LEGISLATIVE ASSEMBLY

Wednesday 28 March 2001

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

Mr Speaker offered the Prayer.

AGRICULTURAL TENANCIES AMENDMENT BILL

Second Reading

Debate resumed from 6 March.

Mr SLACK-SMITH (Barwon) [10.04 a.m.]: The purpose of the Agricultural Tenancies Amendment Bill is: to encourage agricultural land-holders and their tenants and sharefarmers to have regard in farming practices to maintaining sustainable agricultural production and preventing the degradation of the environment; to encourage the use of written agreements for agricultural tenancies; to set terms that apply to all agricultural tenancies, including terms setting out the rights of parties; to provide a mechanism for resolution of disputes between the parties to agricultural tenancy agreements through mediation; and to provide an arbitration mechanism to parties to agricultural tenancies that is outside the court system. The aim of the bill is to achieve that result quickly and free of legal technicality while doing justice to both parties.

Disputes between land-holders and agricultural tenants are rare. It is best practice for the parties to have a written agreement before the tenant farms or occupies the land. A legal firm usually prepares the agreement. I have had several tenants on my land. Each time there has been a legal agreement and both sides have been aware of the provisions. In 99 per cent of cases it is not necessary to look at the agreement again but the agreement can be referred to if a dispute arises to determine the exact terms and conditions. Both the land-holder and the tenant must know their obligations. An important reason for having a written and signed comprehensive agreement is to deal with situations in which the tenant or the land-holder passes away, becomes totally incapacitated, or whatever.

The background of the bill starts with the Agricultural Holdings (Scotland) Act 1883. It was the first Act to enable tenants to secure compensation for capital works or other improvements they had made on land that they had to leave. Sometimes tenants who know that their tenure is almost over will allow the land to be degraded. If tenants do not apply fertiliser or good farming practices the fertility and production of the soil may be degraded to the extent that a massive capital injection is required after the property is vacated. The Act of 1883 provided for this situation.

In 1916 the Rural Tenants Improvements Act virtually restored the balance. The Agricultural Lessees Relief Act 1931 and the Agricultural Holdings Act 1941 improved the original Act. The Agricultural Tenancies Act 1990 streamlined the provisions of the previous legislation that did not cover the whole gamut of agriculture in New South Wales. Today there are many different methods of agricultural production. Instead of just grazing and broadacre farming there is intensive agriculture, aquaculture, hydroponics and the lot. The Act was reviewed in 1988 and 1999 with a view to streamlining processes, reducing red tape, making processes cheaper and protecting land from exploitation prior to tenants ending their lease or agreement. The bill protects both parties.

Only rarely does a dispute require mediation. Under the old legislation the tenant and the land-holder would select a person from a list held by the director-general of agriculture to present their case. In a way, this was an antiquated system. The Legal Profession Act 1987 provides that a person appointed by the Law Society may act as an arbitrator outside the court system to resolve disputes in many fields or professions, but not yet in agriculture. This avoids huge costs and delays. In the two or three years a court hearing may take there could be a total degradation of the land and premises involved, which is totally unacceptable. This bill will bring agricultural tenants into line with what is occurring with other professions and industries. It is commonsense to enable disputes to be resolved by a single arbitrator.

If the parties do not agree, even after arbitration, the director-general has the power to send disputes to mediation. However, mediation can take place only if both parties agree. I should add that this happens rarely. I

do not know the percentage—perhaps the Minister could inform me—but the number of disputes is low. It is rare for cases to end up in court after arbitration and mediation. However, if the dispute is not resolved the director-general has the power to order it to court. It can be said that this is giving the Director-General of Agriculture more power and responsibility. However, if the Minister is a good Minister and he has the power to direct the director-general, I believe that it ultimately comes down to the Minister's responsibility to order the director-general to take one course or the other. The responsibility and power of the director-general exist today. The Opposition does not oppose this bill.

Mr PRICE (Maitland) [10.11 a.m.]: I support this bill. As the Opposition spokesman said, it will improve the existing arrangements. It is fair to say that the purpose of the Agricultural Tenancies Act 1990 was to regulate the relationship between the parties to agricultural tenancies but seek to do so only when the parties do not make fair and adequate provision in their agreement. The days of handshake deals are well and truly past. Unfortunately, when these cases occur—they do not occur on many occasions, but when they do, they finish up in a fairly significant adversarial situation—it is a problem for both parties, and to determine the justice of the situation is not necessarily simple. This bill provides for a fairly significant change in the process inasmuch as voluntary mediation will now be included in the dispute resolution process. That will be a prelude, if it is chosen, before compulsory arbitration. That is another significant step.

The bill provides for compensation to be paid to an outgoing tenant for improvements made to the land when provision for such compensation has not been made in the lease agreement. That gets back to the type of agreement made and, as I said, the days of handshake deals are gone. Compensation for an owner for deterioration of the farm due to an outgoing tenant's failure to cultivate the farm in accordance with good farm management practices is also a consideration. The removal of a tenant's fixtures, a landowner's right of entry, and requirements for the parties to keep records on condition of the farm and proper accounts are also considerations. Provision is also made for the rights of each party to inspect each other's accounts, the service of documents and other rights and procedures not provided for in the lease agreement.

Recently I had an instance of a landlord complaining about the dairy industry adjustment package. This is not strictly in line with the Act but it serves to emphasise the need for proper agreements and how circumstances can sometimes change rapidly. A very concerned farm owner found that he was excluded from receiving compensation under the adjustment package but his tenant, who had done all the right things and was a practising dairy farmer—indeed, he had his own herd on the property—was entitled to full compensation under the package. There is no way anyone could have foreseen that situation.

The landowner, the original farmer who had seen fit to retire from the industry and hand over the entire property to someone else, felt that there was a significant injustice, and when he explained the situation, I could understand why. It is not possible for every political manoeuvre to be covered in a document written today that can take into account tomorrow. Therefore, any agreement must be flexible enough to take into account unforeseen circumstances. As I said, that particular example is rather broad but it indicates that these modern times create situations that are unlike anything we have seen before.

The speed of change can be a problem and in the electronic age many people can be caught up in a way that they never anticipated, and nor did their families. One may finish up in an adversarial situation. It is not simply neighbour against neighbour and tenant against owner but sometimes family member against family member. I have noticed that occur in one shire in which I have an interest. It is very distressing to me, as it is for the families concerned. The law in that respect needs to be cleaned up. This amending bill provides a mechanism that perhaps will enable people to defuse a little, to let the heat go out.

Another instance relates to a tenant's fixtures and improvements to the property. The concerns were about what was fair and reasonable for the landlord in terms of keeping his property intact, and what was an extra benefit for the tenant to help improve his income and his way of operating the farm. In that case the argument went for quite some time and was not the least bit pleasant. While the dispute was resolved without legal action, two families no longer speak, and that is sad, particularly in a country town.

The bill demonstrates some valuable changes that can only be an improvement. I acknowledge the Opposition's support for the bill because I think it is good sense. There has been a lot of consultation on this matter. I understand that the department comprehensively reviewed the whole of the Agricultural Tenancies Act 1990. New South Wales Agriculture chaired that review group and reported to the Minister towards the end of 1990. So the matter has been tossed around a lot. The amendments that have been brought forward through Cabinet to the Parliament are a significant improvement.

Of course, this is all part of the national competition policy review, which I think sometimes creates as many problems as it resolves. Nevertheless, this is one case in which a review has been valuable. The object of the exercise was clear and the benefits, while significant in written terms, hopefully will not apply to many situations because sensible people will ensure that legal documents are drawn up correctly. As the honourable member for Barwon said, once an agreement is in writing, any variation can be dealt with fairly clinically, and there is no acrimony as a result. The review process has been valuable. Removal of the savings provisions is interesting. The bill provides some flexibility, enabling the director-general to delegate in a situation that is much less aggressive than was the original interpretation of the Act. It attempts to cover all the situations that I have mentioned, and indeed a few others.

Hopefully, it is a structure that will not need to be exercised very often, but if exercised, it is fair and allows for mediation, which is relatively cost-free and can benefit both parties with early and reasonable resolution. If that fails, one then returns to the adversarial system, which costs money. I do not think anyone would want to pay lawyers money for what could well be a loss-loss situation. With some satisfaction I support the bill and commend the Minister on his excellent work. The bill will support the rural industry of New South Wales.

Mr R. W. TURNER (Orange) [10.20 a.m.]: One purpose of the Agricultural Tenancies Amendment Bill is to encourage agricultural land-holders, tenants and sharefarmers to maintain sustainable agricultural production and to prevent degradation of the environment. That is more important these days because the appropriate use of water and the prevention of salinity are very much on the agenda. It is even more important today for an agreement, even a casual one, to be drawn up, between land-holders, tenants or sharefarmers. Many farmers have started by sharefarming another property as a means of getting started in agriculture and that should be encouraged because it is important to get young people back into the industry.

It is rare for disputes to go to court. A simple agreement can be reached by using a mediator, not necessarily someone involved in the court but perhaps a solicitor or a neighbour, and those disputes can usually be resolved amicably provided there is agreement, preferably a written agreement, setting out the basics. This includes not only a sharefarmer who takes over the entire property, but also those who may take over a portion of a property. A worker may take over a corner of a property to grow cash crops such as peas or melons. Regardless of the size of the share tenancy, there should be an agreement in writing, signed by both parties, to avoid angst further down the track.

The Agricultural Tenancies Act 1990 moved the emphasis from grazing to other forms of agriculture such as intensive farming. Most forms of agriculture such as orchards and vineyards provide long-term returns and, therefore, cash crops are an important part of the agricultural scene. The Agricultural Holdings Act 1883 was the first Act to enable tenants to secure the value of improvements. That is also important because at times disputes arise quickly and the owner may impound the buildings and equipment of share farmers. A process is needed by which the improvements and equipment can be identified and there can be quick resolution of the matter.

I note that the Opposition sees merit in the bill and does not oppose it. We need to continually support sharefarmers and the system of sharefarming. Many farmers have gone on to be successful by using sharefarming as the first step towards getting into agriculture and obtaining their own land further down the track. For that reason alone we need to ensure that this type of farming is encouraged. We need those young farmers of the future.

Mr ANDERSON (Londonderry) [10.25 a.m.]: I support the amendments in the Agricultural Tenancies Amendment Bill. In his second reading speech the Minister made it clear that these amendments were necessary and were advantageous to members of the farming community. The purpose of the bill is to amend the Agricultural Tenancies Act and to give effect to recommendations arising out of the national competition review in 1998-99. The proposed changes include simplification of the objects, including an object related to encouraging sustainable agricultural production and the prevention and degradation of the environment. A committee of review was set up to look at these issues. The committee reported to the Minister and made it clear that a number of matters needed to be considered and included in the new amendments. The committee clearly expressed the view that protection of the environment was essential and that it was necessary to put in place agricultural tenancy agreements and dispute resolution measures.

The director-general had the carriage of a number of these matters but encountered difficulties. People with local knowledge were not prepared to become involved in dispute resolution because it may involve decisions adverse to their neighbours. The committee recommended that the director-general look at alternative

methods of dispute resolution and recommended an arbitration system. The director-general was given the power to bypass committees and go to a single arbiter, with the requisite legal background, who could hear a complaint about local issues. This went a long way towards fulfilling the requirements of the recommendations of the review committee and the Minister has incorporated these amendments into the bill. They clarify the functions of the director-general, including the power to appoint assessors for the purpose of assisting in the arbitration and the power to refer a matter to a court, where appropriate, rather than have the matter referred to arbitration. The bill clarifies how the Commercial Arbitration Act 1984 applies to the Agricultural Tenancies Act and brings all parties under the provisions of the Agricultural Tenancies 1990 Act by repealing the savings provisions in that Act. These are worthwhile amendments and I support the bill.

Mr MERTON (Baulkham Hills) [10.28 a.m.]: The history of this important legislation goes back to 1883, with the enactment of the agricultural holdings legislation. This was somewhat complex legislation, which for many years was something of a nightmare for landlords, tenants and their legal advisers. There were many time constraints on the giving of notice. Indeed, when a person required vacant possession of a property at the expiration of a lease he or she had to give 12 months notice. That imposed many problems, because there was no flexibility for an owner who might have changed his mind during the lead-up to the finalisation of the lease.

Having said that, the purpose of this type of legislation is to introduce a balance between the rights of the landlord and the tenant. Unlike residential leases, which basically deal with a fixed and quantified type of asset or structure as the subject of the lease, this legislation deals with a number of variables that apply not only to rural properties but also, as the honourable member for Orange correctly stated, to smaller entities such as market gardens, rose gardens and, it could be argued, even nurseries. It is therefore complex legislation. There is no doubt that to address the rights of the owner as well as the rights of the tenant, it is necessary that the legislation spells out those rights.

As previous speakers have indicated, the Opposition does not oppose the legislation. Personally I suggest that it contains a number of very worthwhile improvements. The objects of the legislation are praiseworthy. They are to encourage agricultural landowners and their tenants and sharefarmers to have regard, in farming practices, to maintaining sustainable agricultural production and preventing the degradation of the environment; to encourage the use of written agreements for agricultural tenancies and to set out terms that are taken to apply to all agricultural tenancies, including terms setting out rights of the parties; to provide a mechanism for resolution of disputes by the parties to agricultural tenancies themselves through mediation; and to provide an arbitration mechanism for settling disputes between parties to agricultural tenancies that is outside the court system, which is extremely worthwhile.

One of the major problems that can arise with this type of leasehold interest relates to improvements carried out by tenants, particularly when it comes to the end of the lease, and determining the amount of compensation to be paid for such improvements. By their very nature, the improvements are of a variable quantity. For example, a person may have leased a market garden, a nursery or something of that nature which may require improvements regarding plants, crops or trees planted during the course of the lease. At the end of the day it is necessary for someone to work out the amount of compensation that the tenant is entitled to. It has been suggested—and previous speakers have endorsed this view—that agreements relating to compensation should be reduced to writing. Obviously that should occur. However, this legislation goes a little beyond that. It provides that if the agreement as to compensation is unfair, either party can still seek to have compensation determined, and it also provides a mechanism for arbitration. Part 2, new section 5, provides:

> (1) An owner and a tenant each have the right to have the provisions of any agreement creating the tenancy reduced to writing signed by the other party.
>
> (2) If the owner and the tenant cannot agree on the terms of an agreement that is to be reduced to writing, the terms of the agreement may be determined by arbitration.

The situation referred to in new section 5 (2) would be an undesirable state of affairs—that is, if the owner and the tenant cannot agree on the terms of the tenancy, arbitration may proceed. Nevertheless the legislation contains a mechanism whereby, if the owner and tenant cannot agree on the terms of the agreement, they can request that the terms of the agreement be determined by an arbitrator. However, it is certainly not an encouraging start for people. I notice that the Minister smiles; I think he agrees. The legislation contains a mechanism to deal with the problem, but I hope it is not used too often. Part 2, new section 6, deals with improvements carried out by tenants. Part 2, new section 6 (2), provides:

> If an amount of compensation to the tenant for the improvement is fixed by agreement, the owner must pay the tenant the fixed amount, unless the agreed amount is unfair.

That is the point I raised earlier. If a tenant signed an agreement saying he would take $10 for something that obviously was worth a lot more, the tenant still has the right to go to arbitration to have the amount determined. Part 2, new section 6, further provides:

> (3) If compensation is not fixed by agreement as a fair amount, or is not fixed at all, the owner must pay fair compensation to the tenant.
>
> (4) Compensation payable under this section is payable at the end of the tenancy or at such earlier time as may be agreed or determined by arbitration.

The legislation contains a similar provision relating to improvements carried out by owners with consent. It is important that the legislation contains a provision that if the compensation is not fair, the tenant is able to seek fair compensation. However, the legislation introduces a little uncertainty in so far as it contains no mechanism whereby, when a tenancy expires, either the landlord or the tenant, or both, are able to know what that compensation might be. The only alternative would be to introduce a measure requiring the parties to rely on the agreement, but this would require independent representation, advice and so on before the agreement is entered into. As I have said, in relation to the determination of compensation it is somewhat uncertain as to what the owner's obligations might be. If at the end of the lease the tenant decides that the original agreement was unfair, the tenant has the right to compensation—as, indeed, the owner has. It is not as though one party has an advantage over the other. Rural tenancies involve many variables—for example, whether it rains during the term of the lease and matters of that nature. Therefore, some flexibility is necessary. Part 3, division 1, new section 17, which refers to fair compensation, provides:

> In determining what constitutes fair compensation for the purposes of determining the compensation payable under part 2 for an improvement carried out by a tenant or an owner, regard may be had to the financial resources of the parties, the financial returns that might be expected from the improvement and other factors.

If a person takes over a nursery, a rose garden or other garden containing plants which might be expected to have an annual harvest as the flowers continue to grow, how many years down the track does one project that such compensation should be payable? Olive groves are a particularly interesting example. The olive trees in Gethsemane are still growing, so that provides some indication. In determining the amount of compensation payable should we ask: At what stage would those financial returns be assessed as belonging to the tenant?

I am concerned that you might be opening up a situation whereby a claim for compensation could well be for the duration of a particular plant. I do not believe that is the intention of the legislation, but it is something that should be addressed so that the various departments know where they stand. I do not wish to say any more than that. I believe this bill is a creditable attempt to overcome a complex situation. As I said, the issue of fair compensation should be addressed and I ask the Minister to address it. The statement "… regard may be had to the financial resources of the parties, the financial returns that might be expected from the improvement and other factors" is pretty bland. At what stage could someone who planted an olive grove, for example, expect to be compensated for those financial returns? An olive grove could well last for a thousand years—certainly very many years. That having been said, the Coalition does not oppose the legislation.

Mr MARTIN (Bathurst) [10.40 a.m.]: I support the Agricultural Tenancies Amendment Bill and note that it is the result of a recommendation arising out of the national competition policy review of 1998-99. I suppose that might be a cause for concern or make some people nervous, given the slating that the national competition policy is receiving at the moment. However, I believe this is one area in respect of which we can be confident that there will be positive outcomes and I commend the Minister for bringing the amendments forward. I will address my comments basically to that part of the bill relating to the alternative dispute resolution process because I believe the amendments will make the Act more workable.

It is interesting to note that, although the move to alternative dispute resolution by means of mediation, neutral evaluation, arbitration, et cetera, has gained strength in recent years, the benefit of providing an alternative to resolution of agricultural tenancy disputes through the courts has been recognised for many years. With the parlous state of many agricultural enterprises it is often the case that one or other of the parties, and sometimes both parties, to an agricultural tenancy can ill afford to litigate through the courts any disputes that may arise between them. Obviously, the costs and time delays involved would be a major burden for both parties, in many instances.

The changes proposed in the bill to enhance the alternative dispute resolution procedures in the Act are to be commended. The arbitration process which the Act presently provides is often hindered by the requirement for the constitution of an arbitration committee, since it is difficult to persuade tenants and owners to put

themselves forward to sit in judgment on their colleagues. That is undoubtedly human nature, certainly in rural communities. The proposal to enable a single arbitrator to hear most matters, complemented by the proposal to have technical assessors, will expedite the process without any reduction in the ability of arbitrators under the Act to bring specialised knowledge to the resolution of agricultural tenancy disputes.

The simplification of the structure and language of the Act is one of the principal objects of the bill. It is of no use to have an act that purports to provide dispute resolution procedures that are quick, cheap and free of legal technicality if the Act does not lend itself to easy understanding by parties to disputes, and by its complexity requires the parties to resort to lawyers. Honourable members will be aware of other legislation shortly to be introduced in the House which indicates the cost that the legal profession can bring to any process. I am talking specifically about workers compensation. It is not my intention to denigrate the legal profession, but if we can eliminate them from the process it means that delays and costs can be obviated.

That is true of any strata of society, but certainly for people involved in agricultural pursuits it is appropriate, if not absolutely necessary. The proposal to formalise the availability of mediation is also to be commended. Often disputes arise simply because parties do not discuss their differences, or misunderstand each other. It could be a neighbourhood dispute where some ill will has arisen for all the wrong reasons, and the mediation process can break down those barriers. In the case of a simple misunderstanding it can quite often be resolved quite quickly at very little or no cost to the parties. The mediation process, which will be voluntary, will hopefully encourage the parties to a dispute to attempt, with the aid of a neutral and independent person, to resolve their difficulties.

This is not rocket science; this has been around in many aspects of society for years, but quite often it can be overlooked. In relation to agricultural tenancies it is a tool that should be used. A dispute resolved by the parties is much more likely to result in a harmonious future relationship, which is essential if the parties are to continue to work together, than a solution imposed by an outside party. Once again that is an aspect we have to recognise. Unless the dispute can be resolved harmoniously, because of the geographical location of the parties the dispute may drag on and on. I believe the amendments, particularly in relation to dispute resolution, are timely and I commend the bill to the House.

Mr AMERY (Mount Druitt—Minister for Agriculture, and Minister for Land and Water Conservation) [10.46 a.m.], in reply: I thank the honourable member for Barwon, who led on behalf of the Opposition, and the honourable members for the electorates of Maitland, Orange, Londonderry, Baulkham Hills and Bathurst for their contributions to the debate and for their support of the legislation. The honourable member for Barwon walked us through the legislation from the 1800s to the amending bill being debated today. In his contribution the honourable member for Barwon suggested that there were not many disputes of this kind and that therefore the legislation would be used on few occasions. That is a fair assessment. I have been able to obtain some information during the currency of the debate. Since 1991 there have been 100 disputes, of which only 30 went to arbitration. That is an important aspect.

I have obtained other information and I would make the point that not all of the disputes go to arbitration. Only about three a year go to a hearing. The honourable member for Barwon is correct in saying that, in the scheme of things, and taking into account the number of arrangements, tenancies and agreements between tenant farmers and landlords, there have been very few disputes. Many disputes are sorted out by the very process which I believe this legislation clarifies. Honourable members made reference to the fact that the legislation is the result of a national competition policy review. That often makes people baulk. The same happens when I report to Caucus that proposed legislation has come out of a national competition policy review. There is always some question or comment about that process.

I can happily report to the House that this legislation has survived the national competition policy review as far as its fundamental principles are concerned. That scrutiny brought about a couple of changes and provided an opportunity to readdress and rework some of the clauses of the bill so that the fundamental principles concerning matters of dispute between landlord and tenant are clearly understood by everybody involved. However, there has been a market failure and there is a need for intervention by legislation to set up a process to resolve certain problems. As the honourable member for Bathurst stated, resolution of these problems by legislation is the cheapest way possible to deal with the issues. I hope that my explanation will allay the fears of honourable members who have expressed concern.

The honourable member for Barwon and others referred to the need for the legislation to adapt to changes in the way that agriculture is produced. The example given was intensive hydroponics agriculture. That

is a fair comment. As a result of deregulation and industries not surviving competition policy review, there has been a greatly reduced number of owners or farmers and an increase in the number of corporate farmers or larger property owners. For economic and other reasons, there may well be an increase in the number of people who will be operating farms as tenants. The honourable member for Barwon is correct in saying that the legislation should be adapting to the changes in the way that agricultural products are produced.

The suggestion was highlighted by an example cited by the honourable member for Maitland, who referred to dairy industry deregulation. I am unable to give a response to the specific example referred to: he alluded to the situation of a farmer who is the owner of the property and a tenant who may be entitled to the dairy assistance package which is now being paid to all dairy farmers affected by deregulation. It is important to bear in mind that it is very difficult for me to provide a specific answer in the circumstances referred to because I do not know how that particular dairy industry case was resolved at the end of the day. But the legislation provides examples of how such matters may be addressed. Some honourable members, particularly the honourable member for Baulkham Hills, queried how this legislation will provide fairness in dealing with people who are affected by it.

New section 7 states that improvements may be carried out by a tenant without the consent of an owner. Some people may regard that as unfair and, as a result, a dispute may arise. Despite works being carried out without the consent of the owner, a tenant may be entitled to compensation. It is necessary to refer to the original Act to find out what type of works a tenant would be allowed to carry out without consent that would entitle a tenant to compensation, should the matter ever be the subject of an arbitration. The bill states:

> (1) It is a term of a tenancy that the tenant may carry out an improvement on the farm without the consent of the owner only if:

The bill sets out a number of conditions and I will read only the first one, which states:

> (a) the improvement is mentioned in Schedule 1...

The schedule referred to is contained in the 1990 Act which sets out the type of works that a tenant farmer could carry out without the permission of the landlord while preserving the tenant's entitlement to compensation. The works include drainage, which would obviously be necessary in a situation such as floods and so on. The schedule also sets out the following activities:

> 2. Making or improvement of necessary roads or bridges.
>
> 3. Clearing and removal of stumps and logs.
>
> 4. Destruction of rabbits and other noxious animals.
>
> 5. Destruction of prickly pear and control of noxious weeds on land.
>
> 6. Making of permanent subdivision fences.
>
> 7. Laying down of pastures.
>
> 8. Application to land of fertilisers, liming materials and trace element products within the meaning of the Fertilizers Act 1985.
>
> 9. Repairs to buildings (being buildings necessary for the proper cultivation or working of the farm), other than repairs which the tenant is under an obligation to carry out, but only if:
>
> (a) before beginning to carry out the repairs, the tenant gives notice …

I make the point also in response to the contribution made by the honourable member for Maitland that, quite ironically, reference is made in the schedule to "repairs to or re-erection of buildings" to meet the particular requirements of the Dairy Industry Act 1979 or any other Act, and to "repairs to and the cleaning of silt from wells, bores, dams, reservoirs and ground tanks". When it comes to a dispute and the landlord claims that certain works were carried out without permission, thereby disentitling a tenant compensation, even in those circumstances the legislation sets out a schedule which identifies the type of work that would preserve a tenant's entitlement. In addition, of course, the mediation process should be able to determine whether repairs and works come under the schedule or not. The honourable member for Londonderry and the honourable member for Bathurst were very concerned about lawyers being involved in the process.

Mr Ashton: Hear! hear!

Mr Orkopoulos: Hear! hear!

Mr AMERY: I note the enthusiastic reaction from honourable members who are present in the Chamber and whose response indicates a genuine concern over legal costs being a burden on many farmers. I make the point in a more serious vein that although the bill states clearly that in relation to matters in dispute an arbitrator must be a legally qualified person, I do not wish to give the impression to honourable members who are present in the Chamber and others that such matters can be dealt with by a city-based lawyer who has no understanding of agriculture and farm practices. I assure the House and honourable members who have expressed a concern in relation to this matter that the whole process is controlled by the Director-General of the Department of Agriculture. For a start, the process has the benefit of the director-general's expertise and it is not the case that these matters will be handed over to the Attorney General or some other legal entity. The matter will be dealt with under my portfolio and the director-general of the department. In addition, new section 26J, under the heading "Technical assessors", states:

> (1) The Director-General may appoint a person as the technical assessor to assist the arbitrator in determining a dispute or matter.
>
> (2) The Director-General may appoint a person as a technical assessor if the Director-General is of the opinion that the person has knowledge and experience that may assist in the arbitration of the dispute or matter.
>
> (3) A technical assessor may assist and advise the arbitrator, but must not adjudicate on any issue before the arbitrator.

That provision should allay fears expressed by honourable members who perhaps lightheartedly have referred to this process as becoming another trough from which the legal profession can make money. If the matter is considered seriously, I believe that honourable members will agree on balance that the legislation provides sufficient checks and balances to guard against unnecessary expense and I am sure that honourable members also will recognise the need for people to have legal qualifications to be able to determine matters in dispute. After all, a variety of legislation is involved relating to dividing fences and property law, so it is very important that a person making a decision on these matters has legal knowledge. I reiterate that the overriding role will be performed by the director-general, who has the power to include a technical assessor in the process whenever that is appropriate.

The honourable member for Baulkham Hills asked a question that I can probably answer generically. A similar issue was raised in the debate on the farm mediation legislation and a number of honourable members became bogged down about the legislation not actually prescribing certain aspects. The argument advanced by the honourable member for Baulkham Hills was that in the case of citrus farming involving trees that have been on a farm for many years, it is difficult to determine when ownership and compensation take effect. He asked whether the point in time for determining those matters was that at the beginning, in the middle, at the end, or whether the crucial point is the time at which the matter is being determined. He wanted to know how, in relation to time, compensation was to be determined.

I am sure that the honourable member for Baulkham Hills appreciates that it is not the role of legislation to be as prescriptive as he suggests it should be. It would be unfair to all parties if legislation reached a level of prescription whereby a mediation process would be governed by technical information such that the whole process would be determined in relation to one issue. All I can suggest to the honourable member is that, first, legislation cannot be so prescriptive, and, second, that that type of issue is really a matter to be determined by the mediation process based on the evidence. Moreover, the process is subject to determination and appeal processes set out in the legislation.

Having said that and having made other comments, I believe that I have addressed most of the concerns expressed and questions asked by various honourable members. I believe also that all honourable members are generally supportive of the legislation. Some reservations have been expressed about legal qualifications but I believe that those issues have always existed to a certain extent. I am pleased to announce that the legislation survived the scrutiny of competition policy review. In relation to the question of whether this legislation addresses the different forms of agricultural production, I refer honourable members to the definitions of works contained in the bill that are regarded as improvements. I point out that compensation can be given for produce, grains, et cetera.

The honourable member for Baulkham Hills is correct in suggesting that the way these matters are determined under this legislation is different from the way that tenancies and property disputes in relation to residential properties are determined because, in agricultural matters, many other matters are brought into the equation that are not included in a general mediation process. In conclusion, I thank all honourable members for

their support. I hope that I have answered most of the concerns raised by honourable members during the debate. Of course, if honourable members have any other concerns, they are welcome to correspond with my office. I commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

BUSINESS OF THE HOUSE

Committee Reports: Suspension of Standing and Sessional Orders

Motion by Mr Amery agreed to:

That standing and sessional orders be suspended to permit the consideration of General Business Orders of the Day (Committee Reports) forthwith.

Mr WHELAN (Strathfield—Minister for Police) [11.01 a.m.]: I move:

That standing and sessional orders be suspended to provide that, during the consideration of General Business Orders of the Day (Committee Reports) at this sitting, members be permitted to speak for unlimited duration.

According to the standing order, which has not been reviewed for some time, the chairman of a committee is permitted to speak for 10 minutes, and members are permitted to speak for five minutes. Members have indicated to me that they regard that as inadequate. I do not know whether the proper prescription is 10 minutes or five minutes, but that can be assessed. I indicate that while members' speaking time will be unlimited today, I do not want members to speak at length, just for the sake of speaking. Until the appropriate duration is established, and for today only, I ask that members have unlimited speaking time.

Motion agreed to.

JOINT STANDING COMMITTEE UPON ROAD SAFETY

Report: Report of a visit of inspection to Europe and North America by a delegation of the Staysafe Committee, 3 March 2000-24 March 2000.

Report noted.

PUBLIC BODIES REVIEW COMMITTEE

Report: Towards Better Performance Reporting: Findings of an Annual Reporting Workshop Pilot Project

Mr ORKOPOULOS (Swansea) [11.02 a.m.]: As chairman of the committee I am pleased to speak to this report. Between 4 May and 26 July 2000 the committee ran a series of annual reporting workshops that were attended by eight New South Wales government agencies. A key component of the workshops was to provide direct feedback on the performance reporting elements of the agencies' 1998-99 annual reports and to assist with the preparation of future reports. A number of guest speakers from Treasury and the Audit Office also addressed the participants. The workshops have served to crystallise many of the issues that the previous committee, chaired by the former member for Cessnock, the very popular Stan Neilly, grappled with. The most important issue was: Why is performance reporting by agencies not really getting any better? The answer is contained in the committee's recommendations.

The crucial problem is a lack of senior executive involvement at the outset of the annual reporting process. Annual report writers are too far down the hierarchy in government agencies to prepare overarching frameworks for annual reports and then make more senior colleagues comply with their requests for information. The first recommendation contained in the report, which was touched on yesterday and in previous debates, states:

That action be taken by Treasury to expedite the introduction of the proposed new legislation to replace the existing Public Finance and Audit Act, Annual Reports Act and associated legislation.

We cannot provide greater accountability in the public sector until legislation is introduced, debated and promulgated. Recommendation 2 states:

> That agencies conduct a comprehensive review of their Strategic and Corporate Plans to ensure that:
>
> - the objectives are clear, specific and expressed in measurable terms (where appropriate);
> - the key performance indicators are valid, focused on results and outcomes and related to the core functions of the organisation;
> - the measurement of key performance indicators is clearly explained; and
> - targets are set to provide benchmarks against which performance can be assessed.

Clearly there was dissidence between the key performance indicators and the stated objectives of the relevant organisation. Recommendation 3 states:

> That agencies review the existing approach to annual reporting to ensure that:
>
> - key elements of the Strategic and Corporate Plans are reflected in the Annual Report;
> - targets and external benchmarks (where available) are used to assess performance;
> - key performance indicators are included not only for the current year but also past years so as to provide the data for a discussion and analysis of trends;
> - all changes to key performance indicators are adequately explained;
> - a discussion and analysis is provided on both the internal and external factors that affected the operations as well as on the annual financial statements;
> - a commentary is provided on the major features of corporate governance operating within the organisation;
> - a separate Section is included commenting on the agency's future operating environment and developments;—

That is where they have come from, based on their corporate plans and key performance indicators, to where they believe they are heading with service delivery and meeting the organisation's core objectives. The recommendation continued:

> - an Executive summary and a "Highlights" Section are included at the beginning of the report.

The committee found that many annual reports that it reviewed and which were worked on at the workshop did not contain an executive summary. That makes it very difficult for members of Parliament and others who have a large amount of reading to do to come to grips with the contents of the report. Recommendation 5 states:

> That Chief Executive Officers be more closely involved in the planning process of each annual report to ensure that:
>
> - a reporting framework is agreed at the outset;
> - staff members' contributions to the report are clearly specified; and
> - adequate resources are provided to the process.

During the workshop it was revealed by a number of agencies that they were given the job to write the report, but with little or no intervention or guidance by the hierarchy. When the report was finally written there was massive intervention by the hierarchy, because they wanted to omit or massage a few things. Recommendation 6 states:

> That consideration be given by agencies to the publication of separate short form annual reports in line with the proposed new annual reporting legislation. As well brochures and information booklets for different special interest groups and for public relations purposes should be considered.

In the workshop there was a strain that showed that a lot of annual reports were glossy exercises to ensure that the chief executive officer had met his performance contract and would get his bonus. Clearly there is an argument for the CEO to take a more proactive approach and be more involved in report writing. The committee believes that annual reports are key documents which are presented to Parliament, and are forwarded to the Minister. Recommendation 7 states:

> That more guidance and training be provided to agencies by the Treasury through:
>
> - The publication of educational materials on the "best practice" approach and on new reports are required; and
> - the conducting of regular training seminars and workshops as well as an annual Discussion Forum.

Another issue that was raised was that a manual is not available. There is not one format that fits each and every reporting agency. Clearly, the government agencies need a best practice manual. I believe that Treasury, which is responsible for much of the public reporting legislation in this Parliament, particularly through the proposed new legislation to replace the existing Public Finance and Audit Act, needs to provide a manual of best practice and have a greater contribution in the process. Accountability in the public sector is a major issue. In many ways the private sector, which comes under separate legislation, is far more accountable than the public sector, except that ultimately in the public sector the Minister is responsible. I have not seen much evidence of that level of responsibility in the chief executive officer in the private sector, notwithstanding the clear legislative requirements for reporting. I believe that the committee has made some very worthwhile recommendations which will take us to the next level of accountability of public enterprises. I recommend the report to the House.

Mr ASHTON (East Hills) [11.11 a.m.]: I am pleased to make a contribution to the report "Towards Better Performance Reporting" of the Public Bodies Review Committee. I thank the chairman, the honourable member for Swansea, and the other committee members for their input into this report. I acknowledge the great co-operation amongst the committee members. The committee report may not seem particularly controversial. In some ways it may seem to be stating the obvious. First of all, the committee highlighted the weaknesses in the annual reports that are received from government organisations. As the chairman said, the committee looked at the reports of eight agencies. It was obvious to all of us that the annual reports follow a tradition of reporting only the good news. The bodies report through the Parliament to the taxpayers of New South Wales. If we only get the good news, presented in a glossy magazine type format with some nice pictures on the front and throughout the report, we do not get a full examination of the government instrumentality.

Often a highlighted section of a report presents a list of completed major initiatives with a statement that the initiatives have been undertaken and completed well and a monitoring process will proceed. We found little evidence of that after the report had been published and printed. The committee found that the key elements of the corporate plan of an organisation were not reflected in its annual report. Its goals and objectives were often expressed in vague terms. As the chairman indicated, the vague reporting may have been deliberate or the report may have been written by a low functionary in the public service and oversighted by middle management. By the time the report reached the top level of chief executive officer the critical elements of the report may have been deleted. The committee recommended, as the chairman has outlined, that reports need to be full and frank. In some areas the reports do not tell us exactly what is happening.

Some of the key performance indicators used could not be directly attributed to the core activities of the agency. The glossy items of information in the reports and the pictures of interesting activities, such as tree planting operations in the Environment Protection Authority, are worthwhile, but there was not much follow-up in other areas where there had not been a successful outcome. Obviously, organisations have budgets and towards the end of their budget allocation the writing up of a report is probably given low priority. That is a pity. As members of Parliament—and I am sure I speak for other members of this House—we are bombarded with annual reports from various organisations, such as the Ombudsman's Office, the Independent Commission Against Corruption, Sydney Water, the Art Gallery and the Royal Botanic Gardens. We may have a quick glance at them, think that they are interesting and decide to have a look at them later back at our electoral offices. However, it is difficult to expect every member to read through a vast raft of annual reports.

I do not say that the people who prepare the reports take it for granted that we are unable to give the reports the scrutiny they deserve, but if the reports were presented in a more concise form and were more honest about their failings—which in part could be attributed to lack of funds or lack of government support—they would make better reading and would result in a better outcome for the public bodies. As the chairman has said, an executive summary was not included with the annual reports. In the annual reports we examined no reference was made to plans and targets for industry benchmarks in the review of operations section. That section contained vast amounts of minor details that were not necessary for the purpose of accountability reporting. In other words, they were included to pad out the report and in an attempt to bamboozle the reader. Minor items are included so that the reader does not question the report and some matters might slip through. In my experience as a local government councillor, the best way for council officers to get through a contentious matter is to include the item in a line or two of two or three pages of dry and boring reading.

All committee members found that the commentaries on the surveys of stakeholders, the people involved at the grassroots of the organisations, were limited. Whilst some organisations talked about issuing surveys and receiving responses, the figures were sometimes presented in percentage forms. If only 20 surveys are sent out and 15 respond, it is easy to say that 80 per cent of the people surveyed were happy with the organisation's performance. Perhaps half of the respondents are working in the field. Obviously, they will say that they are happy with the way things are going and there is no need to make any changes. There is a need to look at how many stakeholders have the opportunity to make comments in these annual reports.

