meeting of all training Ministers in Hobart. The meeting was primarily to negotiate funding for the TAFE system throughout Australia, but although the distribution of \$1 billion of funding was being negotiated and issues of national significance to industry and hundreds of thousands of young Australians were being discussed, Dr Kemp insisted on holding the meeting in secret, behind closed doors. I was not going to be a party to that. I told Dr Kemp I would not be a party to any meeting behind closed doors, that I would not be a party to any clandestine agreements worked out in secret, not under the eyes and scrutiny of the Australian public.

I said to Dr Kemp that the critical decisions regarding the future direction of Australia's vocational education and training system should not be made behind closed doors. Rather, the Ministers should have ready access to appropriate advice to ensure that any decisions taken are fully informed. I requested that all sessions of last Friday's Ministerial Council meeting be open to officials, advisers and the media, with deliberations and resolutions appropriately minuted and recorded by the secretariat of the Australian National Training Authority Ministerial Council. My colleagues from Victoria, Queensland and Tasmania and I represented more than 80 per cent of the national training system and we insisted on meeting in public. I repeat that the four eastern States are responsible for more than 80 per cent of the total training that is carried out in this country, and we wanted to meet in public. But Dr Kemp, who represents zero per cent of the national training system, refused to attend.

What did Dr Kemp have to hide? When he finally attended the meeting, three hours late, I discovered the reason. The Commonwealth Government has no real commitment to increasing Australia's training for its future. Three years ago Dr Kemp froze funding for TAFE nationally and cut capital works spending. The decision has cost New South Wales alone more than \$187 million over the past three years. Before arguing my case I listened to the Minister from each State and Territory, including Western Australia, the Australian Capital Territory and South Australia—the three Coalition States and Territories—illustrate how their systems had grown over the past three years. Each training Minister, regardless of partisan allegiances, declared that the Commonwealth must increase funding to TAFE around the nation. The Western Australian Minister for Employment and Training, Mike Board, told the meeting that Western Australia definitely needs growth funding and he added:

We have reached the point where we are tipping more and more into State funds to support the training system ... most States have reached the point where it was simply not possible to fund further growth through efficiencies.

That is what a Coalition Minister, a Liberal Party Minister from Western Australia, told Dr Kemp. New South Wales is not the only State that needs funding. That is why the motion is urgent and that is why I urge the House to support it.

Mr O'DOHERTY (Hornsby) [3.41 p.m.]: I move:

That the motion be amended by leaving out paragraphs (2), (3) and (4).

These are difficult matters. It is difficult to fund a national training system through TAFE and other vocational educational providers in a growing, developing nation like Australia that needs to ensure its work force is reliably and appropriately trained. The size of our nation means that it is increasingly difficult to provide everything that is required by growing industries. One of the things that Australia must turn its mind to—and I know that policy-makers have tried to turn their minds to this for some time—is the flexibility that is required in a system of vocational education and training such as TAFE in a developing economy.

Australia is trying to develop into a new economy. There are new challenges every day. Industry throws up new training tasks every day and it is the job of TAFE and other vocational training providers to respond to those tasks. Flexibility is the keyword in the delivery of TAFE services. I do not believe the Minister for Education and Training would disagree with that idea. Because of that, these matters are not easy. In the TAFE vocational training system funding cannot simply be provided in a similar way to the way funding is provided in the school system. The task is not the same. School policy changes constantly and there is a need to

be in front of the curriculum developmental and pedagogical process that is taking place, but TAFE is different. Every year industry, which is developing and evolving into new forms, throws a new challenge at TAFE. Flexibility is needed.

For the past decade the Australian National Training Authority Ministerial Council meeting has been a process under which the States and the Commonwealth try to grapple with how to be flexible with the funding of the vocational training system. The key drivers for the Commonwealth Government have been the maintenance of funding in the TAFE sector and the achieving of greater efficiencies. That is because of the Commonwealth Government's underlying belief that efficiency is an extremely important indicator of how well TAFE is able to cater to the needs of industry. Minister Aquilina has not disagreed with that previously. He was a signatory to the Australian National Training Authority Ministerial agreement in 1996 under which the States and the Commonwealth agreed to achieve growth through efficiency. On many occasions the Minister has spoken in this House about how he was forced into that agreement. I had anticipated he would interject when I made that comment. However, he is silent today, which is unusual.

Mr Aquilina: I am being courteous.

Mr O'DOHERTY: I appreciate the Minister being courteous, as indeed I was when he was speaking. The Minister and I have no personal quarrels—at least none that I am aware of. As long ago as 1996 the Commonwealth and the States agreed to try to improve the TAFE system by achieving greater efficiencies. At present the States and the Commonwealth are grappling with those issues again. At the Australian National Training Authority Ministerial Council meeting in June the Commonwealth Government offered real-terms funding maintenance for TAFE. In September, when further discussions took place, the Commonwealth said it would give \$30 million that had been earmarked for infrastructure development, capital projects and so on, to the States as recurrent expenditure.

That was an additional sweetener by the Commonwealth Government, and that offer is still on the table. It was on the table last week when the ministerial council met yet again. The States, led by New South Wales, tried to be overtly political about a big national task. The New South Wales Teachers Federation reported on a meeting that it had with the Minister a couple of months ago. The federation was talking about the New South Wales Government's cuts to TAFE funding. Those cuts are massive. In TAFE, 700 jobs have been cut in the current budget; 600 full-time positions were cut last year. That is 1,300 jobs in two budgets. The New South Wales Teachers Federation, which is no friend of the Federal Government, met the Minister and reported on that meeting in the following terms:

The Minister—

that is Minister Aquilina—

tried to blame the Federal Government for all the TAFE cuts, but was forced to admit that the State had also reduced funding for TAFE in real terms.

It could be said that the Teachers Federation is no friend of the Carr Government either. The federation pointed out an obvious truth. I remind the Minister that the Commonwealth is offering real-terms maintenance plus \$30 million. Whatever is said about the Commonwealth's agenda, the New South Wales Teachers Federation said that the Carr Government also has cut funding for TAFE in real terms. The Minister cannot walk away from the fact that New South Wales has been one of the slower States to produce efficiencies. In fact, in a press statement referring to new apprenticeships released in June, David Kemp said, "New South Wales continues to underperform given the relative size of their system." That demonstrates a lack of commitment and a lack of follow-through by the Carr Labor Government, while students in other States, are benefiting from the new apprenticeship system that the Commonwealth Government put in place some years ago.

That system is now extremely well regarded by both apprentices and employers. The Opposition is not surprised that the Labor Government in New South Wales is dragging the chain because, as I said earlier, it cut 4 per cent from the budget. Its record is the same. Like its Federal counterparts the Government has always neglected the vocational education and training needs of young Australians. The Commonwealth Government put out the message that if people were not going to university they were not going anywhere. Indeed, the Federal Labor Government neglected vocational education. I am indebted to the Minister who reminded us of that marvellous phrase "Get a job." That was Paul Keating's response when he was "bothered by" a young person who was expressing his views democratically during an election campaign. Paul Keating said to him "Get a job" in the most snide, sneering way.

Mr Martin: Were you there?

Mr O'DOHERTY: The honourable member for Bathurst says that I was not there. Was he anywhere near a television?

Mr Black: It was in South Australia.

Mr O'DOHERTY: The honourable member for Murray-Darling, who says a lot of things, interjects that it happened in South Australia. Does that make a difference? Paul Keating said, "Go get a job." That displays Labor's true feelings. He did not say, "Go to the TAFE system and get a new apprenticeship," because there were no new apprenticeships. He did not say, "Go to the TAFE system and get relevant training to enable you to move into new horizon industries," because there were not any. Labor, when it was last in government in Canberra, showed contempt for the TAFE system. It ran down the apprenticeship system and stripped Australian youths of opportunities for real work experience and training. Employers turned away from apprenticeships in droves. The incoming Howard Government picked up on that, provided new apprenticeships and turned around this popular form of training.

Apprenticeships used to be the hallmark of our training system. Apprentices work with tradespeople, from whom they learn the skills and values of their trade to help them progress through their careers. Labor turned its back on that training system; the Coalition reintroduced it. Across Australia, the New South Wales Government is dragging the chain in allowing new apprenticeships to flourish. Shame on the Government! The achievements of the Commonwealth Government do not stop at new apprenticeships. It has introduced new regional apprenticeships. I would have thought the honourable member for Murray-Darling and other Government members would be interested in that, but apparently not. The Commonwealth Government has established new apprenticeship centres. The Australian National Training Authority [ANTA] agreement, which provides for ongoing funding, including indexation, has improved the system through efficiencies every year since the Howard Government was elected.

The Australian Student Traineeship Foundation helps to provide sustainable school to work transition for all young Australians. The Jobs Pathway program builds on pathways that were developed under the New South Wales Coalition Government when the Hon. Virginia Chadwick was the Minister for School Education and Youth Affairs. The record of the Coalition is clear. Every time there is an ANTA meeting, the Minister comes and bares his soul to the New South Wales Parliament. It is a shame that the Minister did not take up the offer by David Kemp to meet without advisers, without politics, without the hoopla, and sort out the TAFE system for the benefit of the students of New South Wales.

Mr MARTIN (Bathurst) [3.51 p.m.]: I support the motion moved by the Minister for Education and Training. Since I became a member of this House, I have seen the passion, determination and commitment of this Minister to all facets of education in New South Wales, not the least being the TAFE system. In all electorates TAFE plays a vital role. In my electorate of Bathurst, 5,264 students attend TAFE, mainly at the Bathurst and Lithgow campuses. The demand for TAFE courses statewide is expected to grow by about 5 per cent. That translates into another 250 TAFE students in my electorate. Dr Kemp's failure to provide growth funding may prevent hundreds of young people in my electorate from becoming skilled, qualified and prepared for the future. We all know that there cannot be a growth industry if funding is withdrawn. As the Minister for Education and Training ably demonstrated, notwithstanding the pious platitudes from the honourable member for Hornsby, that has been the case.

I welcome the \$6 million capital works project, which is currently under way, to build world-class facilities at Bathurst TAFE. The project will provide additional space to cope with the anticipated growth in numbers and replace a 100-year-old campus, which has become unsuitable for today's educative training needs. The TAFE college will be located next door to Charles Sturt University campus, creating educational opportunities for TAFE and university to work together. Unfortunately, Dr Kemp's proposal to divert \$30 million from capital funding to recurrent expenditure will jeopardise this exciting project, which the Minister has worked hard for. Over the term of the Carr Government the increase in funding to TAFE has been \$130 million. In the current budget alone TAFE New South Wales will receive \$1.29 billion in recurrent funding from the Carr Labor Government.

While all this has occurred under a Labor administration in New South Wales, the Federal Government, under Dr Kemp's stewardship, has decreased funding by \$180 million. We have heard a great deal about growth and the need for TAFE facilities from Opposition members and the Federal Government. How do they equate

those statements with reduced expenditure? The Federal Government has not held expenditure level with the consumer price index, it has reduced it. Since 1996 Federal funding has decreased by \$180 million. At the same time the vocational education and training [VET] system in New South Wales continues to grow rapidly—7.8 per cent from 1998 to 1999. The Federal Government obviously needs to increase funding in this area.

Independent national data released earlier this year show that apprenticeship and traineeship commencements in New South Wales have increased by 57 per cent this year, which is 20 times the national average. Yet the honourable member for Hornsby would have us believe that New South Wales is underperforming. TAFE enrolments in New South Wales are up from 406,000 in 1994 to more than 455,000. That has occurred in just five years under the stewardship of this Minister. Expert national predictions show that the VET system nationally could grow by 5.7 per cent per year for the next three years, which will cost the States and Territories an extra \$1 billion. As the Minister has said, the Federal Government has reneged in on its rightful responsibility to adequately fund this important area.

Federal raining Minister Dr Kemp says that the States and Territories are mad if they think they are going to get any additional money from the Commonwealth Government. He wants the States and Territories to continue to fund growth through efficiencies—in other words, to cut and slash. What other option is there? TAFE New South Wales is a lean and efficient organisation, but there is no more fat on the bone. Dr Kemp says that the New South Wales Government can cover funding cuts by his Government by the introduction of further efficiencies. That means teachers' jobs and TAFE facilities will be put at risk, at a time when all the evidence is that there is a growing need for this vital part of our education system.