During discussions with the participants in the workshops, some key obstacles emerged as a hindrance to good annual report preparation. Firstly, there was a reluctance at management level to publish performance information that is not positive. I have referred to that aspect previously. Annual reports are generally seen as an add-on function. They are something that have to be done, so the organisations will do them at the end of the year. More work must be undertaken on internal and external training in annual report writing. As the chairman indicated, the committee recommended the introduction of a handbook on how to prepare an annual report, which can be read and digested. Then members on both sides of this House can properly criticise or praise a report that has highlighted a weakness or a strength.

I also indicated previously that a problem can occur when a junior functionary in the system writes the report. A top level chief executive officer should undertake that task. A CEO should not merely sign off on a document that other people have written, on the hard work of other people, but not really know what is in the report. From my experience in the education field, when schools were asked to write annual reports there was a great similarity between the report of, say, the high school where I taught and a high school in the electorate of the honourable member for Bega. The reports were virtually the same because a specific formula was used.

Clearly, the schools are different, the staff are different, the problems are different and the expertise is different, but there is a formula. From my experience in the education field I know that you can change the colour or the headline of the school and after two or three weeks of people coming in to assess whether the school is meeting performance indicators—whether it be expenditure or outcomes of student learning and results—at the end there is a formula: the school could do better in this area and that area, but it is doing well here and there. If you collected those results from the thousands of schools we have across the State they would probably fit into about four categories. It is almost as though there is a code or a document on which you tick the same columns, fill it in and produce the result. I can understand that to some extent.

People in various government departments, particularly in the school area and probably in other areas like health, find that their jobs are difficult enough, so they find it very difficult to spend time on an annual report that does more than meet the Government's statutory requirement for an annual report. Equally, it is necessary for local government authorities to produce an annual report and give one to every ratepayer. One of the criticisms of ratepayers is the amount of money local government spends on producing a glossy report, usually with seven or eight pictures of the mayor of the day attending a whole range of functions—the local State member might get a jersey, depending on who or she was—with polygraphs and a few other things that make it look very good.

Ratepayers are very critical. They did not really want an annual report. They would rather the several hundred thousand dollars spent on annual reports be put into better facilities. It is an education process: we must make the community understand that it is their ratepayer dollars that fund public bodies, local government instrumentalities and others, and, therefore, their performances must be strictly scrutinised. I thank the honourable member for Wagga Wagga, the honourable member for The Hills and the honourable member for Port Stephens for serving on the committee. The recommendations were unanimous. I recommend that the report be noted by the House.

Mr MAGUIRE (Wagga Wagga) [11.22 a.m.]: My contribution today will be brief because most of the topics that were discussed in our role with the Public Bodies Review Committee have been mentioned by the chairman and the honourable member for East Hills. The Public Bodies Review Committee was established on 31 May 1995 with a specific role in reviewing the annual reports of the New South Wales State and local government public sector agencies, particularly in relation to the adequacy and accuracy of all financial and operational information, and the efficient and effective achievement of each agency's objectives. On 9 August 1995 at a seminar on annual reporting the Treasurer, the Hon. Michael Egan, MLC, outlined the role he envisaged that the committee would perform.

Before it commenced its task of reviewing annual reports the committee believed that it should formulate and circulate "Guidelines for Reporting Performance", following consultation with certain key stakeholders, such as the New South Wales Audit Office, the then Council on the Cost of Government and the New South Wales Treasury. These guidelines were published in November 1996 and forwarded to all New South Wales government agencies. Throughout its lifetime the committee has regularly reviewed the annual reports of the public sector in accordance with legislative requirements and Treasury guidelines, as well as its own "Guidelines for Reporting Performance". From time to time the committee has listed agencies to appear before it to answer questions relating to issues arising from their reports following review. The results of these reviews have been published in the committee's second and fourth reports.

The Committee's second report in June 1997 outlined its findings regarding the 1995-96 annual reports of five agencies 1995-96. These agencies were the Ageing and Disability Department, the Community Services Commission, the Department of School Education, the Historic Houses Trust and Integral Energy. Of these five reports the committee considered that both Integral Energy and the Committees Services Commission had done outstanding work in preparation for their annual reports. In particular, these agencies outlined specific objectives for the year for both the agency as a whole and for each program or division. There was also clear evidence of outcome for each objective stated. However, the committee found that the other three agencies did not measure up to expectations. The committee found that these agencies framed their objectives in very general terms, which were suggestive of activity rather than outcome.

Similarly, the performance report related to general business rather than to outcomes linked directly to stated objectives. In its fourth report the committee published the reviews it had done of the 1996-97 annual reports of 10 government agencies. These agencies were the Art Gallery of New South Wales, the Central Coast Area Health Service, the Department of Community Services, the Department of State and Regional Development, the Health Care Complaints Commission, the Historic Houses Trust, the Legal Aid Commission, the Police Service, the Sustainable Energy Development Authority and the Waste Service of New South Wales. Only four of these 10 reports were assessed as meeting the relative criteria for performance reporting. Central Coast Area Health Service, the Legal Aid Commission and the Waste Service of New South Wales were commended for their full and forthright disclosure of objectives and achievements, and explicit identification of exactly what was and what was not achieved in relation to each object.

The last sentence neatly cuts to the heart of the inquiry and what is needed in reporting from instrumentalities. It is critically important that these departments focus on public accountability, and that they are encouraged to produce better and more informative reports than has been historically the case. The committee examined several organisations and their reports. Hundreds and hundreds of reports flow across the desk of members, and I was struck by the fact that all of them are beautifully bound, they are very glossy and they cover a myriad of topics, but they do not give a lot of information. When we were looking for information that would help legislators solve some of the problems that should have been highlighted, we found none. That was disappointing.

Public companies that are listed on the stock exchange, or other organisations, are responsible to shareholders. The people of New South Wales are the shareholders in government instrumentalities that are required to present reports. The committee found that such reports should go further, and our recommendations have been read into *Hansard* by the chairman. They were determined after a great deal of consideration and a great deal of work by the committee. I would like to acknowledge the contribution of all members of the Public Bodies Review Committee on what was a most interesting investigation. When we interviewed those responsible for putting the reports together I was amazed to find that as the report went higher up the food chain, so to speak, information was deleted so that the reports tended to be more glossy and put in a very favourable light the organisation and the work it was doing.

But we wanted to see the bad news as well as the good news. As legislators and taxpayers we need that information so that we can accurately identify problems within an organisation and take steps to help the organisation solve the problems. This is not a case of witch-hunting or lopping off someone's head; it is about getting better outcomes for organisations that are administered by government and responsible to taxpayers. Public accountability is essential for the efficient and effective operation of public sector agencies. Annual reports are considered to be the primary mechanism by which agencies account to stakeholders. There is a public expectation that public sector annual reports, as is the case with private sector reports, will match those expectations. I thank the House for its indulgence.

Mr DEBNAM (Vaucluse) [11.29 a.m.]: I am pleased to have this opportunity to speak to this report, which is far more important than honourable members realise. It is a wonderful window on the workings of the Carr Government, and I congratulate the Public Bodies Review Committee on the work it has done in conducting the workshops and compiling this report. This excellent document has a deeper meaning. It should be dragged out every day, especially during question time. All honourable members should carry a copy of this report to remind them of what the Government should be about, but is not. The report is entitled "Towards Better Performance Reporting".

Mr Orkopoulos: Take it to bed with you.

Mr DEBNAM: I assure the honourable member that I will acquire 10 copies of this report to keep in my parliamentary and electorate offices and at home. I will also carry a copy of it with me everywhere in my

briefcase. Some Ministers—such as the Minister for Fair Trading, who is at the table—have no idea what their real job should be beyond the theatrics. This Minister has been trained by the Government over the past six months purely in theatrics and not in delivering services to the people of New South Wales.

Mr Ashton: Point of order: The honourable member for Vaucluse is not talking about this report; he is attacking the Minister. That is nothing to do with the report.

Mr ACTING-SPEAKER (Mr Mills): Order! There is no point of order.

Mr DEBNAM: I commend your ruling, Mr Acting-Speaker. Let us focus for a moment on the report's title, "Towards Better Performance Reporting". The report makes a number of assumptions, most of which are incorrect. I will run through them. The title comes from a Treasury review—it has been going on for 10 years; it started in 1991—of all financial management legislation that is applicable in New South Wales, performance reporting generally, monthly reports and other material. This report assumes that the Carr Government has the political will to move on the issue of performance reporting. However, it has no intention whatsoever of pursuing performance reporting.

Mr Brown: How do you know?

Mr DEBNAM: Your committee has documented it beautifully.

Mr Ashton: Coalition members on the committee were very happy with the report; they made a great contribution to the inquiry.

Mr DEBNAM: Coalition committee members are delighted; Government members who served on that committee have also done a fantastic job. They should be applauded, and I am here to congratulate them. I do not know how many copies of this report were printed, but I believe there should be more. It is a great report. I acknowledge that members of this committee, especially the honourable member for The Hills and the honourable member for Wagga Wagga, have made a fantastic contribution to this inquiry. Let us look at the chairman's foreword, the second paragraph of which states:

> I believe that the Workshops have served to crystallise many of the issues that the previous Committee grappled with. The most important one being: why isn't performance reporting by agencies really getting any better? The answers to that question are probably all contained in this report.

Those answers are not in the report. The next sentence says:

> Clearly the crucial problem is lack of senior executive involvement at the outset of the annual reporting process.

That is not the problem. It has never been the problem and it never will be. There will never be performance reporting in annual reports because the Premier, Ministers and the Cabinet will do everything they can to frustrate performance reporting in New South Wales. Why? It is because there has never been so much money going to Treasury and the State has never had worse services. The Minister for Transport, and Minister for Roads is not in the Chamber this morning. One of his ferries has just broken down on Sydney Harbour. Passengers were drenched with water as the windscreen broke in a swell. What fantastic services the Government is delivering to the people of New South Wales! Whether it is ferry services, train services that have spiralled downwards in the last couple of years, the Police Service that cannot deliver basic policing on the streets of New South Wales, or the hospitals that have people backed up on waiting lists and in emergency departments, the people of New South Wales have never had worse services. There will never be true performance reporting in annual reports in the State, but I am delighted that the committee has raised this issue. The same page of the report contains the statement:

> Accountability for agencies does not end with their Strategic and Corporate Plans.

Accountability was never introduced under the Government, and it never will be. The honourable member for Swansea made the wonderful statement in his contribution a few minutes ago that ultimately, Ministers are responsible. That is absolute rubbish. Ask the Minister for Transport, and Minister for Roads how he feels about ministerial responsibility regarding the public transport system that crashed last year. Ask Michael Egan what he thinks about losing $600 million in electricity subsidiaries in the last 18 to 24 months. Ask the Premier how he feels about budgets that have blown out in every year of his administration to be saved only by runaway tax revenue. There has never been accountability under the Carr Government and there will never be any pretence at accountability in annual reports. The fifth paragraph of the chairman's foreword states:

> There is clearly scope for Treasury and the Audit Office to take a greater role in this regard.

That assumes that Treasury can play some leadership role in New South Wales. However, Treasury is one of the worst offenders: It has been complicit throughout the six years of the Carr Government in hiding or not providing the basic financial information that the people of New South Wales need. The report suggests that Treasury could play a greater part in various areas and perhaps act as a role model. Look at Treasury's reports—the committee must have examined them during the workshops—from the Office of Financial Management and the Office of State Revenue. Look at what Treasury has done with the Crown entity reports, the consolidated accounts and the monthly financial reports. June last year was the last time that Treasury reported tax information. Those opposite have heard this before.

Ms Beamer: Deja vu.

Mr DEBNAM: The honourable member is correct. If Labor members examine the Treasury reports, they will see that the Treasury has been failing the people of New South Wales and, what is more, it has done so knowingly at the highest levels. It is a political operation. That point is not highlighted in the report, but it should have been. The committee has taken the soft approach.

Mr Hickey: That is your opinion.

Mr DEBNAM: It is not just my opinion; it is documented in this report and the Auditor-General has documented continually before budget committees the poor performance of senior Treasury executives. It is obvious that Treasury is complicit in what is happening: Information is hidden or not provided. The second bullet point on page 7 of the report states:

> Key elements of the Strategic and Corporate Plans are reflected in the Annual Report.

I bet most honourable members have not read the corporate plans of any government agencies. I suggest that they start by reading Treasury's corporate plan. They can then read the top three in terms of delivering public services in New South Wales—health, education and police—and, if they want a really good read, I recommend the public transport corporate plan. There are no key elements in the corporate plans; they are rubbish. They are designed simply to fulfil some requirement written a number of years ago about issuing a corporate plan. That is the first place we should start when talking about accountability, benchmarking and lending some transparency to performance in the public sector, but that does not happen in New South Wales. It will not happen in New South Wales under Ministers such as this. This guy is paid for theatrics. He is not paid to deliver good services to the people of New South Wales. The next bullet point states:

> Goals/objectives were expressed in vague terms ...

Of course they were. That is what these people are paid for. The committee should have stressed it in the report, which is a good working document. But there should be a sequel to it with harder language. The goals or objectives were deliberately expressed in vague terms. That is what these people are about. The bullet point continues:

> Objectives were not supported by quantitative/qualitative key performance indicators ...

The committee should talk to people such as Bob Walker, who was thrown off the Council on the Cost of Government. Where is he now? He is causing great mayhem in the Superannuation Administration Corporation as he tries to apply his academic ideas, which do not work in reality. On the Council on the Cost of Government he tried to get the Government to address some of these issues. It was not going to work because the Council on the Cost of Government was never going to work. It was just a political exercise, more of the window dressing and theatrics that the Minister has been trained in. The objectives will never be supported in the annual reports because that information does not exist because the Government does not want it to exist. It does not want to be pinned down.

I turn to the next bullet point. I am moving sentence by sentence. The Leader of the House said that there was a limited speaking time on this report, which is one of the best report cards on the Carr Government's six years that I have seen. If the Leader of the House moves to limit speaking time on this report I will find another opportunity at some other time to speak on it. This report card on the Carr Government is not hard enough. The committee has not done the hard yards. The report has the basic thoughts in it but not the hard push in relation to the front bench. The next bullet point says:

> Some of the Key Performance Indicators used could not be directly attributed to the core activities of the agency;

Do honourable members not think that that is telling? It is mentioned a few times in the report but the committee does not take issue on it or slam the Government from wall to wall. It does not ask, "What are you people on about? Who are you trying to kid?" I would have thought that that is a pretty telling comment which you could almost put on the front page.

Ms Beamer: It is on the executive summary.

Mr DEBNAM: Not good enough. That is one of the key issues. I want some real attention to these issues. However many copies of the report are produced, another two or three editions should be distributed around Sydney. They should be sent out to the customers of the Minister for Transport, Carl Scully, on the ferry on the harbour who were drenched this morning by the wave when the windscreen smashed. They should be given a copy of what the Government is passing off as information in its annual reports.

Mr Brown: It is a really rigorous report.

Mr DEBNAM: Who did you work for?

Mr ACTING-SPEAKER (Mr Mills): Order! The honourable member for Vaucluse should direct his remarks through the Chair and not across the Chamber.

Mr DEBNAM: It is important that we should find out which firm the honourable member for Keira worked for. If he says that this report is rigorous then we should have a chat to his previous employers to learn exactly what he did during the years he was in the firm. I am congratulating the committee on opening the window on the workings of the Carr Government. I am not congratulating the committee on the wording in the final report because it is simply not tough enough. It is mushy. The committee has mentioned some of the real problems but it has not said that the Government has failed the people of New South Wales.

Ms Beamer: You have to speak to my report as well.

Mr DEBNAM: Yes, I will. Let me move on to another bullet point. It says:

> Statistics and KPIs were usually given just for the current year together with last year's comparatives. Generally, no trend data and analysis were provided;

I again make the point that the Carr Government has done this deliberately. There are token presentations of performance data but we cannot do anything with it because the trend data is not there. That is deliberate. The Carr Government has done this wilfully. The committee should have made those comments. Two bullet points later there is a reference to there being no industry benchmarks. There is no shortage of industry benchmarks that could be applied to the public sector but they are not. They have not been and they never will be under the Government because Ministers such as the Minister at the table are paid for theatrics, not to deliver services to the people of New South Wales.

Mr Hickey: You just don't like the way he pronounces his aitches.

Mr DEBNAM: Do not attack the Minister. Another bullet point on page 8 says:

> There is a reluctance at management level to publish performance information which is not entirely positive;

That is true. Again, the committee has made the comment but it has not mentioned the implications. The committee's job is to act on behalf of the Parliament and slam the Government. It has not slammed the Government. It has pointed out where all the problems are. This report is a wonderful window on the workings of the Carr Government. But the report does not slam the Government. This report might serve the committee members well in the party room. The Premier might thank them for that soft report but the committee needs to slam the Government.

Mr Brown: Point of order: Today we are considering committee reports. The honourable member for Vaucluse is suggesting that the report's wording should be changed to slam the Government. That is not related to a consideration of committee reports so far as I understand it. The honourable member for Vaucluse was not even a member of the committee. He did not hear the evidence of the witnesses before the committee. How could he form the opinion that the committee should suggest words to slam the Government? I ask that you direct the honourable member for Vaucluse to look at the routine of business and to confine his remarks to consideration of the committee reports that are presented.

Mr ACTING-SPEAKER (Mr Mills): Order! The Chair has endeavoured to take a careful note of what has been said in the debate. It is a difficult matter on which to rule, but one is always allowed to use some arguments to back up observations that are directly relevant to a report. Although the honourable member for Vaucluse has been skating on thin ice at times, he has generally returned to deal with the report line by line. Therefore, he is in order.

Mr DEBNAM: Let me turn to page—

Mr Ashton: Page 9.

Mr DEBNAM: No, we are still on page 8. There is another bullet point that I was about to deal with before that rude interruption. It says:

> There is no link between the Corporate Plan and performance reporting;

It should have read that there is no link between the Carr Government and performance reporting. There has not been a link, there is not one today, and there never will be a link because the Carr Government deliberately makes sure that there is no link.

Ms Beamer: You are saying that there is a missing link?

Mr DEBNAM: That is true. I move to page 9. Recommendation No. 1 is:

> That action be taken by Treasury to expedite the introduction of the proposed new legislation to replace the existing Public Finance and Audit Act, Annual Reports Acts and associated legislation.

At the outset I made the point that it is 10 years since Treasury started working on the update of the financial legislation in New South Wales—and it has used every opportunity to delay the progress of the new legislation. I do not know how many times in the past six years I have demanded in this House that the legislation be brought forward so that we could see at least the draft of it and discuss it. But, no, it suits the purpose of the Government and the senior executives of Treasury to make sure that the legislation does not come forward. Why is this?

It is for good reason. The Government is about hiding rather than providing information. The committee has correctly identified in recommendation 1 that the State of New South Wales has to update its archaic financial management legislation. That is undoubtedly a good recommendation, but it is 10 years overdue. The updating of financial management legislation commenced when the Coalition was in government. Treasury let it run for four years while it was getting its thoughts together, and for six years the Government has taken every opportunity to delay the introduction of the legislation.

It is important that senior Treasury executives consider allowing Parliament to put real sanctions into the legislation because it is already 10 years too late. The general debt elimination legislation specifically provides that there are no sanctions for those who do not comply with its provisions. Sanctions should be put in place because senior members of the Government and Cabinet Ministers are ensuring that the provisions of various pieces of legislation are not complied with and that information is not provided to the Parliament and to the people of New South Wales when it should be. Recommendation 2 states:

> That agencies conduct a comprehensive review of their Strategic and Corporate Plan to ensure that:
>
> - the objectives are clear, specific, expressed in measurable terms (where appropriate);
> - the key performance indicators are valid, focussed on results and outcomes and related to the core functions of the organisation;
> - the measurement of key performance indicators is clearly explained; and
> - targets are set to provide benchmarks against which performance can be assessed.

We all agree with that recommendation; we have done so for 10 to 15 years as we have watched other jurisdictions in Australia and, indeed, in New Zealand move towards performance budgeting and performance reporting. However, nothing has happened in New South Wales. The committee has made this important recommendation but there is no hard edge to it. The recommendation is important to the people of New South Wales, to the passengers who were drenched on a ferry this morning because of the incompetence of the

Minister for Transport; it is important to people who travel by trains and who have been let down by the Minister for Transport over the past couple of years; and it is important to the people of Cabramatta, who have been let down by the Minister for Police. For six years he has said, "It is not my problem; it is an operational issue." The people of New South Wales have been let down by the Health Department and by the Minister, who has refined his theatrics sufficiently to take over from the Premier. The Minister for Health will never get the Academy Award that the Premier should get but the Minister has improved his theatrics. The Government has done nothing for the people of New South Wales and this important recommendation should be highlighted.

Mr Hickey: What page are you up to?

Mr DEBNAM: Page 10. Recommendation 4 states:

> That the Strategic Planners (or their equivalents) and preparers of annual reports collaborate ...

The recommendation then makes a number of other comments. For a number of years the Carr Government has had no strategic planners. People purport to fill those roles but they do not deliver strategic plans that will benefit the people of New South Wales. They deliver time lines on media events that are of tremendous benefit to the Premier of New South Wales in his Academy Award acting career but they do not benefit the people of New South Wales. I am not sure of the identity of those who are referred to as preparers of annual reports, but they should be Ministers. The report seems to suggest that they should be moved up the hierarchy in terms of responsibility and authority.

The two groups referred to in the recommendation can get together all they like but until the Carr Cabinet decides that it will deliver to the people of New South Wales, progress will not be made on recommendation 4. If the strategic planners and preparers of annual reports get together, they may as well go and have a beer for all the good they will do the people of New South Wales. I am a little disappointed with recommendation 4 because it does not have the hard edge. In an ideal world it would be a good idea to put strategic planners and preparers of annual reports together in one room and get them to talk. However, the reality is that it will not make any difference under the Carr Government. Recommendation 5 states:

> That Chief Executives Officers be more closely involved in the planning process of annual reports ...

In an ideal world they should, but under the Carr Government they never will be. They never have been, and they are not today. The chief executives of each department and agency are complicit with the Carr Government Cabinet in ensuring that information is not provided to the people of New South Wales.

Mr Brown: You are mistaken.

Mr DEBNAM: The honourable member for Kiama claims I am mistaken, but I am not. He should ask the one million plus passengers on the trains everyday, the tens of thousands of people who use the ferry services and those on public hospital waiting lists. The honourable member for Kiama may want to gag debate on the failure of the Government to deliver basic services in hospitals, public transport, policing and education—

Ms Beamer: Point of order: Standing Order 67 warns members not to continually repeat sentiments already expressed at the risk of being ordered to resume their seats on the ground of tedious repetition. I submit that the honourable member for Vaucluse is reading each recommendation and then expressing the same tedious sentiment. Therefore, he is being tediously repetitious and you should direct him to resume his seat.

Mr DEBNAM: To the point of order: It is important to note that at the time the point of order was taken I was responding to an interjection.

Mr ACTING-SPEAKER (Mr Mills): Order! There has not been a great number of interjections and, indeed, there has been a consistent pattern to the contribution of the honourable member for Vaucluse. I uphold the point of order to this extent. First, the argument that the report relates to the delivery of government services is not correct and, therefore, that subject matter is outside the leave of the motion that the House take note of the report. I suggest that the honourable member for Vaucluse steer away from those matters. Second, the honourable member for Vaucluse has made seven or eight specific references to the Minister for Fair Trading, who is at the table, being trained in theatrics. The honourable member for Vaucluse has also made about 10 statements relating to an incident on a ferry on Sydney Harbour this morning. His references to those matters have now become tediously repetitive. I advise the honourable member for Vaucluse to present fresh argument as he deals with the report.

Mr DEBNAM: I appreciate your ruling, Mr Acting-Speaker, and the interjection. Recommendation 5 states:

> That Chief Executives Officers be more closely involved in the planning process of each annual ...

That is right. One of the reasons I have been accused of tedious repetition is because—

Mr Ashton: Point of order: The honourable member for Vaucluse has started to speak again and he is already canvassing your ruling.

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

Mr DEBNAM: The reason I was accused of tedious repetition is because there are so many instances every single day in the State of New South Wales when it is tediously repetitive to say that the Carr Government is failing the people of New South Wales. That is happening in each of the core portfolios and I will take every opportunity in this House to keep raising that with Government members, who appear to enjoy this report. However, they are failing the people of New South Wales. Every day is tedious for the people of New South Wales who cannot get to work on time.

Mr Ashton: Point of order—

Mr ACTING-SPEAKER: Order! The honourable member for East Hills need not proceed further, as I was about to intervene and remind the honourable member for Vaucluse of my earlier ruling. If he reads the title of this report he will realise that it is not about the delivery of government services. He should confine his remarks to the subject matter of the report.

Mr DEBNAM: The first point I made about this was that it is not about the delivery of government services; it is a window on the workings of the Carr Government—which is all about, or should be all about, the delivery of basic services to the people of New South Wales. This report shows the failings of the Government—

Mr Ashton: Point of order: The honourable member for Vaucluse has done it again. Mr Acting-Speaker, you ruled that the report is not about the delivery of services and he stood up and continued to assert that it is about the delivery of services. I ask you, for the final time, to rule him out of order and sit him down. He has made his point, wasted the time of the House and ignored your ruling on three occasions.

Mr ACTING-SPEAKER (Mr Mills): Order! I am prepared to allow the honourable member for Vaucluse to proceed, provided he moves to a new part of his contribution.

Mr DEBNAM: In fact, I was agreeing with your ruling. That is the point that the honourable member for East Hills missed. This document is good, as I said, as a window on the workings of the Carr Government, but the committee has applied its commentary to the annual reports—understandably, because it was reviewing them—without making the point that the annual reports are the window on the Carr Governments workings. That is what it is all about. I move now to the committee's recommendation 12—I reckon it is a classic. It states:

> That a special Premier's Award be established to recognise achievement of excellence in annual reporting within the NSW Public Sector.

That award—call it a special Premier's award, call it an Academy Award, call it anything you like—if it is delivered against criteria for performance reporting will never be seen in New South Wales under this Government. I think it is an absolute classic to have left it as the committee's last recommendation. If ever we see excellence in annual reporting in New South Wales that agency should get a special Premier's award but it will never happen under Bob Carr.

Report noted.

STANDING COMMITTEE ON PUBLIC WORKS

Report: Follow-up Inquiry into the Lake Illawarra Authority Report and NSW School Facilities Report

Ms BEAMER (Mulgoa) [12.02 p.m.]: This report is based on two reports delivered to Parliament during the last session. Committees put a lot of energy and resources into their inquiries and in so doing they

receive submissions and hear the views of a wide range of interested parties. It is vital that government agencies give careful consideration to the recommendations of any committee report. Indeed, the committee is entitled to a considered response to all reports, with details of proposed action on the recommendations. If the recommendations are not to be adopted, the committee should be supplied with reasons. Unfortunately, that does not always happen. When responses to reports are unsatisfactory, the only formal tool that the committee has at its disposal is to review, by means of a follow-up inquiry, the action taken on its recommendations, and then to report formally to Parliament. That was the case in relation to this report.

The committee decided, in view of two reports—dealing with the Lake Illawarra Authority and New South Wales school facilities—that it would review the actions taken by various government departments and agencies to see whether they had implemented the committee's recommendations. It was decided that all reports of the committee should be reviewed so that the committee could see what action had been taken. The committee intends to put all agencies on notice that it has adopted this approach. This means that, in respect of all reports to Parliament this session, the committee will look at agencies to see if they have adopted the committee's recommendations, or have good reason for not doing so. Accordingly, the committee resolved to review action taken on two unrelated inquiries carried out during the Fifty-first Parliament, to see what their response has been. May I say that the reports stand in marked contrast to one another.

The committee found that the two agencies concerned had taken two very different approaches. The response from the Department of Land and Water Conservation to the Lake Illawarra Authority report was unsatisfactory. In its original report on the Lake Illawarra Authority the committee found that the charter of the authority was out of date and it was time for a major revision; and that the authority membership was too narrow. The committee recommended expanding the membership to include a broader range of relevant government authorities and stakeholders. The recommendations were simply not implemented. On page 16 of its report the committee recommended to the Lake Illawarra Authority that:

> The Illawarra Catchment Management Trust prepare a detailed Sustainable Development plan in collaboration with NSW Agriculture and relevant councils, outlining the capacity of land within the Illawarra catchment to support various agricultural activities. This plan should identify methods of coordinating and integrating land use as a means of achieving long-term improvement in the level of sedimentation entering Lake Illawarra.

The authority's response to that recommendation was:

> This is a catchment management committee role in conjunction with Wollongong and Shellharbour City councils. A sustainable development plan has not been prepared as yet.

The committee's comment was:

> This response does not make it clear whether such a plan will actually be prepared. This in turn raises concerns about the claims in Recommendation One that ESD strategies are being implemented as part of the LIA's planning process.

One can see all the way through this report that the recommendations made by the committee have not been implemented. The committee recommended that the current dredging program to reduce siltation in the near shore area of the back channel around Bevans Island be completed. Whilst the response indicates that that is a project high on the authority's program—and I appreciate it represents a significant cost to the Lake Illawarra Authority—it has not been implemented. Even more worrying to the committee is the fact that the response from the Lake Illawarra Authority seems to be that it will not even tell the committee the reason. The committee produced a report containing numerous recommendations but no strategic plan has been put in place to implement them. There is no apparent timetable or willingness to do so. Action on the committee's recommendations has been totally inadequate.

While some of the recommendations were partly implemented or addressed in some way, the major problems identified by the committee have not been addressed—in particular, the out-of-date charter of the Lake Illawarra Authority has not been amended. The charter is at odds with the Government's policy on total catchment management. While the membership of the authority has been expanded, it has not included the user groups recommended by the committee. Major dredging projects are still planned for the lake, without any clearly enunciated whole-of-catchment strategies. The committee is equally concerned at the quality of the response from the department. It accepts that there might be good or compelling reasons for not implementing some of the recommendations. If that is the case, the committee is entitled to a considered and detailed explanation. However, no such explanation was forthcoming.

It is interesting to contrast that response with the response from the Department of Education and Training to the schools facilities report. The committee visited many areas of New South Wales to inspect

various school facilities and the way in which the Department of Public Works and Services and the Department of Education and Training went about building school facilities. In the original "New South Wales Schools Facilities Report" the committee found that the capital works planning process of the Department of Education was an efficient and accountable system for delivery of school facilities. The collaboration between the Department of Education and Training and the Department Public Works and Services in this process had developed innovative ways of providing optimal and cost-effective educational facilities.

This collaboration took the form of a working agreement. That is an excellent example to other agencies of a constructive way to identify responsibilities in jointly delivering infrastructure. Some innovations developed were the facilities maintenance contracts, a component design range of school facilities and the kit lightweight buildings. The committee visited the Lismore electorate and was hosted by the former member for Lismore. He gave fine examples of the collaboration between the two departments to deliver a fine school in the area. The current member for Lismore, no doubt, is very much on top of this issue and is looking for ways in which he can also improve the delivery of services to his electorate.

The committee made 14 recommendations to further improve the arrangements. One area to which the committee drew attention was the need to provide opportunities for regional contractors. Many members talk about governments planning facilities for their local communities and the desirability of using local contractors. The committee recommended that the Department of Education and the Department of Public Works and Services develop formal strategies to enhance opportunities for companies in regional New South Wales to tender for public works on a level playing field. I am sure that no member of the House would disagree with the objective of making sure that local jobs are contracted to local people. The whole community benefits when there are capital works expenditures within their electorates.

The response from the Department of Education and Training was heartening. The Department of Public Works and Services regional offices predominantly use two methods of tendering for school projects below $500,000. One is an open tender, and that is advertised in local newspapers. The other is a panel of contractors that meets the Department of Public Works and Services' minimum standards of financial capacity and experience on comparable projects. Companies from regional New South Wales are encouraged to tender for works in their respective localities. The response from the departments referred to contracts valued at more than $500,000. The department encourages regionally based tenderers to prequalify for building works valued at more than $500,000 in accordance with its contractor prequalification scheme.

Contractors are prequalified in a large number of regional centres. Regional contractors prequalified in the range of $500,000 to $2 million receive a preference on tender panels in their local region. This recommendation led to the Department of Education and Training making its contracts accessible to the appropriate regions. For contracts of the value of $2 million or more, larger prequalified contractors with a good record of doing business with the department are further encouraged under the 1999-2001 contractors Best Practice Scheme. Less connected regional contractors have been given special help to assist their understanding of the Best Practice Scheme requirements. That included visits to the regions by personnel of the Department of Public Works and Services during the life of the former scheme, together with one-to-one briefing sessions, as required. This allows for large contracts to be given to regional companies as well.

Contractors prequalified from the $2 million to $6 million range located west of the Great Dividing Range have fewer scheme requirements to meet. Large companies west of the Great Dividing Range are given preference. In addition, the Department of Public Works and Services noted that five regional contractors are close to meeting the scheme's requirements. That will remove the advantage that Sydney contractors currently have with the 2 per cent price preference for works within the range of $2 million to $10 million. Together with a preference on tender panels, two regional contractors have met the schemes current requirements. People who live in regional New South Wales are able to access the scheme which gives preferences to companies based in the area. That is one way in which the report highlighted the community's need and has had practical advantage for New South Wales.

In contrast, there have been very few responses by the Lake Illawarra Authority to the many recommendations made to both departments regarding the implementation of school facilities. Some innovations developed in the maintenance contracts—a component design range of school facilities and the kit lightweight buildings—are great. But in making our recommendation we have drawn attention to the real opportunities that are pervasive for regional contractors. With agencies giving careful consideration to these recommendations, most of which had been fully implemented, a better outcome should be provided for all stakeholders, from the users through to the taxpayers. The committee has been impressed with the work of the Department of Education and Training and the Department of Public Works and Services.

The committee is putting several reports to the Parliament. The intention of having a follow-up inquiry was to establish what work has been done through the implementation of the committee's recommendations. The report on the Lake Illawarra Authority has been forwarded to the Minister and we have expressed our concerns with it when compared to the report by the Department of Education and Training. The committee stressed that it will not sit back now that its report has been published. We believe that the committee system should have teeth. Although a committee can make recommendations to government, it is interesting that the committee reports presented this morning have not been whitewashers of government policy, but have taken to task some areas of government.

Under the committee system we are able to introduce reports and highlight areas of concern to members of Parliament and to get benefits for parliamentarians. I congratulate the Department of Education and Training. Although it has an excellent relationship with the Department of Public Works and Services, it tried to find optical advantage for every dollar it spent. It also looked at ways to improve its systems by heeding the committee's report. That has benefits to all of New South Wales, particularly in regional contracting. The department looked at ways for contractors to better implement local components, local jobs and local skills. I commend the report to the House. I thank the members of the committee who were not part of the Standing Committee on Public Works in the previous parliamentary term. While they were not part of the original inquiry, they took this important process on board.

I would also like to thank our new committee director, Ian Thackeray, who has worked tirelessly, and I welcome on board Carolynne James as a new member of the committee secretariat. I thank all the committee members, who have come together to look at a number of important issues, several of which will face us shortly. We look forward to visiting the electorate of the honourable member for Murrumbidgee to again look at maintenance as part of the third follow-up inquiry. This report, like our report on the leasing arrangement contracts, again reflects the committee system and the committees' ability to have a go at government. It is not a whitewash. The committee system works because we highlight to government the perceived failures of agencies and ask the relevant agencies to get their act together.

Mr BROWN (Kiama) [12.23 p.m.]: I have great pleasure in following the sentiments of the Chair of the committee, the honourable member for Mulgoa. The honourable member has provided excellent leadership on the Standing Committee on Public Works. I have been privileged to be her vice-chair on this committee. The Standing Committee on Public Works is a can-do committee and we take our job seriously. It is a great example to members of the public of a bipartisan committee getting stuck into government agencies on how to deliver services in a cost-effective way to the taxpayers of New South Wales. Since its inception this committee has met regularly and has interviewed and taken evidence from many witnesses. The Standing Committee on Public Works is one of the oldest committees of the New South Wales Parliament, having been established in 1887. Its operations were suspended in 1930, but were re-established by motion of the Legislative Assembly in May 1995.

During that time many reports and investigations have taken place. Two of the committee's reports, which we are discussing today, are the Lake Illawarra Authority Report No. 3, dated November 1996, and the New South Wales School Facilities Report No. 6, dated November 1997. For the benefit of honourable members, I will outline the work that committees undertake. A committee is given its terms of reference by a Minister or meets to define the terms of reference and the areas it wishes to consider. The committee then undertakes research and develops the main issues of its investigation and the direction of its inquiry. The committee seeks submissions and starts a public hearing process. Generally, the committee has the co-operation of many public servants, who give evidence when requested. However, an interesting facet of the New South Wales committee system is that we also subpoena witnesses to come and give evidence.

After all the evidence is taken, the committee undertakes deliberative discussions to develop its recommendations, which are then circulated to interested parties, stakeholders and, in particular, relevant agencies—such as, in this case, the Lake Illawarra Authority and the Department of Education and Training. Once the recommendations are circulated, should that be the end of the committee's operations? The Standing Committee on Public Works says no. Our committee does not merely compile numerous reports and send them out to government agencies. We want the government agencies to consider the work that we have seriously and diligently undertaken and decide whether the recommendations should be implemented within their agencies. We are not so arrogant as to think that all of our recommendations should be implemented, but we do want them to be considered by the relevant agencies.

The Standing Committee on Public Works tries not to write verbose reports. We do not write lengthy books that collect dust on shelves. We consider that our reports are good working documents that departments

can refer to time and time again to try to ascertain how they can best improve services for the taxpayers of New South Wales. We have found that some agencies are forward thinking about the role of the committee, others are not. For example, last year we took a significant amount of evidence regarding the Premier's memorandum on leasing office accommodation. Some agencies were well aware of the Premier's memorandum and implemented many of the recommendations suggested in the memorandum. Other agencies, although they were aware of the document, did not implement the recommendations. We also took evidence from many agencies about the land transport fleet.

Some departments, such as the Department of Land and Water Conservation, were aware of the understanding between agencies to share fleet, yet they did not enter into the memorandum of understanding or show any real commitment to try to reduce the cost to taxpayers. In stark contrast, other agencies, such as the National Parks and Wildlife Service, New South Wales Forests and the Roads and Traffic Authority, were keen to ensure that they shared their equipment with other agencies. This inquiry is an example of the way committees go about trying to ensure that facilities are provided by government agencies in the most cost-effective way. However, it is alarming when a committee takes the time to make a report and recommendations—as we did with the Lake Illawarra Authority—to read about an agency's response.

Recommendations Nos 4, 5, and 6 were not implemented and recommendation No. 7 was partly implemented. That raises a number of concerns. Of the committee's 22 recommendations to the Lake Illawarra Authority only five were implemented, 10 were not implemented and seven were partly implemented. At the same time as submitting recommendations to that authority, the committee sent a number of recommendations to the Department of Education and Training about New South Wales school facilities. Of the 14 recommendations provided by the committee, 13 were implemented and one was partly implemented. Not one recommendation was rejected or not implemented.