In terms of providing support to industry, TAFE New South Wales is the major training provider in New South Wales. The Western Institute of TAFE, which covers an area from Lithgow to Broken Hill, as recently as 1999 was awarded the honour of being the training provider of the year, not in New South Wales but in Australia. That is the standard that this Minister has brought to the TAFE education system. Organisations such as SOCOG, Telstra, Cathay Pacific and the Toyota Motor Corporation recognise that TAFE New South Wales is the finest training organisation in Australia. Rather than starving TAFE of funds, the Federal Government has to increase funding commensurately. I commend the motion.

Ms HODGKINSON (Burrinjuck) [3.56 p.m.]: I wish to speak to the amendment moved by the honourable member for Hornsby. In doing so, I would like to say that New South Wales has some of the finest TAFE instructors anywhere. It is particularly due to the quality of trainers in today's TAFE system that we are seeing such a massive growth in demand for New South Wales TAFE courses, particularly in rural and regional New South Wales. As a former TAFE instructor, I feel that I can speak about TAFE instructors with authority. I taught at Yass and Queanbeyan colleges of TAFE for a few years. They were some of the finest and fulfilling years of my life. I taught labour market programs, joint secondary school-TAFE courses, literacy and numeracy, and retail and business skills. The quality of the instructors and their devotion to students was admirable. I point out that some colleges, Queanbeyan and Yass in particular, were attended by several disadvantaged students who were classified as chronically unemployed. The feeling of reward I had as a TAFE teacher was second to none.

TAFE colleges provide students with the opportunity to gain special skills. That is probably another reason why this form of education is increasing in popularity today. For example, people have a chance to resit their Higher School Certificate [HSC] if they do badly the first time round or, if they leave at the end of year 10, they have a chance to undertake their HSC at TAFE to progress further in their careers. As the honourable member for Hornsby said, today's courses provide a great degree of flexibility. Local TAFE colleges in my area are attended by thousands of students. I particularly mention Goulburn TAFE college, which has an excellent arts facility. Craig Fowler does a great job there. It was feared that Goulburn TAFE would lose its arts library. However, that proved not to be so, which was terrific news for everybody.

Our campus manager at the Tumut TAFE, Mark Grove, has introduced various new courses, including forestry courses. Tumut is well known for its forestry. A large number of employees work in State Forests. I understand that the forestry industry employs about 20 per cent of the Tumut working population. The week before last I attended a forum about youth commitment in the Tumut region. Mark Grove also attended, which is an indication of the level of commitment that instructors have for the local communities. Several other instructors from the Tumut TAFE also attended the forum.

Yass TAFE has some terrific instructors. Sheila Meixner, Barb McClung and Susie Demoor, three first-class instructors, have been there for many years. They are particularly good at educating students in business

skills. The Minister referred to Voced, a program I am very pleased to be a part of. In my office in Yass we have a Voced student by the name of Carly Scanes. I hope she has learned a lot from being in our office. Politics is probably a bit more than she bargained for in the first instance. The Voced program is second to none for training students. The honourable member for Hornsby mentioned the concerns of the Teachers Federation about the 700 job cuts this year and 600 job cuts last year. As result the Teachers Federation led an all-out assault on the Carr Government, which has cut TAFE funding in real terms.

The honourable member for Hornsby said, and I agree, that the New South Wales Labor Government has cut 4 per cent out of its budget. The former Prime Minister, Paul Keating, said to a young person, "Go get a job." Why did he not say, "I can help you out with an apprenticeship. I am the Prime Minister"? It is the same condescending attitude that we see time and time again from Labor Prime Ministers, Labor Premiers and Labor Ministers. The Government has to get its act together and put out a positive attitude to encourage students to attend TAFE. The New South Wales Government should put more funding into TAFE, not take it away, strip it, then blame the Federal Government for all the mistakes it makes.

Mr CAMPBELL (Keira) [4.01 p.m.]: I support the motion moved by the Minister. I, like the honourable member for Burrinjuck, want to pay tribute to the staff of the Illawarra Institute of Technology, which covers the Wollongong area and many of the individual TAFE centres to which she referred. The Institute Director, Barry Peddle, has vast experience and is working very hard in a very difficult situation. He is trying to lead the very dedicated and competent staff through processes that are the result of the Federal Government's refusal to meet its commitments. It is another one of those core and non-core promises when the Federal Government says, "We will create these apprenticeships. We support the TAFE system." But it does not deliver at the end of the day and it does not provide the growth funding that is necessary to sustain these types of courses.

I acknowledge that the vocational education training system in New South Wales is very strong. My niece Jenny Beattie—who will be delighted to know that her name was mentioned here this afternoon—just finished years 11 and 12 in the TAFE system. She also undertook childcare studies. She would speak very strongly of the opportunities she had. The New South Wales TAFE system is world class. We have heard about the impact that Olympic training has had and the reputation that has been built with the New South Wales TAFE system, so much so that an arrangement has been entered into with the educational authorities in China for \$100 million worth of training over three years. We have the infrastructure in place to deal with this. The Wollongong College of TAFE has strong enrolments.

The Wollongong campus has about 12,687 enrolments and the Wollongong West campus has 3,500 enrolments. These two TAFE campuses most directly impact on our area and they are most closely associated with the electorate of Keira. It is expected that student numbers will grow by about 5 per cent in 2001. It is most unfortunate that the Federal Government will not provide growth funding to ensure that all students who want to enrol in TAFE courses can access them. A long-time resident of the Illawarra, Isobel Kennedy, would have seen the development of the campus at Wollongong and Wollongong West. Through the commitment by this Government and the leadership of the Minister we are currently seeing the completion of the Wollongong campus building trade complex, which will account for \$12 billion worth of expenditure by the time it is finished. The Minister might recall that during TAFE Week he inspected progress on the construction of that project.

Mr Aquilina: It is an outstanding facility.

Mr CAMPBELL: The staff is outstanding as well. New facilities have been provided for electro-technology and refrigeration at Wollongong TAFE, at a cost of \$875,000. The new teaching and learning centre for multimedia and online trading at Wollongong TAFE has been introduced at a cost of \$380,000. A major library upgrade with new audiovisual facilities and private study areas at Wollongong West TAFE have been completed at a cost of \$390,000. Those types of facilities will not be able to be provided at TAFE colleges in the Illawarra Institute or in the areas covered by the electorate of the honourable member for Burrinjuck if we get this pea and thimble trick from Dr Kemp. I have talked about the projects that are under way, and more projects are planned for the Illawarra Institute. Funding cuts and the Federal Government's reluctance or refusal to provide growth funding is part of the problem with engineering courses and facilities at Shellharbour TAFE.

If additional money were put into the system we would not have those problems. People should focus on the skills shortages in engineering, building trades, information technology, hospitality and personal services. People should concentrate their efforts on designing courses that will deliver various skills where there are

national skills shortages, instead of going through the process of continually fighting the Federal Government to obtain growth funding. The notion of taking capital funding and putting it into recurrent funding is nothing other than robbing Peter to pay Paul. It is very short sighted. It does not look to the future. We need to invest in capital and at the same time provide recurrent funding for the growth in student numbers. The motion should be supported and the Federal Government should wake up to itself.

Mr AQUILINA (Riverstone—Minister for Education and Training) [4.06 p.m.], in reply: The Government rejects the Opposition's amendment. I thank all honourable members who participated in the debate. I particularly thank the honourable member for Bathurst for his consistent commitment to TAFE in his electorate. He referred to the Western Institute of New South Wales, which covers the western half of the State from Bathurst to Broken Hill. I would also like to thank the honourable member for Keira, who has had a long-term involvement with the Illawarra institute, not only in his role as the honourable member for Keira but also in his role as the former Lord Mayor of the City of Wollongong.

The Illawarra is a vital region for skilling and training. The Illawarra is one of the great centres of industrial innovation in this State. I have highlighted the comments of the honourable member for Burrinjuck. I am pleased to hear her remarks about her experience as a TAFE teacher. I had three years as a part-time TAFE teacher, and I found it a very rewarding experience on top of my 10 years as a high school teacher. It gave me some solid commitment and understanding of the classroom perspective of what TAFE teaching is about. I thank her for her encouraging and complimentary comments about the Goulburn College of TAFE and the Tumut TAFE.

Ms Hodgkinson: And Yass.

Mr AQUILINA: And Yass, where she indicated she was a teacher. However, that does not exempt Dr David Kemp. Since coming to office he has pursued a blind ideological agenda to undermine education and training in Australia. They are not just my comments; they are the comments of the united voice of all Ministers responsible for training, including those in Coalition States and Territories, as well as Labor States of course. In a display of bipartisan unity last Friday all States and Territories unanimously voted down Dr Kemp's agenda. We could not reach agreement on his version of the ANTA agreement. Now, of course, he will make us attend another ministerial council before Christmas because the current agreement expires at the end of this year. He indicated that unless there is a signed agreement there will not be any funding from the Commonwealth for TAFE.

I say to Dr Kemp that this is no longer a matter for petty ideological and partisan agendas. This is above party politics. This is about Australia's economy and international competitiveness. I have absolutely no hesitation whatsoever in saying that it is about jobs for young Australians because that is what training is about. Today the reality for every high school student is that unless they are prepared and able to be trained, they will not be able to find work. Training is absolutely essential. We are playing here with the lives of young Australians for future Australia. The Opposition usually gets up and blindly supports Dr Kemp. I have some compassion for the honourable member for Hornsby because obviously he has to fulfil his role, but next year in the honourable member's own electorate of Hornsby 400 students are expected to turn up at Hornsby TAFE. Young people looking for jobs could miss out on a TAFE course because the Commonwealth Government will not provide funding for growth.

The honourable member for Hornsby said these matters are not easy. I agree with him, but the equation is clear: in order to have growth of student numbers, more money is needed. We cannot have growth without more money. If we do not receive additional money from the Commonwealth, growth of student numbers can be achieved in only two ways. Of course, one is to put more of New South Wales taxpayer funds into the equation; the other is to do as Dr Kemp says we should do, make ourselves more efficient, but he uses some convoluted formula to work out what efficiency is all about. To him, efficiency means sacking teachers and increasing class sizes. That is the only way he will release money to provide more growth for student numbers. And of course that is what we reject. We do not want to go into a campaign of cutting teacher numbers and increasing class sizes. We want the Commonwealth to face up to its responsibilities and provide more funds.

Amendment negatived.

Motion agreed to.

BUSINESS OF THE HOUSE

Precedence of Business: Suspension of Standing and Sessional Orders

Motion by Mr Whelan agreed to:

That standing and sessional orders be suspended to postpone the taking of private members' statements to allow Government Business Order of the Day No. 1, relating to floods in the north-west and Central West of New South Wales, to be called on forthwith.

REGIONAL FLOODING

Debate resumed from 22 November.

Mr MARKHAM (Wollongong—Parliamentary Secretary) [4.13 p.m.]: I support the motion of the Minister for Agriculture, and Minister for Land and Water Conservation to express this Parliament's concern and sorrow at what is happening in the flood devastated parts of New South Wales. I also support the call for the Federal Government to be more proactive in setting up a natural disaster fund. I feel deeply for those people affected by these floods, because not very long ago I experienced similar emotions. On 17 August 1998 and on the weekend of 23 and 24 October 1999 people in the Wollongong area had their houses flooded in an instant. I understand the feelings being experienced by the people in western parts of New South Wales who have been subjected to these incredible floods. I am concerned also for the people downstream of the floods, but at least they will have some warning and in some instances they will be able to remove furniture and other personal items from their homes.

The Illawarra escarpment is a deep escarpment and when it rains on the mountain the water travels down at speeds that could not be believed. If a high tide current is in the Pacific Ocean along the Illawarra coast line, the devastation of homes is unbelievable. I remember on 17 August 1998 going out to my electorate of Keira and visiting the suburb of Fairy Meadow. I saw cars perched in trees and houses where water had risen the height of two storeys. In some instances windows had to be broken for occupants to get out. That had all happened in a matter of minutes, not hours or days. Therefore, I can sympathise with what is happening to the people experiencing the floods in the western parts of New South Wales.