It is important that I reiterate some points made by the Chair. Many resources are used to write committee reports. When evidence is taken from witnesses, significant costs are involved in Hansard recording the evidence and in the committee developing the recommendations. It is very important that those recommendations are at least properly considered. The report we have delivered to the Parliament clearly highlights the fact that one agency has taken the committee process seriously and one has not. I urge our committee to continue following up on previous reports to ascertain which agencies seriously consider our recommendations and how to go about ensuring that taxpayer dollars are best used to deliver services for the people of New South Wales.

Mr HICKEY (Cessnock) [12.30 p.m.]: The honourable member for Mulgoa, Diane Beamer, is an extremely hardworking and dedicated chairperson. The members of the committee, the honourable member for Murrumbidgee, the honourable member for Keira and the honourable member for Tamworth, have worked hard on this committee. The committee staff, particularly Ian Thackeray and Carolynne James, are putting a large amount of time into the committee. It is vital that the Government give careful consideration to the deliberations and consequences of the recommendations of any committee report. The Government should provide committees with a detailed response to all reports, including actions and recommendations. The role of this committee is to look at report recommendations and their implementation.

It is with some concern that I look at the Lake Illawarra report and note that 10 of the 22 recommendations have not been implemented. However, it is pleasing to see that 14 recommendations from the New South Wales school facilities report were implemented—one was partly implemented and the other 13 were totally implemented. These recommendations are in the best interests of taxpayers, our constituents and all government departments to achieve better outcomes for all departments and for government. We are not on a witch-hunt. We are trying to streamline the activities of departments by implementing the best practices available. The committee is looking at other reports, such as the sick building report that was tabled in this House, the contracting out of office space, and plant management and leasing arrangements in the Department of Land and Water Conservation, State Forests and other organisations.

The big problem is that the committee has no teeth to force departments to implement some of the recommendations. The committee is keen to push as far as possible the implementation of recommendations. The committee is working extremely hard and has produced a good report, which I recommend to all honourable members. They should examine the recommendations and their implementation. The only negative in the report is that the recommendations have not been fully implemented. The committee is examining ways of forcing some departments to have them implemented. I recommend the report to the House. I congratulate the committee on it.

Mr WINDSOR (Tamworth) [12.33 p.m.]: The chairman of the committee, the honourable member for Mulgoa, and the honourable member for Kiama commented earlier that the committee members work together to try to resolve the issues. I have been a member of this committee for some time and I can support those comments: this committee tends to concentrate on issues and reflect on solutions to problems in the committee process. That is partly due to the chairmanship of the honourable member for Mulgoa. The honourable member for Kiama referred to the success ratio of the resolutions in relation to the Lake Illawarra inquiry. It is disturbing that only five of the 22 recommendations were implemented; 10 of them were ignored and 9 were partly implemented.

The report contains some bureaucratic jargon in relation to some of the responses. But the committee put a great deal of work into the Lake Illawarra inquiry. If the committee is to have some input into catchment management and the trust facilities in the Lake Illawarra area then the responsible Ministers should look closely at why some of the recommendations have been ignored. The second part of the report is about the removal of maintenance programs in New South Wales schools and the delivery of school facilities within budgetary limitations. I was very interested, as were other members of the committee, in the tender process, which I think was introduced by the Coalition. The tender process for maintenance of school facilities in country towns has prevented local building companies from taking part in school maintenance.

I refer those who are interested in the report to recommendation 1No. 1, which says that the Department of Education and Training and the Department of Public Works and Services are to develop formal strategies to provide opportunities for communities in regional New South Wales to tender for public works on a level playing field. The document works through a range of scenarios. The Department of Public Works and Services has produced a response, but I would ask that the Minister for Education and Training and the Minister for Public Works and Services keep a very close eye on that particular recommendation. It is important that regional communities have the opportunity to at least tender for the maintenance of their local schools.

Recently, I received a call from a major builder in Gunnedah who, one day before tenders closed, found out that major construction works would take place at the Gunnedah TAFE. The builder commented that the tender had not been advertised in the local newspaper. After doing some homework, I found that was correct. The tender had been advertised in the Tamworth daily newspaper, the *Northern Daily Leader*, but the Gunnedah paper had not advertised that there was an opportunity to tender for work at the local TAFE. If the Government is really serious about embracing regional business opportunities it must ensure that the builders, in this case, are informed that tenders are available.

From the regional perspective I would ask the Minister in the chair, the Attorney General, and others to consider recommendation 1, in particular, and make sure that it is implemented. I recommend the report to honourable members, particularly the report on schools. All honourable members are concerned about the cost and delivery of school facilities. The report goes some way to providing some objectivity about the way in which funding could or should be allocated to provide school facilities.

Report noted.

STANDING ETHICS COMMITTEE

Report: Study Tour to Canada, United Kingdom, European Commission and Singapore—July 17-August 3 2000

Mr PRICE (Maitland) [12.39 p.m.]: I wish to raise certain aspects of the report "Study Tour to Canada, United Kingdom, European Commission and Singapore" of the Standing Ethics Committee that I believe are significant and should interest every member of this Parliament. The committee is responsible for reviewing the code of conduct adopted by the House, which sets out guidelines for how members are to approach their duties. The code is due for review by September this year. The previous committee, which drafted the current code, was influenced strongly by developments that took place in the United Kingdom and Canada in the early 1990s. Since that time there have been a number of major ethics developments in the Westminster-style parliaments and in other governing bodies throughout the world.

In July last year the honourable member for Camden and I visited the House of Commons where two parliamentary commissioners have been appointed since the first report of the Nolan Committee on Standards in Public Life. The new parliamentary commissioner, Ms Elizabeth Filkin, has tabled a series of reports that have resulted in recommendations regarding how ethics allegations are dealt with in that Parliament. In

Saskatchewan, Ottawa and Toronto we spoke to members and ethics advisers about the types of problems arising in their jurisdictions. The report makes some interesting observations about the exercise in the United Kingdom. It states:

> The Select Committee on Standards and Privileges is appointed by the House of Commons to consider matters relating to privileges; to oversee the work of the Parliamentary Commissioner for Standards; to examine the arrangements proposed by the Commissioner for the compilation, maintenance and accessibility of the Register of Members' Interests; to consider any matter relating to the conduct of Members, including specific complaints in relation to alleged breaches in any code of conduct to which the House has agreed and which have been drawn to the committee's attention by the Parliamentary Commissioner; and to recommend any modifications to the code of conduct as appear to be necessary.

That is a fairly extensive agenda that the committee certainly takes seriously. Between 1997 and the middle of 2000 it produced more than 30 reports about complaints made against individual members of the House of Commons. Admittedly, the House of Commons is a large Parliament with about 600 members. Nevertheless, that is a significant number of reports. When one considers the sorts of issues raised with the House of Commons over the years—including the way in which members are paid and the way in which they supplement their wages—one can see that the older practices are being defined and refined to the point where that Parliament will hopefully change its operations, and lobbying, representation of organisations and incidents such as the cash for questions affair will ultimately be excised from the Parliament.

The Scottish Parliament, newly devolved from the Westminster Parliament, has commenced with a strong emphasis on accountability and an active Ethics Committee, which is charged with the development of a new code of conduct for members. There have been some extremely interesting developments in that regard. The report states:

> This Code of conduct underpins the approach that members are required to take in carrying out their Parliamentary duties. It explains the rules for members' conduct and guides them in interpretation of the rules. It also offers advice to members in relation to their conduct.

The code prohibits paid advocacy and lays down rules in relation to contact with lobbyists. Also included are guidelines on general conduct, including equal opportunities; relationships between constituency and regional list members of the Scottish Parliament; the treatment of parliamentary staff and other staff members; members' responsibility for their staff's behaviour; the use of allowances for proper public purposes and adherence to the Allowances Code; acceptance of hospitability, gifts or other benefits; smoking in the Scottish Parliament building; alcohol; health and safety; official stationery and mail; conduct in the Chamber and committees; confidentiality requirements; use of services of staff of the Parliament; and making staff of members of the Scottish Parliament aware of the standards required.

The Scottish Parliament has found that the code's rules and regulations are so definite that there is no flexibility and that they are difficult to maintain without inadvertently causing unintended consequences. That is a problem because, as a devolved parliament, the Scottish Parliament's code and any amendments to it must be approved by the House of Commons. Of course the Scottish Parliament is a little reluctant to refer the matter to England every time it wants to make a change. The Parliament has difficulty maintaining a code with such finite definitions, and I think we can learn from that experience: We can sometimes go a little too far without considering the consequences. As a brand new body, the Scottish Parliament had no historical experience as to how its rules might impact on the operation of the Parliament and its individual members.

The honourable member for Camden and I also spoke to the Senior Director of the European Commission [EC], Mr Sylvain Bissarre, who was involved in drawing up the new guidelines and pecuniary interest measures that were introduced following the mass resignation of commissioners in 1999. Consequently, a new code of conduct for commissioners has been adopted, and we were interested in the cultural change that has occurred in the EC. We originally thought that we could learn the full story of that incident from the Internet, but that was not possible. We discovered that 27 commissioners had resigned, but close questioning revealed that only one commissioner was accused of corrupt conduct. Because of the way in which the constitution of the European Commission is written, it could not excise one commissioner. Therefore, all commissioners were forced to resign and 26 of the 27 were immediately asked to stay on to continue their commission activities. New appointments were then called for, which caused further problems because some countries decided to reappoint commissioners while others decided to call for new candidates. Some countries objected to the reappointment of certain commissioners. The matter took some time to resolve and proved very embarrassing to the commission as a whole.

We came away from the study tour convinced that the most important factor underpinning any ethical code is the registration and declaration of members' interests. The registration of interests forms the heart of

most codes, and the functions and roles of the various ethics and conflict of interest commissioners in Canada and the United Kingdom are structured predominantly around advising on the annual registration of interests. In many jurisdictions matters of ethical conduct and the registration of interest requirements are closely related and are published together in the same document. The committee will examine that idea this year.

We also examined the wide range of functions and powers of ethics advisers and commissioners and how those officers fitted in with the traditional claimed right of each House of Parliament to regulate its constitution as a collective body and punish actions that impede its functions or authority. We were also particularly interested in educative work being undertaken in each region and what methods were being used to assist members and their staff in becoming aware of how codes of conduct applied in their day-to-day work. Our report also contains details of developments in Canada regarding perceived problems with lobbyists. The report makes some significant statements in this regard. It says:

> In January 1999 the Ontario Integrity Commissioner's Office assumed responsibility for administration of the Lobbyists Registration Act. This came about as a result of the former Commissioner, Mr Greg Evans, commenting in one of his annual reports about the number of requests for advice he had received in regard to lobbyists' offers to members and other activities. Mr Evans had recommended that guidelines be introduced and that the public should know about how lobbyists were involved in legislative activities.
>
> Under the new Act, a distinction is made between lobbyists who are consultant lobbyists (paid to lobby on behalf of a client), in-house lobbyists employed by persons, corporations and partnerships that carry on commercial activities for financial gain, and a third category of in-house lobbyists employed by non-commercial organisations such as advocacy groups and industry, professional and charitable organisations.

The Salvation Army and Greenpeace are examples of such organisations. The report continues:

> The key issue for the Office is whether the lobbyists or the representative of an interest group is being compensated, ie whether lobbying is a full time job.

The office conducts annual interviews and members are brought up to date about changes. Lists of lobbyists are kept and any contravention of the regulations is a serious offence in that province. I commend the report to the House and look forwarding to presenting in due course a report about the New South Wales code of conduct.

Report noted.

[*Mr Acting-Speaker (Mr Mills) left the chair at 1.50 p.m. The House resumed at 2.15 p.m.*]

BILLS RETURNED

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

Corporations (Commonwealth Powers) Bill

The following bill was returned from the Legislative Council with amendments:

Crown Lands Amendment (Compensation) Bill

Consideration of amendments deferred.

CRIMINAL PROCEDURE AMENDMENT (PRE-TRIAL DISCLOSURE) BILL

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

Mr SPEAKER

The Legislative Council has considered the Legislative Assembly's Message, dated 28 February 2001, regarding the Criminal Procedure Amendment (Pre-trial Disclosure) Bill, and informs the Legislative Assembly as follows:

Amendment No. 1—The Legislative Council insists on its amendment with the following amendments:

No. 1. Insert before proposed section 47F (1) (a):

(a) notice as to whether the accused person proposes to adduce evidence at the trial of any of the following contentions:

(i) insanity,
(ii) self-defence,
(iii) provocation,
(iv) accident,
(v) duress,
(vi) claim of right,
(vii) automatism,
(viii) intoxication,

No. 2. Omit proposed section 47F (1) (b). Insert instead:

(b) the names and addresses of any character witnesses who are proposed to be called at the trial by the accused person (but only if the prosecution has given an undertaking that any such witness will not be interviewed before the trial by police officers or the prosecuting authority in connection with the proceedings without the leave of the court),

No. 3. Insert "or admissibility" after "accuracy" in proposed section 47F (2) (e).

No. 4. Insert after proposed section 47F (2) (e):

notice as to whether the accused person proposes to dispute the admissibility of any other proposed evidence disclosed by the prosecuting authority and the basis for the objection,

No. 5. Omit proposed section 47J (3) (c). Insert instead:

(c) by sending it by post or facsimile to the prosecuting authority at the office of the prosecuting authority,

(d) by sending it by electronic mail to the prosecuting authority, but only if the prosecuting authority has agreed to notice being given in that manner.

No. 6. Omit proposed section 47J (4) (c). Insert instead:

(c) by sending it by post or facsimile to the legal practitioner of the accused person at the office of the legal practitioner,

(d) by sending it by electronic mail to the legal practitioner, but only if the legal practitioner has agreed to notice being given in that manner.

Amendment No. 2—The Legislative Council insists on its amendment.

The Legislative Council requests the concurrence of the Legislative Assembly in the further amendments.

Legislative Council
27 March 2001

BRIAN PEZZUTTI
Deputy-President

Consideration of message deferred.

VISITORS

Mr SPEAKER: I draw the House's attention to the presence in the gallery of participants in the Government's familiarisation seminar. They are mainly from the private sector and we welcome them to the Parliament.

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**.

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**.

State Taxes

Petition praying that the Carr Government establishes 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**.

National Australia Bank Gymea Branch Closure

Petition condemning the National Australia Bank's decision to close the Gymea branch and calling on the Federal Government to pass laws that require banks to maintain minimum customer service levels, received from **Mr Collier**.

National Australia Bank Jannali Branch Closure

Petition condemning the National Australia Bank's decision to close the Jannali branch and calling on the Federal Government to pass laws that require banks to maintain minimum customer service levels, received from **Mr Collier**.

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**.

Malabar Policing

Petition praying that the House notes 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 notes 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**.

Darlinghurst and Paddington Policing

Petition praying for increased police presence in Oxford Street, Darlinghurst and Paddington, and praying for a permanent police van or shopfront at Taylor Square, received from **Ms Moore**.

Inner East Sydney Policing

Petition praying that the House prevents the closure of Woolloomooloo, Paddington, Redfern and four other inner eastern suburbs police stations and praying for adequate police resources, including uniformed foot patrols, in the inner east area, received from **Ms Moore**.

Inner East Sydney Policing Community Consultation

Petition praying that broad community consultation take place prior to any changes being made to policing in the inner east, received from **Ms Moore**.

Surry Hills Policing

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

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**.

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**.

Mona Vale Hospital

Petition praying that Mona Vale Hospital be retained and upgraded, received from **Mr Brogden**.

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**.

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**.

Queanbeyan Preschool Services

Petition praying that funds be made available to construct a new and permanent preschool in Queanbeyan, received from **Mr Webb**.

Level Crossings Safety

Petition praying that the Government install double boom gates and lights at all level crossings in New South Wales, received from **Mr Maguire**.

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 **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**.

Woolloomooloo Wharf Redevelopment

Petition praying that the Woolloomooloo wharf redevelopment project include provision for a ferry wharf, 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**.

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**.

National Parks Entry Fees

Petitions praying that the proposal to introduce a $6 entry fee per car per day into national parks be rejected, particularly in Bundjalung National Park and Iluka Nature Reserve, received from **Mr George** and **Mr Oakeshott**.

Manly Lagoon Remediation

Petition praying that funds be made available to assist in the remediation of Manly Lagoon, received from **Mr Barr**.

Somersby Plateau Environmental Protection

Petition praying that the House support the protection of the environment on the Somersby Plateau, that no sandmining be permitted on the Somersby Plateau without the consent of Gosford City Council and that the proposed sandmine, to be located near the intersection of Peats Ridge Road and the F3, not be permitted to proceed, received from **Mr Hartcher**.

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**.

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**.

Shark Hotel

Petition praying that the House revoke the granting of a licence to the Shark Hotel, under the Exhibited Animals Protection Act 1986, which enables it to keep two black-tipped reef sharks on its premises, received from **Ms Moore**.

White City Site Rezoning Proposal

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

Bega Valley Shire Council

Petition praying that extension of the term of the administrator appointed to oversee the affairs of Bega Valley Shire Council be opposed, received from **Mr R. H. L. Smith**.

BUSINESS OF THE HOUSE

Reordering of General Business

Mr TORBAY (Northern Tablelands) [2.38 p.m.]: I move:

> That General Business Order of the Day (for Bills) No 9 [Workplace (Occupants Protection) Bill] have precedence on Thursday 29 March 2001.

This bill has been through the upper House and has been supported by the Government and by the Opposition in this House to date. There have been expectations, particularly in the business community, that this bill should have been passed prior to Christmas. That was not the case because private members' day in this House has

proved to be a rare treat. I believe it would be appropriate for the bill to receive immediate passage so that the community, particularly the business community, can receive comfort, knowing they will be protected under the conditions of the legislation.

Question—That the motion be agreed to—put.

The House divided.

Ayes, 55

Ms Allan	Mrs Grusovin	Mr Orkopoulos
Mr Amery	Ms Harrison	Mr E. T. Page
Ms Andrews	Mr Hickey	Mr Price
Mr Aquilina	Mr Iemma	Dr Refshauge
Mr Ashton	Mr Knowles	Ms Saliba
Mr Barr	Mrs Lo Po'	Mr Scully
Mr Bartlett	Mr Lynch	Mr W. D. Smith
Ms Beamer	Mr Markham	Mr Torbay
Mr Brown	Mr Martin	Mr Tripodi
Miss Burton	Mr McBride	Mr Watkins
Mr Campbell	Mr McManus	Mr West
Mr Carr	Ms Meagher	Mr Whelan
Mr Collier	Ms Megarrity	Mr Windsor
Mr Crittenden	Mr Mills	Mr Woods
Mr Debus	Ms Moore	Mr Yeadon
Mr Face	Mr Moss	
Mr Gaudry	Mr Nagle	*Tellers,*
Mr Gibson	Mr Newell	Mr Anderson
Mr Greene	Ms Nori	Mr Thompson

Noes, 32

Mr Armstrong	Dr Kernohan	Mrs Skinner
Mr Brogden	Mr Kerr	Mr Slack-Smith
Mrs Chikarovski	Mr Maguire	Mr Souris
Mr Collins	Mr Merton	Mr Stoner
Mr Debnam	Mr O'Doherty	Mr Tink
Mr George	Mr O'Farrell	Mr J. H. Turner
Mr Glachan	Mr Oakeshott	Mr R. W. Turner
Mr Hartcher	Mr D. L. Page	Mr Webb
Mr Hazzard	Mr Piccoli	*Tellers,*
Ms Hodgkinson	Mr Richardson	Mr Fraser
Mr Humpherson	Mr Rozzoli	Mr R. H. L. Smith

Question resolved in the affirmative.

Motion agreed to.

Mr MARKHAM (Wollongong—Parliamentary Secretary) [2.49 p.m.]: I move:

That General Business Notice of Motions (General Notice) No. 331 [Mr Jack Beetson's "Unsung Hero" Award] have precedence on Thursday 29 March 2001.

This motion acknowledges Jack Beetson as a United Nations unsung hero. Last Saturday, 24 March, Rotary District 9750 acknowledged Jack Beetson's United Nations award at its annual conference, which was held at the Wentworth Hotel. I congratulate Jack on his outstanding work for Rotary and for the general Aboriginal community. As a mark of respect, Rotary District 9750 included for the first time the Aboriginal flag in its opening flag ceremony. It is important that this House pays its respects to a great Aboriginal leader, Jack Beetson, and acknowledges his work.

Mr BROGDEN (Pittwater) [2.51 p.m.]: I oppose the motion moved by the honourable member for Wollongong. The motion of which I gave notice earlier today about the Callan Park site is a matter of greater urgency and should be debated at the earliest opportunity, which is tomorrow.

Mr SPEAKER: Order! The Leader of the House and the honourable member for Gosford will remain silent.

Mr BROGDEN: The Government is intent on selling 12 hectares out of a total of 60 hectares of prime land in Callan Park. So far as this piece of land is concerned, the Minister for Health is the real estate agent, the Minister for Urban Affairs and Planning is the developer and the Minister for Small Business is the absentee landlady. Where was the Minister when 400 people turned up on site last Saturday to fight to save Callan Park from being sold by the Government? She was absent. She was not defending the interests of her community. My motion calls upon the Minister for Small Business to state her position. If the motion is debated tomorrow she will have the opportunity to indicate to her community whether she supports the retention of Callan Park. Does she support the retention of Callan Park or does she want to sell it off? She is a lazy absentee local member.

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

Mr BROGDEN: This is an important piece of land which includes, among other things, Aboriginal and European cultural heritage sites, mental health facilities, drug and alcohol support services, the Sydney College of the Arts, the Sydney Writers Centre and a central public open space for densely populated Balmain, Rozelle and the inner west. Last Saturday I stood shoulder to shoulder with the Mayor of Leichhardt; Tom Uren, a life member of the Australian Labor Party; and others such as Dr Jean Lennane, who strongly support the retention of this land. Where was the Minister for Small Business at that time? She was a no show.

Mr SPEAKER: Order! The honourable member for Pittwater is straying beyond the leave of the motion.

Mr BROGDEN: The motion directly calls upon the Minister for Small Business to support this motion and to let this House know—and, through this House, the people of her electorate—where she stands. She must indicate as urgently as possible whether she supports the plans of the Minister for Health and the Minister for Urban Affairs and Planning to flog off this land and to add Callan Park to the long list of police stations, schools and police citizens clubs that the Governments wants to close and sell off. Where does the Minister stand on this issue? I seek the support of the House for a full debate on this motion tomorrow.

Question—That the motion be agreed to—put.

The House divided.

Ayes, 51

Ms Allan	Mrs Grusovin	Mr Orkopoulos
Mr Amery	Ms Harrison	Mr E. T. Page
Ms Andrews	Mr Hickey	Mr Price
Mr Aquilina	Mr Iemma	Dr Refshauge
Mr Ashton	Mr Knowles	Ms Saliba
Mr Bartlett	Mrs Lo Po'	Mr Scully
Ms Beamer	Mr Lynch	Mr W. D. Smith
Mr Brown	Mr Markham	Mr Tripodi
Miss Burton	Mr Martin	Mr Watkins
Mr Campbell	Mr McBride	Mr West
Mr Carr	Mr McManus	Mr Whelan
Mr Collier	Ms Meagher	Mr Woods
Mr Crittenden	Ms Megarrity	Mr Yeadon
Mr Debus	Mr Mills	
Mr Face	Mr Moss	
Mr Gaudry	Mr Nagle	*Tellers,*
Mr Gibson	Mr Newell	Mr Anderson
Mr Greene	Ms Nori	Mr Thompson

Noes, 36

Mr Armstrong	Mr Kerr	Mr Souris
Mr Barr	Mr Maguire	Mr Stoner
Mr Brogden	Mr Merton	Mr Tink
Mrs Chikarovski	Ms Moore	Mr Torbay
Mr Collins	Mr O'Doherty	Mr J. H. Turner
Mr Debnam	Mr O'Farrell	Mr R. W. Turner
Mr George	Mr Oakeshott	Mr Webb
Mr Glachan	Mr D. L. Page	Mr Windsor
Mr Hartcher	Mr Piccoli	
Mr Hazzard	Mr Richardson	
Ms Hodgkinson	Mr Rozzoli	*Tellers,*
Mr Humpherson	Mrs Skinner	Mr Fraser
Dr Kernohan	Mr Slack-Smith	Mr R. H. L. Smith

Question resolved in the affirmative.

Motion agreed to.

Mr BARR: I seek to move that the motion of which I gave notice this afternoon be given priority.

Mr SPEAKER: Order! The precedence of business for tomorrow was decided by the division.

Mr BARR: I understood that because the motion of the honourable member for Pittwater did not receive precedence I had an opportunity to ask that my motion be given priority.

Mr SPEAKER: Order! If the question had been decided in the negative, the position on the business paper would have been vacated and you could then have moved that your motion have precedence. As the House has agreed with the motion of the honourable member for Wollongong, there is no opportunity available to you to move that your motion should have precedence.

STANDING COMMITTEE ON PUBLIC WORKS

Report

Ms Beamer, as Chairman, tabled the report entitled "Inquiry into Infrastructure Delivery and Maintenance—Volume 2-Report on Land Fleet Management", dated March 2001 together with minutes of evidence and associated documents.

Report ordered to be printed.

QUESTIONS WITHOUT NOTICE

CABRAMATTA VISIT VIDEO COSTS

Mrs CHIKAROVSKI: My question is directed to the Premier. At a time when police officers are crying out for additional funding to fight crime, how does he justify spending taxpayers' money on his personal production crew to provide sanitised television footage of him and the honourable member for Cabramatta conducting a stage-managed visit to the area on Monday night? How much did this public relations exercise cost and will the Premier make sure that the Labor Party reimburses the taxpayers of New South Wales who paid for his personal propaganda?

Mr SPEAKER: Order! I place the honourable member for Wakehurst on three calls to order. I call the Leader of the National Party to order.

Mr CARR: The Australian Labor Party head office paid the entire cost of the video. Who wrote that question, the Deputy Leader of the Opposition or the old swamp fox? Talking about the Academy Awards, I cannot believe the film *Crouching Tiger, Leaping Leopard*—I think that is what it is called—won several

awards. I am going to reintroduce film censorship in New South Wales for bad, boring movies. I could not believe it! Helena and I walked out halfway through the film— and that was after 13 hours, or so it seemed. A great movie like *Gladiator* came down the list. *Gladiator* is used as a motivational feature at Opposition frontbench gatherings. Isn't it interesting that the day after I presented the House with a comprehensive package on Cabramatta—increased police powers to deal with drug houses, extra powers to deal with illegal arms linked with the drugs trade and a massive increase for rehabilitation on top of all we have done—the Leader of the Opposition asks a question about who paid for the video footage. That is the big response from the Opposition. That is huge!

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

Mr CARR: What a policy debate! We talk about police powers and numbers and deliver the resources for Cabramatta. We craft legislative recommendations in this Parliament to deal with new challenges in Cabramatta, and the first question that the Leader of the Opposition asks is: Who paid for the video? What a titanic performance! This must be the blowtorch that Neville Wran used to talk about. We are going to press ahead with all those initiatives in Cabramatta. The people of Cabramatta are saying, "Great initiatives, good package, positive thinking." They could not give a tinker's cuss about who paid for the video, which, as it happens, was paid for by the Labor Party.

CABRAMATTA ANTI-DRUG STRATEGY

Ms MEAGHER: My question is directed to the Premier. What is the Government's response to concerns from civil libertarians about the Cabramatta plan announced yesterday?

Mr CARR: I record my appreciation of the hard work that the honourable member for Cabramatta has put in. It is interesting to note that the Leader of the Opposition did not ask that question or any other question of substance. Legislation to increase police powers is currently being drafted in line with the statement I made in this House yesterday. My response to civil libertarians' concerns is this: Look at the evidence; look at the new ways that drug dealers are trying to avoid arrest.

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

Mr CARR: Police blitzes in Cabramatta have, first, reduced the supply of heroin so that the price has increased by about 1,000 per cent. Second, they have forced many dealers into fortified premises or so-called drug houses and, third, they have forced dealers to use go-betweens who do not carry drugs. Police intelligence indicates that there are now about 40 so-called drug houses in south-western Sydney. Drug houses have massive cell-like steel doors, which I pointed out on the videotape that has attracted the concentrated forensic attention of those opposite, and lookouts to delay police entry so that the drugs can be concealed or destroyed. Kerry, I do not think anyone can tell you who wrote the question; you must take responsibility for it.

Mrs Chikarovski: Point of order: I assumed that the Premier would answer the question seriously. It would be a nice change if he were to answer a question. If he wants to make cheap jokes about the situation in Cabramatta, that is his problem, not ours.

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

Mr CARR: There are lookouts to delay police entry so that the drugs can be concealed or destroyed, usually by flushing them down the toilet.

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

Mr CARR: The honourable member for Cabramatta is interested enough to ask a substantive question about policy; she did not ask who paid for the video. After the police break open the steel doors a lookout raises the alarm and the heroin disappears down the toilet or the drain and the evidence is lost. When police enter premises there are often no drugs to be used as evidence. However, they often find more interior steel gates, large bundles of cash—I was told today that it can be as much as $15,000, $20,000 or more—scales, illegal firearms and other prohibited weapons and drug paraphernalia. Police have reported to me that in some cases dealers dump heroin in buckets of household chemicals or spill cocaine into hot oil to contaminate the evidence that may be used against them in court.

Before raiding drug houses police have to try to block drains and pipes to prevent the disposal of the drugs. How do police identify the toilet or sink in a block of flats that drugs were flushed or washed down? As

the law stands at present, if the drugs are destroyed, there is no evidence. If that state of affairs is allowed to continue, drug houses will entrench themselves as part of the scene. It is no laughing matter and we are giving police the powers to deal with that specific situation.

We are creating new drug house offences of acting as a lookout or guard, knowingly allowing premises to be used as a drug house, and organising or assisting to organise a drug house. For first offences a one-year gaol penalty applies; second offences carry a five-year gaol penalty. Bear in mind that if drugs are found, totally different and more serious penalties apply. The penalties I have just mentioned are for the new offences we are creating where the drugs have been removed from the scene but this other evidence exists. Anyone inside the premises will have to prove that he or she has a legal purpose for being there. This reversal of the onus of proof has caused concern to civil libertarians. But I believe that a person who lives in a fortified house surrounded by illegal guns and knives in the presence of drug scales and bundles of cash, drug paraphernalia, should have to prove a legal reason for being there.

We have to make it is difficult as possible for drug houses to operate. Cracking down on lookouts and go-betweens entering and leaving drug premises will help us ruin the business of the dealers. That is one of the purposes of the proposed legislation. So proof of what anyone is actually doing in a drug house will be required. There is a role for the courts in the proposed legislation. Police will require a search warrant before they can enter the premises. That means that police will enter the drug house with the approval of the court. To get that approval they will tender evidence such as telephone intercepts, surveillance of the movements of suspected drug dealers and users, and controlled buys by undercover police. This court authorisation is an important safeguard which will be in place before any police arrests or charges begin.

I want to draw the attention of the House and the civil libertarians—their objections deserve serious consideration—to our experience with earlier legislation introduced by the Government that raised similar concerns, that is, the Police and Public Safety Act 1998. In that legislation police were given the power to stop anyone and search him or her for a knife and to remove the knife. Police were also given the power to stop people, move them on, and demand names and addresses where the people were acting in the manner of a gang. At the time there was strong resistance. Indeed, the former member for Ermington—trivia question: tick, tick, tick: the vertical corgi, long forgotten and unlikely to return—accused me in this Chamber of creating a police State. He was speaking as shadow Minister for—transport?—how quickly these people are forgotten. Michael Photios is now called Photios MP Consulting—MP, get it, Michael Photios, the very talented new wave of the Liberal party! Police have dispersed gangs and moved people on 54,000 times using the powers we gave them in 1998. Photios, speaking for the Coalition, opposed—

Mr Fraser: Which Frank Walker took away in the first place.

Mr CARR: That is ancient history. Go back to the Medes and Persians. Next we will be arguing over who built the pyramids, Labor or Liberals. Using the knife power we gave to police, they have confiscated more than 10,000 knives. We will never know how many lives our tough anti-knife laws have saved. The power we gave police in relation to knives and moving on gangs raised civil liberties concerns. When the Ombudsman surveyed the way in which the police had used those increased powers he concluded, when they were used in Operations Puccini, Innsbruck and Oilgate:

> It is clear that police have the aim of conducting these operations for the benefit of the general community, and indeed, they enjoy considerable community support.

The Ombudsman went on to support retention of the Police and Public Safety Act. I have seen the drug house evidence. I will not stand by—nor will this House, I venture to predict—and allow steel doors to prevent police from getting at heroin dealers and putting them in the courts and behind bars. Those inside drug houses and others plying their evil trade have to be arrested. If you deal in heroin you belong in gaol, and that is what the proposed legislation is about. We have saved lives with our knife laws. It is our job to save lives by closing down drug houses.

SCHOOL CLOSURES

Mr SOURIS: I direct my question to the Minister for Education and Training. Now that the Minister has announced the non-negotiable closure of nine schools and refused to rule out further closures, will he guarantee to rural and regional communities that country schools and schools in Aboriginal communities with failing enrolments will remain open?

Mr AQUILINA: The answer to that question is yes. I issued a release to that effect last week.

NORTH COAST FLOODS

Mr BARTLETT: My question is to the Premier. What is the latest information on the North Coast floods?

Mr CARR: I would have thought that the Leader of the Opposition, instead of making fun of the question, would have said that the floods had brought a lot of suffering to the people on the North Coast and stood with the Government on the measures that we have taken—I think generally to the approval of the people of the region. Between February and March this year the North Coast region was battered by a series of storms and floods. Grafton had its worst flood since 1950 and Kempsey had its worst since 1963. Tragically, one man died. The total damage bill has not been confirmed but it is expected to be millions of dollars. The Government has declared a natural disaster in 22 local government areas. Damage in another six areas is being assessed. Roads have been severely damaged, bridges have been lost and levee banks need extensive work. I visited the region on 11 March and saw this. I will be there again this Friday. I will call into the recovery centre in Grafton to see how the clean-up is going.

On 12 March I set up the North Coast Regional Recovery Co-ordinating Committee. On 15 March I wrote to the Prime Minister asking him to provide additional funding beyond the natural disaster relief arrangements. I am pleased that the Federal Government has promised extra funding for the repair of community facilities. On 16 March we appointed Brigadier Phillip McNamara to co-ordinate the recovery effort. He has met with mayors in flood-affected areas. He is in Sydney today to brief North Coast MPs on progress. The recovery centre at Kempsey has 15 staff from the Department of Community Services, plus staff from Agriculture, Public Works and Emergency Services. The recovery centres are open seven days a week. They will be there as long as they are needed.

Today I am sure members will join me in thanking the 60 men and women who have put in long hours to help families, businesses and farmers through this crisis. So far 1,524 families have received help in the form of food drops, clothing, emergency accommodation, advice and financial support. The Messenger family in Maclean lost everything. Staff from DOCS contacted the family on 16 March. Within three days they had a cheque to replace their household contents. The Messengers have written to Carmel Niland, director-general of the department, to express their gratitude for the speedy and caring help they received from DOCS staff.

The floods caused serious damage to agricultural land, 1,400 kilometres of fencing has been lost or damaged, and 110 dairy farms and 1,500 beef farms have been damaged, which affected over 100,000 cattle. In the Clarence Valley sugarcane growers have suffered huge losses. In the Macleay Valley most pasture will need to be resown. In the Bellingen Valley 80 per cent of fodder on farms has been lost. All up, the agricultural losses are estimated at around $80 million. New South Wales Agriculture has helped 37 property owners with feed and moving stock to higher ground. Farmers from towns including Leeton, Singleton, Cowra and Crookwell have donated 200 tonnes of hay and 100 tonnes of grain. Further donations of fodder, fencing and agricultural materials are needed. In recognition of the scale of this disaster, we announced special assistance to aid the recovery. For flood-affected farmers and businesses, low-interest loans have been increased from $80,000 to $130,000 and the interest-free period has been extended from one year to two years.

Last Sunday I announced that this would be a permanent arrangement. We have also extended the natural disaster relief arrangements to small businesses indirectly affected by the floods and to industries affected by the fish kills in the Richmond, Macleay and Clarence rivers. Additional funding of $300,000 has been allocated to provide 100 per cent subsidies on freight costs for donated fodder and materials to repair infrastructure on farms. Last Sunday I also announced $4 million as the State Government's contribution to building a levee bank to protect the city of Lismore. On Monday Ken Gainger, the General Manager of Lismore City Council, issued a press release—I think it was drafted by the honourable member and I acknowledge his generosity of spirit—saying "The State Government deserves an Oscar for its leading role."—and not for that wretched film we were talking about with that leaping leopard springing target. Without taking anything away from Russell Crowe, I am happy to accept that endorsement from Lismore City Council.

SCHOOL CLOSURES

Mrs CHIKAROVSKI: My question is directed to the Premier. Given the public warning of the Minister for Education and Training to parents that school closures are not negotiable, will the Premier explain why the Deputy Premier, Andrew Refshauge, has told parents and teachers at Marrickville High School that he will support retention of the school on its current site? Does this mean that when it comes to school closures there will be one rule for the Deputy Premier and another for school communities in the rest of the State?

Mr CARR: I am interested in the rule that the Leader of the Opposition promulgated when she was interviewed on ABC radio, a very winning formulation. She was interviewed by the forensic journalist Steve Chase. He said:

> Chase: On education, what's your stance on the closure of those inner city schools? If you were Premier would you close them or not? Yes or no?
>
> Chikarovski: Well I certainly wouldn't have done what this Government has done. I mean you can't close schools without talking (inaudible).
>
> Chase: No, would you close them?
>
> Chikarovski: Well I don't know that they need to be closed until we go and consult those communities.

I think that says it all.

ABE SAFFRON LIQUOR LICENCE APPLICATION

Mr CRITTENDEN: My question without notice is to the Minister for Gaming and Racing. What is the latest information on the effort of notorious Sydney crime figure Abe Saffron to re-enter the New South Wales liquor industry?

Mr FACE: Honourable members will be interested to hear that last year Abraham Gilbert Saffron, also known as Abe Saffron and Mr Sin, applied for a liquor licence. Yes, one of Australia's most infamous underworld figures tried to make a comeback, but two weeks ago his plan came unstuck. The Licensing Court of New South Wales decided that he was unfit to hold a liquor licence. Saffron has been involved in vice in Sydney since 1945. He applied for a licence to sell wholesale liquor as Crown Wholesale Liquor Supply at number 496 to 512 Crown Street, Surry Hills. Over the years Abe Saffron has figured in hearings before royal commissions, the Police Tribunal of New South Wales, the Commonwealth-New South Wales Joint Task Force on Drugs and the Licensing Court. Like the American mobster Al Capone, Saffron was gaoled for tax evasion. He served 13 months in Long Bay and was released in March 1990.