This disaster will affect the whole community, not just those in the western part of the State. It will affect people who rely on their businesses and products to provide jobs in other parts of New South Wales. I pay deep respect to everyone involved in trying to save properties throughout the flood affected area. I remember community rallies being held in Wollongong when insurance companies refused to pay residents whose possessions had been damaged and in some instances even washed away by the flood waters. On 17 May 1999, following a number of demonstrations and delegations to various organisations trying to obtain justice for people, Mark McDonald from Maguire and McInerney, solicitors and attorneys, wrote to me as follows:

Dear Sir,

Re: Wollongong Storm Damage Claims - QBE Insurance Limited

As you are aware, we have been seeking for a long time to force QBE Insurance Ltd to pay the remaining claims outstanding against that Company since August, 1998.

The Chief Executive of QBE, Mr. Raymond Jones, clearly indicated in a conference with a number of Illawarra representatives late last year that his Company was refusing to pay claims so that the issues of National Flood Coverage and a National Disaster Plan were kept on the State and Federal political agendas. As you are aware the Prime Minister has recently rejected calls for an inquiry into the Insurance Industry and has clearly indicated that such insurance issues are a matter for the Insurance Industry, and is not on the Federal political agenda. We are also well aware that it is not on the State political agenda.

Would you therefore kindly use your office, and combine with your Local, State and Federal Members, to seek a meeting with QBE.

To this very moment QBE still has not paid on claims to people who have had their lives wrecked by that 1998 storm. Maguire and McInerney have that insurance company before the New South Wales courts fighting for justice for the claimants. I hope the families in western New South Wales do not have to go through the same agony of trying to get restitution for personal and crop losses, including those who have lost jobs. On a number of occasions, comments have been made about what the Premier has or has not done. In August 1998 the Premier visited Wollongong and I accompanied him throughout the flood affected area. The Minister for Community Services visited my electorate some days later. The Premier's press release reads:

The Premier of NSW, Mr Bob Carr, today urged everyone to contribute to the Lord Mayor of Wollongong's Disaster Relief Fund.

Mr Carr went to Wollongong yesterday to meet people affected by last Monday night's deluge and to ensure that all possible assistance was being given.

The Premier was briefed by Chief Superintendent Bruce Johnston, the District Emergency Controller, on the disaster and the clean up effort.

He met and congratulated emergency service workers during his inspection tour and declared Wollongong and its surrounds a natural disaster area.

"Monday's deluge inundated homes within minutes.

"Some families and businesses have lost everything.

"Their courage and the community spirit being shown in Wollongong is heartening but we must all do whatever we can to assist them to recover.

"Emergency accommodation and financial assistance is being provided.

"Volunteers have moved in to help people clean mud and debris from their homes and businesses," he said.

Mr Carr paid special tribute to the Department of Community Services [DOCS] workers and volunteers from charity organisations that cared for thousands of people left stranded.

"Their efforts to house and feed thousands of people at very short notice is nothing short of miraculous ...

I was there and I saw the damage. I walked into a damaged home with Bob that morning. From his face it was evident that he could not believe the events of that night. People in western New South Wales would feel exactly the same. Our Government is responding to those people. It is imperative that the Federal Government set up a national disaster fund so that money can be made available to people who are affected by natural disasters when they occur. In the past couple of days I have made a number of phone calls to Aboriginal communities in the affected part of the State to ascertain the effects being suffered by them. They are being affected in the same way that all other communities are being affected by the floods.

Today I was talking to Rod Towney, chairperson of the New South Wales Aboriginal Land Council, and to Wayne Griffith, the regional land councillor representing the northern part of New South Wales. He is a member of Red Chief Aboriginal Land Council and based at Gunnedah. They have told me that Aboriginal communities affected by the flooding included Gunnedah, Walhollow, Narrabri, Wee Waa, Walgett, Coonamble and those downstream in towns such as Warren, Brewarrina and Bourke. Families in those towns would have agonised over what to do. I am told that in Gunnedah the lack of levee banks increased the detrimental effect of flooding. At least 10 Aboriginal families have lost their homes. Walhollow Aboriginal community at Caroona is completely cut off by floodwaters. People are isolated in that small Aboriginal community in the Tamworth area.

A significant effect on the Aboriginal communities subject to flooding is the loss of seasonal employment such as cotton chipping and wheat harvesting. The floods mean that this work is not available. The Aboriginal community is a major participant in the work force for those sorts of jobs, which are crucial for the economic survival of Aboriginal people, along with the general community, in that part of New South Wales. The New South Wales Aboriginal Land Council has lost wheat crops at its properties west of Coonamble at Kaituna-Uno and at Lake Cargelligo at Barrooga Karrai—approximately 10,000 hectares in total. That will have an enormous economic effect on the communities and land councils that have strived to gain economic independence. Their crops have been totally destroyed. Many Aboriginal people live in the areas affected by flooding. Their needs must not be underestimated. The Aboriginal villages, camps, missions—whatever they are called—are adjacent to major rivers and so are the first to be affected by flooding. I will make representations to the Premier on behalf of the State land council and other land councils that have lost crops in the flood. They will be given the same consideration as other farmers throughout the State.

Volunteers are worth their weight in gold. We talked about the volunteers at the Olympics and the Paralympics, but what would be happening in western and northwestern New South Wales now without the armies of volunteers who are assisting families, businesspeople and Aboriginal families? I congratulate every volunteer, every full-time police officer, fire brigade officer, emergency service officer, DOCS worker and office on the marvellous work they are doing. I refer also to the work they did in Wollongong in the two incredible periods of 17 August 1998 and 23 and 24 October 1999. I experienced first-hand the work they did, the hours they spent and the at times atrocious conditions that they were forced to live in because they were on duty 24 hours a day. The Parliament, the State and the nation applaud the work they did. I would like that to be passed on by the relevant ministers to the people under their control.

The major grain terminal at Port Kembla moves as much grain, if not more, as any other terminal in Australia. The loss of grain in the Western Division will reduce the amount of grain going through the terminal, which will have downstream effects on jobs in the Port Kembla-Wollongong area. The floods do not affect only people in the immediate area; they have far-reaching ramifications. I have no doubt that through the offices of the Minister for Community Services, Minister for Ageing, Minister for Disability Services, and Minister for Women, the Attorney General, Minister for the Environment, Minister for Emergency Services, Minister for Corrective Services, and Minister Assisting the Premier on the Arts, the Minister for Police, the Premier, Minister for the Arts, and Minister for Citizenship, and the Deputy Premier, Minister for Urban Affairs and Planning, Minister for Aboriginal Affairs, and Minister for Housing we will do all in our power to make sure that all the people affected are given due consideration and maximum support over the coming months.

Mr PICCOLI (Murrumbidgee) [4.28 p.m.]: I echo the words of the honourable member for Wollongong in support of the volunteers, who do a terrific job. They have been there throughout Australia's unfortunate history of natural disasters, including the floods being experienced in central, northern and north-west New South Wales. I also express my deep sympathy for the farmers and communities in those areas of New South Wales who are suffering substantially. Having a farming background myself—my family has been involved for 50 years—I understand how difficult it is. We are subject to the vagaries of the weather, both dry and wet. The situation must be devastating for the farmers who saw this year as an opportunity to get out of financial trouble. I acknowledge the spirit in country New South Wales for the support of other farmers and other communities that are doing it tough. I have no doubt that my electorate of Murrumbidgee will offer its full support. The floods have shown the importance of levee banks on our inland rivers. Fortunately, the south of the State along the Murrumbidgee and the Murray is not suffering too badly from the weather. There is minor flooding in the Murray but it is not too bad.

However, what has happened in northern New South Wales can overnight occur in southern New South Wales as well. A couple of councils in particular are struggling with funding for levee bank improvements. I refer specifically to the Berrigan Shire Council, which has a significant boundary with the Murray River, and Deniliquin Council through which the Edward River flows. As we have seen from the flooding in northern New South Wales, levee banks are an important part of river management and are part of the services and protections provided by local councils. Unfortunately, in recent times the break-up of funding for levee bank upgrading has been changed from 40:40:20, in which local council contributed one-fifth of the cost, to now 1:1:1. This has placed an extreme burden on local government areas.

Today in question time the Minister for Local Government spoke about the Deniliquin shire and the financial difficulties it is experiencing, the exact nature of which I am unsure. This exacerbates the problem with funding for levee bank upgrades. I ask the State Government to consider the importance of levee banks in protecting towns and communities, as it has done in some northern areas of New South Wales, and to consider also the position of local government in western New South Wales. No council would be in a strong financial position, with millions of dollars to spare for levee bank upgrades. Therefore, I ask that the State Government review its decision to change the funding mix and provide the necessary funds to enable local governments to improve their levee banks and prepare them for an event such as that which has occurred in western and north-western New South Wales.

Debate adjourned on motion by Mrs Lo Po'.

Pursuant to resolution business interrupted.

PRIVATE MEMBERS' STATEMENTS

FORMER NRMA DIRECTOR Mr RICHARD TALBOT

Mr E. T. PAGE (Coogee) [4.32 p.m.]: NRMA members have lost one of their most committed and energetic member-electorate directors, Richard Talbot. His forced resignation was the price he was forced to pay for a miserable one-third settlement of his outstanding legal costs incurred by him as a result of championing the mutual principle and challenging the demutualisation of NRMA Insurance on behalf of hundreds of thousands of NRMA members. The board, when it made the decision to pay part of his \$1 million legal bill, did not make his resignation a condition of the settlement and several board members were shocked when it was extracted. The resignation was extracted when the Members First legal bill negotiating team, led by Tim Shaw, offered

Talbot, who was facing the loss of his family home in bankruptcy, a mere one-third of the bill and demanded he resign to get it. Talbot was then bound with a tight confidentiality agreement while the NRMA claimed that Talbot had asked to resign in return for being paid all his fees.

Talbot cannot comment on the settlement without being dragged into court by the NRMA, but its features were leaked from others involved in negotiations and leaked to the media. With only one-third of his legal fees paid, Talbot still faces possible bankruptcy and the board has lost one of the few voices that stood up for members and opposed decisions made by the controlling Nick Whitlam led Members First faction. But before they got rid of Talbot a Members First board member, Alex Sanchez, tried to stand over Talbot with a deal. The deal was rejected by Talbot and he paid the price.

The first attempt at the deal was made on the night of 26 July at 8.30 during a phone call to Talbot's home by Sanchez. Sanchez effectively tried to blackmail Talbot into helping him get rid of fellow director Anne Keating from the NRMA Insurance Group Ltd [NIGL] board in return for having all his legal bills promptly settled. The proposition made by Sanchez was that Talbot do two things for his 30 pieces of silver. If he did not do them, Talbot was warned that the NRMA would oppose paying the legal bills and that people would string him up, and it did not matter how long it would take because he would go broke first. First, Sanchez told Talbot that he had to attack Anne Keating at the next day's board meeting if she raised the issue of Saatchi and Saatchi funding the Members First board election campaign last year and to say that Anne Keating "does not have clean hands because of her association with the John Singleton Advertising Group, which would cut off Keating's oxygen".

Second, he was to say he does not believe that there needs to be any further investigation into the Saatchi and Saatchi affair. That would put a stop to all further references to the Saatchi matter in the media so that Nick Whitlam could leak the boardroom statements to the press. However, if Talbot did not do these things, the NRMA would pursue him for his legal costs and bankrupt him. He was also advised not to cause any further trouble over the demutualisation of NRMA Insurance. The trifecta was completed with the demand that Talbot not stand for the NIGL board at these elections. At 8.50 that night when the conversation terminated, Talbot phoned two fellow directors and his solicitor and related his conversation with Sanchez. The next day he went into the board meeting and instead of following Sanchez's instructions, Talbot moved for the corporate governance investigation of Anne Keating to be dropped as it was nothing but a sham attempt to discredit and harm her.

The second approach came on 23 October after the settlement of the demutualisation litigation at 8.10 p.m. when Sanchez again phoned Talbot at home. This time he said that there was a job at the NRMA down the track if he sat quietly for a while and behaved. He said that it was not in his best interest to help Anne Keating to defend herself against allegations made by NRMA Insurance Group Chairman, Nick Whitlam, that she had breached NRMA's corporate governance rules by speaking to the press about the Saatchi assistance to Members First. Keating had been called before a five-member corporate governance committee of which four were Members First members.