The Licensing Court was told that Saffron had a reputation for being associated with criminals. The Police Tribunal inquiry into corrupt Deputy Police Commissioner Bill Allen found Saffron to be a person of ill-repute, with a reputation of being involved in illicit activities, and said that there was a high degree of suspicion that impropriety or misconduct occurred during meetings with Allen at police headquarters. In his application for the Crown Street licence Saffron made no mention of previous convictions. This is where he came unstuck. Abe Saffron actually thought he could get a liquor licence. In his findings Licensing Court Magistrate Denis Collins commented that even making some allowance for Mr Saffron's present age of 81, it is impossible to accept that he made an honest mistake in reading the relevant question and failing to declare his past. Magistrate Collins said:

> Mr Saffron has been associated with licensed premises in this State since 1945. Certainly, in this State it was an extensive experience and it has been the subject of considerable litigation over many years both in respect of disciplinary proceedings and criminal proceedings against Mr Saffron relating to the operation of licensed premises.

Abe Saffron is the type of person who is not welcome to hold a liquor licence under this Government. The Government's enforcement package, which came out of the police royal commission, relates to people who are not fit and proper. So far this year Saffron has the dubious distinction of being one of eight people refused an application by the Licensing Court as a consequence of that legislation. Over the years Saffron has been involved in everything that is evil. The Government is determined that people of his ilk are kept out of the liquor industry. It can do without them. I sincerely hope that he will stop wasting the court's time and the State's money by attempting to re-enter the liquor industry, an industry that has been disgraced and degraded over the years by his actions.

COUNTRY SCHOOLS FUNDING

Mr TORBAY: My question is directed to the Minister for Education and Training and relates to the funding package that was announced recently. What assurance can he give that country schools will get a fair share?

Mr AQUILINA: I congratulate the honourable member for Northern Tablelands on asking a question relevant to country needs. I thought the Leader of the National Party was going to ask me a question about

country schools. I had a full brief prepared to give him an answer on country schools, but he did not ask me a question. Incidentally, I formally declined his invitation to join the National Party. I am much more at home with my Country Labor friends, who actually already know about the tremendous commitment of this Government to country schools and how much money we are spending on country schools. I am pleased to report that the Government is spending record amounts on education in the country: record amounts of capital works and record amounts on students and teachers.

Last week the Government announced the single largest capital works expansion for schools in 50 years—an extra $433 million for 23 new primary schools, new high schools, new staff rooms, toilets, demountable replacements, security and general upgrades. Some 1,000 schools from city and country New South Wales will benefit from this funding over the next four years. Country New South Wales will also benefit from the Government's education capital works commitment immediately. A priority list has been drawn up of 550 schools whose minor capital works cannot wait. On top of this year's capital works budget an additional $20 million will be spent on minor works between now and July. Works beginning immediately include $10 million on school maintenance for internal painting, roofing work, new carpets, fences and landscaping; $1 million for new gas heaters at 40 schools; $2 million for new computer tables and telephone services, especially in country areas; and $1 million in extra joint funding arrangements with school parents and citizens associations.

[*Interruption*]

The Leader of the National Party has a breakdown. I would love to inform the Leader of the National Party exactly what he is getting in his electorate. I blush and ask Country Labor members to please block their ears. The Leader of the National Party is getting $353,000 worth of work in schools in his electorate. My goodness! Mendooran Central School is getting $60,000 for painting and other works. That is just one school in the honourable member's electorate. There is a $2 million top-up for the school airconditioning program, which continues to aircondition schools in the hottest parts of the State, many of which are in country New South Wales, and $2 million to upgrade school security and install computer trackers and alarms at schools around New South Wales, including Narrandera, Young and Casino—Thomas, I am looking after you!

[*Interruption*]

The honourable member for Lismore is almost Country Labor. These upgrades are the down payment, the first instalment, on the Government's $433 million capital funding injection which will see the education capital works budget rise to $1.25 billion over the next four years. All of these works will start now and will be completed by the end of term two. The National Party has claimed that the weekend's announcement contained nothing for country schools. Nothing could be further from the truth. Relative to population share, country students receive more from this priority package than students in Sydney, Newcastle and Wollongong. That is the sort of job that Country Labor does.

I am pleased to tell the honourable member for Northern Tablelands that he will get—I will look it up because I have all the details here at my fingertips—$236,000 worth of works in his electorate, including $39,000 for the upgrade of Macintyre High School, $64,000 for the painting of Drummond Memorial Public School and $16,000 for a tractor replacement at Macintyre High School. I invite the honourable member to ride the tractor into the high school when it arrives. I know he is pretty keen on riding a Harley-Davidson motorcycle. There are numerous projects. Kentucky Public School, Bundarra Central School, Guyra Central School, Glen Innes High School and Newling Public School, all in the honourable member's electorate, are getting good upgrades.

I also have good news for the honourable member for Albury. His electorate will receive $285,000 for urgent works. I see that he is nodding his head. Thanks, Ian, for the approval. That amount includes painting for Lavington and Mulwala public schools, a new phone system for Gundagai High School and new floor coverings for Burrumbuttock Public School. Ballina schools are also winners, receiving $288,000 in the next three months, including airconditioning for demountables at Alstonville High School and Alstonville Public School, a new basketball court for Ballina High School and new vinyl and carpet for Mullumbimby Public School. The students of the north-west will benefit from more than $317,000, including painting for Collarenebri Central School and Narrabri West Public School, a new tractor for Bingara Central School and joint funding for a covered outdoor learning area at Goodooga Central School.

Mr Knowles: What about Macquarie Fields?

Mr AQUILINA: There will be $735,000 for Macquarie Fields. The honourable member for Bathurst is a member of Country Labor. I can report that schools in his electorate will receive $204,000 with works at Oberon High School and Lithgow High School, a new water supply for Portland Central School and data cabling for Ilford Public School. In the Orange area, $273,000 will be spent on upgrades, including painting for Canobolas Rural Technology High School, new carpet for Cowra Public School, a covered outdoor learning area for Gooloogong Public School and replacement sewer lines for Molong Central School. In the south-east new fences, carpets, painting and cabling are on the way for Bega High School, Bega West Public School, Bodalla Public School, Moruya High School, Narooma High School, Narooma Public School, Wolumla Public School, Bombala High School, Cooma North High School, Cooma Public School, Eden High School, Eden Public School—gee, Lucky Starr didn't have it this good—Karabar High School, Monaro High School, Nimmitabel Public School, Numeralla Public School, Queanbeyan High School, Queanbeyan South and Queanbeyan West public schools.

An amount of $194,000 will be spent on upgrades, such as new gas heaters—George, you asked me for gas heaters—for Binda Public School, Dalton Public School, Gundaroo Public School, Gunning Public School, Marulan Public School, Tirrana Public School and Windellama Public School, and all in time for winter. Schools in the electorate of Coffs Harbour will benefit to the tune of $262,000 in the next three months. For example, airconditioning for demountables at Boambee, Bonville, Raleigh and Repton public schools. You get a tractor, too, Andrew, for Dorrigo, and replacement stormwater pipes for Orana Upper Public School. I congratulate the honourable member for Lachlan, who is not present in the Chamber, on his strong advocacy for the schools in his electorate. I can report to the House that today I signed a letter to the honourable member delivering more than $400,000 in priority capital works for his electorate, including new tractors for Condobolin High School and Lake Cargelligo High School, a new security alarm for Young High School and internal repainting for Junee Public School.

As part of $198,000 going to the electorate of Lismore, Casino High School will receive a new security fence. I listened to your concerns, Thomas, and I have replied to those concerns. There will be computer cabling for Kyogle High School and a new tractor for Richmond River High School. The Country Labor member for Maitland will be pleased to hear that his schools will receive $348,000 in priority works, which means improvements for Dungog High School, repainting for Maitland High School and joint funding for covered outdoor learning area at Iona Public School. In the State's Far West $263,000 of urgent works will be undertaken, for example, new telephone systems for Balranald Central School, Barham High School and Willyama High School. I am informed that the tractors I have been speaking about are John Deere tractors, 46 horsepower. Honourable members will recall last year's break-in at Narrandera High School. I am pleased to inform the House that as part of a $510,000 package for the Murrumbidgee—

Mr Hartcher: Point of order: Mr Speaker, I can recall that as the member for Drummoyne you took this very point of order about the excessive length of Ministers' answers to questions. The point of order was upheld by Speaker Rozzoli, as I recall. I ask that you direct the Minister to draw his excessively long answer to a close.

Mr SPEAKER: Order! I am sure the Minister has almost completed his answer now.

Mr AQUILINA: I am standing up here on behalf of local communities. I am telling the local communities precisely what they are getting. The honourable member for Northern Tablelands asked me about funding for capital works in country schools. I feel obligated to provide the detail of that to him. The honourable member for Murrumbidgee issued a press statement saying that security at Narrandera High School had been overlooked. I am merely telling the honourable member that Narranderra High School will receive a new security system, as will Narrandera Public School. I feel obligated to correct him. The honourable member for Myall Lakes ought to be pleased to hear that $198,000 has been spent on urgent upgrades in his area on a new roof for both Pacific Palms and Tea Gardens public schools, and new tractors for Bulahdelah Central and Chatham high schools. Just two weeks ago I was pleased to go to Camden Haven High School, near Port Macquarie.

Mr SPEAKER: Order! I suggest that the Minister conclude his answer.

Mr AQUILINA: The mid North Coast will receive a further injection of $528,000, and there is a lot more. I will be pleased to answer another question about schools, maybe from a member of the National Party.

SALINITY TARGETS

Mr HICKEY: My question without notice is addressed to the Minister for Land and Water Conservation. What is the latest information on salinity targets?

Mr AMERY: Unlike the brief answer just given by the Minister for Education and Training, I may have to go into some detail on this matter! I thank the honourable member for his question.

Mr Souris: He comes from west of the range.

Mr AMERY: Yes, and he has been giving the Leader of the National Party a bit of a tickle-up around his electorate I understand. Salinity targets are extremely important, as opposed to political targets—like the Leader of the Opposition. Clearly, it was unfair to Ministers for the Premier to knock them out in the first round. We have all our briefing papers, but he rings the bell for the first round, he knocks them out in the first round and the crowd goes home. It is pretty tough! The Opposition used *Gladiator* as an inspirational film; next week they will be watching *Mary Poppins*. Salinity targets in our inland valleys have underpinned the Government's and the community's strategy of the salinity summit held in Dubbo last year. Earlier this week the Premier announced that the Government had agreed to the targets recommended by local catchment management boards [CMBs]. These end of valley salinity targets indicate—

Mrs Skinner: Get on with it. You are stumbling.

Mr AMERY: The only thing I want to hear from the honourable member for North Shore is when judgement day comes for the leadership ballot will she give the Leader of the Opposition a vote or a hug?

Mrs Skinner: Out first policy is to get rid of stumbling idiots like you.

Mr AMERY: Let me recover. Just a minute, I am sure that the honourable member for Gosford wrote that. The salinity targets will be presented to the Murray-Darling Basin Ministerial Council, which meets in Sydney on Friday, because it is part of the New South Wales contribution to improving water quality in the lower Murray-Darling. End of valley salinity targets are a key part of the New South Wales salinity strategy which was launched last August. The Government proposed interim targets to be reached by 2010 and catchment management boards have spent the past six months reviewing them. The targets will be incorporated into catchment management plans, which have been developed by each of the CMBs. Action to implement the targets, such as tree planting, improved farming systems, or engineering works, are also being developed. The Government, through the Department of Land and Water Conservation, is also spending an extra $4 million to upgrade and install new monitoring facilities to measure salinity targets more effectively.

The Murray Valley and Lower Murray-Darling CMBs are currently working on targets which will form the basis of negotiations with Victoria. The targets for river systems in the Hunter region, the northern and southern coastal areas, and western Sydney will be developed when salinity audits for those regions are finalised. I am encouraged that the inland catchment management boards have embraced the concept of end of valley salinity targets. I thank all board members for their hard work and dedication in working through this process. Some boards have suggested lower targets as a longer-term initiative. That shows the great level of community commitment to combating the salinity problem. The Department of Land and Water Conservation will continue to provide information to boards to further help improve the understanding of salinity. The boards would also report back to the Government on action. Does the matter of salinity bore the honourable member for Wakehurst?

Mr Hazzard: No, you bore us. This is totally senseless.

Mr AMERY: There are people in white coats out there for the honourable member for Wakehurst. Now I know why you are interested in Callan Park: you want to go back there. The Premier was right: the Opposition's performance was titanic, but he did not say that that was after it hit the iceberg. Just look at it! Salinity levels are measured in electrical conductivity [EC] units and salt loads. What is the honourable member for Gosford doing? Is he writing another policy? If he wants to write a policy on salinity, he can use my speech, which will be published in *Hansard*. The World Health Organisation states that 800 EC is the threshold at which water stops being of an acceptable drinking standard. Some crops, such as rice, and horticulture are affected by salinity levels at 700 EC. River systems and associated ecosystems are affected at 1,500 EC.

Later today I will release details of the nine end of valley targets for 2010. They include Murrumbidgee, where the CMB has endorsed interim targets of 245 EC for the fiftieth percentile, not to be exceeded for more than 50 per cent of the time, and 320 EC for the eightieth percentile, not to be exceeded for more than 20 per cent of the time. With no action those levels could reach 250 EC and 330 EC respectively. The honourable member for Lachlan would be interested to know that the Lachlan CMB has endorsed the interim

targets of 410 EC and 240 tonnes of salt for the fiftieth percentile and 290 tonnes of salt for the eightieth percentile. With no action those levels could reach 430 EC, or 260,100 tonnes, and 570 EC, or 311,700 tonnes, respectively. A number of other figures will be released today.

It is important to realise that when dealing with salinity in catchments and with various projects such as tree planting those targets will really give the community a number to work towards. The Government believes that by bringing in those targets, and having them adopted by communities, over time we can implement all the strategies needed to meet those targets. Today I will release the figures for the Lachlan, Bogan, Macquarie, Castlereagh, Namoi, Gwydir, Macintyre and Barwon-Darling end of valley targets. Hopefully they will receive the support of all the communities and the members of Parliament who represent them.

PACIFIC POWER INTERNATIONAL

Mr RICHARDSON: My question is directed to the Minister for Energy. Did the Premier say last week that Pacific Power International [PPI] should be sold because it had no business and its engineers were sitting around with nothing to do? In fact, PPI has operations in all States, construction contracts in North Vietnam and returned a $1.3 million dividend to the State Government last year. Did the Minister ask the Premier to explain why he misled the public?

Mr YEADON: The Premier has not misled the public. In fact, the honourable member for The Hills is incapable of understanding a clearly articulated position. As the Premier said, Pacific Power International has been a reasonably successful organisation.

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

Mr YEADON: It has been successful in its work as an energy consultant.

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

Mr YEADON: We have set up the national electricity market, which will continue to mature. The landscape has changed. The Premier has indicated his concern about the future ability of PPI to gain work and, therefore, the Government is undertaking a fundamental review to see what will be the best situation for PPI's commercial viability and the continued employment of its present staff. That review will be concluded over the next couple of months and the Government will then make a decision about the future of PPI. The Premier was not talking about the past. He was talking about gaining future work for PPI. That is the question that the Government has examined.

Mr RICHARDSON: I ask a supplementary question. In light of the Minister's answer, what discussions has he had with the Premier in the last week about Pacific Power International? Can he guarantee that Pacific Power International will not be privatised?

Mr YEADON: I have just said that the Government is undertaking a review and that at this point in time no decision has been made. I speak to the Premier about these matters all the time. At this stage they are of no concern to the honourable member for The Hills.

Questions without notice concluded.

CONSIDERATION OF URGENT MOTIONS

Police Resources

Ms MOORE (Bligh) [3.50 p.m.]: I have given notice of my motion, which calls on the Government to respond to mounting community concern over the policing crisis in urban, regional and rural New South Wales by increasing police resources to effectively deal with the problems in those areas; to reject the police commissioner's flawed "Future Directions" policy statement; and to get reform of the Police Service back on track, in line with the recommendations of the Wood royal commission. I hope that the Parliament will support my motion being debated today, particularly in light of the challenge thrown down by the Minister for Police at the end of last session when he said that consideration of urgency motions was a proper time for democratic debate. Further, the time for urgency debate was set up for non-government members to raise important matters before the House because they do not have any other opportunity to do so. The Minister for Regional

Development can make a ministerial statement, answer Dorothy Dix questions and introduce legislation. This time is vital for non-government members to raise important matters. I believe that the mounting anger of urban, rural and regional communities over the escalating policing crisis and the police inability to have an impact on violent crime are issues of utmost importance to this Parliament and to the community of New South Wales.

This motion is urgent because of the danger to New South Wales residents from the lack of action. It cannot be put aside by the Government, which has allowed the crisis to escalate beyond the endurance of local communities. It is of the utmost urgency because the Government has tied itself to the flawed "Future Directions" strategy of its police commissioner and has no effective strategy to address the policing crisis threatening the safety of New South Wales residents. This motion is urgent because now that Cabramatta is to receive increased police resources after being targeted by an upper House committee, this House must consider the other areas that are also in desperate need of resources. This motion is urgent because the police commissioner has stated that he has not been focusing on Police Service reform while he gets on with reducing front-line crime. But the experience of communities across New South Wales demonstrates the failure of front-line policing to control crime and to make our neighbourhoods safe.

This motion is urgent because the Government needs to be made aware that frustrated residents of Chippendale, Darlington and Redfern believe that the police, with their limited staffing numbers, are unable to prevent the daily incidents of assault, open drug dealing, burglaries, bag snatching and intimidation. It is urgent because the Parliament should hear that the situation around Caroline Lane remains critical, with pre-adolescent young people injecting drugs amid rubbish, used needles and human faeces. I remind the Parliament that a photograph of injecting in Caroline Lane led to the Drug Summit. It is urgent that the Parliament should know that Chippendale business people have become so desperate they have formed their own private security patrol. What an indictment! This motion is urgent because the Government should know that when a Lawson Street resident reported a violent brawl at Redfern railway station, police could not attend, and thereby failed to stop a stabbing, because they were involved in other serious incidents. When officers cannot respond to crime occurring metres from Redfern station, how will they respond when the Redfern police station is closed?

This motion is also urgent because the Kings Cross community has gone beyond its endurance because of blatant drug dealing, mugging, intimidation, bag snatching and violent assaults. The local community is angry that promised police foot patrols never materialise to deter crime and create a safe environment. My immediate neighbours to my electorate office in Oxford Street have recently experienced armed robberies. The motion is urgent because my Independent colleagues in the electorates of Dubbo, Northern Tablelands and Tamworth want the Parliament to consider their very serious problems. My city colleague the honourable member for Manly also has grave concerns. This motion is urgent because the Parliament must deal with this crisis because the police commissioner is not implementing Police Service reform. He has failed to reduce front-line crime and he has stated his distaste for public accountability and scrutiny. It is urgent that this Parliament be informed why the Government has full confidence in the police commissioner and his proposals for super local area commands. Those plans are opposed by the Police Association, the community, the Coalition and members of Parliament, both Independent and Labor, in the affected area.

This motion is urgent because the commissioner is pushing forward with his flawed strategy to gut inner east policing. It is urgent because it can be shown that the flawed "Future Directions" strategy will not put police back in local communities and those communities will be more exposed to crime. It is urgent because the Parliament should know that the police commissioner's plans are based on Olympic policing arrangements achieved through a ban on police leave and training, overtime and court closures. It is not sustainable practice. It is urgent because we need to examine the centralisation of policing into super local area commands. This plan is to be applied across New South Wales. It is urgent because the Parliament needs to be informed that the plan will mean less contact between police and communities. The larger geographical size will make service of the community difficult, increase response time and remove police from local communities. The most important debate in this House today is the debate on this motion.

Mr WINDSOR: I seek the leave of the House to suspend standing and sessional orders to have both urgency motions debated.

Leave not granted.

Banking Services

Mr WOODS (Clarence—Minister for Local Government, Minister for Regional Development, and Minister for Rural Affairs) [3.57 p.m.]: My motion is urgent because the banks are continuing to downgrade

banking services to the people of this State. We should consider this matter today because people need to be able to bank with a minimum of cost. We should urgently debate this matter for the sake of every person in this State who is reliant on banks. This matter is of immense importance to my portfolio, to my constituency and to the people of rural and regional New South Wales, who are most affected by bank closures. This motion is urgent because the Howard-Costello-Anderson Government needs immediate, strong prodding for it to take some action on this matter.

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

The House divided.

Ayes, 35

Mr Armstrong	Dr Kernohan	Mrs Skinner
Mr Barr	Mr Kerr	Mr Slack-Smith
Mr Brogden	Mr Maguire	Mr Souris
Mrs Chikarovski	Mr Merton	Mr Stoner
Mr Collins	Ms Moore	Mr Torbay
Mr Debnam	Mr O'Doherty	Mr J. H. Turner
Mr George	Mr O'Farrell	Mr R. W. Turner
Mr Glachan	Mr Oakeshott	Mr Webb
Mr Hartcher	Mr D. L. Page	Mr Windsor
Mr Hazzard	Mr Piccoli	*Tellers,*
Ms Hodgkinson	Mr Richardson	Mr Fraser
Mr Humpherson	Mr Rozzoli	Mr R. H. L. Smith

Noes, 49

Ms Allan	Ms Harrison	Mr Orkopoulos
Mr Amery	Mr Hickey	Mr E. T. Page
Ms Andrews	Mr Iemma	Mr Price
Mr Aquilina	Mr Knowles	Dr Refshauge
Mr Ashton	Mrs Lo Po'	Ms Saliba
Ms Beamer	Mr Lynch	Mr Scully
Mr Brown	Mr Markham	Mr W. D. Smith
Miss Burton	Mr Martin	Mr Tripodi
Mr Campbell	Mr McBride	Mr Watkins
Mr Collier	Mr McManus	Mr West
Mr Crittenden	Ms Meagher	Mr Whelan
Mr Debus	Ms Megarrity	Mr Woods
Mr Face	Mr Mills	Mr Yeadon
Mr Gaudry	Mr Moss	
Mr Gibson	Mr Nagle	*Tellers,*
Mr Greene	Mr Newell	Mr Anderson
Mrs Grusovin	Ms Nori	Mr Thompson

Question resolved in the negative.

Motion negatived.

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

BANKING SERVICES

Urgent Motion

Mr WOODS (Clarence—Minister for Local Government, Minister for Regional Development, and Minister for Rural Affairs) [4.08 p.m.]: I move:

That this House:

(1) notes that at the same time the major four banks are making record profits, they are continuing to close branches across the State and to increase fees and charges;

(2) calls for the introduction of a minimum level of service for banking, particularly for pensioners and low-income earners;

(3) welcomes the Federal Opposition's policy of a legally binding social charter that includes a six-month community consultation period on bank closures and an increase in banking services in regional areas, and

(4) calls on the Federal Government to support Federal Labor's plans and ensure that the major four banks act responsibly to the customers and the communities in which they operate.

The time has long passed for the Federal Government to act decisively to stem the tide of rising profits and falling services in the banking industry. It seems that the Labor Party is the only political party with sufficient gumption to stand up to the banks in this day and age. Instead of showing some leadership on this issue, the Federal Government—John Howard, Peter Costello, John Anderson and the rest—is willing to let the banks make their own rules. This inaction has not gone unnoticed. Today's editorial in the *Australian* newspaper notes:

… the Coalition is lagging behind, having to rely on the industry to strengthen its voluntary code of practice ...

In the past when asked where their responsibilities lay, the banks have replied: "With our shareholders". Responsibility to the rest of the community sits fairly and squarely on the shoulders of the Federal Government. The Federal Government can play a role: It hands out the licences and could impose conditions on the banking industry. However, the Federal Government has offered nothing except a 1½-page letter from the Minister for Financial Services and Regulation. Compare that with the comprehensive 40-page policy document and social charter prepared by the Labor Party. Under Labor's plan, the social charter would legally bind the banks to improve services. A Beazley Labor Government would require the disclosure of automatic teller machine fees at the time of the transaction and require banks to offer accessible and low-fee bank accounts to all Australians. The Labor policy advocates a binding social charter of community obligations for banks. Those obligations have already been recognised by the industry. I received a letter on 30 August last year from Westpac's head of government affairs, John Stuart, who said he wanted to:

… stress that Westpac strongly believes that banks do have a social obligation.

The time has come for banks to act on that social obligation, and Labor's policy will make sure that they do so. I am aware of the announcement by the Australian Bankers Association [ABA] in response to community concerns about banking practices.

Mr Armstrong: Point of order: The Minister quoted a Westpac officer but he did not indicate when the quote concluded. I take it that all words following the commencement of the quote are part of that quotation.

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

Mr WOODS: I thank the honourable member for Lachlan for his advice; he is correct that I did not close the quote. John Stuart said that he wanted to:

… stress that Westpac strongly believes that banks do have a social obligation.

The time has come for banks to act on this social obligation, and Labor's policy will make sure they do so. I am aware of the announcement by the ABA in response to community concerns about banking practice and I am pleased that it has also recognised those concerns. I have long been critical of the banks' refusal to adopt a more stringent social charter. Towards the end of my career in Federal Parliament I advocated that the then Federal Government should impose obligations on the banks. Labor then lost office. The Federal Liberal-National Coalition has now been in power for five years or more and it has done nothing about this issue. It has taken the Coalition a long time to catch up: the Labor Party has been up to speed on banking services for many years.

The ABA's voluntary code does not go far enough—in fact, by world standards, it is nothing short of abysmal—and it is not enforceable. A comparison of Australian and world banking standards in today's edition of the *Sydney Morning Herald* reveals that the new voluntary code is well below the standards of banking in other countries. Under their new voluntary code, Australian banks will still charge among the highest rates in the world and they will offer only six free transactions per month. In the United States banks offer at least eight free transactions per month, while British banks give their customers unlimited account access. The average annual cost of banking in the United Kingdom is just $5; Australians pay an average of $350 a year to use banking facilities.

The Prime Minister and his Financial Services Minister, Joe Hockey, must shoulder the blame for the sorry state of this country's banking industry. They have continually turned a blind eye to falling banking standards in this country and turned their backs on the people who have called for help. They should take a lead on these issues, but instead they are tinkering at the edges. The Federal Labor Opposition has developed a far-reaching policy, which includes advocating a six-month mandatory consultation period. This would put the banks in a difficult situation: They would no longer simply be able to walk out of country towns. Under Labor's plans, banks would have to stay and explain why it was not worth keeping their branches open.

The National Australia Bank would have to explain to its customers why it has closed almost 200 branches in the past 18 months. I recall looking some years ago at the performance of the National Australia Bank when it was closing branches in country New South Wales at the same time as it was buying a bank in the United States for $10 million, sacking staff and awarding its few top executives many millions of dollars a year. Under Labor's proposal, the National Australia Bank would not be able to pull branches out of communities on the spur of the moment. It would have to explain why it is closing branches in country areas when it is realising a record annual profit of $3.24 billion. The Commonwealth Bank would be in a similar predicament. Its merger with the Colonial bank will see 250 branches close across the country—many in regional New South Wales. In my electorate of Clarence at least seven branches are earmarked for closure, leaving 35 staff—local people—in limbo. Under Labor's plan, the Commonwealth Bank would have to ask the communities what they think about the closure of their local branches when the bank recorded a profit of $1.35 billion last year.

Banks are not interested in community consultation—for that matter, it is not something that the Federal Government is in the habit of doing either. Despite clear community outrage at the banking sector's disregard of basic principles of fairness, the Federal Government simply refuses to act. The Federal Minister for Financial Services, Mr Joe Hockey, is not willing to take one bit of responsibility for the behaviour of the banks and neither is the Prime Minister, the Treasurer or the Deputy Prime Minister, John Anderson. One would think the Leader of the National Party would have a real interest in country areas, but he refuses to take responsibility and shows no interest in this issue. The Federal Government continues to shirk its responsibility in this area. The banks are not taking reform seriously because they know that the Federal Coalition Government is not serious about it. The banks and the Government are complacent. The Federal Government has a role to play in this area: It must attach conditions to the issue of bank licences, such as a social charter, and force banks to act in the interests of the nation and of the community.

Mr ARMSTRONG (Lachlan) [4.18 p.m.]: I move:

> That the motion be amended by leaving out paragraphs (3) and (4) with a view to inserting instead:
>
> (3) welcomes the ABA's announcement of a social impact statement recognising middle income earners financial difficulties in coping with many of the banking industry's charges and management strategies; and
>
> (4) acknowledges the degree of distrust the Labor Opposition's announcement has made in the financial and business sectors of Australia including small investors, superannuation funds and community savings schemes.

The motion shows two things. First, it shows that the Australian Labor Party has not recovered from what happened 44 years ago when the Australian community rejected almost unanimously the proposition put forward by Labor Prime Minister Chifley. On 15 October 1947 his proposal to nationalise the banks of Australia was rejected. Every Labor government that I have been aware of since that time has tried to sneak in the back door to nationalise banks because they did not like their man Chif being rolled. For many years the Labor Party has maintained that, since the influence of money is so great, the entire monetary and banking system should be controlled by public authorities responsible through the government system.

The motion also shows that the Federal Opposition has no imagination. It is incapable of drafting constructive policies and is incapable of determining what the Australian community wants. In order to gain office later this year the Federal Opposition is prepared to steal the policies of other organisations. Most importantly, it has shown that it cannot be trusted. Earlier this week the Federal Opposition was briefed on the new policies that the banks intended to release two days afterwards. Australian Bankers Association [ABA] chief executive Mr David Bell and the chairman gave a confidential—that means a secret; you do not talk about it—briefing to the Federal Opposition. No sooner had the ABA gone out the door, before the hinges had stopped swinging, than Labor claimed the policy and tried to plagiarise it. It released it almost in its entirety as the Opposition policy. There have been many editorials written on the Australian Labor Party policy on banking in the last couple of days, particularly in newspapers in New South Wales and Victoria. Today the *Sydney Morning Herald* said in part:

> More controversially, Labor also promises to negotiate with the banks "to restore banking services to areas from which they have been removed".

That is not bad, because if Labor does that it will also mean that it has to restore police numbers; the agronomists in the Department of Agriculture; the fishing inspectors; rail jobs to Lithgow, Bathurst, Parkes and Enfield; road funding for country and regional roads; and water and sewerage funding. Only yesterday the Premier referred to what the Government was doing with water and sewerage funding. But he would not acknowledge that the Government has robbed the people of New South Wales of more than $170 million in water and sewerage funding since coming to government. If Labor is serious about forcing the banks to restore banking services that have been removed it must go the whole hog and restore everything that the Government under Premier Carr and the Minister for Local Government has removed from the community. They cannot have it both ways. They cannot make fish of one and fowl of the other. If they do not restore those services their promises are false. The editorial goes on to say:

> If this pledge were not so vague and lacking in detail as to be meaningless, it would seem downright irresponsible. Does it mean simply that Labor will encourage the banks to do what they are doing by arranging alternative services? Or does it want them to buy back and reopen closed branches? The Treasurer, Mr Costello, has been quick to estimate it would cost more than $250 million just to reopen the 500 branches closed while Labor was in power.

The Minister for Local Government, who is that the table, has tried to make much of the fact that branches have been closed since the Coalition Federal Government came to power. But was he honest and truthful by saying that when the Hawke and Keating governments were in power more than 500 branches were closed? That is when the rot started. The Minister cannot have it both ways. Both sides of the Federal Parliament have been in power while banks have been closing branches. The Minister should be fair, and if he is going to kick one side he should give his side a rap over the knuckles as well. The editorial continued:

> Silliness aside, the fair judgment is that the banks have taken a significant step in the right direction, but should improve their offer.

An editorial in the *Australian Financial Review* makes the point:

> The banks can hardly complain. They made themselves the community's favourite whipping boy with their cynical approach to buying good publicity which blew up in the "cash for comment" broadcasting affair two years ago. And they have pursued branch reductions and the introduction of fees in ways that seem to spur the greatest possible public backlash.
>
> A bit of political opportunism is one thing, but turning back down the road of increased bank regulation—as the Opposition is now threatening—is a lot more serious.

In other words, it is one thing to play politics but being opportunistic and trying to go backwards is a serious matter. The editorial continued:

> There is a real risk of populist overkill here with the imposition of rigid new rules, which may not be the best way of achieving the desired ends.

Mr Campbell: Is that the end of the quote?

Mr ARMSTRONG: Yes, that is the end of the quote from the editorial. An article in the *Australian Financial Review* said:

> It would also be a backward step to proceed with increased regulation of banks before action is taken to introduce more competition into the operation of the payments system ...

It is significant that over the years the Labor Party, particularly in Canberra, has tried again to have two bob each way. It wants to have competition in the labour market but it does not want to have competition in some of the banking areas. The article continued:

> ... Labor's new banking policy would not be a disciplined intervention. It represents a return to the old habit of loading non-commercial obligations onto an industry and leaving it to business to quietly recover the cost.
>
> It suffers, at the very least, from the same lack of transparency for which the banks are being criticised.

Today's *Australian Financial Review* also raises questions about the actions of Simon Crean, who would be Treasurer in a Labor government. All rural members would remember that when Simon Crean was Minister for Primary Industries and Energy, and that did not last long—

Mr Woods: He did a great job on the wool package. I have never seen anything that involved so much consultation. In fact, I travelled with him. He was well respected, I can tell you that.

Mr ARMSTRONG: The Federal Labor Government and Mr Crean should be thoroughly ashamed of having almost broken the Australian wool industry when Simon Crean was Minister for Primary Industries and Energy. Wool property values fell to their lowest levels this century on a dry sheep area basis. The Institute of Valuers can verify that. The *Australian Financial Review* asks:

> Would Simon Crean end up making banking policy in much the same way that Richard Alston now makes broadcasting policy?

I thought that was a good line. That is where we may be heading if, by some stroke of political suicide, Australia changes its Federal Government at the end of this year. The banks have much to answer for. They have created a lot of criticism for themselves. But it is not incumbent upon the Labor Party to go in for massive overkill in redressing the problems by forcing the banks into nationalisation. [*Time expired*.]

Mr CAMPBELL (Keira) [4.28 p.m.]: Indeed, the banks do have a lot to answer for. I would have thought that the honourable member for Lachlan, who represents a rural area, would have made that point much earlier than he did. The banks do not always get it right, as was shown by the real-life drama called *The Farm* that was shown on the ABC. It concerned the foreign interest loans that the banks sold in the 1980s and the problems they caused, particularly in rural areas. I support the original motion and reject the amendment. The honourable member for Lachlan should not have referred to middle-income earners because I would not have thought there were many of those among his constituents. I would have thought that people in those areas were the low-income earners referred to in the original motion.

Mr Armstrong: Point of order: The honourable member for Keira is casting aspersions on my constituents. There is a cross-section of incomes in my community. I have many successful people who are middle-income earners and they are proud of their positions. I resent the fact that the honourable member for Keira is trying to belittle my constituents.

Mr ACTING-SPEAKER (Mr Mills): Order! No point of order is involved.

Mr CAMPBELL: Banks are making record profits and, at the same time, they are winding back services to customers. During the past 18 months the National Australia Bank has closed almost 200 branches, yet its net profit is a record $3.24 billion. The Commonwealth Bank of Australia [CBA] merger with the Colonial State Bank will mean that 250 branches throughout Australia will close, yet the profits of the CBA are $1.35 billion. Westpac achieved a record after-tax result of $1.715 billion profit, an increase of 18 per cent on the 1999 figure. That is what is happening nationally.

I should like to refer to a case study on branch closures in my electorate—by the CBA in particular. In June last year the CBA closed the Woonona branch. In March the CBA branch at Fairy Meadow closed. On Friday week, 6 April, the Colonial State Bank branch at Corrimal will close. Customers from those three branches have been rolled into the CBA branch at Corrimal. Customer service is an important part of the original motion. Small business operators now queue with their money outside the doors of the bank waiting to make deposits. Pensioners and low-income earners have to queue outside the door waiting to make withdrawals to buy their weekly groceries. They are extremely angry and that anger is taken out on the tellers behind the counter, who then become stressed.

The demand for banking by the community in the suburban centre of Wollongong is reflected in the policy direction announced by the Labor Party in Canberra earlier this week. It is little wonder that people have had enough of major banks and there is thus a need to debate motions such as this. It is also little wonder that the Bendigo Bank is doing very well in the bush, with the support of Country Labor and the Minister for Local Government, Minister for Regional Development, and Minister for Rural Affairs. The Bendigo Bank is doing well in the suburb of Oak Flats, with the support of my colleague the honourable member for Illawarra. In downtown Port Kembla there are plans to open a branch of the Bendigo Bank, again with the strong support of my colleague the honourable member for Wollongong.

The Federal Opposition has announced strategies for a social charter. It is the responsibility of the Opposition to come up with proposals for the future and that is what our colleagues in Canberra have done. However, the Prime Minister has shown no leadership and, as with business activity statements and petrol prices, it is all too little too late. And this is from a bloke who says he is now listening. He might be listening but he is not hearing what people have to say and he is not providing any leadership.

Mr O'DOHERTY (Hornsby) [4.33 p.m.]: On 26 March the Australian Bankers Association [ABA] announced a new program in response to concerns raised by honourable members in this place and other places and by members of the community. There were three key initiatives. The first was guaranteed minimum

standards for safety net, basic bank accounts from 10 ABA member retail banks for holders of Commonwealth Government health concession cards. Five million people will benefit from the decision made by the ABA. The second initiative was the lodgment of a disability action plan with the Human Rights and Equal Opportunity Commission to overcome access barriers to electronic banking. I know that electronic banking is now being accessed by 8.5 million customers, Internet banking by 2.5 million customers and telephone banking by 5.6 million customers, or 49 per cent of all adults.

However, electronic banking causes problems for people with disabilities. The ABA has acknowledged that and is taking action. The third key initiative is the adoption of a transaction services and branch closure protocol for ongoing face-to-face banking services in rural and remote areas. That is a significant response from the ABA to the genuine, heartfelt concerns of members of the community—especially rural communities but also suburban communities like the one in which I live—to branch closures. As the Minister said the other day, it is heartening that the head of Westpac Bank, Dr Morgan, said: "There have been unpopular decisions, like branch closures." What a master of understatement! He said:

> Community hostility has crystallised around them. But the causes of the general disquiet are, I think, more amorphous and less tangible.

I believe he is spot on. There are many reasons why the community now ranks the banking industry amongst the lowest in terms of popular appeal and approval. Because of market forces, public pressure and one more thing that I will come to a moment, the banking industry is reviewing its code of banking practice. The ingredients of the formula that has made the banking industry realise that it has to do something are the Government's policy of engagement on reform and the Viney review. The Federal Government made two submissions to the Viney review, which has produced results that will provide benefits for people in communities such as the Minister's electorate. The Federal Opposition made zero contribution to the Viney review, but it held a private briefing with the ABA shortly before the association announced its action plan on 26 March.

It is my understanding that the private briefing was held the previous Friday. The Federal Opposition rushed straight to the word processor—one can almost see the ink drying on paper—and produced a joint statement from the Leader of the Opposition, Kim Beazley, his shadow Treasurer and financial services advisers. The Opposition has adopted as its own policy all the things that the ABA was about to announce. Kim Beazley pinched the policy and then had the gall to claim that the Federal Opposition had been planning these strategies all along. Labor opportunism has capitalised on the actions of the ABA resulting from the process of engagement on reform that has been entered into by the Federal Government. The Federal Government understands Australia's banking industry and seeks to ensure that it is well-regarded in world banking circles.

The Premier spoke about the survey released today which states that Sydney is the third most desirable city in the world. One of the most important reasons for that has been the stability of our economic system and the stability of the banking and financial services sector. One can thank Joe Hockey and the Federal Government for that stability. They have worked with the banks to provide social initiatives and responses to genuine community concerns, without proposing anything that cannot be achieved in today's international environment. Will the Minister give a commitment that a Federal Labor government will reopen the 500 bank branches that were closed under the Keating Government, because it sounds like it will not. Talk is cheap from the Labor Party. It steals policy, talks about things that are unachievable to try to grab the headlines and, down the track, it will be in the same position as the State Government found itself in regard to the promises about tolls. Labor will then claim that it could not actually fulfil that promise. [*Time expired*.]

Mr COLLIER (Miranda) [4.38 p.m.]: I am a little amazed and amused that the Opposition has congratulated the Australian Bankers Association [ABA] on its action plan of 26 March. Obviously, the National Australia Bank is a member of the ABA. It knew that bank branches were to close and that there were to be new arrangements. However, the NBA faxed my electorate office from Melbourne to tell me that two branches in my electorate, one at Gymea and one at Jannali, will close on 20 June. There was no protocol involved there. So much for congratulating the ABA on its policy!

Banking and financial services are essential for all Australians. Those services include access to affordable banking products and access to face-to-face banking. The chairman of the National Australia Bank [NAB], Mr Frank Cicutto, has said that access to banking services is a basic entitlement and a legitimate expectation of all Australians. That statement was reported in the *Australian Financial Review* of 27 October 1999. The banking industry is starting to take some notice and is starting to respond to community concerns and outrage over banking fees and bank closures.

Media reports suggest that banks will provide low-fee accounts for pensioners and the unemployed, that they will give all customers in rural areas three months notice before they shut down their banks and that it

will be voluntary. "Voluntary" does not work with the banks. What about suburban branches? There has been no mention of the ABA's plans for people who live in electorates such as mine. There was no mention of the fact that the banks were about to close branches in my electorate. There was no consultation, just a fax—a cold-hearted fax—from Melbourne stating, "We are going to shut you down."

I am concerned about the voluntary nature of the proposal. The ABA should give the Australian people an iron-clad commitment that the banks will be loyal to their long-suffering customers. The ABA's safety net plan is long overdue but does not go far enough. In an article in today's *Sydney Morning Herald* the ABA referred to minimum service levels for Australian banks. Even these fall a long way behind minimum standards for banks in other countries. For example, in the United Kingdom the number of free transactions per month is unlimited. In Canada customers are allowed between eight and 15 free transactions in any given month on basic accounts. Under the ABA's proposal there will be a lousy six transactions. Our lot are pretty stingy, aren't they?

With regard to average annual banking costs for families, in the United Kingdom the fee on a basic account is $5 a year, in the United States of America the fee is $132, but in Australia the annual average cost is $350. We are a long way behind the rest of the world, and that is taking into account the value of the Australian dollar. Surely our bankers can do better. The ABA must go a step further and adopt Labor's plan for better banking. It must adopt the ALP's social charter, which includes the restoration of face-to-face banking services; fee-free face-to-face banking for all social security recipients; accessible, low-fee no-frills banking accounts for all Australians; a stronger mechanism for resolving complaints about banks; and six months consultation before a bank closes.

Once that charter is implemented by a Federal Labor Government it will have the force of law, backed up by a strong complaints resolution mechanism. My constituents want more from their banks. These banks made record profits of $9 billion last year, yet the NAB will close two branches in my electorate, at Gymea and Jannali, which are both to shut their doors on 20 June. Those two suburbs have lost five banks in four years with no consultation, just a fax from Melbourne. The customers were not consulted; even the staff were not told. There is no provision for local businesses to do their banking. They have to travel to other suburbs. Honourable members should make no mistake: The banks must have compulsory standards of minimum community service. That means face-to-face, over-the-counter banking and full consultation—no excuses. That is what we want in Gymea and Jannali.

The NAB made a profit of $3.3 billion last year, but the first thing it did after declaring one of the largest profits in Australian corporate history was to announce that it would shut 100 branches in the Sydney metropolitan area, lay off 6,000 staff and—wait for it—raise bank fees! I call on the big banks to restore the services they have cut in previous years. I call on the NAB to show some leadership to the rest of the ABA, to cancel its plans to shut down its Jannali and Gymea branches, and to consult with the members of my community before it damages them even further.

Mr WOODS (Clarence—Minister for Local Government, Minister for Regional Development, and Minister for Rural Affairs) [4.43 p.m.], in reply: I am a little surprised at the way this debate has turned out. I did not expect the honourable member for Lachlan to be so supportive of the free market economics that are behind this move. We have heard it often enough: Let the market run and there will be a trickle-down effect and everyone will benefit. History has shown us that that is not the case. The amendment proposed by the honourable member for Lachlan shows that he is of the view that the free market will solve the problem. Let the banks do what they like, let them enter into competition and that will solve the problem. They can be trusted to deliver on their community obligations. But banks have shown that we cannot trust them. An editorial in the *Sydney Morning Herald* on 7 March, referring to an independent report into the banking industry, stated:

> The report strongly suggests that the Federal Government's continued reliance on market forces to impose community obligations on the banks is bound to carry some political costs.

That is exactly what the Federal Government is doing and that is exactly what the Opposition is supporting with its amendment: the continued reliance on those market forces to provide for community obligations. They will not. I have been arguing for a long while that there is a role for government that private enterprise will not deliver. There is a role for government in an interventionist sense and it can be identified in many instances. It can be identified when there is market failure, when community obligations clearly need to be fulfilled. The role for government in this case is to impose obligations that the bank must fulfil. I have advocated that for a long time. I believe it is the right way to go. Left to their own devices, the banks will always answer, "We act in the interests of our shareholders."

The Government must act in the national interest, in the interests of the people. When they come into conflict, when there is market failure, the Government must take a proper interventionist role by saying, "We

will have rules about this." That has happened time and again and it is one of the reasons for the rise of One Nation. That has happened because we have turned our backs on those needs, on those community obligations. It is all-encompassing. Time and again the Government looks for market failures and decides how to address the matter of the market not working effectively. We could accept the argument that competition policy in an overall sense will, as Fred Hilmer put it, benefit everyone. Everyone does not benefit. There are costs placed on it. It is the role of government to cushion those costs and to make it easier on people who are bearing those costs.

Mr Armstrong: Point of order: If the Minister were serious about competition, he would talk about FreightCorp and the monopoly that has created a $72 million community service obligation.

Mr ACTING-SPEAKER (Mr Mills): Order! The honourable member for Lachlan cannot simply make a speech when taking a point of order. He is out of order and will resume his seat.

Mr WOODS: The contribution of the honourable member for Lachlan and the amendment he moved indicate that he is a supporter of the Costello-Howard approach to economics—the free market idea, the trickle-down effect, economic rationalism. The Opposition's words today and the amendment it has moved show them to be economic rationalists. Those on this side of the House and the Federal Labor Party have demonstrated their willingness to intervene strategically, to be alert to market failure, and to accept that there is a role for government in delivering community obligations and community services when the private sector will not. To intervene demonstrates that we have, in the forefront of our minds, the interests of the people of this country—the national interest, the public interest—not merely the business interest.

Amendment negatived.

Motion agreed to.

Mr Armstrong: On a matter or privilege: I draw to the attention of the House that the honourable member for Keira, who spoke to the motion, has shares in the Commonwealth Bank, as listed in his pecuniary interest statement.

Mr ACTING-SPEAKER: Order! I reserve any comment on that matter and will seek advice about it.

STOCKTON BIGHT

Matter of Public Importance

Mr GAUDRY (Newcastle—Parliamentary Secretary) [4.50 p.m.]: If you stand on the lawn of the Christ Church Cathedral overlooking Newcastle harbour, your eye is immediately drawn to the great arc of the Stockton Bight sand dunes stretching north from Fern Bay past the wreck of the *Sygna*, past Williamtown Airport, all the way to Birubi Point. This 30-kilometre sweep of massive, ever-moving sand dunes is backed by woodlands of blackbutt, banksia and angophera in the hills and hollows of the stabilised dunes of a former climatic era. It has long been recognised as a very special place, a rich habitat for coastal flora and fauna, and an environmental corridor linking coastal, wetland and inland species.

On Wednesday 21 February I stood at the Burubi Point Surf Club at the northern end of the Stockton Bight in company with my colleague the honourable member for Port Stephens, members of the Worimi Land Council, the mayor of Port Stephens, environmental and community representatives, and representatives of the many government departments involved in the Stockton Bight scheme to hear the Hon. Richard Face, representing the Premier, announce the historic agreement made with the Worimi Land Council that will ensure the conservation for all time of 4,000 hectares of land along the full sweep of the Stockton Bight under the protection of the National Parks and Wildlife Act.

This adds to the record of the Carr Labor Government which, since 1995, has brought under the protection of the National Parks and Wildlife Act 1.5 million hectares of land and more than 250 new parks and reserves. That is a 33 per cent increase in bringing under protection vital lands for future generations. This agreement is indeed historic in that it recognises: first, the rights of the indigenous land claimants and enters into a leaseback of land in perpetuity under the National Parks and Wildlife Act; and, second, places the public lands of the Stockton Bight under three levels of protection that reflect its differing environmental values, long-term recreational and tourist use of the beachfront and the economic use made of beach and dune resources.

The conservation area on the Stockton Bight is planned to include 1,905 hectares under the high level environmental protection of a national park covering the vegetated dune areas north from the vicinity of Lavis Lane, some 1,475 hectares as a State recreation area in the southern section of the bight and 818 hectares under the protection of a regional park. In addition to this, some 804 hectares will be granted directly to the Worimi Land Council. Under the agreement an annual lease payment is made to the Worimi Land Council and five jobs will be created in the park for Aboriginal workers. The plan also includes the continuation of sandmining at the southern end of the bight by Mineral Deposits Ltd as approved by the Port Stephens Council.

It is significant to note that the areas designed as national park and regional park will preclude any mining of those areas now and into the future. The complexity of the landforms and land use types on the public lands of the Stockton Bight made it extremely difficult to find a solution that would provide for the environmental protection of the area, yet allow for the continuation of traditional recreational, social and economic activities. Prior to entering Parliament, and as the member for Newcastle, I have been strongly involved in the campaign to bring to reality the Stockton Bight Coastal Park. I recognise and pay tribute to the many individuals and groups that have campaigned over a period of 40 years to protect the unique habitat of the Stockton Bight by seeking its placement under the protection of the National Parks and Wildlife Act.

As early as 1968 the Flora and Fauna Protection Society sought to have the Crown land on Stockton Bight dedicated as a nature reserve. Calls were also made by the National Trust in 1972 in its "Hunter 2000" document and by the National Parks Association in 1976. During the 1980s and 1990s increased pressure for sandmining and urban development proposals at the southern end of the bight triggered broad community interest in the Stockton Bight and opposition to the potential loss of its unique environmental values on the margins of our city. Similar pressure had underpinned the campaign to create the Glenrock State Recreation Area south of Newcastle in 1984—another area protected by the State Labor Government. Stockton Bight contains the largest unvegetated coastal dunes in the State which are moving inland at an average rate of 4.1 metres per year.

In the northern section of the bight problems associated with this sand drift were being addressed by the Newcastle Bight Sand Drift Committee, later named the Newcastle Bight Co-ordination and Liaison Committee, chaired by Ian Williams of the then Department of Conservation and Land Management. This group, consisting of officers of Port Stephens and Newcastle councils and of all State departments with an interest in the Stockton Bight, was charged with overseeing the development of an environmental study and management plan for the Stockton Bight, and conducting public consultation on its future. In response to the sandmining impact local resident, Bernadette Smith, naturalist, Don McNair and lawyer, Thomas Faunce, formed the Newcastle Bight Nature Reserve Group. Two further critical impacts—the application by Boral to sandmine south of Cox's Lane and the application by Howship Holdings to have both private and public land at Fern Bay rezoned for housing development—galvanised public opposition.

This opposition was expressed through ALP branches, environmental groups and individuals, and resulted in the formation of the Newcastle Bight Coastal Park Coalition, which campaigned for the inclusion of all public lands along the bight into a coastal park. A critical factor in the creation of the park was the visit to the Stockton Bight by the then shadow Minister for the Environment, Pam Allan, in 1994 in company with ALP members and members of the Coastal Park Coalition. The then shadow Minister immediately recognised the unique qualities of the dunes and woodlands of the bight. As a consequence, Labor came to Government with the promise of Stockton Bight National Park as one of the 24 national parks to be created in its first year of office. In a letter written to me on 3 July 1995 in response to representations seeking action on the coastal parks, Minister Allan outlined both the unique qualities of the bight and the complex issues to be dealt. The letter stated:

> As you would be aware, the proposed Stockton Bight Coastal Park is one of the 24 new parks to be established by the Government within its first year of office. This follows its announcement, while in Opposition, of plans for such a park to be managed by the National Parks and Wildlife Service.
>
> The service's director-general has informed me that the service first identified the vegetated dunes of Stockton Bight to be of potential interest for investigation and dedication as a nature reserve in 1968. Since that time interest has been extended to include other land systems along the bight and various assessments have been carried out by service staff as well as other authorities and groups.
>
> The area includes three distinct natural heritage values comprising a variety of beach dunes and swampy hollows. Stabilised dunes carry extensive Blackbutt forests which provide habitat for a wide range of arboreal animals.
>
> The area also contains Aboriginal artefacts and both beach and hind dune middens, as well as surface campsite. The beach and mobile dunes are a major attraction for four-wheel drive and bike enthusiasts.
>
> The area is subject to exploration and mining of sand bore water extraction, which will have a distinct bearing on reservation, as will other existing management problems such as 4WD and trail bike usage. However, the undisturbed vegetated areas, although fragmented, have high conservation values and their protection is less likely to have any serious impediments.

That letter indicates the complexity of the issues that had to be addressed by the Government in its approach to Stockton Bight. In November 1995 and March 1996 three land claims were lodged covering the majority of the bight. The environmental and land management study clearly acknowledged the importance of Aboriginal heritage within the bight area, with numerous middens and open camp sites being recorded. The resolution of these land claims over the Crown lands on the Stockton Bight was an essential precursor to the declaration of the national park. To have acted otherwise would have been to deny the rights of the Worimi Land Council. Out of these negotiations we have seen an outcome that respects all of the environmental values of the bight, puts it under permanent protection under the National Parks and Wildlife Act and allows for the social, recreational and economic activities that have been very important in the history of the Stockton Bight.

Mr J. H. TURNER (Myall Lakes—Deputy Leader of the National Party) [5.00 p.m.]: I congratulate the honourable member for Newcastle on his long and dedicated task to preserve the Stockton Bight. The honourable member acknowledged the involvement of a number of other people. I am sure that outside the immediate Australian Labor Party family he referred to many others in the community who have worked towards this outcome. I have fond memories of Stockton Bight, least of which was tiptoeing through areas with unexploded mortar bombs and other fragments from the bombing range. The reason I tiptoed was because I never wore my shoes there and the sand was so hot I had to tiptoe or throw a bag down and jump on it. When I was younger my family used to go to Stockton Bight to collect pipis and to fish on the beach. I stand corrected but I believe that one of the early films of Lawrence of Arabia took place in the Stockton Bight sand dunes. Perhaps some shots of the 2,000 light horsemen or the Gallipoli movies were taken there. The bight has certainly had a chequered history.

Now that Stockton Bight has been preserved I hope that people will continue to enjoy the area. Unfortunately, an entry fee will probably be applied, as other national parks have incurred a fee. The honourable member for Newcastle was silent about the availability of access. I do not mean that in a malicious way. For example, will four-wheel drives still be able to access the beach for fishing purposes? I am sure the honourable member will respond to my concerns in his reply. The honourable member for Newcastle specifically referred to sand mining. Two types of sand mining take place at Stockton Bight—rutile mining, which I believe has been extended, and sand mining on the western escarpment. I assume that the honourable member was referring to both those mining activities when he said that sandmining would continue. I also assume the State recreation area was created to facilitate that mining for the time being.

Stockton Bight has a significant history for not only the white population but also, as the honourable member for Newcastle outlined, for the Aboriginal community. The work that is being undertaken is of great benefit. However, now that the area has come under the auspices of the National Parks and Wildlife Service [NPWS], I hope that sufficient funds are provided to ensure its proper management. It is a valid criticism of the NPWS that it has assumed responsibility of a significant amount of extra land but has not been appropriately funded to sufficiently manage the areas. In my electorate parks are inundated with lantana and other pests are significantly degrading the national parks system. There is little point in extending the national parks system if it is only to be degraded through lack of proper maintenance because of insufficient funding.

I again congratulate the honourable member for Newcastle on the work he has done. Newcastle is an extremely fortunate city to have the southern Pacific Ocean as a backdrop to its central business district. It is joined in the north, within close proximity, by this national park and State recreational system, and to the south by Glenrock and other preserved areas. The inclusion of these areas is a change from the industrialisation of Newcastle. It is a move into a new era, away from dependency on BHP and into ecotourism and recreational activities.

Mr FACE (Charlestown—Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development) [5.05 p.m.]: I would like to add my comments to the matter of public importance raised by the honourable member for Newcastle. I congratulate the honourable member on his tenacity and his continued perseverance in a very complex matter. I also congratulate the honourable member for Myall Lakes who, coming from the Hunter Valley, would have some knowledge of what has occurred in this area over a period of time. Stockton Bight is a unique and magnificent asset. It combines the largest mobile sand mass in New South Wales with continuous natural coastal forest. The forests and heath lands have been disturbed over the years by a number of activities, including rutile mining. It is a fragile environment. The bight habitat also acts as a corridor for many coastal fauna species, including koalas, and provides a refuge in a region of growing development.

The bight's value has long been recognised by the Carr Government. The reservation of the bight was first proposed in the Government's 1995 Nature Conservation Strategy, as alluded to by the honourable member

for Newcastle. It has taken hard work from local members and more than six separate government agencies to reach the present position. With the preservation of Stockton Bight, this area with Munmorah State Area, the Awabakal Nature Reserve, which is now known as a field study area, Glenrock State Recreation Area, which stretches from Dudley through to Merewether, and Tomaree National Park to the north provides a large area close to major urban development that is probably unparalleled anywhere in Australia. I had a long involvement with bringing the Glenrock State Recreation Area to fruition. It was a very complex matter, similar to the Stockton Bight matter, and involved many different land tenures, numerous parties and various expectations. It had been spoken about for 40-odd years prior to its inception. As I said, from Munmorah to Tomaree, these magnificent coastal areas are being preserved.

In relation to Stockton Bight, I do not know of any other part of New South Wales where so many different interests are involved. There were land claims from the local Aboriginal Land Council, existing recreational uses, commercial uses and outstanding conservation matters. If timing and public pressure were the only concerns, the Government could have declared it a national park. That would have been wrong. It would have been disrespectful to the Aboriginal community and would have resulted in protracted legal debate, with little result. Instead, the Carr Government chose to negotiate with all the parties about the bight's future and acknowledge the claims of the Worimi Local Aboriginal Land Council. It was my pleasure some weeks ago to announce that the Government and the Worimi Local Aboriginal Land Council had reached an agreement that will see Stockton Bight become a conservation area of approximately 4,198 hectares.

Because of its high natural and cultural heritage, 1,905 hectares of this conservation area will become a national park. As well, 1,475 hectares will be established as a state recreation area and 818 hectares will be a regional park. Land on Stockton Bight will be granted directly to the land council. It will then be leased back from the land council to the Government for use as a national park and State recreational area. The National Parks and Wildlife Service and the council will jointly manage the reserves. The Worimi knowledge of the area will be integral to developing the plan of management for the conservation area. The funded management plan will provide permanent jobs for the Worimi people, and improve facilities so that visitors can better understand the bight's cultural and natural heritage.

The proposal means that the most natural and threatened parts of the bight, the undeveloped, continuous natural coastal forest and sand dune habitats, will be conserved through reservation. But other uses of Stockton Bight will continue, such as managed four-wheel drive access to the coastal strip, and access for the recreational and commercial needs of the larger community. I take this opportunity to acknowledge the efforts of John Bartlett, the honourable member for Port Stephens, the former member, Bob Martin, and Bryce Gaudry, the honourable member for Newcastle, to get the balance right and support the negotiation process with the different parties. It has been an outstanding result. It is something that will be of immense value to the generations to come, just as many other environmental initiatives under this Government and the previous Wran Government will remain for all time. [*Time expired*.]

Mr GAUDRY (Newcastle—Parliamentary Secretary) [5.10 p.m.], in reply: I thank the Minister Assisting the Premier on Hunter Development and the honourable member for Myall Lakes for their very positive contributions to this matter of public importance. It is an exceptional outcome for Newcastle and the Hunter region. As the Minister said, this conservation, recreational and social initiative will provide a circle of national parks and reserves around Newcastle of which people can be absolutely proud and about which future generations can look back and say, "These decisions were made not with the present in mind but the future." People can now go from Tomaree National Park around the full sweep of Stockton Bight through the Fullerton Cove Reserve, the Kooragang wetlands, the Hexham wetlands, the Shortland wetlands, through the park that is being created to the west of Newcastle, into the Watagan Mountains National Park, the Lake Macquarie State Recreation Area then back through the Glenrock State Recreation Area—a circuit of Newcastle full of reserves and national parks.

It is similar to the sort of thing that the people of Sydney can look at—the Royal National Park and those wonderful parks and reserves that circle Sydney—and say that their forebears had a very forward-looking view of conservation and recreation, and they provided them with a wonderful asset. In response to the honourable member for Myall Lakes, a management plan will be brought together, as the Minister said, utilising the knowledge of the National Parks and Wildlife Service and the Worimi Land Council. The process will involve input from all of the users, particularly the four-wheel drive users. Under the memorandum of understanding between the four-wheel drive associations in New South Wales and the National Parks and Wildlife Service there is a clear-cut process for the involvement of that group in the setting up of any national park.

The four-wheel-drive associations are very positive about the area when one considers the work they do every year in the current Stockton Bight area, cleaning and making sure that rubbish is removed from the area. They have a positive view of this, as have fishermen, surfboard riders, conservationists and all those who will be able to use this wonderful area. The southern area of the bight, which did not have the environmental values to be made a national park because of degradation and its previous use as both a firing and bombing range, will be rehabilitated up to a State recreation area level. Mineral sands mining, which is currently carried out in the southern area of the park by Mineral Deposits Limited, will continue in the proposed park under very strict licence conditions on the basis that the area is rehabilitated. Mining will not occur in any vegetated area of that section of the park.

As I mentioned previously, Boral is conducting extractive sands operations outside the park area, and those operations will continue on licence. I would like to pay tribute once again to all of the officers of departments, whether it be the National Parks and Wildlife Service, the Department of Land and Water Conservation, the Department of Mineral Resources or officers of local government, for the particularly long and difficult negotiations that took place over five years that finally resulted in a land claim process and an outcome that people can be proud of; that will give recreational, social and environmental outcomes; and that will enable the economic outcomes of the Stockton Bight to be undertaken under the strictest possible control.

Discussion concluded.

Pursuant to sessional orders business interrupted.

PRIVATE MEMBERS' STATEMENTS

ILLEGAL TENANTS

Mr GLACHAN (Albury) [5.15 p.m.]: I bring to the attention of the House a problem that has affected one of my constituents, Mr Paul Sattler, of 1 Courtney Street, Walbundrie. I wrote to the Minister for Fair Trading on several occasions, although I do not think that the Minister can do much about this problem in the short term. It is a fairly difficult situation. I am sure that, like everyone else, the Minister will wonder what can be done about it. Mr Sattler owns a rental property at 262 Lowry Street, North Albury. He had tenanted the property, and everything seemed to be going well so far as he was concerned. But without giving Mr Sattler any notice the tenant left the premises and gave the keys to the property to her mother. The mother took over the use of the property without either the knowledge or consent of the owner.

When Mr Sattler realised that his legal tenant had vacated the premises he organised for another tenant to take up that tenancy in early December. But when he went to inspect his property he discovered that a woman was living there. Mr Sattler told the woman that she should not be there, that he had another tenant moving in and that she would have to leave. She said that she would not leave and that he could virtually do nothing about it. Mr Sattler was receiving no rent from this woman, and she refused to leave. She said that it was too close to Christmas and that she had spent money cleaning up the swimming pool. Mr Sattler gave her half of the money she claimed she had spent on the swimming pool in the hope that she would leave, but she refused to go.

In the past couple of days I have tried unsuccessfully to contact Mr Sattler to find out whether the woman has left his premises. He did not know what do. The first thing he did was to ring the gas company to tell it that someone was living in his house who should not be there. He asked the gas company to cut off the gas, but he was told that that could not be done because the person in the house was paying the bill. Even though he might own the property he has no right to cut off the gas when someone is paying the bill. Then he rang the electricity company, told it that someone was living illegally in his house and asked it to cut off the power.

Mr Sattler was told that that could not be done because he was not paying the bill, therefore it did not take instructions from him, even though he owned the house. He was told that the power would stay on so long as the person living in the house paid the bill. Mr Sattler did not know what to do. No-one was able to help him. He took out a summons, which was issued on the squatters who were in breach of the Inclosed Lands Protection Act 1901 and were trespassing on his property. He tried to install another tenant in the property in December but was told that the court could not deal with the matter until 9 January. These people were living in the property, not paying any rent, for a long period and the owner did not seem able to do anything about it.

As I said earlier, I have written to the Minister about this matter in the hope that he can take some action. It is a difficult problem. When my constituent first came to see me, I was a little nonplussed because I

thought people had every right to evict anyone who was living in their property illegally and not paying rent. Apparently that is not the case; it is not that easy. When the squatters were asked to leave the property, they threatened to wreck the place—destroy the swimming pool and damage the house—if they were evicted before Christmas. They refused to pay rent because they said that my constituent was being nasty. This is an amazing situation. I do not think my constituent was treated fairly. It seems totally wrong that he has no legal recourse to evict the squatters quickly, without fearing that they will cause any damage, so that he can rent his property.

GOODMAN FIELDER LTD NEWCASTLE BAKERY CLOSURE

Mr GAUDRY (Newcastle—Parliamentary Secretary) [5.20 p.m.]: Last Thursday at about midday the workers of Goodman Fielder Ltd bakery in Newcastle were advised that their services would no longer be required as of 22 April. They were told that they would be offered redundancies and that, if they transferred elsewhere, they could perhaps keep their jobs. Goodman Fielder has decided, without consulting its workers or the community, that it can produce its bread more efficiently in Moorebank in Sydney and then transfer it to Newcastle to be distributed. The company seeks product loyalty from the people of Newcastle, but it is not showing the same loyalty to its workforce, many of whom have given loyal service for 20 years or more and have worked extremely hard over the past year to increase productivity and ensure that the factory remained viable. The company has told its workers that it no longer needs them. It has said, "We are sorry, but we can operate more efficiently in Sydney". Goodman Fielder does not mind centralising its operation and it does not acknowledge that it has any loyalty to its workers.

My office received a fax advising me of the closure and declaring what a difficult decision it had been for Goodman Fielder. The next morning I attended a meeting on site with the workers that was addressed by Carmel Cook and Dianne Kempe, the Liquor, Hospitality and Miscellaneous Workers Union organisers, and by Denis Nichol, the Australian Manufacturing Workers Union organiser. The distribution and production workers took the decision to stand solidly together, resist the move and ask Goodman Fielder to reconsider. It is not about the budget bottom line; it is about community and social responsibility. Like the banks, it is time that manufacturing businesses such as Goodman Fielder acknowledged their social responsibilities as well as economic factors. It did not take long to discover the reason for this move. The *Australian Financial Review* of 6 March reported that Goodman Fielder had expressed concern about its weak share issue in the past 12 months and the *Australian Financial Review* of 10 March revealed that Goodman Fielder would pursue

> … double-digit earnings growth for the next three years, following a radical restructuring aimed at slashing costs and freeing up funds … Goodman's milling business will be split .. and Goodman will also now focus on a core of 'power' brands including Buttercup, Sunicrust, Helga's, Uncle Tobys, White Wings, Meadow Lea, Praise and Bluebird.
>
> It will shed lesser-known brands, sell underperforming businesses and make bolt-on acquisitions.

That is the absolute budget bottom line approach, and it is clearly not acceptable to the people of Newcastle. Goodman Fielder workers are distributing pamphlets to supermarkets and shopping centres calling for a boycott of Buttercup for abandoning Newcastle. I refer honourable members to an interesting e-mail written on behalf of Sandi, Cameron, Taryn and Dylan Jones from Hamilton. It states:

> To the Management and Shareholders of Buttercup Bakery, Uncle Toby's, Meadow Lea and White Wings
>
> We are concerned community members who are appalled and disheartened by the decision to dismiss valuable employees from Newcastle in favour of transporting bread from Sydney. As a result, our family will not be buying any of the above products until the employees are re-instated or have been provided (by Buttercup) with alternative positions of 'their' choice in geographical locations of 'their' choice.

Mr George: It is like the dairy farmers.

Mr GAUDRY: The honourable member for Lismore says that the situation is the same for dairy farmers and others who have been displaced by economic rationalist moves. Feeling is strong in the City of Newcastle. I urge Buttercup and Goodman Fielder to rethink their position and commit themselves to not only distribution but production in Newcastle.

Mr MARKHAM (Wollongong—Parliamentary Secretary) [5.25 p.m.]: The honourable member for Newcastle has highlighted a serious issue affecting working people in his electorate. I am sure we are all aware that this sort of thing is happening all over the country. I spoke at some length last night about BHP's merger proposal. It is workers who cop the brunt of these economic rationalist decisions. The Newcastle community tell this company loudly and clearly that it is not acceptable for each to increase its profit share and the profits of its shareholders at the expense of workers and their families. The honourable member's comments deserve the support of the House and I have no doubt that he will pass on to the appropriate people my sentiments and those that he expressed this afternoon.

OXLEY ELECTORATE FLOOD DAMAGE

Mr STONER (Oxley) [5.26 p.m.]: I draw the attention of the House to the recent flooding disaster that occurred in the electorate of Oxley and request specifically that the responsible Ministers take note of issues that I believe have not yet been addressed sufficiently. The flood that peaked on Saturday 10 March did enormous damage to public infrastructure, businesses, farms and residences. The worst impact in the Oxley electorate occurred in Kempsey and the lower Macleay to the east. The river broke its banks and went over the levee around Kempsey, with a reading of 6.9 metres at the Kempsey traffic bridge at about 10 p.m. on 10 March. I am told that a flood such as this occurs only once every 15 years—heaven help us if we experience a really big one. Councils in Hastings, Kempsey, Nambucca and Bellingen shires are compiling their damage estimates, and I trust that the Government will respond quickly with funding for damaged roads, bridges and other infrastructure.

Many businesses in the Kempsey central business district incurred substantial damage, with water up to a depth of two metres in parts of the town. Estimates compiled thus far by the Macleay Valley Economic Development Trust indicate that there is more than $5 million worth of damage to businesses in Kempsey alone. The $10,000 grant recently announced by the Deputy Prime Minister will be a huge relief to many small businesses, although for some larger businesses such as the Macleay Valley Co-operative, which operates the IGA supermarket in Clyde Street, it represents only a fraction of the damage bill. The great majority of small businesses cannot obtain insurance cover for floods.

To the east of Kempsey lies some of the best farming country around. It is a rich floodplain with many grazing and horticultural properties. A major problem has occurred with the obliteration of pastures by mud and water and the loss of silage put aside by farmers for the winter months ahead. It is likely to be six months before these pastures produce sufficient feed for cattle. Dairy farmers were hit especially hard. Many cows were lost, some stopped lactating and others contracted mastitis. The Federal Government came to the party with a $15,000 grant, but beef producers also need help as they, too, have lost fences, silage and stock and will need to bring in fodder for many months. The donated fodder and full transport subsidies are a help, as are the low-interest loans, but more should be done for beef farmers.

I draw to the attention of the Government a large number of farmers who do not derive their primary source of income from farming. These are people who love the land and enjoy farming but who do not earn enough from their farms and need to supplement their incomes off farm to survive. They contribute enormously to the local economy, bringing in income from their cattle and other produce and spending it locally at the produce store and the local service centre. Currently, they do not qualify for any assistance through the Rural Assistance Scheme. I spoke yesterday to one of these part-time farmers, Greg Adams, from Kinchela on the Lower Macleay. Greg does not want a handout; he wants a $10,000 low-interest loan, which he will repay. I call on the Minister to help Greg and others in the same situation by extending farm assistance measures.

Another group that seems to have been bypassed is the commercial fishing industry on the Macleay River, which the Minister for Fisheries recently closed to fishing for three months. This is the time of year when these fishermen make much of their annual income, during the mullet run. The Minister cannot simply make a decision which slashes the income of these hard-working people and then walk away without offering any targeted assistance. As well as the Macleay Fishing Co-operative, the ocean haul fishers at South West Rocks have been caught in the net so to speak. The Minister extended the closure from Back Creek to Laggers Point and 10 fathoms out to sea, which takes in the whole of Main Beach at South West Rocks. This decision, not based on scientific fact, has enormous implications for commercial fishing and tourism, and I strongly urge the Minister to reconsider the extent of the exclusion zone around the mouth of the Macleay.

The community also needs help with trapped floodwaters at Euroka, near Kempsey. The waters are over the road and are damaging crops and preventing residents and farmers from accessing their properties. Yesterday I spoke to Mr and Mrs Maizey, who had been isolated at Euroka for two weeks. Mr and Mrs Gowing in the same area stand to lose a considerable amount of their maize and pecan crop if the situation is not resolved urgently. Immediate action must be undertaken to drain or pump these waters out of the area. I must praise all concerned with making the flooding less disastrous than it would otherwise have been—the State Emergency Service, the Department of Community Services, the fire brigade, the military, volunteer townspeople, council workers, NorthPower staff, the Department of Public Works and Services, the Department of Agriculture, health workers, Telstra, welfare agencies and the local media. [*Time expired*.]

LIFELINE CENTRAL COAST

Mr McBRIDE (The Entrance) [5.31 p.m.]: On Friday 16 March Lifeline Central Coast celebrated 20 years of service to the Central Coast community with a dinner at Mingara Recreation Club. Lifeline Central

Coast (NSW) began in Gosford in March 1981. It was formally opened at the Uniting Church Hall, Donnison Street, Gosford. The first call was taken at 1500 hours officially at 377 Mann Street, Gosford. The building not only contains the telephone service and the administration offices but also in the front was Lifeline's first shop for the Central Coast. Today Lifeline Central Coast has six shops, a furniture shop and a warehouse.

Services offered by Lifeline Central Coast include crisis telephone counselling, which is staffed by 83 trained telephone counsellors who respond to the many and varied needs of our community 24 hours a day, seven days a week. The 1800 youth suicide helpline was set up for easy access to young people at risk. The Care-ring phone service is a support line for people who are lonely or isolated in the community. Living Works suicide intervention training is a two-day suicide intervention workshop that helps participants move beyond suicide awareness to develop suicide assessment and intervention skills. After 5.00 p.m. Uniting Care Burnside-Mobile Youth Krisis Service diverts calls from the service to Lifeline, ensuring an effective safety net for young people after hours. The Bereaved by Suicide Support Group is a joint project between the Central Coast Suicide Safety Network and Lifeline. This year men's support groups have been offered for the first time. There will be ongoing suicide awareness training for Police Assistance Line call centre staff. The Police Assistance Line centre established at Tuggerah employs about 180 people. All the people working in the facility will be part of the program.

Food parcels are available on weekends and public holidays when other agencies are closed. Lifeline has a large and extensive resource file that is useful when clients seek further help. Lifeline provides a very important service in after-hours backup for other agencies. As the majority of local agencies close at 5 p.m., Lifeline acts as support for their clients. The training division is the backbone of the service. Seven shops and a warehouse raise 90 per cent of the necessary funds to maintain the service. The six shops sell recycled clothing, books, bric-a-brac, linen and toys. A furniture shop adjacent to the warehouse sells good quality second-hand furniture, books and bric-a-brac. Last financial year the training division raised $257,270. The Suicide Crisis Intervention Team provides a new service introduced this year. It is staffed by Living Works trained counsellors. They are able to meet with clients to assess their needs. It is an extension of the telephone service.

The House may not be aware that a major suicide problem has been identified on the Central Coast, particularly with youth but including people into their 40s. The suicide rate is something like two or three times the national average. That is why services have recently been developed with emphasis on suicide prevention. Lifeline Central Coast is supported by many local groups including, obviously, the Uniting Church, the local newspaper, the *Sun Weekly*, the Central Coast Area Health Service, Lions clubs, Rotary clubs, the Tuggerah Lakes Memorial Club and the Country Women's Association New South Wales. Recently, in recognition of long service, the following volunteers were awarded five years service to Lifeline badges: Bid Stimson, Peg Moloney, John Granger, Lois Granger, Neta Pratt, Judy Smith, Barbara Goodey, Marcia Bate, Sarah Rodger, Janice Walsh, Carolyn Carter, Judy Scully and Barry Lofts. Six-year service to Lifeline badges were awarded to Fae Edwards, Lorna Duffy, Kath Lane, Jean Lewin, Arthur Lewin and Merle McCauley.

I congratulate the current board of management and all the people associated with it. The recently retired former chairperson, Neville Boyce and Jack Verhagen deserve special mention. Jack was manager of Wyong Hospital and Neville Boyce was formerly the manager of the Central Coast Area Health Service. Together they made a tremendous contribution to the establishment of the new Lifeline centre near Wyoming or North Gosford. I also congratulate the Training and Counselling Committee, the Finance Committee and all the other people who have made a contribution to Lifeline over the last 20 years. I especially mention Lesley West, who runs the administration. She is a fabulous person who has made a magnificent contribution to the services provided by Lifeline. I have sat in on a Lifeline telephone call and experienced what the staff go through. It is an incredibly moving experience. The people who do the job deserve congratulations from the whole community. They provide a fabulous service. I congratulate them on their commitment. [*Time expired*.]

Mr MARKHAM (Wollongong—Parliamentary Secretary) [5.36 p.m.]: It is great to hear that Lifeline on the Central Coast is so active. It provides an incredible service to the community. From what the honourable member said, it appears that the Central Coast Lifeline is as busy as the one at Wollongong. I know how hard volunteers work 24 hours a day seven days a week to help families and individuals who are at their wits' end for all sorts of reasons. The volunteers do an incredible job. Some of the stories they hear must be heartbreaking. I add my congratulations to all volunteers who work for Lifeline throughout New South Wales. The honourable member for The Entrance has done the volunteers in his electorate proud.

SCHOOL CLOSURES

Mr DEBNAM (Vaucluse) [5.37 p.m.]: This afternoon I address the issue of school closures and the Carr Government's attack on schools in my electorate, specifically Vaucluse High School, which has been

targeted for closure, with the students being amalgamated with those of Dover Heights High School. The honourable member for Lismore mentioned that Public Education Day was only a few weeks ago. He is correct that I spent public education day writing letters to the Minister for Education and Training asking him for confirmation of what he was doing with schools in my area. We had all become aware of rumours about school closures and I was receiving expressions of concern from constituents. I spent public education day and a few days beforehand penning letters to the Minister about the situation. I got no reply. My reply duly came in the newspapers a few days later when the Minister announced that he was closing schools left, right and centre across Sydney. He was trying to play up the restructuring that he was talking about, the centralisation, as an improvement in public education.