Sanchez was trying to use Talbot, with the lure of having his legal bills settled, to damage Anne Keating's name in any way possible to get her off the board. He was doing what Nick Whitlam wanted, to wound Keating's reputation on the board and use it to get rid of her, in the same way he deals with all those who stand against him. When Talbot refused to do Sanchez's bidding in relation to Anne Keating, the knives were out for him. The negotiating committee forced his resignation. As perilous as this was to be to Talbot, he was not going to be extorted into harming a director to save himself. Sanchez also said that he wanted the Saatchi matter to go away because he has political ambitions and did not want to be associated with any election funding scandals. This matter is so murky and serious that I recommend that the Attorney General refer it for further investigation by the National Crime Authority and the Federal police.

WAGGA WAGGA FAMILIES FIRST PROGRAM

Mr MAGUIRE (Wagga Wagga) [4.36 p.m.]: Prior to coming into the House I asked the Minister for Community Services to be present and I thank her for acceding to my request. Honourable members will recall the recent tragedy in Wagga Wagga with the unsolved murder of baby Jordan Smith. The horrific murder of Jordan, whose little defenceless body was beaten, bashed and systematically smashed, has revolted the community of Wagga Wagga and the people who reside in the suburb of Ashmont. We have all shared the pain and continue to do so. Subsequent media focus and attention has further ignited ill feeling and highlighted the shortcomings of this suburb.

I convened a recent meeting that was attended by the mayor, the director of community services, community representatives, representatives from councils, church organisations, housing organisations, the Greater Murray Area Health Service and representatives from interested minority groups that complete the social fabric that is Ashmont. I have included in a package that I wish to give the Minister details and the minutes of the meeting. It was agreed that a further meeting would be held. That meeting was held last night and was well attended. At our meeting it was resolved that urgent action was needed for Ashmont and any other suburb in Wagga Wagga that could benefit from the Family First program. However, advice has been received that Wagga Wagga is not scheduled to commence the program until 2003.

The problems that the suburb has to contend with are similar to those in other areas of Australia that could be described as average Australia, with pockets of battlers, single parents, socially disadvantaged people and the poor, but those problems are magnified by recent events, including several murders, assaults and disturbances. I have included in the package articles from the baby Jordan case, which has torn apart a suburb. Some residents have threatened to rename part of the suburb in an attempt to dissociate themselves from the problem. Of course, this does not resolve the underlying issue. Ashmore requires medical and community services outreach, more lighting, access to better public transport, educational assistance for young families, teenage students and the high percentage of teenage mothers. Job opportunities, access to employment services, community policing and more are also needed.

The community of Ashmont has resolved to work together in a united approach, with one voice, to gain these resources and to advance the suburb for the benefit of all. What we seek, with the utmost urgency, is for the Minister to instruct her department to assist this needy community in bringing forward the Families First program—for it to begin immediately. The community is certainly prepared to meet with the Minister or representatives of her department as a matter of urgency to support the case for more resources such as the Families First program.

In closing, may I say that this unfortunate tragedy, the murder of this tiny little baby, remains unsolved. It is a case that all members of the community recognise as such a tragic event, but it has highlighted, through the media as I said at the commencement of my contribution, some shortcomings that I am certain exist in most towns and cities in Australia, in fact throughout the world. But Ashmont has really paid the price as a result of recent media articles. I have included the articles that I would like the Minister to take the time to read. Ashmont has paid the price, but the community has come together at that public meeting last night in a united way to address the many problems that were highlighted. I thank the Minister for taking the time to listen to my request and I lay upon the table for her information the details and the documents that I have prepared.

Mrs LO PO' (Penrith—Minister for Community Services, Minister for Ageing, Minister for Disability Services, and Minister for Women) [4.41 p.m.]: The Families First program is intended to provide communities with some initiatives. We are rolling it out in many places and, from the feedback we have received, it is doing the job. I have listened carefully to what the honourable member has had to say about what Wagga Wagga community needs. I will take that back to my department, we will discuss it and I will inform him of what may happen with the Families First program.

LEGISLATIVE COUNCIL INQUIRY INTO CABRAMATTA POLICE RESOURCES

Ms MEAGHER (Cabramatta—Parliamentary Secretary) [4.42 p.m.]: This evening I bring to the attention of the House my concerns in relation to the conduct of the inquiry into policing in Cabramatta currently being undertaken by the New South Wales upper House General Purpose Standing Committee No. 3. To date the committee's process of inquiry has been piecemeal and erratic, leaving Cabramatta residents frustrated that they will not be given sufficient opportunity to put their views to that committee for consideration. The committee visited Cabramatta in October. The visit, advertised as an inspection of the area's problems, consisted of sightseeing through a bus window and a brief tour on foot surrounded by some of the State's highest ranking police officers—hardly a serious attempt to find out the views of local people.

It is unlikely that the visit afforded any valuable insight into the challenges that confront our community. After the committee's departure, Cabramatta residents were left angry and bewildered that their views had not been sought. The community held its first hearing on 8 November, but again the process of inquiry was ill-defined and lacked direction. The first session, a briefing by police, was originally scheduled to be held in camera but that was overturned due to media pressure and the session was subsequently opened to the public. It then became apparent to me that the committee lacked direction. After canvassing the views of my local community, I wrote to the chairperson of the committee urging an improvement in the inquiry process.

My letter, dated 8 November, outlined concern that the committee lacked interest in the views of local people who should be afforded the opportunity for input. I urge the committee to spend at least three days in Cabramatta fully consulting with local residents and other stakeholders. To date the chairperson has not responded to my letter. However, in a press release under the hand of the committee chairperson and dated 17 November, it has been announced that the committee will visit Cabramatta on 12 December and allow those who have made written submissions an opportunity to address the committee personally. I do not consider that that is good enough. The committee has received only 22 submissions, most of them from government departments. There are only eight submissions from local residents, therefore only eight people will be afforded the opportunity for input to the committee.

To my mind that is not an inquiry; it smacks of a whitewash. The committee cannot hope to produce recommendations to the Government of any real value based on the contribution of eight local people. Policing is one of the most important issues to my constituents and there are many who would welcome the opportunity to share their views with the committee. I strongly believe they should be given that opportunity and will continue to lobby the committee on their behalf. I have been skeptical about the value of this inquiry from the outset. The terms of reference for the inquiry are questions that should have been asked during budget estimates.

However, I suspect that Opposition members declined that opportunity because it lacked the fanfare and whistles and, of course, self-promoting media opportunities of a full-blown inquiry. Now that the inquiry is in place it behoves the committee chairperson to make it a worthwhile exercise that is able to make valuable recommendations to government. But if the conduct of the inquiry to date is any indication, I hold grave reservations about its capacity to recommend anything of value. As the local member with a strong interest in policing I await the committee's recommendations with interest, as do the rest of my community.

GUY FAWKES RIVER NATIONAL PARK ANIMAL SLAUGHTER

Mr FRASER (Coffs Harbour) [4.45 p.m.]: Once again I wish to speak to the issue of the culling of feral horses in the Guy Fawkes River National Park and to discuss the report by Dr A. W. English provided at the request of the Minister. The House was provided with an executive summary of the report but I now have a copy of the 27-page document. I am extremely concerned, gravely concerned in fact, that the report is full of inaccuracies. I would make the statement upfront that I do not reflect on Dr Tony English in any way when I talk about these inaccuracies. I do reflect on the fact that Dr English, when he went to Guy Fawkes River National Park, was accompanied by National Parks and Wildlife Service [NPWS] officers. I believe he was shown only evidence that they wished him to see. I draw the attention of honourable members to page 19 of that report, in particular to point 72 which refers to the rifles and ammunition used. It states:

All 3 had use of their own dedicated L1AI SLR, which they had used on the FAAST course ... each rifle was fitted with an Aimpoint® red dot scope, zeroed to hit the point of aim at 50 metres. Each shooter had at least 15 of the SLR's 20 round magazines, into which they each loaded their own 19 rounds of 150 grain soft point .308 calibre ammunition.

That is incorrect. Whilst they may have had the bullets, in fact they purchased lots of 1500 rounds from the Australian Defence Industries. The ammunition they purchased was military ammunition—it was jacketed military ammunition; it was not soft-pointed ammunition. If they had used the ammunition as described in the report, the bullet would have entered the beast, penetrated no more than nine inches, and would not have killed it. The ammunition they used passed straight through the animal. It did not hit the thorax or the lungs.

I am also concerned that Dr English looked at only 39 horses. If 617 horses were killed, as claimed by the NPWS, why did he look at only 39, that is, 27 on one occasion and 12 on the other? I believe he was taken to horses that were probably killed in a manner that would have been acceptable to anyone, me included, on the basis that they were humanely killed. The photographic evidence that I have, the videos that were shown of at least 67 horses that were examined privately out there, showed that they were not humanely killed.

I believe there has been a cover-up. I believe that the National Parks and Wildlife Service is justifying the actions of its officers. I have spoken to the Minister privately about this. The Minister is probably in a fairly dangerous situation because he has made statements about this issue, based on information provided to him. His response is only as good as the information he receives. The Minister has been made to look like a fool and I do not believe he deserves it. I think that, in reality, the Minister reacted to public concern and, in the short term at least, put a stop to aerial culling.

I do not believe the information contained in the report about the Australian Veterinary Association [AVA] protocols which states that the AVA protocols actually support aerial culling. They do support aerial

culling, but recommend that it should not be used in the type of terrain where it was used on this occasion. They refer to flat areas, and going back and killing the animals. The one part of the report that really disturbs me is contained in the addendum under the heading "Interpretation" on page 26. The report mentions the horse that wandered out of the bush two weeks after it had been shot. The report states:

While it was assumed that the 2 shots had been fired from a helicopter due to their position on the top of the body, in the absence of bullet fragments it was not possible to prove beyond doubt that this was so. The possibility of the shots being fired from high ground was discussed, but no firm conclusions were drawn.

I suggest that was because of the absence of bullet fragments and the type of bullets used. That statement is misleading. We know that people culled these horses from helicopters. The report suggests that that horse may have been shot from the ground. The report is full of misinformation. I believe that misinformation has been fed to Dr English and the Minister by the National Parks and Wildlife Service. I renew my call for a full, open, public inquiry, because I have evidence that I can put before an inquiry which will damn those people and show that the report is full of lies and half-truths that have been fed to Dr English by the service.

[Private members' statements interrupted.]

BUSINESS OF THE HOUSE

Routine of Business: Suspension of Standing and Sessional Orders

Motion by Mr Whelan agreed to:

That standing and sessional orders be suspended to permit:

- (1) no quorums or divisions to be called for the remainder of this sitting; and
- (2) the House to adjourn at the conclusion of private members' statements until Friday 24 November 2000 at 10.00 a.m.

PRIVATE MEMBERS' STATEMENTS

[Private members' statements resumed.]

DEATH OF Mr RONALD WALSH, OAM

Mr PRICE (Maitland) [4.51 p.m.]: Tonight I speak of the life and times of Ronald Walsh, a former mayor of Maitland and former councillor on Maitland City Council. Ron Walsh was buried on 15 November at 90 years of age. Ron was a man whom I had known for many years in both civic life and privately. His nephew, Allan Walsh, served in this place as the honourable member for Maitland. I am sure that many members of this House would remember Allan. Ron was a dedicated citizen of Maitland. He spent the bulk of his life in the city of Maitland; he attended school there and was a businessman there. The last time I saw Ron he and I were co-presenters at the year 12 farewell at Maitland Boys High School, which was his old school. It was an honour to be with such a distinguished elder gentleman. At 90 years of age he carried himself well, he spoke well, and was still capable of representing the community in that capacity.

Ron's wife, Hazel, died several years ago. Members who are familiar with the Maitland town hall and administration building may well remember the memorial fountain erected there. Recently, it had to be removed because of proposed building extensions, but I understand from my discussions with the current mayor, Peter Blackmore, that both Hazel and Ron will be remembered in a specially dedicated area adjacent to the Senior Citizens Centre at Maitland, which is behind Ron's beloved town hall. That is a fitting honour for both of them.