I wish to express my concern and that of my constituents at the fact that the Minister is, in actual fact, announcing school closures. There has been no consultation. The Minister is now proposing to have a period of consultation but by announcing this through the *Daily Telegraph* and the *Sydney Morning Herald* he has undermined the schools. There has been no quiet consultation with local members of Parliament—I am still awaiting information from the Minister—or the community. The Minister is proposing to close Vaucluse High School, sell it off and send students to Dover Heights High School. It will make similar arrangement in other areas. Clearly, it could be argued that there may be some short-term benefit from combining the two bodies of students, and some of the parents may well agree with that. However, this is assuming that the detailed proposal, which we have yet to see, spells out these short-term benefits.

It is worth noting a couple of points. The first is that the Minister should not sell off schools. If he has targeted this school in my electorate to sell off, we will target him. He will not sell off that school and I will make that point to him over the next several years as we come up to the next State election. The Minister is claiming to sell it in three years and I will make the point to the Carr Government every month in the lead-up to the next State election that this Government sells schools. It has not invested in public education but has undermined it. It certainly will not sell property in my electorate.

This statement by the Minister for Education and Training means that the Carr Government has given up on public education in New South Wales. March will go down in history as being the month that the Carr Government gave up. There was no better opportunity than in my electorate to show that public education can actually compete with the private sector. Yet the Minister has thrown up his hands in horror and said, "No, we cannot do it." He has centralised resources and schools and is letting students go. That is not the right way. Public education can compete with private sector education. The Government simply has to be good at it, and there was no greater opportunity than in my electorate. I will remind the Minister that he has given up that opportunity.

There are some very good public schools in my electorate, but they would be great schools if the Minister resourced them properly. Obviously, they need investment in infrastructure and for staffing. However, they also need an investment in political will, and in academic and disciplinary standards. The schools have done their best under the Carr Government's centralised system to put a floor of confidence under those areas but they have not received the backup from the Minister. There is not the political will within the Carr Government to do this. This is a month of shame for the Carr Government and for the Government members in the Chamber. March is the month that the Carr Government gave up on public education and I will remind the Government of that over the next 24 months.

Mr Martin: It is reinvesting funds.

Mr DEBNAM: It is not reinvesting funds. The honourable member believes the press releases that come out from the Government on financial matters. I suggest he look at the history of the documents themselves. This Government has not told the truth about dollars, and March is the month that it gave up on public education. [*Time expired.*]

DEATH OF Mr FELIKS IAN DANGEL

Mr PRICE (Maitland) [5.42 p.m.]: I speak about the life of Feliks Ian Dangel, a Polish immigrant who became a freeman of the city of Maitland and an enormous contributor to the city and to the Hunter Valley generally. Mr Dangel was born in 1929 and died at the age of 71 years. He was a decorated man—he was awarded the British Empire Medal—and a keen church person. He attended St Joseph's Catholic Church at Lochinvar. He came out as a migrant many years ago and was located, with his family, at the Greta migrant camp. Although he came out as a great Polish immigrant, in his 52 years of Australian life he became a very

great Australian contributor. For many years he chaired the local Lions club, and that is how I met Feliks. The Lions club had undertaken a couple of tasks in the region, and one was a heritage program involving the protection of a very old steam railway locomotive that stands on the site adjacent to the New England Highway at the Tourist Information Centre in Maitland.

Unfortunately, Feliks suffered a stroke last year. He never fully recovered, and he died last week. His family mourn him, and the community will mourn him. Two former members for Maitland knew him very well and attended his funeral. One was my predecessor, the Mayor of Maitland, Peter Blackmore, and the other was the Hon. Milton Morris, who honourable members may recall was a Minister for Transport in an earlier government. Milton had known Feliks literally from when he arrived in Australia more than 50 years ago, and spoke very well of him at the funeral.

Feliks made a number of contributions. He was also an alderman on Maitland City Council. He was a leading light in the Lochinvar Progress Association, and he was on the Maitland Australia Day Committee and the Maitland Bicentenary of Australia Committee, to name just a few of the organisations in which he was involved. Many early immigrants left Europe after the ravages of war and came to the stark old military barracks at Greta, and one can appreciate what must have been going through their minds. Even under those circumstances Feliks was able to rise to the occasion, take a significant leadership role within his community and translate that ultimately, through the Polish association in Maitland, into a massive contribution to the city and country of his choice.

His family will miss him, and we as a community will miss him. We have our memories of him, but a number of contributions to the city will stand as permanent monuments and remind us of the life and times of Feliks Dangel. This time of sadness has been reflected throughout the community, particularly the Polish community, who have been great contributors as a body of people within the Maitland community. There is little more I can say other than: Vale Feliks Ian Dangel, a great Pole and a great Australian.

KELLY LEHMAN ALLIED HEALTH SCHOLARSHIP

Mr PICCOLI (Murrumbidgee) [5.47 p.m.]: I raise the matter of a young university student from the town of Deniliquin, in my electorate, named Kelly Lehman. Kelly came to see me last week in response to a press release put out by me advertising that the New South Wales Department of Health was offering a number of scholarships of $5,750 for rural students studying allied health to help to defray the costs of attending universities in the city. The scholarships are very much appreciated. The Department of Health has offered 30 scholarships to rural students to encourage those from rural areas to study allied health because obviously there is greater chance that they will return to the country.

Kelly satisfied virtually every criteria: she was born and raised in Deniliquin, and she is in her final year of a master's degree in dietetics, which is one of the criteria for these scholarships. Dietetics is an allied health area. Kelly has a rural background and certainly intends to take up a position in a country town—if not in Deniliquin, then somewhere else. Unfortunately, one of the criteria for the scholarships was that the recipient must be enrolled in a New South Wales university. However, as Deniliquin is approximately 250 kilometres from Melbourne and 750 kilometres from Sydney, which I believe is the other nearest centre in which Kelly could study for her master's degree, obviously it was closer and more convenient for her to attend university in Melbourne.

A quirk of geography in Australia—State borders, et cetera—has essentially disqualified Kelly from being able to obtain one of the scholarships. I also note that the closing date for the scholarships was 2 March, and I appreciate that it is now some weeks beyond that date. I was hoping that the Minister would give consideration to extending the closing time for an application in Kelly's case. If that is not possible, perhaps in future when the scholarships are made available consideration could be given to students living in border areas for whom, geographically and financially, it is much more convenient to attend a university outside New South Wales.

I note also that Cabinet met in Albury recently to consider a number of cross-border issues. This issue was probably not high on the agenda for that Cabinet meeting. However, these issues arise reasonably frequently. It is unfortunate that Kelly has been deemed ineligible because she is young and enthusiastic. Although I am sure she will continue to study for her master's degree, even without the scholarship, she said that her eyes lit up when she read the article in the Deniliquin *Pastoral Times* because she satisfied all the criteria. She went into the Internet site only to find she was disqualified because of one particular aspect. I draw this matter to the attention of the House, and of the Minister in particular, so that in future some consideration might be given to it.

Mr MARKHAM (Wollongong—Parliamentary Secretary) [5.52 p.m.]: The story related by the honourable member for Murrumbidgee seems sad to me. I cannot understand why the young lady cannot study at a Melbourne university if it is closer to her home than other universities she would have to attend. The honourable member for Murrumbidgee referred to the Cabinet meeting held in Albury on Monday of this week to consider cross-border issues and whether it might take this matter into consideration. I will bring the matter to the attention of the Minister tomorrow and ensure that he is made aware of what the honourable member has said. It sounds as though the young lady is keen and enthusiastic, and the Minister might look at this matter sympathetically. I will ask him to review the matter on the honourable member's behalf.

NINTH ANGLICAN BISHOP OF BATHURST INAUGURATION

Mr MARTIN (Bathurst) [5.53 p.m.]: Tonight I speak about the inauguration of the ninth Anglican Bishop of Bathurst, the Reverend Richard Hurford, at All Saints Cathedral, Bathurst, on Saturday 24 March. I was delighted to attend the colourful and moving ceremony, which was attended by 600 people. Bishop Hurford has strong ancestral roots with the City of Bathurst, his great grandparents settling there from the United Kingdom in 1856. At the ceremony the Bishop had a bible that was given by his great, great grandfather to his great grandparents to bring to Australia and which is still in the family. The bishop's great uncle was a former mayor of Bathurst earlier this century so he has had a long association with the city and has actually come back to where he belongs.

Bishop Hurford served previously in Coffs Harbour, Grafton and Armidale. He served a stint in the United Kingdom and, lastly, at St James' Church, which is just down from Macquarie Street. As a Catholic I was struck by the many similarities in the service's liturgy. Bishop Patrick Dougherty, the Catholic Bishop of Bathurst, attended the ceremony, as did many other dignitaries from other faiths. Bishop Dougherty was invited to the altar to speak. The two Bishops had met on the previous day and had obviously quickly struck up a common bond. The ceremony began with Bishop Hurford knocking three times on the cathedral doors—it struck me as being similar to the Usher of the Black Rod—and being greeted by the Dean of All Saints, Reverend Michael Birch.

Bishop Hurford was given a bark container of earth by Wirajuri elder Eddie Shipp and his wife, the Reverend Gloria Shipp, who is an Anglican Minister. The bishop was asked to acknowledge the spiritual connection with the land by the people of indigenous tribes in the diocese, which stretches beyond Bourke from Bathurst. The meshing between the ancient spiritual rites of the indigenous people and the Christian rites of the Anglican faith appeared to me to be comfortable and encouraging. Many high-ranking Anglican clergy participated in the service. The cathedral was a sea of colour, with a number of bishops adorned by their mitres. That was in direct contrast to the bishop's ordination some weeks earlier at St Andrew's Cathedral, Sydney, where the conservative city diocese apparently frowns on the wearing of mitres. In the less conservative Anglican confines of Bathurst, they were permitted to do so, and they added to the colour and the spectacle.

Music played a big part in the bishop's inauguration and was provided by a number of choirs, groups and young musicians from within the diocese, including students from All Saints College in Bathurst. The organ recitals were given by Max Ingersole, a well-known Bathurst identity, who was playing for the fifth time at the inauguration of an Anglican bishop of Bathurst. The students from All Saints College moved through the cathedral with coloured ribbons, as members of the diocese presented Bishop Hurford with symbolic gifts representative of the region. Gifts that were laid on the altar included books, wool, mineral ores, wine, fruit, vegetables, bread, meat—even a Drizabone coat and a swag . I do not know whether there was a message in that for the bishop that if he had to move on he could use them. It was interesting to note that brochures were placed there by a young, unemployed person as an acknowledgment that the church is reaching out and servicing those in the community who are less fortunate .

That is something the bishop referred to in his address. Symbols of sport, music and art were also laid on the altar. The bishop's wife, Christine, and his eldest son, Nicholas, read the lessons and that added to the family touch. There were many other family members present and even some people from parishes that he had served in. The bishop's sermon was warm, witty, compassionate and welcoming to all, irrespective of race, colour or creed. Senator Sue West welcomed the bishop on behalf of parishioners of Bathurst. Her welcome was as warm and in keeping with the ceremony. I am sure Bishop Hurford will make an excellent servant of the people of the diocese of Bathurst and he and his family have been warmly welcomed into our community.

Mr MARKHAM (Wollongong—Parliamentary Secretary) [5.58 p.m.]: Again the House has been told a story of Aboriginal involvement in a Christian ceremony. Only a few weeks ago the honourable member for

Lismore informed this House that there had been a similar ceremony in his electorate. The ability to acknowledge other faiths and beliefs is an indication of the maturity of religious orders. The Aboriginal spirituality is based on the land: it is part of the land, and has been for many thousands of years. It is fitting that those spiritual beliefs have become part of the community. Aboriginal people should be invited to welcome people to their country more often. It is good to hear that another church in another part of the State has seen fit to involve Aboriginal people in an important ceremony.

Mr AND Mrs RICHARDSON AND HENLEY PROPERTIES (NSW) PTY LTD

Mr HAZZARD (Wakehurst) [6.00 p.m.]: I express my concerns about a building company, Henley Properties (NSW) Pty Ltd, that has undertaken certain building work at 2 Penrose Place, Frenchs Forest, on behalf of Fraser and Joanne Richardson. Mr and Mrs Richardson had lived on that land for more than 20 years. In April 1998 they entered into a contract with Henley Properties for the construction of a family home. Mr and Mrs Richardson have two children, aged six and nine. The family has been left at the mercy of a company that has undertaken what can only be described as an appalling construction job on the site.

The family home has turned into a family horror. Henley Properties has been the subject of previous public comment. Indeed, the Minister for Fair Trading has knowledge of this matter and has spoken to me about it. On behalf of a number of families who have been hurt by Henley, his department is trying to bring about some resolution of the problems. The Richardson family has been left without a home with a future. The family instructed an engineering company, Alfred Frasca and Associates Pty Ltd, to provide them with a report on the building. The report states:

1. We recommend that the brick veneer skin and the ground floor slab be demolished and reconstructed in an approved manner for the following reasons.

    (a) The building in many areas does not comply with the mandatory and statutory Building Code of Australia requirements and Australian Standards.

    (b) The brickwork construction has many defects as outlined in our report and does not comply with the requirements of AS 3700.

    (c) The weatherproofing of the residence is inadequate due to the faulty construction of the weepholes, DPC and flashing.

    (d) The installed termite protection is unsatisfactory and does not comply with a council conditions, contract specifications, BCA 1996 AS 3660.1.

    (e) The ground floor concrete slab has many design and construction defects.

2. We recommend that the ceiling linings in the lounge, kitchen, meals, rumpus and family room be replaced in an approved manner for the following reasons.

I will not detail the reasons. In reality the report states that the house should be pulled down. For two years the two young children have lived in a family in turmoil. The family entered into a contract in good faith with the company, Henley Properties, which claimed that it would build a lovely new home. But what did the Richardson family get? The family got nothing more than a pull-down shack. The situation must be resolved. If Henley Properties is to retain any vestige of its reputation, it should offer to pull down the defective building, and construct a new home in accordance with plans and specifications to be provided by Mr and Mrs Richardson. It must agree to enter into a cash bond so that sufficient money is put aside in case it pulls the same dastardly trick again and builds another dud house. The company must enter into all the necessary legal guarantees to make sure that the family can live in it.

If that does not happen, Henley's insurance company should come to the party. The family has a home owner's warranty under the new system created by the current Government, which is underwritten by Royal and Sun Alliance Insurance Australia, a division of HIA Insurance Services Pty Ltd. I call on those companies to take away the frustration and worry of the family and guarantee that if Henley Properties cannot rectify the situation, they will rectify it. I also call on the Department of Fair Trading to accelerate whatever action is necessary to get Henley Properties to rebuild the home properly. If Henley Properties does not do that, it should be prosecuted and should lose its licence. Its directors should be held accountable for the appalling way it has treated this family.

ROAD SAFETY

Mr GIBSON (Blacktown) [6.05 p.m.]: Tonight I speak about a matter that in one way or another affects everyone in the community. Last week a lady whom I know very well telephoned me to tell me about her 18-year-old son, Lachlan. Although no-one knows the full story of what happened, apparently he was driving

home and veered off the road after swerving to miss something. The car turned on its side, slid through a fence, and finished up in a dam. Unfortunately, Lachlan drowned while in the motor car. I knew Lachlan; he was a lovely boy. When his mother told me the story it brought home to me that with Easter coming up we need to impress upon young people the dangers of speeding on our roads.

It seems we speak about road safety only after there has been a bad record following a long weekend or holiday period. I take this opportunity to say a little about road safety. Too many people are dying on our roads, and in the future lives can be saved if the public is educated. As the chairman of Staysafe, a role that I cherished, I learned a lot about road safety. Although we have bad results in this State from time to time, road safety education is working. In the early 1980s approximately 1,400 people died on the roads each year. Last year 606 people died on the roads. One life lost on the roads is one too many.

There were more cars on the road last year, when 606 people died, than there were in 1980 when 1,400 people died. Road safety education is working, but the number of deaths has become static over the past four to seven years. We must do something about that. As a member of the Staysafe committee I supported the introduction of the 50 kilometres per hour speed limit. Although it has not been legislated for every area, it applies in every State. Councils and communities realised the benefits of that speed restriction, and adopted it without the need for legislation. Over the next decade that speed restriction will be the prime reason for the reduction in the number of accidents and the number of people killed on our roads.

The 50 kilometre per hour speed limit is a weapon we can use to fight the speed culture of the younger generation. Young people of today will grow up and become drivers, but they will not speed in built-up areas, in the same way as young people today will not get into a car without putting on a seat belt. People ask what more can be done about road safety, because everything has been tried. But everything has not been tried. For a start, we can change the Australian design rules so that speedometers are limited to 120 or 130 kilometres per hour. It is criminal that motor car manufacturers can make cars that will do 220 kilometres per hour when the maximum speed everywhere in this nation, apart from the Northern Territory, is 110 kilometres per hour. That is where road safety starts and finishes, and that is where we can have a tremendous influence.

Another initiative we should look at is placing a health warning similar to the warning on cigarette packets on motor car advertisements. Just as many people are killed on the roads as are killed as a result of cigarettes. We can stop companies such as Ford and Holden from advertising cars doing wheelies and travelling at fast speeds. Those advertisements are sending the wrong message. In the 1960s when personalised number plates were introduced, the money from those plates paid for the Traffic Accident Research Unit. Since then, the money has been taken away and put into consolidated revenue. A levy could be placed on the sale of every new car and put towards road safety. There are many things we can do, but we as a Government have to be prepared and game enough to try them.

Mr MARKHAM (Wollongong—Parliamentary Secretary) [6.10 p.m.]: I should like to place on record another program that could be implemented to try to prevent drivers, both young and old, from coming to grief. Not long ago a serious accident occurred in Wollongong which resulted in the death of a young man. Police were unable to ascertain what actually happened; the young man was alone in the car. He may have swerved to miss an animal or slipped on an oil patch on the side of the road. He slid off the road, crashed into a power pole, and was killed instantly. Victoria King, a Wollongong councillor, has taken up the fight to have obstructions close to roadways removed. I know it is an expensive exercise, but if it saves lives the expense is warranted.

The contribution of the honourable member for Blacktown is relevant and timely. The Staysafe committee should look at Victoria King's proposal and put protocols in place statewide. These days many new subdivisions have underground power and reticulation. But on some of our major highways there are large power poles in close proximity to the kerb. If a driver loses control and crashes into one of those poles, it is a sure bet that death will follow.

DEATH OF Mr ERIC RUPERT ROWE

Mr WINDSOR (Tamworth) [6.12 p.m.]: Some honourable members may have noticed that yesterday I was not in the House until about 6 o'clock. In the period of almost 10 years since I became a member of this House, that is the first time that has occurred. The reason for my late arrival was my attendance at the funeral of a man who was more instrumental than any other person in getting me into my present political position. I refer to Eric Rupert Rowe, who was better known as Rupert Rowe. He was born in 1911, and died on 23 March 2001 at the age of 89. Rupert was one of those extraordinary men who lived a life of great integrity. He was a great

example to his family, his community and all those who knew him. A fitting eulogy was delivered at his funeral by Bruce Treloar, a member of the family who had employed Rupert for many years. The Treloar company has been in business in Tamworth for over 100 years.

Rupert Rowe worked in many jobs during his early days but ended up working as the grocery manager at T. J. Treloar and Co. in Tamworth, a well-known company. His attention to detail was outstanding and his copperplate writing was something to behold. He spent time in Papua New Guinea with the Australian Forces and was quite ill for some time when he was there. On his return to Australia he was one of the founding members of Legacy in the Tamworth area and became the honorary secretary in 1946. On reflection, at that time he would have been a man only 35 years old, just out of the Army and with a young family. Yet he took the time to care for the wives and children of men who had been killed in the Second World War.

People such as Rupert gave that commitment at a relatively young age. I remember Rupert Rowe back in those days. My father was killed in an accident in 1959. A couple of years later Legacy organised a 10-day trip for Legacy children to travel from Tamworth to Canberra on a DC3. It was one of the great memories of my life. It was the first contact I had with this gentleman. He and others were instrumental in organising the trip. Many years later in the 1980s when I became involved in politics I ran into Rupert Rowe once again. He had been a staunch follower of the Country Party, which eventually became the National Party. One of the reasons I wanted to talk about Rupert Rowe today is that he, over a period of many years, probably had a greater impact on politics in the north of the State than any other living individual. He assisted the late T. J. Treloar in two attempts to get into Federal Parliament. The first was a failed attempt. The second attempt was successful, and T. J. Treloar became the member for the seat of Gwydir.

Rupert Rowe assisted Ian Sinclair in the early and latter days of Ian's many turns in the Federal Parliament. He was campaign manager for Bill Chaffey, a former member for Tamworth. There have been only four members for Tamworth this century: Bill Chaffey, his father, Noel Park and me. Rupert assisted Noel Park, who was a member of this Parliament for 17 years prior to my becoming a member. For many years Rupert Rowe was one of a number of staunch followers of the National Party. In 1991—and I am always astonished that this happened, bearing in mind that Rupert at that time was a man of 79 years—he became determined to back me as an Independent. He, among others, made a significant impact on my coming to this House. I extend my sympathy, the sympathy of my wife and family and the sympathy of this House to Rupert's wife, Jean; his sons, Ross and Rob; Ross' wife, Gwen, and their family for the loss of a man who exhibited integrity and love for his community. I thank Rupert for the contribution that he made to me personally over many years and also for the contribution he made to the community.

Private members' statements noted.

BILLS RETURNED

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

Appropriation (Budget Variations) Bill
Cattle Compensation Repeal Bill

[*Mr Acting-Speaker (Mr Lynch) left the chair at 6.18 p.m. The House resumed at 7.30 p.m.*]

CHIROPRACTORS BILL

OSTEOPATHS BILL

Bills introduced and read a first time.

Second Reading

Mr McMANUS (Heathcote—Parliamentary Secretary), on behalf of Mr Knowles [7.30 p.m.]: I move:

That these bills be now read a second time.

The purpose of both the Chiropractors Bill and the cognate Osteopaths Bill is to protect the health and safety of the public of New South Wales by providing for effective regulation that ensures chiropractors and osteopaths are fit to practise. The Chiropractors Bill repeals the Chiropractors and Osteopaths Act 1991 and re-enacts the

provisions dealing with the registration of chiropractors with appropriate updating amendments to strengthen and improve the regulation of chiropractors in a similar fashion to improvements that have been made to the regulatory systems for other health professionals, such as medical practitioners. The Osteopaths Bill re-enacts the provisions dealing with the registration of osteopaths with similar amendments. These bills are the result of an extensive review process that has taken place over the last three years. The review has involved detailed consultation with all relevant stakeholders, in particular the affected professions.

The Government has concluded that it is appropriate to give statutory recognition to the reality that chiropractic and osteopathy are separate and distinct professions. Therefore, unlike the Chiropractors and Osteopaths Act 1991, and its predecessor the Chiropractor Act 1978, there are separate bills for the regulation of chiropractors and osteopaths. The origins of both professions and the treatment philosophies underlying their practices are distinct, and this is reflected in the fact that the professions have separate educational systems and professional affiliations. Furthermore, the two professions are separately regulated internationally, and this is now the trend in Australia with Queensland, Victoria and Western Australia having moved to separate registration.

The Chiropractors Bill will establish the Chiropractors Registration Board and introduce other provisions relating solely to the registration of chiropractors. The board will comprise seven members, being four chiropractors, an officer of the Department of Health or the public health system, a consumer representative, and a legal practitioner. The chiropractor members will include practitioners put forward by chiropractic professional associations, including the Chiropractors Association of Australia (New South Wales Branch), and a chiropractor who is involved in the education of chiropractors.

The Osteopaths Bill will establish the Osteopaths Registration Board and introduce other provisions relating solely to the registration of osteopaths. The board will comprise seven members, being four osteopaths, an officer of the Department of Health or the public health system, a consumer representative and a legal practitioner. The osteopath members will include practitioners put forward by osteopathy professional associations, including the Australian Osteopathy Association (New South Wales Branch), and an osteopath who is involved in the education of osteopaths. Honourable members will be aware that spinal manipulation, or spinal adjustment as it is also known, is a treatment technique that is now in use by a large number of recognised practitioners in manual therapies.

The people of New South Wales have to date enjoyed a high standard of treatment in this area from four registered and highly trained professions: chiropractors, medical practitioners, osteopaths and physiotherapists. In order to continue that high standard of care the regulation of spinal manipulation will continue and be improved by providing, for the first time, a definition of "spinal manipulation" and will be used only by the four professions named earlier. "Spinal manipulation" is to be defined as "the sudden application of a force, whether by manual or mechanical means, to any part of a person's body that affects a joint or segment of the vertebral column". The development of this definition has involved extensive consultation with a number of recognised academic experts, and the definition has support from experts from each of the relevant professions.

The definition of "spinal manipulation" clearly distinguishes it from spinal mobilisation, which is a technique that can safely be employed by a far broader range of practitioners. Spinal mobilisation involves moving a joint of the spine within what clinicians refer to as the passive range of motion, and does not involve the application of sudden forces. In arriving at this definition the New South Wales Department of Health has consulted widely with all relevant professions as well as taking specific clinical advice from recognised and respected academics from the chiropractic, medical, osteopathy and physiotherapy professions. Spinal manipulation will be restricted to professionals who are trained in its use.

The four professions that will be exempt from the restriction on spinal manipulation are the four professions that have safely been using the techniques of manipulation since they were originally restricted by the Chiropractic Act 1978. The regulation of spinal manipulation is premised on public protection. As four separate professions are entitled to employ manipulation, it is proposed to place the restriction in the Public Health Act rather than in any one professional registration Act. This change will also emphasise that the task of prosecuting those who unlawfully manipulate the spine is not the sole responsibility of the Chiropractors Registration Board. All relevant registration boards can undertake prosecutions. I wish to emphasise that, as spinal manipulation can be practised by four separate registered professions, it may be appropriate for those professions to co-operate in conducting and funding the investigation and in prosecuting those people who unlawfully manipulate the spine.

Honourable members are no doubt aware that the current Chiropractors and Osteopaths Act prohibits osteopaths and chiropractors from using the title "Dr" in any circumstances, including those instances where a

practitioner holds a recognised university qualification such as Doctor of Philosophy, Doctor of Jurisprudence or Doctor of Divinity. This is clearly unreasonable. However, it is also clearly unreasonable for chiropractors and osteopaths who do not possess such higher qualifications to adopt the title "Dr". The title "Dr" is associated in the public mind with the comprehensive treatment available from medical practitioners. While chiropractors and osteopaths provide a unique and valuable service to their patients, they do not provide the comprehensive service that medical practitioners are able to offer.

Many people argue that a dentist can use the title "Dr", and that chiropractors and osteopaths should similarly be entitled to use it. While superficially this is an attractive argument, it must be recognised that dentists do not claim to provide a comprehensive health service, but treat the teeth, jaws and related facial structures. There is clearly no room for the public to be misled into thinking that they have received comprehensive medical treatment. Furthermore, it would clearly be inequitable to allow chiropractors and osteopaths to use the title "Dr" whilst preventing other registered health professionals such as physiotherapists and podiatrists, who in many respects are in direct competition with chiropractors and osteopaths, from adopting the same title.

I turn now to the specific provisions of the bills. To ensure that the welfare of patients is the paramount consideration in administering the Acts, clause 3 of each bill states that the objective of the legislation is to protect the health and safety of the public by providing mechanisms to ensure that chiropractors and osteopaths are fit to practise. The Acts will achieve their objectives through a number of initiatives. The first of these initiatives is to provide that each board may refuse to register a person, or register him or her subject to conditions, where it is not satisfied that he or she is competent to practise. For the first time it will be an express requirement that applicants for registration must be competent to practise.

As part of the requirement for competence, clause 14 of each bill provides that each board will have the power to conduct an inquiry into a person’s competence. If, following an inquiry, the board is not satisfied as to the applicant’s competence, it will be able to grant registration subject to conditions or refuse to register the applicant. This power to conduct an inquiry will also apply when a person applies to have his or her registration restored. These provisions are modelled on the system that has operated successfully within the Medical Practice Act for a number of years. The second initiative within the bills, which ensures that chiropractors and osteopaths maintain their competence, is the introduction of a more robust annual renewal process. This process will require practitioners to submit annual declarations to the relevant board on renewal of registration.

Clause 20 of each bill provides that these declarations will cover criminal convictions and findings; ongoing good character; the refusal by another jurisdiction to register a person; the details of any suspension or cancellation of registration or the imposition of conditions in another jurisdiction or by another health registration board in New South Wales, whether the practitioner is registered with another health registration board in New South Wales; and continuing professional education activities. In addition to practitioners being required to provide the board with an annual declaration detailing any criminal findings, clause 21 of each bill also provides for the boards to be notified about practitioners who are the subject of criminal findings. These requirements are designed to ensure that the boards are advised of relevant criminal matters as soon as possible in order that, in appropriate cases, they may take swift action to ensure that the public is protected.

Under these provisions courts will be required to notify the relevant board of practitioners who have been convicted of an offence or made the subject of a criminal finding in respect of a "sex or violence offence". Essentially, a criminal finding is one where an offence has been proven but a conviction has not been recorded. A "sex or violence offence" is an offence involving sexual activity, acts of indecency, child pornography and physical violence or the threat of physical violence. Practitioners will be required to notify the board within seven days, first, if they have been convicted of an offence of a type that courts are required to report; second, if they have sustained a criminal finding in relation to a "sex or violence offence"; or third, if they are facing criminal proceedings for a "sex or violence offence" where the allegations relate to conduct occurring in the course of practice or involving minors.

The third significant initiative is part 4 of each bill. Part 4 introduces a new disciplinary system that builds on the provisions in the existing Act, as well as adopting successful aspects of the disciplinary systems under the Medical Practice Act, the Nurses Act and the Dentists Act. Clauses 24 and 25 provide for a two-tier definition of "misconduct" based on the definitions in the Nurses Act. It has been apparent that the current Act's use of a single definition of "professional misconduct" has caused difficulty in dealing appropriately with less serious complaints. The adoption of the two-tier definition, which includes both unsatisfactory professional conduct and professional misconduct, will allow the boards to deal with both serious and less serious complaints in the most appropriate manner.

Clause 26 of each bill provides the grounds for complaint about a practitioner. The grounds for complaint have been drafted to be consistent with the grounds for complaint in the Health Care Complaints Act, the changes in the grounds for refusing a person registration, the introduction of the two-tier definition of "misconduct" and the introduction of an impaired practitioners system. Each bill retains a tribunal that will continue to deal with complaints that practitioners are guilty of professional misconduct. The constitution of the tribunals will not change. Each will be chaired by a legal practitioner with at least seven years' experience and include two practitioners from the relevant profession and a consumer selected by the board. The tribunal will hear the more serious complaints about practitioners and the boards will, where appropriate, conduct inquiries into complaints that are less serious.

The bills introduce the Chiropractic Care Assessment Committee and the Osteopathy Care Assessment Committee, each of which is modelled on the successful Dental Care Assessment Committee. The committees will be used by the boards as an expeditious and expert mechanism to investigate and inquire into less serious complaints about chiropractic and osteopathy services. Each committee will comprise four members: three practitioners from the relevant profession and a consumer. The chair of each committee will be a practitioner nominated by the relevant board and the other two practitioners will be selected from a panel of practitioners put forward by each board. Due to the importance of complying with the rules of natural justice, board members will not be eligible to be appointed to the committees. Precluding board members from sitting on the committees will ensure that complaints are not considered by the same individuals in different capacities and committee members will be appointed for fixed terms of four years.

The committees will investigate complaints and make recommendations to the boards for their resolution. Included in the committees' investigatory powers will be the power to require a practitioner who is the subject of a complaint to undergo skills testing. Skills testing will assist boards in dealing with complaints about professional standards and in ensuring that practitioners maintain appropriate professional standards. The committees will not have the power to determine complaints, but can facilitate the patient and the practitioner reaching an appropriate agreement between themselves. Should a committee reach the view during its investigations that a complaint raises an issue of unsatisfactory conduct and should be referred for a disciplinary inquiry, the relevant board will be bound to follow this recommendation. In such cases the board will either conduct an inquiry into the complaint or, for the most serious matters, refer the complaint to the tribunal for a hearing.

Honourable members will be aware of the valuable role that the Health Care Complaints Commission performs in investigating complaints about health service providers and, in appropriate cases, instituting disciplinary action against practitioners. I emphasise that under the new disciplinary provisions in both the Chiropractors Bill and the Osteopaths Bill the Health Care Complaints Commission will continue to play an important role in the investigation and prosecution of complaints. Upon receipt of a complaint the relevant board and the commission will continue to be required to consult on whether it is to be investigated by the commission or dealt with in some other manner. The commission will have a right to prosecute complaints before the tribunals and, where it has conducted an investigation into the complaint, before board inquiries. The commission will also have the right to make submissions to a board inquiry into unsatisfactory professional conduct in those cases in which it has not conducted an investigation.

As part of the boards' powers to protect the public they will continue to be able to impose conditions on a practitioner's registration or suspend that registration where it is necessary to do so to protect the life or the physical or mental health of any person. Under the current Act the board may make an order imposing conditions on a person's registration or suspending that registration for up to 30 days, with the ability to renew an order. Following such an order a complaint must be made about the practitioner. These powers are to be retained and modified so that a suspension can be made for up to eight weeks and can be renewed. Similar amendments have recently been incorporated into the Medical Practice Act.

This leads me to part 5 of each of the bills, which introduces a system for the boards to manage impaired practitioners. The provisions of part 5 are modelled on provisions in the Medical Practice Act that establish impaired registrants panels. Those provisions have been operating successfully for a number of years. The rationale behind an impaired registrants system is that practitioners whose ability to practise is impaired due to factors such as physical or mental illness, or drug and alcohol abuse, can be managed and assisted before those problems develop to such an extent that patients are placed at risk. Following the impairment process the board will be able to place conditions on a practitioner's registration or suspend that registration where it is satisfied that the practitioner has agreed. Where the practitioner does not agree to the recommendations of an impaired registrants panel, the boards will have the option of lodging a complaint about the practitioner and having that complaint dealt with by a tribunal or at a board inquiry.

Two of the essential factors of the impairment system are that it provides an alternative to the disciplinary system and that it operates in a voluntary fashion. There is, therefore, an incentive for a practitioner's colleagues and family to report impairment as well as for the practitioner to self-report. Based on the experiences of the Medical Board and the Nurses Registration Board the impairment systems are expected to assist in maintaining the highest standards of chiropractic and osteopathy practice in New South Wales.

The bills include comprehensive appeal mechanisms to ensure that there are appropriate checks and balances in the disciplinary systems. In the case of a decision on a complaint heard by a board there is a right to appeal to the tribunal, and for that appeal to be by way of a fresh hearing. There is also avenue for a practitioner to appeal to the tribunal on a point of law. Where a complaint is heard by a tribunal there is a right to appeal to the Supreme Court. However, such an appeal may only be made on a point of law or in respect of the sanction that is imposed by the tribunal. The reason for limiting appeals in this manner is that tribunals are established as expert bodies with both professional and legal expertise and are the most appropriate bodies to determine whether the facts of a particular complaint demonstrate whether a practitioner has acted improperly or not.

This right of appeal continues the system under the current Act whereby appeals from the Chiropractors and Osteopaths Tribunal are limited to points of law and imposition of sanctions. Appeals from both the Medical Tribunal and the Nurses Tribunal are also limited in this manner. In the interests of administrative effectiveness and efficiency each registration board will have the power to delegate certain of its functions and the boards will also have the power to establish committees. The establishment of committees will allow the boards to co-opt expertise from outside the boards and from other professions for specific matters such as education. This power reflects the power in the current Act for the Chiropractors and Osteopaths Registration Board to establish committees, a power that the board has put to very good use. The provisions of these bills will help to ensure that the public can continue to have confidence in chiropractors and osteopaths and to expect the highest standards of competence and conduct from the professions.

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

VISITORS

Mr DEPUTY-SPEAKER: I welcome members of Engadine Rotary Club to the Chamber. I hope they enjoy tonight's session.

RUSSIAN ORTHODOX CHURCH PROPERTY TRUST AMENDMENT BILL

Bill introduced and read a first time.

Second Reading

Mr DEBUS (Blue Mountains—Attorney General, Minister for the Environment, Minister for Emergency Services, and Minister Assisting the Premier on the Arts) [7.57 p.m.]: I move:

That this bill be now read a second time.

The purpose of this bill is to amend the Russian Orthodox Church Property Trust Act 1991. This Act was passed in December 1991 and commenced on 24 January 1992. Unfortunately, the Russian Orthodox Church Property Trust Act did not accurately reflect the structure of the church and has been unworkable. Accordingly, the church has not taken steps to transfer any of its property into the name of the property trust. The solicitors for the church wrote to the Government requesting amendments to the legislation. The proposed amendments were developed following extensive consultation within the church. Parishes and clergy were given the opportunity to comment on the proposal which was subsequently ratified by the Diocesan Council and the Diocesan Assembly—the two representative decision-making bodies in the diocese—and the Synod of Bishops in New York, the supreme governing body of the church.

After the Synod approved the proposed amendments individual parishes were advised of the Synod’s decision. An Extraordinary Diocesan Assembly was held on 5 February 2000 at which the 46 delegates from parishes, monasteries and missions voted unanimously to accept the proposed amendments. The church's solicitors have also advised that they are not aware of any adverse comments about the proposed amendments. The bill will ensure that the structure of the property trust conforms with the structure of the church and will allow the church to take advantage of the benefits offered by church property trust legislation—namely the better arrangement of its financial affairs. The Act currently provides that the property trust is to deal with property both within and outside New South Wales. The bill will limit the property that can be held by the property trust to that which is located within New South Wales.

The Act currently does not accurately reflect the structure and rules of the church. The bill will amend the terminology contained in the Act so that it corresponds to the terminology contained in the rules of the church. For example, the Act requires the archbishop of the diocese to be present for a quorum to be constituted at a meeting of the Board of Trustees. However, the office of "archbishop" does not exist under the constitution of the church; instead, the constitution refers to the "Ruling Bishop" as being in charge of the diocese. The Act currently defines the trustees of the property trust as being the archbishop, the secretary and treasurer of the Diocesan Council and two members of the church elected by the Diocesan Council. The bill will amend the Act so that trustees of the property trust will be the members of the Diocesan Council, which is the representative executive body of the church.

The Act currently does not make a distinction between property that has been acquired for the general use of the diocese and property that has been acquired for the use of a parish. The bill will draw a distinction between diocesan property and parish property. When making decisions about diocesan property the trustees will be obliged to make decisions in accordance with the general church rules. However, when the trustees make decisions about parish property they will be obliged to make decisions in accordance with the general church rules and the by-laws operating in the parish within which the property is located. The Act currently provides that church property vests in the property trust on the day on which the property trust is constituted. The bill will amend the Act to make it clear that church property which was acquired both before and after the date on which the property trust was constituted will vest in the property trust. The bill continues the longstanding Government policy to assist churches to organise their financial and property affairs by sponsoring legislation in relation to corporate property trusts. I commend the bill to the House.

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

NATIONAL PARKS AND WILDLIFE (ADJUSTMENT OF AREAS) BILL

Bill introduced and read a first time.

Second Reading

Mr DEBUS (Blue Mountains—Attorney General, Minister for the Environment, Minister for Emergency Services, and Minister Assisting the Premier on the Arts) [8.02 p.m.]: I move:

That this bill be now read a second time.

This bill proposes the revocation of small areas of land in a small number of national parks and nature reserves. To achieve this, and to ensure that conservation outcomes remain a priority, lands reserved or dedicated under the National Parks and Wildlife Act 1974 may not be revoked except by an Act of Parliament. There have been five similar housekeeping bills passed by this Parliament over the last 22 years. The Government wants to ensure that this bill results in a net conservation benefit for New South Wales. This will be achieved. Although the proposed adjustments are minor, there will be an overall increase in the area of lands that are reserved in this State.

This bill is part of a three-staged approach. The first stage will see the identification and revocation of small parcels of land, which are currently within either national parks or nature reserves. The second stage will see the transfer of these lands from the National Parks and Wildlife Service to the Minister for the Environment. The final stage will, and only when due compensation and administrative processes have been satisfied, result in the land being transferred from the Minister for the Environment to the appropriate authority.

The purpose of this bill is to revoke areas of land from certain national parks and nature reserves where either the land is currently part of a public road or highway; the land is required for the widening of an existing road or highway; the land is required for the upgrade of the Pacific Highway; the land is no longer required for the purpose for which it was acquired; or to correct reserve boundary inconsistencies. This bill is an appropriate means of addressing both future needs and historical anomalies.

The National Parks and Wildlife Act 1974 provides that land may be reserved as national parks, historic sites, State recreation areas and regional parks. In the past roads and related road development have been allowed on reserved lands in the belief that these road and related developments were for a public purpose and therefore a valid use in the reserves. Subsequent court rulings have shown that valid uses on reserved land must be related to the purpose for which the land was reserved or dedicated in accordance with the National Parks and Wildlife Act 1974.

In response to this, various developments have now been identified which need to be excised from a number of national parks and nature reserves. There are also other parcels of land which have for many years been identified as inappropriate or unnecessary for inclusion in national parks or nature reserves. The lands to be revoked are as follows. Several sections of highways were constructed some time ago within national parks and nature reserves by the Roads and Traffic Authority [RTA]. These include the occupation of approximately 42 hectares of Brisbane Water National Park by much of the F3 Freeway between Peats Ridge and Kariong. Less than half a hectare of Kororo Nature Reserve was occupied when the Pacific Highway was widened near Coffs Harbour, and the widening of the Hume Highway near Yass resulted in the occupation of around 15 hectares of Mundoonen Nature Reserve. The revocation of about five hectares of Broadwater National Park will allow the National Parks and Wildlife Service and the RTA to validate the boundaries between the park and the Pacific Highway, as previously agreed by both agencies some years ago.

Other roads have been constructed in national parks and nature reserves by local authorities. Mount Warning Road, which is the main access route into Mount Warning National Park, was inadvertently included in an addition to the park in 1984. The realignment of a main road in the local government area of Mudgee resulted in the occupation of less than a hectare of Munghorn Gap Nature Reserve. When the entrance road to Wamberal Lagoon Nature Reserve was widened, this resulted in the occupation of less than a hectare of this reserve. A road to a former Landcom subdivision occupied 25 square metres of Georges River National Park. A bus-turning circle that was constructed for a school by Gosford City Council accidentally encroached on 100 square metres of Cockle Bay Nature Reserve. Lastly, in Sydney Harbour National Park, a section of Bradleys Head Road was accidentally constructed outside of the road reserve and occupies just over half a hectare of this park.

Some lands have been included in national parks where tenure information is incorrect or where developments on the ground do not match survey information. In Wee Jasper Nature Reserve a rubbish disposal site established by Yass Shire Council resulted in an incursion of less than a hectare of this reserve. In Barren Grounds Nature Reserve an accidental boundary encroachment by a private land-holder has resulted in the occupation of just over five hectares of this reserve. Some lands are no longer required by the National Parks and Wildlife Service. To improve the management of the Echo Point precinct in the Blue Mountains, a small section of the Cliff Drive car park, which is currently managed by Blue Mountains City Council, is to be transferred to the council. Two residential lots that were acquired by the National Parks and Wildlife Service for an administrative and work centre are no longer required. For administrative convenience, these were included in Morton National Park, even though they are some distance from the actual park and have no conservation values.

Lastly, some reserve lands are required to facilitate the New South Wales Government's commitment to upgrade the Pacific Highway. There has, of course, been a long period of public consultation regarding the most appropriate realignment routes for these upgrades, which will significantly improve road safety and are likely to reduce the risk of road fatalities. The revocation of just over half a hectare of Brunswick Heads Nature Reserve is required for the Brunswick Heads to Yelgun upgrade. Approximately 16 hectares of Karuah Nature Reserve will be required for the Karuah upgrade, and approximately 28 hectares of Myall Lakes National Park is required for the Karuah to Buladelah upgrade. I understand that the National Parks and Wildlife Service has granted its consent after examining the species impact statements for these proposals.

It is the Government's intention that this bill will result in an overall conservation benefit for New South Wales. Further, this bill will result in more sensible reserve boundaries for park managers and it will ensure that current anomalies are removed from reserves. Many of the areas to be revoked by this bill involve lands that are already covered by existing highways or road developments. The excision of these areas will allow for their ultimate transfer to landowners—the RTA and local councils—that are more suited to the day-to-day management of infrastructure associated with the land. As such, there will be a number of beneficiaries of these adjustments.

Clause 5 of the bill requires that the land, once revoked, will be vested in the Minister for the Environment as a corporation sole under the National Parks and Wildlife Act. In this capacity, I will be able to negotiate the transfer of the land to new ownership. However, as I stated previously, these lands will not be transferred until due compensation and administrative processes have been satisfied. Where land is required for other purposes, such as for highway upgrades, the National Parks and Wildlife Service will generally seek compensation. The most desirable form of compensation, of course, is land where the natural and cultural values exceed those on the land to be excised.

As such, extensive negotiations between the National Parks and Wildlife Service and the RTA for substantial areas of compensatory land for the three Pacific Highway upgrade sites are nearing completion.

These compensation proposals will result in the transfer of a significantly greater area of land that contains similar habitat and conservation values to the land to be excised. For example, in return for the 18 hectares of land that will be excised from Myall Lakes National Park, it is proposed that approximately 570 hectares of comparable conservation value land will be added to the New South Wales reserve system. In addition to compensation for the highway upgrades, a range of other measures have been agreed upon to mitigate other potential impacts on the existing reserves.

In extenuating circumstances, compensation will not be sought, for example, in Broadwater National Park. The revocation of this site allows the National Parks and Wildlife Service and the RTA to validate the boundaries between the park and the Pacific Highway as previously agreed by both agencies some years ago and to formalise as a road the area currently occupied by the Pacific Highway. Overall, the compensatory land proposals that are being sought in relation to the revocations in this bill will result in a net conservation benefit. In excess of 880 hectares of compensatory land are proposed to be transferred to the National Parks and Wildlife Service in return for the 116 hectares that will be revoked by this bill. This is a necessary and sensible bill, which benefits many sectors within the community. The fundamental result, however, is a positive one for our system of national parks and other protected areas in New South Wales. I commend the bill to the House.

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

ROMAN CATHOLIC CHURCH COMMUNITIES' LANDS AMENDMENT BILL

Bill introduced and read a first time.

Second Reading

Mr DEBUS (Blue Mountains—Attorney General, Minister for the Environment, Minister for Emergency Services, and Minister Assisting the Premier on the Arts) [8.13 p.m.]: I move:

That this bill be now read a second time.

The purpose of this bill is to amend the Roman Catholic Church Communities' Lands Act 1942 so as to provide for the voluntary or compulsory winding up of bodies corporate that have been created under that Act. It is longstanding government policy to assist churches to organise their financial and property affairs by sponsoring legislation to establish corporate property trusts. Corporate property trusts assist churches to manage their property holdings and support their religious and charitable activities.

The Roman Catholic Church Communities' Lands Act was enacted in 1942 to enable the trustees of land for Catholic orders, congregations, communities and associations, to incorporate. Since that time, many Catholic orders, congregations, communities and associations have taken steps to incorporate property trusts using the mechanism provided under the Act. Over recent years, it has become apparent that the membership of some Catholic orders, congregations, communities and associations is decreasing and that the age of their members is increasing to a point where the viability of these bodies may be considerably limited in the not too distant future.

Processes are available under the Code of Canon Law, the Catholic Church's internal laws, whereby orders, congregations, communities and associations can be wound up. However, no mechanism exists which enables the corresponding property trust to be wound up. The solicitors for the Roman Catholic Province of Sydney, the Archdiocese of Canberra and Goulburn and the Conference of Leaders of Religious Institutes of New South Wales wrote to the former Attorney General seeking amendments to the Communities' Lands Act to permit the winding up of corporate trustees and to amend some of the definitions in the Act to bring the Act more into line with current protocols in the Catholic Church.

It is relevant to note that the Conference of Religious Institutes in New South Wales represents Catholic religious institutes in New South Wales and, more particularly, those religious institutes that are referred to in the Communities' Lands Act. The solicitors for the Conference of Religious Institutes have advised the Government that the proposed amendments have the full support of Catholic religious institutes who regard them as being quite essential to deal with modern issues and demands.

The bill provides a mechanism for the voluntary winding up, and winding up by the court, of bodies corporate which are created under the Communities' Lands Act. Part 9 of schedule 1 to the bill details the procedures to be followed in a winding up. Before a winding up can occur, certain conditions must be met. For example, if a body corporate is to be wound up voluntarily, at least 75 per cent of the members of the body corporate must pass a resolution in favour of the voluntary winding up.

It is relevant to note that property which is held by a body corporate which is being wound up must be transferred to another body corporate which was created under the Communities' Lands Act or under the Roman Catholic Church Trust Property Act, as specified in writing by the Archbishop. Property which is held on trust must continue to be held as nearly as possible for the purposes for which the transferor, donor or testator intended it to be held. [*Quorum formed.*]

Schedule 2 to the Communities' Lands Act records the names and corporate names of bodies that have been incorporated under the Act. The bill will create a third schedule to the Communities' Lands Act in which will be recorded the names of bodies corporate which have been wound up and the names of bodies corporate to which property was transferred in the course of a winding up. This will enable members of the public to easily identify which bodies have been wound up and to which body the property has been transferred. The bill empowers the Governor to make regulations under the Act including regulations in relation to the winding up of bodies corporate. The bill continues the longstanding government policy to assist churches to organise their financial and property affairs by sponsoring legislation in relation to corporate property trusts. I commend the bill to the House.

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

BUSINESS OF THE HOUSE

Bills: Suspension of Standing and Sessional Orders

Motion by Mr Yeadon agreed to:

That standing and sessional orders be suspended to allow the introduction and progress up to and including the Minister's second reading speech on the following bills:

Conveyancing Amendment (Building Management Statements) Bill
Strata Schemes Legislation Amendment Bill

notice of which was given this day for tomorrow.

STRATA SCHEMES LEGISLATION AMENDMENT BILL

Bill introduced and read a first time.

Second Reading

Mr YEADON (Granville—Minister for Information Technology, Minister for Energy, Minister for Forestry, and Minister for Western Sydney) [8.22 p.m.]: I move:

That this bill be now read a second time.

The bill is designed to remove a number of technical anomalies and restrictions which frustrate and hinder the creation and operation of strata schemes. The first reform effected by the bill deals with what is known as part-strata development. This type of development allows part of a building to be subject to a strata scheme and the remainder of that building to be outside the strata scheme. For example, a six-storey building might have a residential strata scheme on floors three to six, while floors ground to two, comprising shops and offices, will not be part of the strata scheme. A building management committee made up of representatives of the strata and non-strata parts of the building will manage the building as a whole and share the costs of shared facilities.

The legislative provisions for part-strata schemes are contained in division 2B of the Strata Schemes (Freehold Development) Act 1973 as well as in sections 7, 8A, 8AB and schedules 1A, 1B and 1C. I will not mention the provisions contained in the Strata Schemes (Leasehold Development) Act 1986 as they are mirror provisions of the freehold Act. The legislation works well when just one building is involved, however problems occur when a more elaborate development is planned. For example, a development may ultimately consist of a podium upon which sits the residential tower and office tower. The podium might contain car parking for each tower as well as some retail shops. Each tower and its associated podium car parking are to be a separate strata scheme and the shops are to be outside each strata scheme.

The development is intended to be managed as a part-strata scheme by a building management committee in order that the different components of the development, that is, the two strata schemes and the

shops, can share facilities and expenses—for example, air-conditioning plant and equipment. However, if the office tower is built at a later stage than the podium and the residential tower, it cannot be a component of a part-strata scheme for the podium and residential tower. This leads to the result that the development cannot be managed as a whole, and facilities and expenses cannot easily be shared. The reason for that is that clause 5 of schedule 1A to the Strata Schemes (Freehold Development) Act requires a surveyor's certificate for a part-strata scheme to certify that the building has not been added onto if there is already a part-strata scheme in the building.

For example, the building would comprise the podium and the two towers; however, the second tower would be regarded as an addition to the building and, therefore, a surveyor would not be able to give a certificate. This restriction was originally put into schedule 1A because the Act contemplated part-strata schemes only in normal stand-alone buildings. It did not envisage that a part-strata development might involve a podium and towers situation, when the second or subsequent towers are built some time after the podium and the first tower. Accordingly, clause 5 of schedule 1A is to be deleted in order to remove the current restriction and to remedy the problem that I have described.

The next reform that the bill addresses concerns both part-strata development and staged strata development. I have explained what part-strata development is. I will now explain what staged strata development is, before explaining the amendment. Staged strata development is dealt with in section 8A and division 2A of the Act. It deals with a situation in which a strata plan is registered that subdivides the building into strata lots and common property and also illustrates an area in which a future building will be erected. That area is shown in the strata plan as a development lot and will be the second stage of the strata scheme.

When a building is constructed on that development lot it will be subdivided by a strata plan of subdivision into strata lots and common property, and those lots and common property will be part of the same strata scheme as the lots and common property created in the first stage. The strata plan for the first stage of the development must include a document known as a strata development contract, which discloses to prospective purchasers the future stages of the development and what will be built in those stages.

At present it is not possible to have a part-strata scheme as a component of a staged strata development. For example, if the first stage of the staged strata development comprises a block of 10 residential units the second stage could not comprise a block of eight residential units and two shops, where the two shops were not to be part of the strata scheme. Developments will have greater flexibility if they can incorporate part-strata and staged strata in the one development. Accordingly, the current restrictions in the Act that prevent such development are being deleted.

Furthermore, amendments are introduced by this bill to require a strata development contract to disclose that the staged strata scheme to which it relates will be part of the part-strata development and that a strata management statement will govern the relationship between the strata and non-strata components of the development. The amendments also provide that a strata development contract must not be inconsistent with a strata management statement, and if there is an inconsistency the strata management statement prevails.

The next reform I will discuss also concerns part-strata development. Consider the example of a 10-storey building constructed with the top five floors as residential and the bottom five floors as commercial. The residential floors are a part-strata scheme and the commercial floors are outside the strata scheme. Accordingly, a strata management is registered along with the strata plan that subdivides the residential floors into strata lots and common property. One year down the track, the owner of the five commercial floors may decide to also create a strata scheme for the commercial part of the building. That will be a separate strata scheme to the one that applies for the residential floors.

At present the legislation requires that a strata management statement be registered along with the strata plan that creates the commercial strata scheme. However, there is already a strata management statement in existence for the building. This is the one that was registered with the residential strata plan. Accordingly, there is no need for two strata management statements to apply for the one building. The legislation is therefore being amended to allow the Registrar-General to dispense with the requirement for a strata management statement to accompany a strata plan for parts of a building where a strata management statement has already been registered in respect of the building.

The bill seeks to streamline the process of making changes during the initial period of a scheme. The initial period in a strata scheme begins when the strata scheme commences and all of the lots are, therefore,

owned by the developer. It ends when sufficient lots have been sold such that at least one-third of the unit entitlements for the scheme are no longer controlled by the developer. During the initial period the developer has effective control of the owners corporation, and so as to ensure that such control is not exercised to the detriment of the minority owners in this scheme, there are certain actions that the owners corporation cannot undertake during this period except with the consent of the Strata Schemes Board. Three of those actions are, first, registration of a strata plan of subdivision, that is, a plan that subdivides strata lots and/or common property; second, registration of a notice converting a lot to common property; and, third, registration of any dealing that affects common property—for example, a transfer, lease, easement or restriction as to user.

A developer, while owning all of the lots in a strata scheme, may find a buyer who is prepared to purchase a lot, but only on the basis that a certain car space or spaces is part of the lot. This might only be able to be achieved by registration of a strata plan of subdivision. However, as the scheme is still in the initial period it is not possible to register the strata plan of subdivision without the approval of the Strata Schemes Board. This is an unjustified and unnecessary restriction, as at this time in the scheme the developer still owns all of the lots and there are no minority interests to protect. Indeed, the reason for effecting a change in this scheme is usually to satisfy the requirements of someone wishing to buy into the scheme. The initial period restrictions are designed to protect minority owners at the beginning of a scheme. There is no need for this protection when there are no minority owners at all. Accordingly, the three restrictions that I have mentioned are being lifted where the developer still owns all of the lots.

The question might be asked: Where does this reform leave the purchasers who have entered into contracts to purchase lots but have not yet completed them at the time that the developer carries out a transaction that was previously restricted by the initial period? The answer to this valid question is that the standard contract for sale contains provisions that give purchasers the right to rescind contracts if the effect of the transaction is that the purchaser is substantially disadvantaged and a transaction was not disclosed in the contract. Purchasers under uncompleted contracts will therefore be protected. In order to overcome an anomaly with regard to the provision of common property facilities, the owners corporation is being empowered to lodge a revised schedule of unit entitlements at the completion of the staged development.

A special resolution must first be passed by which the owners corporation agrees to the new unit entitlements. The revised schedule must allocate the unit entitlements amongst the completed lots upon the basis of their respective market values at the date of completion of the staged development. The initial schedule of unit entitlements for the scheme will contain a warning that the unit entitlements are temporary and are liable to be revised at the completion of the staged development. This measure is similar to what is already done in respect of staged development under the Community Land Development Act 1989.

The final reform that I wish to discuss concerns the transfer of common property. Section 25 (1) provides that common property shall not be transferred except pursuant to a unanimous resolution of the owners corporation. However, because of the Registrar-General's requirements, the area of common property to be transferred must first be defined as a lot or part of a lot in a plan that is to be registered immediately before the transfer. If the common property to be transferred is to remain in the strata scheme, as a lot or part of a lot, then the relevant plan is a strata plan of subdivision. If it is to be transferred out of the strata scheme, then the relevant plan is a deposited plan. However, because the land to be transferred is now a lot or part of a lot, the Court of Appeal of the Supreme Court of New South Wales has held that common property is no longer being transferred and a unanimous resolution is not needed.

Therefore, as the requirement for a unanimous resolution will never apply, section 25 is being amended to reflect the Court of Appeal's decision. Furthermore, in order to be consistent with this reform, other transactions with common property that require a unanimous resolution will now be able to be authorised by a special resolution. These transactions are the acquisition of additional common property, the lease of common property, the creation or variation of easement and caveats over common property and the dedication of common property as public road, public reserve or drainage reserve. The reforms embodied in this bill have been circulated to representatives of surveyors, solicitors, strata managers, home unit owners, government departments and individuals who are active in the strata area. There was general support among those groups for the reforms. This bill is introducing measures that are needed by those involved in strata matters. I commend the bill to the House.

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

CONVEYANCING AMENDMENT (BUILDING MANAGEMENT STATEMENTS) BILL

Bill introduced and read a first time.

Second Reading

Mr YEADON (Granville—Minister for Information Technology, Minister for Energy, Minister for Forestry, and Minister for Western Sydney) [8.36 p.m.]: I move:

That this bill be now read a second time.

By way of background to this bill, it is important to note that in this State a strata scheme can exist for part only of a building. For example, a five-storey building comprising shops on the first two floors and residential units on the top three floors might have a strata scheme consisting only of the residential units on the top three floors. The bottom two floors would not be part of the strata scheme. The Strata Schemes (Freehold Development) Act 1973 provides that where such part-building strata schemes exist a document known as a strata management statement must be registered on the titles of the strata and non-strata parts of the building. The strata management statement sets out a method for the building to be managed and maintained as a whole between the strata scheme and the non-strata part. The strata management statement will also bind any subsequent owner of a part of the building. Furthermore, the Act provides that reciprocal easements for support and shelter are created between the strata and non-strata parts of the building.

The aim of the bill is to take this existing method and apply it to buildings where, though there is no strata scheme, different parts of the building are owned by different persons. For example, in a five-storey building the bottom two storeys might be owned by one person and the top three storeys might be owned by another. This is achieved by the registration of a plan of subdivision that contains lots that are defined so as to coincide with different parts of a building. The bill allows a document known as a building management statement to be registered on the titles for the different parts of the building. The building management statement will set out a method for managing the building as a whole entity, and the statement will bind any subsequent owner of a part of the building.

In fact, the statement will operate as a deed binding each person who owns part of the building, whether at the time the statement is registered or in the future. The statement will also bind other parties with a registered interest on the titles for the building, namely parties such as mortgagees, chargees and lessees, either now or in the future. A building management statement may be registered in respect of an existing building owned in separate parts or at the same time that a plan or subdivision is lodged with the Registrar-General that subdivides the building into separate parts. The statement should provide for the following matters: first, the establishment and composition of the building management committee and its office-bearers. The building management committee will manage the building as a single entity and will be comprised of representatives of the owners of the various parts of the building. The statement will provide that there will be a secretary for the committee, and may also provide for other office-bearers, such as the Treasurer.

Second, the statement will set out the functions of the committee and its office-bearers. The functions of the committee will relate to activities necessary to manage and maintain the building. Third, the statement must maintain a procedure for its amendment. This will normally be done by a unanimous vote of the committee members or by a vote of some other required percentage. Fourth, the statement must set out the method for resolving disputes between the parties. This may involve mediation or arbitration, or both. Fifth, the manner in which notices and other documents may be served on the committee is to be made clear. This will normally be by post or facsimile. Last, the statement must contain provisions dealing with insurance for the building. The six matters to which I have just referred are the compulsory matters that must be contained in a building management statement. However, the statement is not limited only to those matters but may also deal with any other matter that is considered to be of relevance in the management of the building.

These types of matters might include the following: the location, control, management, use and maintenance of any part of the building or its site that is a means of access; the storage and collection of garbage on and from the various parts of the building; meetings of the building management committee; the keeping of records of proceeds of the committee; safety and security measures; the appointment of the managing agent; the control of noise levels; the prohibition or regulation of trading activities; service contracts; and an architectural code to preserve the appearance of the building. Furthermore, every statement will be deemed to include the following provisions, unless the statement provides otherwise. The building management committee must meet at least once each year; at least seven days notice of a meeting must be given to each member of the committee;

the quorum for a meeting of the committee is a majority of the members; the decision of a majority of the members present and voting is a decision of the committee; a statement lodged for registration must be signed by the registered owner of each part of the building as well as by its registered mortgagee, chargee or lessee; and amendment to the statement must be signed by the persons I have just mentioned.

As I have said, the statement, when registered, operates as a deed between the owners, mortgagees and lessees of any part of the building. The agreement is deemed to include covenants by which all those persons totally and individually agree to carry out their obligations under the statement and to permit the other parties to carry out their obligations. Once a person ceases to have a registered interest in a building that is subject to a statement, the statement ceases to bind that person. However, this does not affect any obligation or right that was incurred by the person when the statement bound that person. The bill also provides that when a statement is registered for a building, mutual easements for support and shelter arise between each part of the building for which those easements are relevant. Furthermore, when easements for vehicular access, personal access or for a specified service exist between different parts of the building, then certain standard terms for those easements will be implied, unless the easement provides otherwise. This is the same situation as applies for buildings that are partly subject to a strata scheme.

In essence this part of the bill sets out a way that standard terms and conditions of an easement can be created merely by describing the easement in a certain way, for example, right of vehicular access or right of personal access. At some point after a building management statement has been registered for a building it is possible that an owner of part of that building may wish to strata that part. Section 28R of the Strata Schemes (Freehold Development) Act requires that a strata management statement must be registered whenever a part-building strata scheme is created. As I have mentioned, a strata management statement sets out the method for managing the building between the strata and non-strata parts. However, in the example I have given there is already a building management statement in place that governs the relationship between the various parts of the building.

In order that the building not be covered by two documents dealing with the same subject matter, the bill provides that upon registration of a strata management statement the existing building management statement ceases to have effect. That is, the strata management statement replaces the building management statement. Of course, any right or obligation that was approved or incurred by a person prior to the replacement of the building management statement continues in force. The bill will facilitate the development of buildings that are owned in separate parts where no strata scheme applies. It will also facilitate the management of existing buildings that are divided into parts. The bill is a response to calls from the private sector for such legislation, and all parties consulted by the Registrar-General have agreed that there is a need for it. I commend the bill to the House.

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

BUSINESS OF THE HOUSE

Bill: Suspension of Standing and Sessional Orders

Motion by Mr Gaudry agreed to:

That standing and sessional orders be suspended to allow the introduction and progress up to and including the Minister's second reading speech of the Industrial Relations Amendment (Leave for Victims of Crime) Bill, notice of which was given this day for tomorrow.

INDUSTRIAL RELATIONS AMENDMENT (LEAVE FOR VICTIMS OF CRIME) BILL

Bill introduced and read a first time.

Second Reading

Mr GAUDRY (Newcastle—Parliamentary Secretary), on behalf of Mr Whelan [8.47 p.m.]: I move:

That this bill be now read a second time.

Honourable members may be aware that the Premier, the Hon. Bob Carr, announced on 21 December 2000 that a new law would be introduced in this session of Parliament to allow victims of serious crime to attend court

without fear of losing their jobs. As the Premier noted when he made this announcement, the court process can be tough, and it is wrong for victims of crime to have the added burden of worrying about the safety of their jobs and income. Representatives of the Homicide Victims Support Group were with the Premier when he made this announcement, and I understand that they are supportive of these reforms. The Hon. John Della Bosca, MLC, as Minister for Industrial Relations, was also with the Premier when he made the announcement, and he also addressed the proposed reforms. In 1995 the Government undertook to tilt the balance in favour of victims of crime. After enacting the Victims Rights Act, providing for victims impact statements, and establishing a Victims of Crime Bureau to provide help to victims of crime, this legislation is the next logical step in the support of victims of crime at a most traumatic time. I am therefore pleased to introduce the bill.

The bill will amend the Industrial Relations Act 1996 to provide a right to unpaid leave for victims of serious crime to attend court proceedings arising from the relevant crime. The main purpose of the bill is to create a right for an employee returning to work after a period of victim's leave to be employed in the position held by that employee immediately before proceeding on leave. The Industrial Relations Commission of New South Wales will have the power to order the reinstatement of any employee who has taken victim's leave and has not been able to resume his or her former position. An exception will exist if it can be established to the satisfaction of the commission that the position has genuinely ceased to exist, for example, through employer insolvency. It is also proposed that the commission will be able to order the employer to pay to the employee an amount equal to the remuneration that the employee would have received but for being dismissed due to exercising the right to take victim's leave.

The bill provides that victim's leave would be available to victims of a serious indictable offence involving violence, including sexual or indecent assault. The parent or guardian of a child victim will also be eligible for victim's leave. Where a child victim is required to attend court proceedings, the parent or guardian will often be able to provide support and comfort in what is likely to be a traumatic experience for the child. In addition, it is proposed to provide eligibility for victim's leave for immediate family members of a victim who died tragically as a result of the crime. It is proposed that victim's leave be available for court proceedings involving the relevant crime that take place before a New South Wales court. Court proceedings will be defined to include committal proceedings, trial proceedings, proceedings on appeal and proceedings on a back-up offence or related offence. Regulations will also be able to be made to include proceedings such as pre-trial conferences. An extra day's travelling time can be taken as leave where court proceedings are taking place more than 100 kilometres from the usual place of residence of the victim.

There will be an obligation, where reasonable, for an employee seeking victim's leave to give at least one week's written notice of an intention to take victim's leave and the likely dates on which the leave will be required. If the employer requests some form of certification of the entitlement to victim's leave, the bill provides that the employee is to provide a certificate from a police officer or a prosecutor. In order to protect privacy, the certificate will confirm only that the employee is a victim of crime, within the meaning set out in this bill, and indicate the particular dates on which the relevant court proceedings will be held. It is also important to note that the bill provides that victim's leave will not break an employee's continuity of service. Further, an employee who is a victim of crime may take any annual, long service or other leave to which that employee is entitled instead of, or in conjunction with, victim's leave. I repeat that this bill is a further example of this Government's commitment to supporting and protecting victims of crime, as well as to providing fair entitlements to the working men and women of this State. I commend the bill to the House.

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

STATE REVENUE LEGISLATION AMENDMENT BILL

Bill introduced and read a first time.

Second Reading

Mr GAUDRY (Newcastle—Parliamentary Secretary), on behalf of Mr Aquilina [8.54 p.m.]: I move:

That this bill be now read a second time.

The State Revenue Legislation Amendment Bill contains amendments to the Duties Act 1997, Health Insurance Levies Act 1982, Payroll Tax Act 1971, Taxation Administration Act 1996 and Unclaimed Money Act 1995. The amendments are further steps in the Government's ongoing program of improvements to State tax administration. I will deal with the amendments to each act in turn. I refer first to amendments to the Duties Act

and the review of First Home Plus. In order to provide increased assistance to first home buyers in New South Wales, the Government introduced First Home Plus in last year's budget to replace the existing First Home Purchase Scheme. At the same time, the Government introduced new legislation to provide the first home owner grant as part of a national scheme to offset the effects of the goods and services tax. Subsequent administration of the two schemes has identified a number of inconsistencies between them and some anomalies. The bill therefore proposes a number of changes to First Home Plus to bring the two programs into greater alignment and to remove some of the restrictions on access to the scheme.

The old First Home Purchase Scheme applied only where consideration for the purchase of the property was not less than the value of the property. This restriction was intended to exclude non arm's length transactions, including sales to related parties. However, it also produced anomalies. For example, the purchase of a home valued at $170,000 would qualify for exemption if purchased for $170,000 but be subject to full duty if purchased for $150,000. The bill will remove these anomalies by determining entitlement to First Home Plus on the greater value or consideration, which is the same basis used for assessing stamp duty generally. This would also be consistent with the grant scheme, which effectively puts no restriction on consideration.

The scheme requires purchasers to occupy or intend to occupy the home on or before settlement or "within a reasonable time after settlement" as the purchaser's principal place of residence. This subjective test gives rise to potentially inconsistent treatment of applications where the property is not occupied immediately after settlement. Under the grant scheme, the applicant is required to occupy the home within 12 months and the proposed amendments will apply the same test to First Home Plus. The scheme allows a person to apply once as a single person and also as part of a couple, provided the other applicant has not previously owned land. This measure was intended to ensure that a married couple was not disqualified because one party had received the benefit of the concession as a single person. However, this is not restricted to married or de facto couples but applies to any two joint purchasers. It is inappropriate for a scheme that provides an exemption, as opposed to the original scheme's deferral or discount, to allow double dipping. It is also inconsistent with the grant scheme.

Therefore, the bill provides that an applicant cannot be entitled to receive the concession more than once. First Home Plus is not available for purchases by more than two people whereas the grant scheme has no restrictions on the number of purchasers. As it is proposed to provide that an applicant cannot receive the concession more than once, the number of purchasers will be irrelevant. The bill therefore removes this restriction from First Term Plus. The definitions of "single" and "couple" refer to persons "residing alone" or "residing together", but this distinction was primarily directed at identifying the applicant's ability to pay. Ability to pay is no longer relevant as the income test has been abolished.

In practice, it is difficult to identify whether a sole purchaser is really residing alone or with another person without a potentially excessive intrusion on the applicant's privacy. The bill therefore provides that the scheme will identify eligible persons by reference to the purchasers, not by reference to their status as "single" or "a couple". This will be consistent with the grant scheme. First Home Plus currently disqualifies a single person who has previously owned land, including vacant land, whereas the grant scheme only disqualifies a person who has owned land and a building suitable for use as a residence. The grant scheme provision more closely reflects the policy of applying to the purchase of a "first home", and it is proposed that this be adopted for First Home Plus.

A related problem arises where the lender requires a "guarantor"—usually a parent of a first home buyer who has a low income and minimal assets—to be added to the title. In the past these applications would be ineligible either because of the income test or because there were more than two purchasers. Under the proposed changes, the application would still be ineligible because the "guarantor" already owns a home. The bill addresses this problem by providing a discretion for the Chief Commissioner of State Revenue to allow the concession where the chief commissioner is satisfied that the interest is acquired for finance purposes only.

The bill also includes three new exemptions from duty. The first relates to the structure of legal practices. The Legal Profession Act 1987 was amended in 2000 to allow legal practices to be incorporated under the Corporations Law. Prior to these changes solicitors could only practice as sole practitioners, or in partnership, or in a solicitor corporation formed under the Legal Profession Act. As a result of these changes any existing solicitor corporations are now required either to incorporate under the Corporations Law or to revert to a partnership structure. The Duties Act currently includes an exemption for the transfer of dutiable property from a partnership of solicitors to a solicitor corporation. This exemption became obsolete following the above amendments. The proposals in the bill will replace it with an exemption from duty on transfers from a solicitor corporation to an incorporated legal practice or to a partnership, as these transfers arise solely because of the legislative changes.

The amendments to the Legal Profession Act gave effect to a competition principle review of that Act. The Attorney General introduced the amendments on the basis that the accountability of individuals for the management of the practice will be enhanced within a corporate structure, and that this is likely to lead to better delineation of responsibilities within firms and more efficient service provision. The bill therefore extends the exemption from duty for transfers from existing practices to an incorporated legal practice. The exemption has been requested by the Law Society of New South Wales on the grounds that the absence of an exemption could be a major disincentive to incorporation of existing practices, as these practices may hold substantial dutiable property in New South Wales. Conversely, new incorporated legal practices could be established in New South Wales with minimal duty consequences. The exemption will therefore be limited to transfers of property arising from the incorporation of existing practices.

The second exemption relates to agreements under the First Home Owner Grant Act. To assist in the efficient and prompt processing of First Home Owner Grant applications, the Office of State Revenue has authorised agents to act in the collection and initial processing of applications. Only financial institutions are authorised at present, although these arrangements may be extended in the future to other persons who are involved in assisting persons to obtain a first home. To formalise this agency arrangement the financial institution and the Office of State Revenue enter a deed of arrangement that attracts $200 duty. As these agents are providing a service to the Office of State Revenue, it is inappropriate to impose duty on these arrangements. Consequently, the Treasurer approved of the Duties Act being administered on the basis that these deeds of arrangement are exempt from duty as from 1 July 2000. The bill will amend the legislation to give effect to this approval.

The third exemption relates to conditional motor vehicle registrations. The Roads and Traffic Authority [RTA] currently operates a system of unregistered vehicle permits to allow unregistered vehicles to travel on roads. These permits are intended to be used for limited periods, such as when a restored vehicle is being driven to an RTA office to be registered. However, many vehicles have operated with these permits for long periods, which was not intended when the unregistered vehicle permits system was instigated. For these vehicles, the RTA proposes to introduce a system of conditional registration. This form of registration will only allow limited road use according to the type of vehicle. The RTA proposes to commence conditional registrations in the near future. As no duty is currently payable on unregistered vehicle permits, it is proposed to provide an exemption from duty for applications for conditional registration.

The bill also contains three minor clarifications of the Duties Act. The Act currently prohibits the registering of documents that are liable to duty if they are not duly stamped. The increasing use of electronic technology will result in an increasing number of transactions occurring without a written document being executed, with registration taking place electronically. While these transactions remain subject to duty whether or not evidenced in writing, the enforcement provisions preventing registration only apply to written documents. The bill will extend the enforcement provisions to prohibit registration of electronic transactions and instruments unless stamp duty has been paid. Where a business is conducted in both New South Wales and another jurisdiction, the Duties Act identifies the value of certain business assets—goodwill of a business, intellectual property and Commonwealth statutory licences—by reference to the proportion of sales of goods and services in New South Wales.

The provisions refer to business assets with a connection with "the Commonwealth or another Australian jurisdiction". However, some businesses that do not operate in any other part of Australia also conduct business outside Australia. It is arguable that the legislation imposes duty on the non-Australian proportion of those businesses' sales. The bill clarifies these provisions to ensure that New South Wales transfer duty is only payable on the New South Wales proportion of the value of business assets. Finally, a provision that allows a concessional rate of duty to be charged on certain transactions involving trustees and custodians of superannuation funds is amended to ensure that the concession is only available to transfers within the same fund, and not between different funds. This merely confirms the original intention of the concession.

I turn to amendments to the Health Insurance Levies Act. The health insurance levy is payable by health funds and is indexed each year in accordance with a formula, of which one component is the average weekly earnings issued by the Australian Statistician. The Australian Statistician issues a number of figures for average weekly earnings. The figure that has been used in determining the levy is the "Average Weekly Earnings (Original)". The bill will amend the legislation to confirm that this figure is used in the formula. The bill makes two changes to the Pay-roll Tax Act. The first relates to the taxation of wages under employment agent contracts. In general terms, employment agents are liable for pay-roll tax on wages and related benefits payable to workers under employment agency contracts.

However, an employment agent is not liable if the client is not liable for pay-roll tax; for example, if the client is exempt or pays wages which are below the threshold at which tax becomes payable, including amounts paid for the use of employment agency workers. However, if the wages paid by the client, including payments to employment agents, subsequently exceed the threshold the client becomes liable for tax on future payments to the employment agent under the agency contract. The employment agent remains exempt for the duration of the particular contract.

The bill amends the legislation to make it clear that once a client becomes liable for tax, the liability extends to contract payments made since the commencement of the current financial year. This is consistent with the general scheme of the Act, which imposes pay-roll tax on a financial year basis. The second amendment clarifies the application of the reduced rate of pay-roll tax applicable in the current tax year. The Act was amended in 2000 to implement the Government's decision to reduce the tax rate from 6.4 per cent to 6.2 per cent with effect from 1 January 2001. When the reduction in the rate was announced, it was intended that a tax rate of 6.4 per cent would apply to wages paid in the first half of the year and a rate of 6.2 per cent would apply to wages paid in the second half.