Ron spent 18 years as an alderman with Maitland City Council and sometime mayor of Maitland from 1965 to 1983. I first met Ron when, as an alderman with the Newcastle City Council, I was a member of the joint committee that combined the two abattoirs of Maitland and Newcastle before they were both dissolved. During that period I realised what a strong advocate Ron was for his city. I recall spending some time with his daughter, Wendy, who represented as the Lady Mayoress for a time. Wendy puts in a lot of time for the community. She is involved in the old-boy network at Maitland High and is deeply committed to the Nilo public school. The family has served its community for many years. I suppose we all have to die, but Ron's passing was a very sad thing.

Ron was a returned serviceman and had spent many years in the Royal Australian Air Force. He was actively involved in more than 30 community groups, and was a dedicated member of the Masonic Lodge. Up

until the time of his death he was an active and aggressive president of the Maitland senior citizens group who made sure that senior citizens were not forgotten in the Maitland district. He was Citizen of the Year in 1995 and in 1998 he received the Medal of the Order of Australia. He was a true servant of the community, a man who will be sorely missed. Vale Ron Walsh.

Mrs LO PO' (Penrith—Minister for Community Services, Minister for Ageing, Minister for Disability Services, and Minister for Women) [4.55 p.m.]: I second the remarks of the honourable member for Maitland. Believe it or not I knew Ron Walsh; he was one of nature's gentleman. His wife lived next door to me when she was Hazel Howe, although she had grown up. My family inherited my grandparents' house and my grandparents and the Howes were great friends. Hazel and Ron used to come to visit her elderly parents. I remember their daughter, Wendy, who had been to a birthday party wearing a blue satin dress and came to visit her parents. That dress was the love of my life, I wanted one exactly like it but I never did get one. The Walsh family is well-known in that area and is held in the highest regard. One does not expect to hear about the death of one's former neighbours in this House. I was not aware that Hazel had died. I will now tell my mum, who is 87 and lives next door to me. That will be the end of her neighbourliness with the Howes. I too am sorry that Ron Walsh has passed away.

EPHING TRAFFIC LIGHTS

Mr TINK (Epping) [4.56 p.m.]: I refer again to the necessity for a right-hand turn arrow from Rawson Street into Carlingford Road at Epping. Recently I surveyed the area bounded by Beecroft Road, Carlingford Road and Misdon Road. The Epping Civic Trust has also surveyed its members, who come from a much wider area. Of the combined replies, which totalled 450, 432 supported the proposed right-hand turn arrow. That is 96 per cent of all respondents. The reason there is strong support for the arrow is because without it people in central Epping cannot get out of the area to travel to the city without going all the way to Eastwood. Motorists cannot make the right-hand turn which is necessary to get to the bridge over the railway line and head east towards the city. The Minister for Roads and I have had lengthy correspondence about this matter, and the Minister knows I am speaking about the matter this afternoon.

A letter from his office now suggests that a right-hand turn facility will be required if an arrow is provided. The letter, dated 6 November states that a right-hand turn facility with associated storage bay would be necessary. I am concerned that this is the first time those associated works have been mentioned. I honestly do not believe that they are necessary. I contrast that letter with an earlier letter from the Minister's office dated 3 July, which did not indicate that such a storage bay would be required for traffic. In a report prepared in 1994 for Parramatta City Council by Sinclair Knight Merz a proposal was outlined for changes to traffic of the type I have outlined, but again it was not claimed that a bay was necessary. The report stated:

It is also proposed to improve the operation of the intersection of Rawson Street, Ray Road and Carlingford Road. The northbound median lane in Rawson Street would be marked as being for right turning vehicles only, and the southbound kerbside lane in Ray Road would be marked as being for left turning vehicles only. To discourage vehicles turning left from both southbound lanes in Ray Road, the median would be linemarked as being for through and right turning vehicles only.

That is the appropriate line marking and it is all that is required. That proposal has effectively been approved by independent traffic engineers at Parramatta City Council. It is not merely my view and that of other people in the Epping area; it is also the view of traffic engineers. I hope the Minister notes the concern I have about correspondence from his office, although it is not signed by him, in which the concept of a storage bay is a new condition or a new hurdle that has to be overcome. The traffic engineers who considered this matter a few years ago did not believe it was necessary. As recently as 3 July the Minister's office apparently did not believe it was necessary, and the Epping Civic Trust certainly does not believe it is necessary.

To put it in context, on the eastern side of the railway line where Langston Place meets Epping Road, another busy intersection, there is a right-hand turn lane for traffic travelling south out of Langston Place. A bay has not been built for that purpose. The way in which the traffic flows on each side of Epping Road at that location is, as I understand it, precisely the way it would flow in the proposal put by Sinclair, Knight, Merz. The theoretical construction that company has put on the intersection on the western side is currently in operation on the eastern side. For the life of me, I cannot understand why this hurdle of a storage bay, which would require the resumption of land and a great deal of expense, is necessary.

My plea is that the Minister take into account the response to an extensive survey. There was overwhelming 96 per cent support for the proposal I have outlined. That proposal is supported professionally, locally and by the trust. We would all like to have it implemented at the earliest opportunity, particularly bearing in mind the proposed development in Rawson Street. The 233 extra car parking spaces for that development will place an even greater demand on that intersection.

GRAHAME PARK STADIUM

Mr McBRIDE (The Entrance) [5.01 p.m.]: I would like to report to the House the success of NorthPower Stadium at Grahame Park, Gosford. NorthPower Stadium was officially opened on Sunday, 6 February, to an enormous response from Central Coast residents. The opening attracted a full house of 20,254 people. I think there were a few extra as well. On opening night a rugby league game was held between the Newcastle Knights and the Northern Eagles. Those two teams are developing the sort of rivalry that existed between St George and South Sydney, and Parramatta and Penrith. The opening was a spectacular success, as was the result of the game. The Northern Eagles, the local team, beat the Newcastle Knights, who were the champions of the previous season.

Since its opening the stadium has hosted a number of successful events, including the Olympic torch relay. That event was also an outstanding success, with 25,000 people attending. It was rated by the Australian Olympic Committee as the most outstanding community event associated with the torch relay. The stadium has also hosted an Australian Rugby League test match, a National Soccer League match and New South Wales rugby union games. In all, the stadium has attracted more than 250,000 spectators so far this year. Due to the success of these events, the stadium has a number of bookings for next year, including a British Lions rugby union game and the Oceania World Cup qualifying soccer tournament.

The stadium was a joint partnership between the Federal Government, the State Government local government and Central Coast Leagues Club. The State Government put \$12 million into the project. That amount was matched by the Federal Government and the remaining \$6 million came from Central Coast Leagues Club and Gosford City Council. I point out that there was opposition to the construction of the stadium at every level of government. The view was that it would be a white elephant, that the Central Coast could not support such a facility, and that the Central Coast was not entitled to it.

Bearing in mind the numbers so far, the project has been an unqualified success. Even the lowest rating rugby league game, which was held towards the end of the season between the Northern Eagles and North Queensland Cowboys when the Northern Eagles were not doing so well, attracted about 12,000 people. In contrast, a game played at Brookvale Oval, the former Manly Sea Eagles being a joint partner in the new Northern Eagles team, against the Brisbane Broncos only attracted 8,000 people. Therefore, a rugby league match, which by any standards was a low rating game, was a spectacular success. I am sure that many clubs, including South Sydney, would be pleased to attract such an attendance for a low rating game. That proves the spectacular success of this facility on the Central Coast.

The bookings for next year are equally good. One month ago there were three bookings in January, four in February, two in March, one in April, one in May, two in June, one in August and one in September. Those bookings are better than the current bookings for Stadium Australia next year; NorthPower Stadium has more bookings than Stadium Australia. As an example of the managerial skills of the new stadium's manager, Ed Hoskins, and the marketing manager, Monique Marks, this weekend the stadium will be used as a music venue. This Saturday eight bands will perform at a youth concert called Heatwave 2000. Killing Heidi will be the headliners, followed by Grinspoon, the Whitlams, Frenzal Rhomb, The Superjesus, Primary, Bodyjar, LoTel, and the winner of SeaFM, a local radio station, youth contest. Most importantly, Heatwave 2000 is sponsoring young bands. The stadium will be alcohol free with a restricted beer tent outside.

On Sunday six artists will perform at the Summer Country Festival. Those artists are Lee Kernaghan, Gina Jeffreys, Adam Brand, Tamara Stewart, Lyn Bowtell and Jim Haynes. Those artists are all known to the honourable member for Lachlan, the former Leader of the National Party, who should still be the Leader of the National Party. Anyone who knows country music would agree that that is a fantastic line-up of artists. The festival, which is designed for a family audience, will be run during the day on Sunday 26 November from 12.30 p.m. through to 7.00 p.m. The stadium is not only to be used for sporting events; it is an asset to be used by the whole of the community. As part of that commitment, the music concerts to be held this Saturday and Sunday will be enjoyed by all sections of the community.

OVINE JOHNE'S DISEASE

Mr ARMSTRONG (Lachlan) [5.06 p.m.]: Today I want to refer to a particular case of ovine Johne's disease that emphasises the absolutely draconian and dramatic effect of this disease. We know of its effect on the sheep population, but I want to point out the effect that it is having on people. The matter to which I refer concerns a farmer on a property between Boorowa and Reedy Flat near Cowra. In January this year he

consigned about 700 sheep to the abattoir in Dubbo. A truck picked up the sheep and then picked up another 200 sheep from another farm about 50 kilometres away. The two lots of sheep were taken to the abattoir in Dubbo and unloaded. The Dubbo abattoir proprietors became the owners of the sheep.

When the sheep were slaughtered, apparently one sheep, allegedly out of my constituent's consignment, returned a positive test to ovine Johne's disease. That was in January. On 2 June the Young Pastures Protection Board rang my constituent and advised him that his property had been quarantined. That is the first point: He consigned the sheep in January and it was not until June that he was told that one of his sheep was positive to ovine Johne's disease. If he had been a trader and five months had elapsed, one can imagine the damage that could have been done. But my constituent is anything but a trader. He bought one lot of sheep in 20 years, and that was 12 years ago. Fortunately, that management practice did not affect him.

My constituent was then advised that the Department of Agriculture and the pastures protection board wanted to do some faecal tests on his property. The tests were undertaken at the end of July and on the last Wednesday in October, something like 13 weeks later, the family was advised that the tests were totally negative. It took nearly two weeks for the family to be notified officially by the pastures protection board and the Department of Agriculture that the property was out of quarantine. Let me paint the picture for honourable members: This is an ultraconservative family, a fairly closely bonded family consisting of father, mother and a married son who live conservatively. They are highly respected because they run a fairly pristine farming enterprise. They ask for nothing. They are people who, by conservative standards, are almost shy.

The family was so ashamed of what might be wrong when the property was quarantined that they were reluctant to discuss the matter even with their neighbours. They literally withdrew from community activity. They went to town only on weekdays, and even then infrequently, because of the perceived shame they had incurred because of the allegation that their stock was affected by ovine Johne's disease. The family takes great pride in the quality of its stock. I will bring honourable members up to where they are today. The family was left half hung for some five months before it was told it had ovine Johne's disease. The department discussed it and the pastures protection board discussed it. The family was then told that tests would have to be conducted, the results of which took 13 weeks. It took another 10 days before anyone wrote to the family to say that they were off the hook.

The bottom line is that the stigma of ovine Johne's disease will stick with that farm for at least a generation. The stigma will stick with the livestock for years. People who want to buy livestock will say, "I remember, that's the place that once had ovine Johne's disease. They were quarantined, you know" That is the way the rumour mill works. The management of the effect of ovine Johne's disease on families in New South Wales is an absolute disgrace. I will now name the family, it is the family of Mr Vince Toohey. No government department should be allowed to treat any family in that way. It is gross mismanagement, and I condemn it.

TORONTO COURTHOUSE

Mr HUNTER (Lake Macquarie) [5.11 p.m.]: I place on record the fact that a mission has been accomplished. That mission was securing a courthouse for Toronto. The new courthouse is the result of a fight by the community for many years—a fight by people of the western side of Lake Macquarie to gain better access to court services. The fight was supported by my predecessor—my father, Merv Hunter—who was the member for Lake Macquarie from 1969 up until 1991. I continued the fight when I was elected to this Parliament and worked with the local community and local members of the Labor Party to have a courthouse built in Toronto. The Toronto courthouse site was dedicated by the previous Labor Government. Plans were drawn up for the site in 1987-88, but, unfortunately, when the Greiner Government was elected the courthouse fell way down the list of priorities.

It was not until the re-election of a Labor Government in 1995 that the project proceeded. It is important to put on record that the election commitment given by Bob Carr and the Labor Opposition has been fulfilled and the courthouse dream has come to fruition. On Thursday 29 June the \$5.2 million Toronto Courthouse was officially opened. It was due to be opened by the Attorney General, Jeff Shaw, but he announced his retirement from Parliament the day before. The opening of the courthouse then fell to me. I was very proud to open the court complex on behalf of the Government. On the day I was joined by representatives of the Attorney General's Department, magistrates, judges, community leaders, police and solicitors, local school students and members of the public, including my parents.

I thank everyone for coming along, particularly students from the local schools. Morisset High School provided entertainment and featured student Emma Burch who sang the national anthem. Toronto High School

and Toronto Public School provided additional musical presentations. I thank them for participating in the opening of the courthouse. It was certainly appreciated. Numerous community groups attended the opening, all of which I named on the day. I thank Toronto Lions and Lioness members for their assistance. I thank the Toronto Workers Club, which provided seating on the day and also a minibus to transport people from the workers club car park to the courthouse.

My thanks go to all the community members who have worked over the years lobbying for this facility for the western Lake Macquarie area. I also thank the Australian Labor Party members who assisted with petitions and lobbying the Government. I mention Mr Bradley Perrett, who gave me great assistance in my early days of campaigning for the court facility. The new courthouse has given the Hunter region, particularly Lake Macquarie, a state-of-the-art facility that focuses on the needs of court users. The new court will provide the community with a less threatening environment and reduce the stress that many people feel when going to court. Key aspects of the court include special domestic violence and victims of crime rooms to provide secure surroundings for vulnerable users; improved access for the disabled, including provisions for disabled magistrates, the first facility of its kind in the State; and a larger waiting area to ensure that users are not forced to sit with adversaries before a hearing.

Toronto is now leading the State with its court facilities. The courthouse will greatly improve access to free legal advice, reduce the time local police spend out of the Westlakes area attending other courts and boost the local economy by creating jobs. Along with proper facilities for the public and the legal profession, access for people with disabilities has been provided at the courthouse. I thank those who participated in the opening and those who campaigned for the facility. I do not know how many times I have pushed in this House for the facility to be built. It is on the record; it has been mentioned many times. I thank the former Attorney General, Jeff Shaw, and the Carr Government for sticking to its commitment and building the \$5.2 million court facility at Toronto.

NORTHERN BEACHES HEALTH SERVICES

Mr BROGDEN (Pittwater) [5.16 p.m.]: On 2 and 3 December the Department of Health, through the Northern Sydney Area Health Service, will hold what it has described as a health summit to discuss the future of health services on the northern beaches. Effectively this is another step in the campaign by the Department of Health to close Manly and Mona Vale hospitals and build a single hospital on a site somewhere between the two. Part of the process has been the engagement of GHD Consultants to run the health summit and consult with the community using polling and other methods to ascertain its views. I have been advised that the health summit will be a two-day process at which some 60 people from across the northern beaches community—indeed, the three local government areas of Manly, Warringah and Pittwater—will be extensively polled and extensively involved in discussions regarding the future of the hospitals.

Apparently those 60 people were to be drawn from 120 people who, when asked the question in a phone poll, "Would you like to attend a two-day conference?" said they would like to do so. The problem is that I am led to believe that as at today, less than two weeks from 2 and 3 December when the summit will take place, only 35 people have agreed to take part in the summit. But 35 people from a population of 250,000 is simply not a representative sample of the people of the northern beaches. It is not representative enough for the Department of Health to hang its hat on the result of the summit. What we are talking about is the future of Mona Vale hospital. I am prepared to fight hard for that. The department has produced a document and I have been supplied with a draft copy of it. It is called "Northern Beaches Health Summit Information Package for Residents." I am told that every household on the northern beaches will receive a copy of this document, which was forwarded to me by the department. It is an unadulterated biased attempt to persuade the community that the only option is to close Manly Hospital and Mona Vale Hospital and construct a new hospital somewhere in between.

The cost option is fascinating: It says that maintaining the status quo, which is to maintain the two existing hospitals, Manly Hospital and Mona Vale Hospital, will cost \$72.8 million. The cost of the other option, which is to close Manly Hospital and relocate it to Mona Vale, is \$132 million. But it will cost between \$160 million and \$190 million to build a new hospital. Where do these figures come from? Since when will it cost \$132 million to upgrade Mona Vale Hospital to be the primary health providing service of the northern beaches? These figures are biased in favour of a new hospital. In fact, this document attacks the credibility of the process undertaken with the people on the northern beaches. In relation to accessibility issues, the document reveals the results of the so-called traffic survey, which states that 80 per cent of the population can reach the intersection of the Wakehurst Parkway and Warringah Road within 15 minutes in morning peak hour.

That is an indication that the option for a new hospital is somewhere in the Forest area or at Cromer. If the Health Department and this Government allow the construction of a new hospital anywhere at the end of the Wakehurst Parkway, Pittwater residents will have to travel along that road to reach that hospital. This health survey fails to understand that the Wakehurst Parkway floods during conditions such as those we have just experienced. If the Government is saying the best it can do is to close Mona Vale Hospital and build a new one in the Forest area or at Cromer and tell the people of Pittwater they have to travel a road that floods regularly, we are going backwards in the health options for the northern beaches area.

The department, through this document, gives no commitment to undertake a whole-of-government approach that ensures that any upgrade will include roads and transport services. I am concerned that this document, which is about to be distributed to every household on the northern beaches, is biased entirely towards the predetermined position of the Department of Health to close Manly and Mona Vale hospitals and to open a new hospital. There is nothing wrong with Mona Vale Hospital that a small upgrade will not fix. It could continue to provide excellent health services to the people of the northern beaches.

Mr MOSS (Canterbury—Parliamentary Secretary) [5.21 p.m.]: This issue reminds me very much of my experience under the previous Liberal Government when there was a threat that two hospitals in my electorate—Western Suburbs and Canterbury—would close and a new one would be built, which occurred in the long term. Of course, the previous Government was doing to me exactly what the honourable member for Pittwater feels threatened by: to build a new hospital out of the electorate. However, the honourable member for Pittwater complains that only 60 people out of the entire northern beaches population were approached to attend a health summit and of that 60 only 30 have agreed to be represented at the summit. That is a damn sight more than the number of people in my electorate who were approached to talk about the closure of Western Suburbs Hospital and the former Canterbury Hospital under the previous Coalition Government.

Nobody was approached about that issue. The former Government decided it was going to build the new hospital in the western suburbs. Just like the honourable member for Pittwater, I was most concerned about that because my constituents would have to travel to Strathfield to attend a hospital that was within a stone's throw of another public hospital, Concord, for treatment. However, all that changed with a change of government. The honourable member for Pittwater must continue to lobby, as I did, for the new hospital to be built in his electorate. He should not give us any of this garbage about the community not being consulted. The honourable member for Pittwater told us that every household in the northern beaches will receive a pamphlet talking about the health summit and the need for either a new hospital or to refurbish an old hospital. That did not happen in my electorate under the former Coalition Government. Nobody was made aware of the proposal. We were just told we had to wear it.

KANWAL PRIMARY SCHOOL BAND

Mr CRITTENDEN (Wyang—Parliamentary Secretary) [5.23 p.m.]: It is my pleasant duty to draw to the attention of the House the musical accomplishments of the Kanwal primary school band. Last Saturday night, 18 November—in miserable conditions on a very wet and rainy night on the Central Coast—the number of parents and members of the community who attended the Kanwal school hall to listen to students perform was astounding. Certainly the students' musical accomplishments were of a high order. Of course, students can play instruments but they need parental support and it was great that one of the parents, Chris Bowen, was the master of ceremonies for the evening. Jane Allen, Mandy Sanders and Jan Britten, mothers of students at the school, were the mainstay in organising the raffle and providing supper at intermission.

The principal of Kanwal primary school, Judith James, and the deputy, Peter Scotchmer, were present also to lend support to the students in their first public appearance. Judith James is to be congratulated on remedying the situation when parents could not afford to purchase musical instruments for their child. The confidence displayed by the students in the band was certainly of a high order. I was impressed most by the fact that during solo, duo or trio performances, the 40 musicians that comprise the Kanwal school band listened intently and were respectful to those performing. The two key players in making the Kanwal school band such a success are John Hibbard, who was the conductor and mainstay of musical bands in so many primary schools, including Gorokan High School in my electorate, and John Saunders, who is a primary school teacher in the area.

John has been a great support to this group of students. On the concert night he helped out with the bass clarinet and provided assistance with the horn as well as encouraging the youngsters in that band. It is important to note that John Saunders' son Neil, who is a fine young man and will be next year's school captain at Gorokan

High School, played the clarinet and was in the percussion section. A number of students from Gorokan High School gave up their Saturday night to be with these young kids from Kanwal primary school. It truly was a great mentoring experience because not only had they given up their Saturday night but, more importantly, they also gave up Tuesday afternoons to assist with the musical education of the students learning the various instruments. When we hear so much negativity about young people today it is important to note these sorts of contributions they make.

Neil Saunders provides tuition in clarinet and percussion, Jessica Foy is a tutor in flute, Lisa Williams is a tutor in flute, Michael Coggin is a tutor in trombone, Wesley Kingston is a tutor in tenor saxophone and Renee Stacey has embarked on her training program to tutor in alto saxophone. Also on the night Aaron Trew assisted the younger students with percussion. It was great to see this co-operative effort and experience the community atmosphere. The weather certainly was inclement but the night was exceptional in the musical talent and confidence displayed by these young people, and also in the pride of the parents supporting their children. I certainly hope more parents take up the opportunity to allow their children to learn musical instruments and become part of the great Kanwal school band.

REGIONAL POPULATION DECLINE

Mr R. W. TURNER (Orange) [5.28 p.m.]: This afternoon I raise concerns regarding a Parliamentary Library Research Service background paper entitled "The Numbers Game: Prospects for a Redistribution in the Current Parliament". It is by Antony Green, a political analyst with the ABC. The summary states:

Under normal circumstances, a redistribution of electoral boundaries would not be due until after the 2003 election. However, under Section 28A of the Constitution Act, a redistribution can be triggered if the electoral enrolments become malapportioned.

The document goes on to say:

Based on projected electoral enrolments, it appears that this criteria will be met, and a redistribution will take place before the next [State] election.

The paper lists the following seats in the west of the State that could be affected: Murray-Darling, Murrumbidgee, Barwon, Lachlan, Dubbo, Orange, Northern Tablelands, Tamworth, Upper Hunter and Bathurst. They have all suffered population declines. This is despite the cities of Dubbo, Bathurst and Orange increasing in population. This decline in population is very disturbing to me and to many other people living on the other side of the Great Divide. Despite this Labor Government having been in power since 1995, areas of western New South Wales, including Wagga Wagga, Albury and Burrinjuck, continue to lose population. The redistribution in 1999 has already taken away a seat from this area. Antony Green has now predicted that another seat may be lost because of the continuing decline in population in regional areas.

This disturbing trend continues while at the same time the Premier of this State boasts of the billions that will be spent on Sydney infrastructure projects aimed at increasing the population and, in his words, continuing to make Sydney a better place to live. Whilst I acknowledge that the Government is taking positive steps in conjunction with the Federal Government on salinity and water issues—they have been very well debated this week in this House—and other important environmental issues, I ask: What has the Government done to adopt policies that will encourage real growth in population over the Great Dividing Range? The Government has boasted of its support for and approval of—with conditions; and that is about all we are getting at the moment on some of the projects—quite a number of projects in the Central West. They include, in the Orange area, the Cadia Hill goldmine, which is well under way, and the Ridgeway goldmine, which is about to start. The two will total about a billion dollars in infrastructure and more than 600 jobs.

The proposed nickel and cobalt mine at Condobolin will involve \$640 million. There is ongoing debate on the silicon smelter at Lithgow and the quartz mine at Cowra. There is uncertainty about the availability of timber. The Premier refused access to timber firstly at Pilliga then at Goonoo State Forest and now at Gunnedah. Where will the timber come from? We are still hearing about the aluminium smelter at Lithgow. The Government is patting itself on the back about the approvals. Even if all the projects go ahead—I hope that they do but I doubt that some of them will—I observe the glaring fact that they are all private enterprise. Whilst the Government may have approved them, they involve private capital and private risk. Not one major project that promotes jobs and encourages a reversal of the population drift from regional New South Wales has been announced by the Government since 1995.

Mr Martin: That is not true.

Mr R. W. TURNER: You can name them later. The Federal Government has provided \$4 million for the Parkes airport. The State Government has not matched that yet. There is still no major commitment on the Great Western Highway. Nothing has been done about payroll tax concessions. There are many things that this Government could do to encourage business to move over the mountains. Infrastructure concessions to private business through councils are another step that could be taken but to this stage the Government has not taken a positive step. [*Time expired.*]

HARNESS RACING INDUSTRY DRUG TESTING

Mr MARTIN (Bathurst) [5.33 p.m.]: I speak on a matter of great concern to me and to the harness racing fraternity in New South Wales, particularly in the electorate of Bathurst. In recent times two prominent drivers—one of them probably the most prominent driver-trainer in the history of harness racing Australia, Tony Turnbull—have been suspended by stewards of the New South Wales harness racing industry for having excess levels of plasma total carbon dioxide in their horses—commonly referred to as TCO². A. D. Turnbull is considered a living legend of the industry and has recently been inducted as the first living legend in the harness industry in New South Wales. Peter Trevor-Jones is a young trainer at the start of his career who has fallen foul of an inequity. Both were suspended over the level of TCO² in their horses. This is despite the fact that the Australian Harness Racing Council [AHRC] lowered the legal level from 37 to 35 millilitres per litre.

Despite many requests by highly qualified people, the AHRC cannot produce any scientific evidence which was used to justify this reduction. It is difficult to understand why we have 35 when internationally it remains at 37. It has been proved that horses can have a naturally occurring TCO² level in excess of 35 millilitres per litre. The most recent example is Kyalla Special in the Greg Sarina case. The horse was impounded under stewards' supervision for 72 hours and produced a TCO² reading of 36.9, proving that this substance can occur naturally. At a subsequent inquiry this evidence was ignored. That gets to the heart of this problem: there is very little justice in this system. Because it is not in a normal court of law there are not the same rules of proof. There is no opportunity for legal representatives of the trainers to cross-examine the stewards to examine the methodology of testing the horses. The evidence is not made available.

People are denied natural justice and their livelihood. Everybody in the trotting industry is absolutely shocked at the suspension of A. D. Turnbull. After 54 years in the industry without a blemish—remember he trained Hondo Grattan and won two Interdominion titles—this man has suddenly had his career sullied. There is no way of rectifying this through the current system. Indeed, Judge Thorley, the appeals judge, had this to say, "Such has been the recognition of Mr Turnbull's contribution to the industry that he was, fairly recently, inducted by Harness Racing New South Wales as the first living legend of the industry. That indication surely is an asset of great value against which this appellant is entitled to make a withdrawal. He has never, in the whole period of his involvement, ever been accused of a prior offence involving the use of drugs. There is not the slightest suggestion that Mr Turnbull himself did anything which could have accounted for the increased level of TCO² in the horse. How the level was achieved has not been explained, but we are satisfied that it was not due to any active role on the part of the appellant. He should not feel that his reputation has been unnecessarily sullied."

Despite those comments from the judge, Mr Turnbull was found guilty. The judge said that he had no choice because of the way the rules and regulations are framed. He basically said that A. D. Turnbull was a man of good character but he had to find him guilty because the system is a nonsense. What is left to Peter Trevor-Jones and Mr Turnbull in this case is to take very expensive Supreme Court action to clear their names. They cannot afford to do that, particularly Peter Trevor-Jones, who is a young trainer. He has now been denied his livelihood. He is trying to get a class action together because there is growing disenchantment with the system. Already South Australian authorities have suspended testing for TCO² until someone can convince them that it is a fair and legal testing system. I am pleased to announce that the Regulation Review Committee has decided that early in the new year it will conduct an inquiry into the rules and regulations of harness racing in New South Wales. Belatedly, through that process it may be possible to get some justice for A. D. Turnbull and Peter Trevor-Smith.

SOUTHERN HIGHLANDS RAIL SERVICES

Ms SEATON (Southern Highlands) [5.38 p.m.]: I would like to bring to the attention of the House rail services in my electorate. I am pleased that the Parliamentary Secretary is at the table. I hope he will take on board some of the detailed but specific concerns expressed to me by people in my electorate. Unfortunately, we have now seen a return to the sardine express, the 3.47 p.m. service from Central to the Southern Highlands,

which is noted for its constant overcrowding. Many passengers have to stand from Sydney to Picton and beyond before they manage to get a seat. Overcrowding is a problem with other peak hour services that still have only two carriage sets, despite continual lobbying for four-carriage sets. My constituents had hoped that the system introduced during the Olympic Games, in which every service on the hour was a four-car set, would be retained after the Olympic period.

I asked the Minister to give guarantees that they would be provided on peak hour services but, unfortunately, that guarantee has not been forthcoming. We have now returned to the traditional sardine express for the 3.47 p.m. and many other peak hour services. A number of local people have provided ways in which this problem could be alleviated. Michele Willsmore has said that because many passengers board the train at Central and then alight at Campbelltown, they take up places that could be occupied by passengers travelling through to stations in the Southern Highlands. If my constituents do manage to get on the train, they are often unable to get a seat. There is considerable support for the suggestion that the set down or pick up on some of those services be Menangle or a station beyond Campbelltown. Campbelltown commuters have services perhaps six times an hour, yet they board Southern Highlands trains simply because they are there, thus preventing Southern Highlands commuters, who have fewer services, from being able to catch the trains. I ask the Parliamentary Secretary to take that matter up with the Minister.

Another matter of concern is security. Recently I have received letters from a number of constituents in this regard. Mrs Vera Pickford is concerned that daytime trains are still very insecure, particularly for older people. She said that many older people are terrified when travelling on trains. She relayed an incident in which a group of teenagers were riding scooters up and down the aisle of the train. Complaints were made but those complaints could not be followed through because she could not find a guard when she alighted from the train. Other passengers are frightened to confront young offenders because they feel threatened by the hostile situation. That is an important issue to older travellers, in particular.

Another issue relates to manual escape facilities from CityRail carriages. I note that the Minister referred this week in Parliament to removing manual escape facilities from Countrylink trains. Many CityRail passengers in the Southern Highlands are worried that once they are in one of those carriages there will be no manual escape mechanism. This was highlighted by the disaster in Austria only a couple of weeks ago. Indeed, many constituents have asked for something in the train, perhaps a hammer or emergency equipment, that can be used to help people escape from a train if a manual escape hatch is not provided.

However, they ask for the provision of a manual escape facility. This is particularly important to people in country areas because of the distances between stations. Heaven forbid that a mishap should happen, because it can take ages for rescuers to arrive and remove people from a train that is a potential death trap. Finally, many CityRail buses do not provide a ticket selling facility. I relate a situation in which some young people tried to get on a bus and those who did not have a ticket were told that they could not buy a ticket from the bus driver but would have to return to the station, some distance away, to buy a ticket. By that time, in order to maintain its timetable, the bus had to leave. I would like the Minister to consider installing ticket selling facilities for CityRail buses in country areas so that young people in particular are not disadvantaged by literally finding themselves stranded.

Mr MOSS (Canterbury—Parliamentary Secretary) [5.43 p.m.]: I will take on board the comments made by the honourable member for Southern Highlands. In my capacity as Parliamentary Secretary, of late I have signed considerable correspondence about the change in services on various lines since the Olympic Games and how happy commuters were with the level of service that operated during the Olympic Games. However, it should be understood that during the Games services were taken from some areas to provide additional services to other areas. However, every letter that I have signed of late has emphasised that a review is under way based on the success of the Olympic timetable. I will certainly bring to the attention of the Minister the comments of the honourable member concerning, in particular, the 3.47 p.m. train and the four-carriage issue.

All trains have guards and if people cannot find the guard that is unfortunate. I can understand why they cannot, but I can only suggest that if a situation arises where the incident cannot be reported all a person can do is get off the train and report the matter to the nearest stationmaster or staff, who through radio means are able to contact the police, who in turn alert the train guard by phone to pick up the culprits at the next stop. I appreciate that at times people are caught on trains with vandals who display threatening behaviour, yet they can do little about it. The manual escape facility is a good suggestion, although something like that would still have to be centrally controlled in some way to avoid vandalism of that facility. Aeroplanes have similar facilities but I do not think anyone can just turn a lever and open the door. I will convey to the Minister the comments of the honourable member. I am sure the Minister will take them on board. [*Time expired.*]

BANKSTOWN SPECIAL EVENT CLEARWAY

Mr STEWART (Bankstown—Parliamentary Secretary) [5.45 p.m.]: I raise strong concerns about the designation by the Olympic Roads and Transport Authority [ORTA] of special event clearway parking in Chapel Road, Bankstown. During this time I was contacted by a large number of residents, business people, local councillors, Roads and Traffic Authority workers and many of the visiting United States Olympic team officials, who were staying at Bankstown, concerning parking on Chapel Road, Bankstown. The matter was also raised by Bankstown City Council and was highlighted by the local press, which followed the issue for several weeks. The area is directly opposite my electorate office and is an essential parking area comprising 14 spaces for rear to kerb parking that does not affect traffic flow.

In fact, designation of the special clearway did not occur until the Olympic torch had come through Bankstown, a week after all other special event clearways had been designated. There was no consultation and no notification. In particular, there was no indication that a separate parking lot off the street would be affected by such a clearway event. It is disturbing that although the street parking near the section was designated as a special event clearway and clearly signposted—there is no question about that—the parking area did not have any signage. This led to many locals and visitors being fined \$348, a matter not to be treated lightly. Several people were greatly distressed when they contacted my office.

When I first became aware of what was happening, I contacted the local police to clarify the situation and was told the matter was out of their hands; that it was under the control of the Olympic Roads and Transport Authority [ORTA]. Drivers, unaware that they were contravening parking restrictions because there was no signage, continued to use the area and fines were issued for many days before Bankstown council physically involved itself and put up barricades to prevent drivers from entering that parking area. That was the only way to prevent people from being fined, because there was no signage to alert them.

Other people affected included elderly residents visiting a heart specialist in the area, quite a few disabled drivers and a Roads and Traffic Authority driving instructor who was fined for parking in that area. This one-hour parking area is in a vital position in the busy part of Bankstown's business district. Disabled parking in nearby streets was banned during the Olympics. It was kerb parking and that was understood, but this parking area was off the road. The local media highlighted this case well. One resident was quoted in the local newspaper, the *Torch*, of 27 September. The resident, who did not want to be named, said that people did not expect that the clearway signs at the car park near the town hall referred to actually parking off the road. Clearways generally refer to roads, not allocated parking spots. He said that motorists do not relate a clearway to a parking area.

That was the essence of this problem. People did not relate this off the road parking to a kerbside clearway sign. Bankstown council became involved and wrote to ORTA on 6 October, complaining about the way the matter had been handled. In its letter council said that the parking bays were located behind the kerbline on the eastern side of Chapel Road; and that they were clear of the 12 metre wide carriageway of Chapel Road; and not part of the "road" as defined in the new Australian road rules. That in itself should have been enough to convince the designated authorities. Literally dozens of fines were incurred, but not in a reasonable or fair way. I have made representations to the police department about this matter and Bankstown council has also referred the matter on.

Council also said in its letter that no consultation had been undertaken by ORTA officers regarding the introduction of the special event clearways for the Olympic bus routes on council's local roads. The council went on to say that such lack of consultation was in direct contrast to what had occurred in relation to parking restrictions along the bus route from Bankstown to the Dunc Gray Velodrome at Bass Hill when discussions took place over a two-month period. The matter must be dealt with. I have written to the Minister for Police and I know that he is not treating the matter lightly. I urge him to instigate a thorough investigation and rescind the fines because they were incurred unreasonably.

KU-RING-GAI MUNICIPAL COUNCIL RESIDENTIAL STRATEGY

Mr O'FARRELL (Ku-ring-gai—Deputy Leader of the Opposition) [5.50 p.m.]: I refer this evening to the recent Department of Local Government report into Ku-ring-gai Municipal Council. A year ago when speaking about the inquiry which produced the report, I said in this House:

I fear this may signal the start of an attempt by the Carr Government to soften up Ku-ring-gai Council in advance of decisions being made upon a residential strategy ...

Having now read the report, especially that section between pages 175 and 178, I say that my worst fears have been confirmed. It is clear from the report that fault has been found with the residential strategy process which will be used against the Ku-ring-gai community by the Minister for Urban Affairs and Planning when he determines the matter. In referring to matters surrounding the preparation of the residential strategy, the report refers to an alleged failure by council to undertake "a proper, rigorous, accountable and transparent" consultation process, and stated that the strategy submitted to the Department of Urban Affairs and Planning [DUAP] "had not undergone a full public consultative process". Neither statement is true.

If the department's investigators had been referring to the previous Ku-ring-gai council, they would have been spot on, but it is not a charge that any reasonable or fair person could make against the current council. Upon its election, the present council immediately set about sorting out Ku-ring-gai's residential strategy mess. For a start, it did something the previous council had refused to do: it commissioned base studies in the areas of heritage, transport and traffic, infrastructure and the environment. These studies were always vital before any decision could be made about future housing densities.

A task force and steering committees were established and members of the public were invited to attend and observe and participate in proceedings. Many did so. However, because they were, in the words of the report, considered to be largely members of the Ku-ring-gai Preservation Trust [KPT], somehow their participation has been discounted. Is it surprising that a group which represents, and reflects, the views of thousands of Ku-ring-gai residents on development issues is present during such a process? Give me a break! In contrast, the only time the previous council consulted was when its draft strategy had been completed. When it finally consulted, there was a revolt which resulted, in September 1999, in an 80 per cent turnover in elected councillors, with seven elected supporting the aims of the KPT.

In viewing the criticisms in the report, it must not be forgotten that the new council had a work deadline of 31 March imposed upon it by the Carr Government. Notwithstanding the former council's time wasting, the current council was not given any additional time to undertake the work. As a result, it is true that the final public exhibition occurred at the same time as the strategy was submitted to DUAP. But, whose fault is that? Is the Department of Local Government really suggesting that more could have been done in a six-month period which included the Christmas-New Year break? It is only State governments, and Labor ones at that, which seek to exhibit contentious issues during holiday seasons when people are away.

Ku-ring-gai council did produce a recommended residential strategy which gained virtually unanimous support from councillors, a far cry from the division which wracked the former council on the issue. That is not to say that everyone agrees with what was submitted—I have my own reservations about areas such as the Heydon precinct at Warrawee—but, overall, the draft reflected the community's views. In my view, all members of the current council deserve congratulations for their efforts in this matter and not the snide and dismissive conclusions drawn by Department of Local Government investigators. I have been greatly concerned at the silence of the Minister for Urban Affairs and Planning and his department since Ku-ring-gai's residential strategy was submitted earlier this year. I therefore read paragraph 2 on page 177 of the local government department's report into Ku-ring-gai council with interest. It stated:

Our understanding is that in those circumstances the Minister and DUAP are not prepared to consider what has been presented to them. DUAP's advice to us was that the Minister's requirements as to what had to be done by 31 March were quite clear. This was to present, for the consideration and approval of the Minister, a strategy report endorsed by both council's co-ordinating consultants and council itself, after a public exhibition process had been completed.

Interpreted, it is clear that what is being said is that DUAP is using an alleged lack of consultation as an excuse to reject the strategy and impose its own planning regime upon Ku-ring-gai. Forgive my lack of surprise, but I always thought something like this would happen. It is totally outrageous and a complete denial of the rights of Ku-ring-gai's representatives to decide this issue. I was surprised and outraged by the following paragraph on page 177 of the report:

What has happened smacks of undue haste and lack of proper consultation with the public. There is a distinct danger here that Council is going off half-cocked. This is even worse when it is considered that the majority trust councillors were elected with the central task or platform of attending to the production of a satisfactory Residential Development Strategy and with a proper public consultative process being undertaken.

They are outrageous political comments. They cannot be concluded from any facts presented to the inquiry. Instead, they reflect the bias of the State Labor Government and some within the administration of Ku-ring-gai council who are determined to cede authority on this important issue to State bureaucrats. I place the Carr Government on notice tonight: the residents of Ku-ring-gai will not tolerate a takeover of their planning powers or the imposition upon their community of an externally driven residential strategy. Ku-ring-gai already shows the scars of the Carr Government's failed State environmental planning policy [SEPP] 5. We are not about to lie down and allow parts of the municipality to be turned into mini Coogees or Hurstvilles. Notwithstanding other

issues in this report, I urge Ku-ring-gai councillors to quickly unite in defence of the future of our community. I pledge again, as I did a year ago, to work co-operatively with all councillors to stand up for local residents, to battle and defeat the Carr Government's centralised and inappropriate density policies.

REGIONAL TRANSPORT INFRASTRUCTURE STUDY

Mr WINDSOR (Tamworth) [5.55 p.m.]: I am pleased that the honourable member for Maitland is in the Chair because I intend to bring to the attention of the House the launch of a document that was presented to the Minister for Transport and Minister for Public Works yesterday, at which the Deputy Speaker was also present. I speak of the Newcastle and Hunter business chamber's transport infrastructure study for the Hunter, the north and western regions of New South Wales. That document is a valuable instrument for the development of not only the Newcastle area—and I am aware of the many pieces of infrastructure that are directly associated with Newcastle, and I personally do not have a problem with any of them. However, the House should note that the document is part of a process that started sometime ago with the development of closer links between Newcastle as a port, and as a community, and the north-western region that I represent.

I congratulate the author of the document, Len Reagan, for including the recommendation that the Government look very seriously at constructing a tunnel through the Liverpool Range at Murrurundi. The tunnel would have enormous implications for the tonnages that could be taken out of the northern part of the State and funnelled through the port of Newcastle. In Len's presentation to the Minister he made the important point that with the development of the Melbourne to Darwin railway line—which is still in the concept stage—there will be a need for this State to have a rail line that has a link to a port within the State. For that to occur and be efficiently and economically run, the tunnel through the Liverpool Range becomes a very significant part of the infrastructure. So there is a degree of urgency about this.

There is also a degree of urgency about the construction of that tunnel because the people in Queensland are looking very enviously at some of our freight, particularly the freight north of Narrabri which could easily be processed through the port of Brisbane. If Newcastle does not get its act together and construct the infrastructure through the Liverpool Range, a lot of freight that currently goes to Newcastle could go out through the top end, through the Queensland port system, particularly with a development of the Melbourne to Darwin rail system.

There is a growing relationship between the Labor members of Parliament from the Newcastle area and the honourable member for Northern Tablelands, the honourable member for Dubbo, the Leader of the National Party and the honourable member for Barwon on this matter. We have something in common across the traditional boundaries and we can all push together to get not only this infrastructure in place, for the benefit of my electorate, but also improvements in the Dubbo area and the Newcastle area. I take this opportunity to thank the Minister for Transport, and Minister for Roads for his comments today in relation to the floods in my electorate. He has given an assurance to me and to councils in my electorate that if damage has occurred his department will meet the commitments under the disaster declaration made last week.

[Private members' statements interrupted.]

BUSINESS OF THE HOUSE

Private Members' Statements: Suspension of Standing and Sessional Orders

Motion by Mr Whelan agreed to:

That standing and sessional orders be suspended to permit an additional private member's statement at this sitting.

PRIVATE MEMBERS' STATEMENTS

[Private members' statements resumed.]

HOMELESSNESS

Ms MOORE (Bligh) [6.03 p.m.]: Throughout 2000 Tom Uren Square in Woolloomooloo has been home to 40-plus homeless people. I alerted the Government to the situation in January. Local residents, mostly Department of Housing tenants, particularly women and children, were being discouraged from going to the only shop in the area because of antisocial behaviour and harassment from those sleeping rough. Following meetings over many months and much lobbying, funding was found for a short-term outreach team auspiced by the Department of Community Services, the Department of Housing, the Premier's Department and the Society

of St Vincent de Paul. This was intended to have an incentives and enforcement approach, providing access to services and accommodation while making it clear that Tom Uren Place was not a suitable place for a camp site.

The result of the project was to house several men in supported accommodation and provide information about the homeless population never accessed before. Together with the findings of the survey of homeless people carried out by Shelter New South Wales during the Olympics, this information should help improve services for the homeless across New South Wales. But there are still large numbers of homeless people sleeping in Tom Uren Place, and the antisocial behaviour continues, much to the distress of the local community. As well, the police shopfront is threatened under proposals to reduce policing in the inner city.

The murder of one of the rough sleepers two weekends ago is the most tragic outcome imaginable for this troubled area, and a devastating reminder that the eight-week project did not find a permanent solution. A life has been lost, and a community, particularly two families, devastated. This tragedy should not have happened. What Shelter discovered during its recent survey of homeless people in Sydney during the Olympic Games, and what the outreach workers in Tom Uren Square found, even in the short period of eight weeks, was that homeless people are not on the street by choice.

Homeless people have complex and varied problems—such as drug and/or alcohol dependency, gambling addiction, criminal records, lack of family or social support, access to few services other than unemployment benefits—and those problems must be addressed in a holistic way if permanent solutions are to be found. The community of predominantly public housing tenants which surrounds Tom Uren Square cannot continue to live under the stress of antisocial behaviour, such as public urination, defecation, and copulation, harassment and abuse stemming from the rough sleepers in the square. Woolloomooloo has historically been an area with serious social problems such as drug-related youth crime. With concerted efforts, we have made some headway in improving safety for local residents over the past two years. However, crime is on the increase again, including street prostitution, break and enters, hooliganism and muggings, according to residents who attended a very heated meeting on Tuesday night.

According to figures supplied by Shelter, there are over 700 people sleeping rough in Sydney on any given night. It is estimated that nearly 35,300 requests for housing assistance could not be met by the Department of Housing in 1998-99. There has been an 8 per cent loss of boarding house stock per year in inner and western Sydney. These shocking figures speak of a severe lack of affordable housing in Sydney, as well as to our collective unwillingness or inability to adequately support those in our society with greatest need. There are lessons to be learned from the Tom Uren Square situation and the investigation by Shelter. I call on the State and Federal governments to immediately fund supported accommodation in order to address Sydney's growing homelessness problem.

The Society of St Vincent de Paul will shortly open a refurbished Gowrie House, which will provide supported accommodation and living skills training for the long-term homeless, but more such housing units are urgently required. The Government must urgently find an alternative safe place for people sleeping rough in Tom Uren Square, one where they can sleep short term, but which will not give rise to the current conflicts surrounding that location. Safe havens should be provided in the understanding that homelessness is a complex social issue, that suitable accommodation may not be able to be found immediately, and that homeless people also have rights not to be abused, bashed, or murdered.

I call upon the Government to urgently hold a summit on homelessness, similar to the 1999 Drug Summit, to enable Federal, State and local governments to meet with non-government organisations, lobby groups and other agencies—as well as homeless people themselves—to find solutions to this growing Sydney crisis. Homelessness is not a sexy issue. People say that politicians think that there are no votes in it. Let us show them that they are wrong, that we are a civilised and compassionate society and a Parliament that addresses pressing social issues such as homelessness. The situation in Woolloomooloo is a potent cocktail; recent events have proved its volatility. If no attempts are made to put adequate resources and funding into solving the problem, I forecast more tragedy of the kind which befell the rough sleepers and the local community of Woolloomooloo the weekend before last.

Private members' statements noted.

BILLS RETURNED

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

Crimes at Sea Amendment Bill
General Government Debt Elimination Amendment Bill
Passenger Transport Amendment Bill

House adjourned at 6.10 p.m.