As pay-roll tax is imposed as an annual tax, it is arguable that the Act as presently drafted requires that an average rate of approximately 6.3 per cent should be applied to annual wages. The bill therefore amends the Act to make it clear that the annual tax liability for the 2000-01 financial year is to be determined by calculating the liability separately for the two half-year periods, with the tax-free threshold of $600,000 being allocated for calculation purposes between the first and second halves on the basis of the number of days in each half year. An employer with wages below $600,000 for the full year will remain not liable to pay the tax.

I turn now to amendments of the Taxation Administration Act. Interest for late payment of tax is determined in accordance with the yield rate for 13-week Treasury notes. However, the Australian Office of Financial Management has ceased issuing 13-week Treasury notes with limited fixed-term maturities. The bill therefore proposes to change the basis for the calculation of the market rate component of interest for late payment by adopting the 90-day bank accepted bill average yield rate. This rate is a reliable indicator of the market interest rate for short-term loans or deposits, and is an appropriate rate to apply to overdue tax liabilities. The interest rate will continue to be determined annually. The 90-day bank accepted bill average yield rate published by the Reserve Bank for the month of May will be the effective market interest rate for the following financial year. A taxpayer who is dissatisfied with the assessment of a tax liability has the right to have the matter reviewed by the Administrative Decisions Tribunal or the Supreme Court.

Recent amendments to the Taxation Administration Act to allow review by the Tribunal also changed the right to appeal to the Supreme Court to a right to a review by the Supreme Court. Part 51A of the Supreme Court Rules provides the mechanism for an appeal to the Supreme Court. The Supreme Court Rules Committee has advised that a review is separate and distinct from an appeal, and is therefore not subject to part 51A. The above amendments therefore inadvertently changed the appeal rights of taxpayers, as the intention is to provide the right of appeal as an alternative to a review of the Chief Commissioner's decision.

The bill will restore the application of part 51A of the Supreme Court Rules, which will avoid the need for new rules to be promulgated regarding reviews. Information obtained in the administration of a taxation law can be used by the Chief Commissioner in the administration of other taxation laws. However, it is arguable that the Chief Commissioner cannot use this information for the administration of unclaimed money or the first home owner grant, as the Taxation Administration Act does not specifically authorise this type of use. The use of tax information can streamline administration of unclaimed moneys by identifying the current address of owners and enabling money to be returned. The information can also be used to check the validity of eligibility for the first home owner grant.

The proposed amendments will clarify the legislation by providing that the information obtained in the administration of a taxation law can be used for administration of unclaimed money and the first home owner grant. The bill also authorises the use of information relating to land tax valuations. In accordance with the recommendations of the Walton report into the land valuation system, the Valuer-General now carries out all valuations for land tax purposes. However, some land tax clients will continue to lodge a letter with the Office of State Revenue, objecting to the valuation as well as to some other matter relating to the tax liability that is within OSR's administration. In practice, OSR would forward letters of objection to land values to the Valuer-General, but to do so might breach current secrecy provisions. Consequently, the bill adds the Valuer-General to the list of persons in the Taxation Administration Act to whom the Chief Commissioner of State Revenue can release information.

I now turn to amendments to the Unclaimed Money Act. The unclaimed money legislation provides that details of unclaimed money must be published in the *Government Gazette*. The legislation does not envisage publication by such means as the Internet. However, as a means of providing more accessible information to assist efforts to return moneys to their owners, unclaimed money information is now available on the Office of State Revenue's web site. To support this initiative, the bill will authorise the Chief Commissioner to determine the means of making the information public. This will allow both gazettal and Internet publication. The unclaimed money legislation provides that unclaimed money information is to be published where the amount of money held is greater than $50. With the use of Internet listings, OSR is able to efficiently provide information on amounts over $20, with little extra cost.

The bill therefore provides that unclaimed money is to be published where the amount of money held is greater than $20. Most State revenue Acts contain secrecy provisions preventing the disclosure of information obtained in the administration of the laws. However, as the intention of the unclaimed money legislation is to publish information to increase the chances of the money being returned to the owners, strict secrecy-confidentiality provisions would not be appropriate. In the process of lodging claims for unclaimed money, applicants are required to provide personal information sufficient to establish ownership of the moneys.

It is desirable for all information provided to the Chief Commissioner in support of claims to be protected by confidentiality provisions preventing disclosures without the consent of the individual to whom the information relates. At the same time, the Chief Commissioner should be able to use the information for the purpose of administering taxation laws. The amendments proposed by the bill will prevent the disclosure of information obtained in the process of making, determining and satisfying claims, except where the disclosure is made with the consent of the individual, or where the disclosure is in connection with the administration of a taxation law. I table a summary of the bill for the assistance of honourable members. I commend the bill to the House.

Debate adjourned on motion by Mr Fraser.

BUSINESS OF THE HOUSE

Committee Reports: Suspension of Standing and Sessional Orders

Motion by Mr Gaudry, on behalf of Mr Whelan, agreed to:

That standing and sessional orders be suspended to permit the consideration of General Business Orders of the Day (Committee Reports) forthwith.

REGULATION REVIEW COMMITTEE

Report: Fisheries Management (Aquaculture) Regulation 1995 and the Fisheries Management (Aquaculture) Amendment (Administration) Regulation 1999

Mr NAGLE (Auburn) [9.20 p.m.]: The Regulation Review Committee decided to carry out an inquiry into the oyster industry in the Hawkesbury River. The objective of the report was to examine and make recommendations relating to the Fisheries Management (Aquaculture) Regulation 1995 and a recent amendment to it, the Fisheries Management (Aquaculture) Amendment (Administration) Regulation 1999. The Committee held hearings on the regulation in March and October, and among other things the Committee recommends that the Minister for Agriculture ensure that adequate staff are retained by Safe Food Production New South Wales to enable it to expeditiously complete the sanitary surveys of the State's waterways. The Committee further recommends that funding be provided to sewer critical areas of the Hawkesbury River catchment, and that the Hawkesbury be adopted as a pilot scheme for the classification of waters by reference to sanitary surveys, in light of its importance to the industry.

The Committee also recommends that Safe Food Production and the Waterways Authority incorporate world's best practice in the New South Wales Shellfish Quality Assurance program and take such other action as will enable the export of New South Wales oysters to any nation. The Committee believes that the principal regulation should make it an offence for large commercial and hire vessels to approach within 100 metres of an oyster lease and that these vessels should be fitted with adequate storage tanks for sewage, and be provided with pump-out facilities to prevent pollution of the waterways. The Committee was asked to carry out this inquiry, through one of its staff who held certain concerns about the matter. It dealt with the regulations I have just brought to the attention of the House.

At its meetings on 18 and 25 November 1999 the Committee resolved that a briefing and view be held early in 2000 on aquaculture to examine the principal regulation, and to discuss how the dual administration under the regulation will work in practice. An initial briefing occurred in Parliament House on Thursday 9 March 2000. Those in attendance were: Mr Steve Dunn, Director of New South Wales Fisheries; Mr David Howse, Policy Adviser to the Minister for Agriculture; Mr Andrew Derwent, Development Manager, Seafood Division, Safe Food Production New South Wales; and Mr Mika Mallki, Manager (Oysters), New South Wales Fisheries. The discussions also concern the decision in *Ryan v Great Lakes Council*, where Judge Wilcox of the Federal Court said that depuration and meat testing prior to sale is not a sufficient guarantee of non-contamination, and that all the international models rely on the classification of harvesting areas by reference to sanitary surveys.

On Wednesday 22 March 2000 at Brooklyn the Committee conducted a site inspection of oyster processing and took evidence from Messrs Mallki and Derwent, and the following persons: Mr Stephen O'Doherty, member for Hornsby; Mr David Howse, Policy Adviser representing the Minister for Agriculture; Ms Christine Pedder, Policy Adviser representing the Minister for Fisheries; Dr Kerry Jackson, State Co-ordinator, New South Wales Shellfish Quality Assurance Program; Ms Stella Whittaker, Executive Manager, Environment Division, and Ms Jacqui Grove, Environmental Scientist, Hornsby Shire Council; Mr Don Ince, Chairman, Hawkesbury River Local Quality Assurance Committee; Mr Roger Clarke, President, and Mr Stephen Verdich, member, Oyster Farmers Association of NSW Ltd; Mr Peter Johnson, President, Hawkesbury River Oyster Farmers Association; Mr Glenn Browne, Chairman, and Mr Don Burgoyne, member, Executive Committee of the New South Wales Farmers Association Oyster Committee.

Further, on Monday 30 October 2000 at Parliament House the Committee conducted a further hearing and took evidence from the following persons: Mr Andrew Derwent and Mr Roger Clarke, who had given evidence at Brooklyn; Mr Stephen Dunn, Director of New South Wales Fisheries; Dr Kerry Jackson, who had given evidence at Brooklyn; Mr Robert Everett, Regional Manager Hawkesbury-Broken Bay, Waterways Authority; Mr John Hickey, Acting General Manager Policy Planning and Research, Waterways Authority; Mr Ross McPherson, Manager Water Catchment, Hornsby Shire Council; Damian Ogburn, Principal Manager Aquaculture, New South Wales Fisheries; Ms Barbara Richardson, Director Waters and Catchments Policy, Environment Protection Authority; Mr Paul Davico, Holidays-A-Float Houseboats Pty Limited; Mr William Glover, Director, Luxury-A-Float; and Mr Malcolm McDowell, Consultant, Ripples Houseboat Holidays.

In the discussions that ensued the Committee came to the realisation that there were great restrictions on oyster farming as it relates to export. Safe Food Production had informed the Committee that the decision in *Ryan v Great Lakes Council* was no longer entirely relevant as it had been handed down prior to the implementation of the New South Wales Shellfish Quality Assurance program. It said that the European Union had totally prohibited any importation of Australian shellfish product because it was not satisfied that Australia had implemented a procedure to guarantee that oysters were free of the QX and winter mortality diseases. These are protozoan parasite diseases of oysters, which have no effect on humans but make the product look unsightly. The prohibition was not on the basis of any quality assurance arrangements.

They said that Australian product is prohibited from entry to the United States of America because Australia does not have the requisite laboratories accredited by the United States Food and Drug Administration. While such an accredited laboratory was in operation in Australia in 1996 all member States of the Australian Shellfish Quality Assurance program voted to cease that accreditation because no farmers were exporting their product and it was therefore not economical. That is an important element: that we have this enormous oyster product in this State and we can supply it to Australia, but we cannot supply it to the European Union or the United States of America. That was a major consideration for the members of the Committee and those who gave evidence.

Dr Jackson confirmed that the European Union was currently conducting an on-site audit in Australia relating to procedures to guarantee that export shellfish are free from the diseases QX and winter mortality. However, she said they were looking only at the Tasmanian and Queensland industries as New South Wales had a long way to go before it could have an export industry. She said that at the last meeting of the Australian Shellfish Quality Assurance Advisory Committee on 13 October 2000 it was quite clear that there had been very little progress in moving towards uniform export and domestic standards for all shellfish. The program of oyster growing in the Hawkesbury and Sydney is an important aspect of the product that is well used in New South Wales and throughout Australia generally and should be one that has potential for export. Export has only been held back because of the sanitary surveys.

As a consequence of that Dr Jackson was questioned at length by Committee members about the sanitary surveys in the Hawkesbury region. She said that shoreline surveys, which are the first step in sanitary

surveys, were currently under way in Brisbane Water and Wallis Lake. That required the employment of one senior officer by Safe Food Production New South Wales since August 2000. A survey of approximately 30 per cent of Port Stephens has been conducted and approximately 30 per cent of Wallis Lake is to be completed. That is ongoing, as I understand the procedure. It is something I will come back to when I am dealing with the Committee's recommendations. The Committee also looked at the issue of pollution of the Hawkesbury River and there are several agencies that have responsibility for the waters of the Hawkesbury River. Hornsby Shire Council has a responsibility under the quality assurance program to inspect, repair and maintain on-site sewage management systems in the Berowra Catchment area.

In 1993 the council entered into the statement of joint intent [SOJI] with the Environment Protection Authority, Sydney Water and the Hawkesbury-Nepean Catchment Management Trust to improve water quality in the Berowra Catchment area. A total of approximately $1.9 million annually is spent as part of the catchment remediation program. Council was unclear whether it had jurisdiction over recreational use of the waters and was taking legal advice about its powers at the time. The Committee has not heard from the council about that matter.

Subsequently, at the hearing in Parliament House on 30 October 2000 Hornsby Shire Council advised that it may have those powers. As an interim measure it had decided to provide pump -out facilities in the hope that commercial and recreational users would use them. However, the council believes that the level of protection afforded to the waters of Sydney Harbour should be extended to the Hawkesbury. This would make mandatory the fitting of storage tanks for sewage and the use of pump-out facilities. A number of people gave evidence including Messrs Everett and Hickey of the Waterways Authority, Ms Barbara Richardson of the Environment Protection Authority, and Messrs McDowell, Davico and Glover, who are involved in the houseboat hire industry.

Mr Davico considered that the 56 sewage treatment plants that discharge into the Hawkesbury posed a greater threat to the oyster industry than the 100 to 120 houseboats on the river. Dr Jackson indicated that there were 564 moored vessels alone in the Sandbrook Inlet of the river, excluding houseboats. She said that discharges from sewage treatment plants were easily predictable as they occurred at times of heavy rainfall and that for as long as discharges affected the river the harvesting of oysters was prohibited. Dr Jackson said that there was no such predictability with respect to discharges from boats. After examining the evidence and considering all matters raised at length, including those raised by the honourable member for Hornsby, certain recommendations were made. Recommendation 1 states:

> The Committee recommends that Safe Food ensure that the Operational Review being prepared by Dr Rodgers be completed by the end of December 2000 and circulated to all concerned parties for comment by the end of February 2001. Furthermore that Safe Food inform the Committee of the action it intends to take as a consequence of the Operational Review by the end of March 2001.

My committee is still waiting and hoping that we get that in the next few days. The committee will then discuss it with Safe Food. Recommendation 2 states:

> The Committee recommends that Safe Food inform the Committee of the action it intends to take with respect to the Management Review by the end of March 2001.

Likewise, the committee is still waiting for that as we approach the end of March. Because of the importance of the Hawkesbury River catchment area I do not want to rush that organisation. If it requests more time we are happy to consider that, so that at the end of the day the proper recommendations are formulated and dealt with. Recommendation 3 states:

> The Committee recommends that the Minister for Agriculture ensure that adequate staff are retained by Safe Food in order to enable it to expeditiously complete the Sanitary Surveys of the States waterways.

In particular, as I said in my introduction, a survey of the Hawkesbury River be carried out. Recommendation 4 states:

> The Committee recommends that funding be provided to sewer critical areas of the Hawkesbury River catchment and that the Hawkesbury be adopted as a pilot scheme for the classification of waterways by reference to sanitary surveys in the light of its importance to the industry.

The Hawkesbury River is great for recreation as well as for the production of oysters. As a waterway we should preserve it, and a lot of time, effort and money has been put into it. Of course, as always happens with

governments, budgets limit what ministers can do. This important waterway attracts a lot of people, a lot of tourism, and we should protect it. Recommendation 5 states:

> The Committee recommends that Safe Food and the Waterways Authority incorporate world's best practice in the New South Wales Shellfish Quality Assurance Program and take such other action as will enable the export of New South Wales oysters to any nation.

When considering our balance of trade, exports are important to this country. We need good export items and our oysters are great. Sydney rock oysters are served in Parliament House as well as many other places and they should be served anywhere in the world and not knocked out because of technicalities in the United States of America, or North America, or in the European market because of competition concepts. If Sydney oysters were exported worldwide, that would promote Australia at the same time. Recommendation 6 states:

> The Committee recommends that Safe Food and the Waterways Authority undertake education campaign to the next 10 years promoting the export of Sydney Rock Oysters.

Recommendation 7 states:

> The Committee recommends that the principal regulation be amended to provide that in any waterway of the State it is an offence for an owner or for a hirer of:
>
> (a) a Class 1 commercial vessel, or
>
> (b) a Class 4 commercial vessel which is intended for residence or recreation,
>
> if the owner or hirer permits the vessel to approach within 100 metres of an oyster lease, or within such other distance as may be prescribed in a particular case.

The reason for that is to make sure that the integrity of the oyster leases is maintained and that the usable quality of the oysters is also maintained by keeping commercial boats, residents and recreational vehicles away from them. Basically that was agreed upon by all parties as an essential requirement. The owners were to take on responsibility to ensure that the people who hired their boats understood where the oyster leases were and undertook to remain 100 metres from them. The penalty for that offence is to be $750 for a first offence, $1,500 for a second offence and $3,000 for a third or subsequent offence. Recommendation 8 states:

> The Committee recommends that the principal regulation be amended to provide that in any waterway of the State the owner of:
>
> a) a Class 1 commercial vessel, or
>
> b) a Class 4 commercial vessel which is intended for residence or recreation,
>
> must ensure that adequate storage tanks for sewage are fitted and that the tanks are pumped out at necessary intervals without polluting the waterways.

That was one of the great concerns of everyone, including the owners of boats. It does not mean that every single boat has to have a pump-out facility, but class 1 and class 4 boats should have them. Recommendation 9 states:

> The Committee recommends that the Government facilitate such loans at bank interest to the owners of vessels referred to in recommendation 8 as are necessary to ensure compliance with that recommendation.

Recommendation 10 states:

> The Committee recommends that the Waterways Authority establish such pumpout facilities in the waterways of the State as are necessary to enable compliance with recommendation 8 and that on shore removal of sewage from the pumpout facilities be provided free of charge for the initial 10 years of their operation.

That recommendation was intended to ensure the integrity of waterways, the cleanliness and environmental satisfaction of the waterways, which are an integral part of our tourism industry and our fishing industry as well as for the people who live on and utilise the waterways. Recommendation 11 states:

> The Committee recommends that each owner of a class 4 commercial vessel which is hired for residence or recreation, be required to prepare an instructional video on the use of the vessel, showing in particular the areas in which the vessel is prohibited and that such owner be required to show the video to the person hiring the vessel prior to its operation.

Finally, recommendation 12 states:

> That the Waterways Authority give consideration to the provision of plain English or other explicit signage in the proximity of oyster leases to warn boat users of the problems associated with the discharge of sewage.

That is an important report, one in which we are not instructing the Government on what it should do, or forcing the Government to expend money in that area. We are taking on the responsibilities of the Regulation Review Committee to ask the Government to keep the integrity, commercial and tourist viabilities of our waterways free from pollution. And to the extent that can be achieved over a period, we ask the Government to plan to protect the integrity of the waterways for the future. I commend the report to the House.

Mr O'DOHERTY (Hornsby) [9.37 p.m.]: I commend the report to the House and thank the chairman for his courtesy in allowing me to join the committee when it undertook a tour of the oyster industry in the Hawkesbury River, especially in Brooklyn in my electorate and in the area adjoining the electorate of Peats. We had an instructive day speaking with oyster farmers and the local community about the issues that the chairman just outlined. I thank him for his careful attention to a matter I raised with the committee, a request that the committee recommend that funding be provided to sewer the critical areas of the Hawkesbury River catchment and the Berowra Creek, which runs into it.

I asked that the part of the Hawkesbury River that is within my electorate be adopted as a place for a pilot scheme to classify the waters in light of the importance of the industry so that a classification system could be developed under which oysters from Brooklyn will become known as world's best practice oysters. The essence of that system is similar to catchment management strategy, which is being adopted in best practice environmental management. It matches the way that Australia is able to market itself as a pure food producer. When we look at the dreadful, tragic mess in Europe with foot and mouth disease, we understand in even greater contrast the importance of looking after simple yet profound issues, such as the quality of our catchments and the inputs into our industries.

With a classification system that has looked at all the environmental issues and other pressures bearing down on oyster-growing areas, such as the Hawkesbury at Brooklyn, we will know, by a quality assurance stamp, that Brooklyn oysters are the best oysters in the world because they come from the best environmental inputs. We can then market those oysters internationally and within Australia and, equally importantly, assure consumers of the quality of those oysters. We can grasp this great opportunity thanks to the recommendation that was adopted by the committee on my suggestion after visiting that part of my electorate.

Bearing on that system are complex issues, some of which the chairman has outlined, in relation to the mix of industries within the Hawkesbury. The very important boating, tourist and recreational industries operate right alongside the oyster growing industry. They have existed well side-by-side for generations. Very rarely do we have any difficulties. Fortunately, the Hawkesbury has not had the situation which developed in Wallis Lakes—nor do I foresee such a situation developing in my part of the world. Since 1993, when the statement of joint intent was signed between the Fahey Government and its agencies and Hornsby council, governments have taken a renewed approach towards catchments. Indeed, my recollection is that the statement was the first community contract of its kind signed anywhere in New South Wales, perhaps in Australia, for the management of a catchment. Again my recollection is that the Berowra Creek Catchment Management Committee was one of the first, if not the first, catchment management committee set up under the Hawkesbury-Nepean catchment trust system, which was the brainchild of the honourable member for Hawkesbury, amongst others.

There is a great history of members expressing concern and governments acting. I am proud that I was a member of the Fahey Government backbench at the time the community contract for Berowra Creek was signed. It was the first community contract and it has become a model. The contract stated that the government agencies, together with the council, had to go through the catchment and identify the point sources of pollution, identify who was responsible for dealing with them and reduce the point sources in order to reduce the overall pollution load on Berowra Creek and the Hawkesbury River. That resulted in a renewed vigour to clean up the water that was coming out of Berowra Creek, flowing straight into the Hawkesbury and, with very little filtering, going straight past the oyster leases.

The practical outworking of that process is that this year, finally, the current Government is putting money into the upgrading of two sewage treatment plants that impact on Berowra Creek—one at Hornsby and the other at Hornsby Heights. The upgrade will reduce the nutrients that are released into that part of Berowra Creek by those two plants. That is one of a number of things that had to be done. I am delighted that finally the current Government has put money into that program, which was identified as a priority back in 1993-94. However, I highlighted a serious situation to the committee went it visited my electorate. Again, I thank the chairman for including it in his final report as one of his recommendations. The situation is that critical parts of that catchment are not sewered. It does not matter whether the sewage treatment plants are upgraded. People who live in Brooklyn, on Dangar Island or in Cowan or work in the Mt Ku-ring-gai industrial area still use a septic or pump-out system. That situation cannot be permitted to persist in the twenty-first century in the Sydney metropolitan area.

I know of the significant problems in rural New South Wales in providing backlog sewerage. However, we also have problems in metropolitan New South Wales, but there is no commitment of any money whatsoever from the current Government to rectify them. The committee's visit was an opportunity for me to highlight the importance of sewerage. There has been an inquiry and a report on the importance of the oyster industry. It is a multimillion-dollar industry in that part of the Hawkesbury alone. But right next to it, in fact co-existing, is a suburban area without sewerage. The potential for trouble is perfectly obvious and clear. Sydney Water has identified Brooklyn, Dangar Island and Mt Ku-ring-gai industrial areas for inclusion in the priority backlog sewerage program. Sydney Water was slow to identify Cowan, but I believe we have finally convinced it that it needs to invest in Cowan as well.

I am delighted that the committee has agreed with my request to recommend that the Government provide sewerage to those critical areas for no reason other than to protect the environment and the oyster industry, which is important to the economy of my area and of New South Wales. I thank the committee for accepting my suggestion and for its foresight in calling on the Government to provide the funding. I again call on the Government to provide a timetable for the sewerage works in those areas. We want a commitment of money and we need it now. We want the Government to adopt the Hawkesbury as a pilot scheme for the classification of waters under the oyster classification scheme. That very good recommendation was referred to by the chairman. We want the Government to work with the recreational boating industry.

I draw the attention of the House to recommendation No. 8. That recommendation is a good way forward and is not unworkable by any means. There must be a smooth transition to the installation of on-board tanks and the regular use of pump-outs. Residents have told me about instances where they believe people are avoiding pumping out by taking the boat for a bit of a run. Oyster growers have told me if you follow a houseboat after it has been out for the weekend you can follow the trail of the stain on the water. Clearly, that situation cannot persist. I am also mindful of the fact that there is a huge equity problem. Not everyone will abide by the very costly necessity to install tanks and go through the pump-out process. There must be fairness and equity. The Government must provide incentives so that everyone in the recreational boating industry can gear up for that at the same time. I like the idea of a ten-year moratorium on fees. That is a good way to get the system up and running, and I thank the chairman for that recommendation.

Finally, I refer to a matter that was raised with me by an oyster grower two weekends ago. I call on the Government to investigate the fresh water releases by Sydney Water from Warragamba Dam in times of high rainfall. That occurs because the dam wall needs amplification. The honourable member for Hawkesbury has been talking about that throughout his political career. He is absolutely right. Because the dam has not been amplified regularly, Sydney Water has to release the fresh water. The problem for oyster growers is that when the salt content of the water in which they are growing their oysters drops below a certain level they cannot harvest.

At a time of high rainfall Sydney Water lets the dam go and fresh water flows down the Hawkesbury River. Suddenly the oyster growers doing their tests realise that they cannot harvest. They have no alternative but to lay off their workers. They say: "Don't come tomorrow. Don't come for another week." The worst part is, as the oyster grower told me a couple of weekends ago, Sydney Water never tells them when it is releasing fresh water. They have no way to plan for it and they have no certainty about the harvesting of their oyster crop. Their business is suddenly put on hold for an indeterminate period. I would ask the Government to investigate that issue and, if possible, find a way to help Sydney Water to get around that problem. But at the very least the Government should ensure that oyster growers are informed in advance by Sydney Water before it lets go of all that freshwater.

Mr FRASER (Coffs Harbour) [9.49 p.m.]: I acknowledge the report and express my disappointment at its narrow focus. I commend the committee for the job it has done.

Mr Nagle: We were only doing it on the Hawkesbury. If you were to invite us up to Coffs Harbour we would do it in Coffs Harbour.

Mr FRASER: The honourable member for Auburn says that he would be happy to come up to Coffs Harbour. I invite him to come up to the Nambucca and to the Macleay River where some of the finest oysters in New South Wales are produced.

Mr Ashton: Haven't you heard of the Georges River area?

Mr FRASER: We have heard of the Georges River, we have heard of the Hawkesbury River and we have heard of Myall Lakes, where there have been problems. It has been identified that these problems are the result of people disposing of effluent in a non-regulated manner. Therefore there can be problems in the

waterways in which oysters are grown. Oysters grow by filtering microbes out of the water. They are delicious to eat! But this Government has reduced the town water and sewerage programs in regional New South Wales by $50 million a year since it has been in power. The Government maintains the necessity to provide safe food for the general public, but it has reduced programs in such a way that the risk of contamination within the waterways has increased. Communities are unable to connect to a proper sewerage system that will ensure that the quality of water going into waterways which feed the oysters will not affect the oysters when they are growing.

The Mayor of Maclean, Chris Gulaptis, has been screaming for a long time about the lack of funding for country water and sewerage schemes. He is unable to upgrade the sewerage systems to ensure that the quality of the effluent flowing into the Clarence and other river systems will not damage the aquaculture industries. A lot of these estuaries not only produce oysters but also supply fresh fish to the Sydney Fish Market. All honourable members know that fish is a most volatile substance that can be affected by outside influences, especially effluent. If my memory is correct, a caravan park owner in the Karuah area was illegally disposing of effluent, which created the contamination problem in Wallis Lake that resulted in illness in a number of people, and the death of others.

In some ways it is commendable to recommend increasing fines. But it is the carrot and the stick that I worry about. If the Government wants boat owners and others to comply with legislation, rather than threatening them with a fine of $750 for the first offence, $1,500 for the second offence and $3,000 for the third offence—which is probably not adequate—it should educate them. I note that the report suggests that people who hire vessels for weekend recreation should be given an educational video. But what we really need is a campaign that highlights the need to keep our waterways clean. Even though the Government announced this week a supplement of $60 million for the town water and sewerage schemes, we need some honesty from the Government to admit that it cut out $50 million a year from the scheme in the first instance.

It is all very well for the Minister for Agriculture and the Minister for Land and Water Conservation to say that they spend $1 million a week on this problem. Yes, they do, but the projections were for $2 million a week. The projections were that the coastal waterways on the North Coast, or north of Sydney, would be given funding to increase and improve their sewerage systems to ensure that the quality of the effluent disposed of in the waterways would engender some confidence in the safety of our waterways. The Government says one thing, but the financial reality is that funding is not following the programs the Government is espousing. Although Coffs Harbour City Council does not have any oyster growers in its area, it has water quality problems in the estuaries, which are utilised by locals not necessarily for commercial activities but definitely for recreational activities. They pick floating oysters in Coffs Creek and they catch fish out of the creek.

Coffs Harbour City Council has been forced into a $120 million sewerage scheme. Michael Knight, who was the shadow Minister at the time, came to Coffs Harbour and said, "Not one cent!" It was going to cost $3 million to complete the scheme, but now it is costing $120 million. The Government told Coffs Harbour City Council that it does not have the money, but it knows that the council has money tucked away for the project in the long term. The Government asked the council to put in the $20 million plus that it cannot afford at the moment, and it will give it back later with no guarantee. It is sad because we take great pride in our waterways. People on the Macleay and Bellinger rivers and the Nambucca, where former Premier Barrie Unsworth had oyster-growing interests, rely on clean water. Those rivers have effluent disposed into them.

If the resources of local government areas are to ensure that only the best possible effluent goes into our waterways but those efforts are not supported by this Government, we will experience contamination scares. We do not want that. We run the risk of oysters in those areas being contaminated by effluent. I appeal to the honourable member for Auburn to come up and have a look, then report back to the Minister in charge of the Department of Land and Water Conservation. Lack of funding in the past six years means that water quality has not met the standard set by the local government areas. Use the carrot-and-stick approach, rather than the fines. Go out and appeal to the people. They are responsible people. They want to utilise the waterways and leave them in a pristine condition.

If we do not educate boat owners and the operators of vessels who use those waterways, and ask them to ensure that their standard of disposal of effluent meets safety standards, we cannot maintain waterways in the pristine condition we would all like to see. The best way to do it is by education and co-operation, rather than using the big stick. I note that in the report Dr Jackson had this to say about the sanitary surveys on the Great Lakes:

> A survey of approximately 30 per cent of Port Stephens has been conducted and approximately 30 per cent of Wallis Lake is to be completed. Surveys have also been conducted of Nelson Lagoon and Eden. The Senior Officer was employed on 10 August and there are about 23 estuaries outstanding where oysters are grown. Dr Jackson said that they may only have the officer until November—

I assume that is November 2000—

> and that they had therefore prioritised areas that have had a food poisoning outbreak in the past, as immediate priority.

That means that, rather than prioritising, the Government should be funding Dr Jackson and his officers to a greater extent to allow them to continue their surveys and ensure that the water is clean. The committee recommends that the Minister for Agriculture, and Minister for Land and Water Conservation ensures that adequate staff are retained by Safe Food to enable it to expeditiously complete the sanitary surveys of the State's waterways. However, as a member representing an area that has an interest in oysters and aquaculture generally, I would like to have those surveys completed and that funding provided. It is important that we assure the general public, who love eating New South Wales oysters—Sydney rock oysters are the greatest in Australia—

Mr Ashton: In the world!

Mr FRASER: I agree. We must ensure that our oysters are safe to eat. This Government must provide the funding to deliver good water quality and the surveys must be completed so that in future we can eat oysters with enjoyment, not fear.

Report noted.

Report: Scrutiny of National Schemes of Legislation and the Meeting of the Working Group of Chairs and Deputy Chairs of Australian Scrutiny of Primary and Delegated Legislation Committees

Mr NAGLE (Auburn) [10.01 p.m.]: The Regulation Review Committee intends to follow up on its reports and to advise the House why its recommendations have or have not been implemented. Parliamentary committee reports are very important. The committee process gives members a chance to express themselves in meetings of committees of both the Legislative Assembly and the Legislative Council and allows the citizens of New South Wales to participate in parliamentary procedures. The honourable member for Coffs Harbour invited the Regulation Review Committee to travel north and conduct hearings into some matters that he raised. He has only to write to the director of my unit and we will be happy to visit towns such as Coffs Harbour, Grafton, Ballina and Murwillumbah.

This report deals with the scrutiny of national scheme legislation. The State and Territory parliaments of Australia have created a national working group of chairs and deputy-chairs to scrutinise Australian primary and delegated legislation committees. I am the national chair of that working group until February next year. The committee meets regularly and comprises me as the national chair and the Hon. Janelle Saffin from another place, and the Hon. Ron Roberts, MLC and the Hon. Angus Redford from South Australia, who is my deputy. The Queensland representatives on the committee were Mrs Linda Lavarch and Mr Tony Elliott, but Mr Elliot has now retired from Parliament after a distinguished career and Mrs Lavarch has moved on to other things and will not serve on the Queensland scrutiny of legislation committee.

Western Australia was represented by the Hon. Bob Wiese, who has now retired—he was the former chair of that committee—and by Mr Norm Marlborough, who was the deputy-chair. We are now waiting for an announcement as to who will assume the vacancies for Western Australia and Queensland as a result of the change of government in the west and the overwhelming result for the Beattie Government in Queensland. The Commonwealth is represented by Senator Coonan—a Liberal senator—from the Standing Committee on Regulations and Ordinances and by Senator Cooney, who chairs the Standing Committee for the Scrutiny of Bills. The Northern Territory is also represented. Mr John Hargreaves is the representative from the Australian Capital Territory and the Hon. John Loone and the Hon. Geoff Squibb represent Tasmania.

This report is very important because it deals with an issue of great concern to members of Parliament. Under the Westminster system, the democratic process is divided into three categories: the Executive, the Legislature and the judiciary. Over the years a body of rules has been formulated called national scheme legislation. This involves Ministers from respective State and national parliaments getting together in ministerial councils to decide common national rules and legislation, such as the national road rules. The legislation is divided into three categories: template legislation, mirror legislation and adopted legislation. A ministerial council decides a course of conduct, as in the case of the computer offences legislation which will shortly come before this Parliament. Attorneys-General across Australia have agreed that that legislation should cover computer offences and it will come to this Parliament as national scheme legislation.

However, we should be wary of the Executive deciding to become the primary legislative body over and above the Legislature. For example, we may be told, "We are the ministers for X, Y and Z from throughout Australia and we agree that this measure should apply nationally. Therefore, you must adopt it." Legislation comprising one section or 500 sections could be passed in one State and then templated or mirrored throughout the country. The caucuses of the various parliamentary political parties may not get to gauge the full ramifications of that legislation and the consequence might be poor legislation. For example, the State of New South Wales has three types of road signs: "No Stopping", "No Standing" and "No Parking". Other States have "No Parking" and "No Stopping".

When the States agreed to adopt the national road rules uniformly throughout Australia, someone did not pick up that New South Wales would have to do away with its "No Standing " signs. The Roads and Traffic Authority [RTA] estimated that that exercise would cost New South Wales $30 million. However, if the signs are phased out over 10 years, it will cost only about $7 million. Members of Parliament should know when that sort of thing occurs. To the RTA's credit, it has dealt with that problem effectively and I commend it.

National scheme legislation was designed to address issues such as company share acquisition, company securities, company application laws, company codes and national consumer credit. It was not intended that, every time a group of Ministers met and decided they had a common interest, they should invoke national scheme legislation and tell their State colleagues, "We have agreed on it so you must accept it."

Adopting that procedure effectively takes away the fundamental right of the Legislature to make laws for the peace, welfare and good government of the State. Why would we need a Legislature if Ministers could be appointed to meet with other State and national Ministers to agree upon standard legislation and have it passed automatically? A brilliant article on this whole issue appeared in the October issue of the *Parliamentarian* called "Regulatory Reform Management and Scrutiny of Legislation: Accountability and Transparency in New South Wales" by Peter Nagle MP from Sydney. I commend the article to all members of Parliament, including Ministers. It deals with the dangers of national scheme legislation. Modesty permits me to say that it is a great article.

The working group of chairs and deputy-chairs came about because at our last meeting we agreed to look at formulating legislation for our respective parliaments to limit the implementation of national scheme legislation and to ensure more scrutiny by Parliament. If such legislation is agreed to, that is the end of it: no member of this Parliament has a say in it. This would make it very difficult for the legislative body of this Parliament. I commend the report to every member of the Parliament to see exactly what is happening. It may seem at this time of night in the year 2001 a little flippant, but let me assure you that in years to come many members of Parliament will be greatly concerned that the Executive has taken up what it thinks is its entire right to run the Parliament and do away with the legislative body. A civil war was fought under Oliver Cromwell on that issue. There have been many wars and many debates—

Mr Fraser: That was not here, though; that was in England.

Mr NAGLE: At least it was not the Medes and Persians, as the Premier referred to earlier today. Members of Parliament should give serious consideration to whether the Legislature should adopt national scheme legislation as part of its legislative processes. Let it do so but let the laws be enacted in this Parliament. When Ministers get together at a national level they agree upon a course of action and then create legislation that is passed in one State to be templated or mirrored in other States. Then every Legislature is expected to accept it without it even needing to go to caucus or anyone else: it may be introduced and passed automatically without even a vote. I have great concerns about the future direction of national scheme legislation as it affects the State of New South Wales. I commend the report to the House.

Mr FRASER (Coffs Harbour) [10.13 p.m.]: I commend the honourable member for Auburn for his comments because I heartily agree with him. It is interesting to reflect in this centenary year of Federation that Australia is unique: we have a Federation and a Constitution because the States wanted their independence but at the same time wished to have an indissoluble federation of States held together under a Commonwealth government. I wrote a paper on this and delivered it in Dubbo in about 1992. It suggested where we should head if we are to change the Constitution. I said that we should do away with the Federal Government and each State government could appoint a Federal Minister. Until recently I would have said that there would not have been a chance for one party to monopolise the Federal Government under such a scheme. It would be nice to have a Federal Government that acted for the true welfare of all Australians.

Ministers could be appointed to look after the seven original areas that the Federal Government was intended to cover under the Constitution, at the same time preserving the integrity and individuality of States'

rights. The seven Ministers appointed by the State governments in power at the time could appoint their own Prime Minister. Whilst it is a different form of federation, we would still have a federation and we could still operate under a constitutional monarchy, which we do at the moment. Evatt's *The King and His Dominion Governors* stated that the current Constitution preserves our rights within New South Wales and within Australia.

I advise the honourable member for Auburn that self-praise is no recommendation, but I will read his paper with interest. State environmental planning policy 44 covers wetlands on the North Coast. It was brought in by the Labor Government prior to 1988. Basically, it enables an arbitrary taking over of persons' lands on the North Coast and other areas that were deemed to be wetlands. It was revised, but people who were affected lost a lot of their land because it was deemed to be wetland and, therefore, was protected. They still pay rates on it today. The value of the land has decreased because the usable area of land is less than it should be. The fact that a Minister may do that in conjunction with his department without reference to Cabinet, the party room or Parliament has concerned me for some time. The Australian States are individual States. Australia has a tyranny of distance. There are issues that are peculiar to each State and that should be preserved by each State.

Each Christmas period in Coffs Harbour and other North Coast towns visitors from Queensland come to holiday. They think it is okay to do U-turns at traffic lights because they are able to do that in Queensland. In New South Wales they can be booked for doing it. Perhaps there should be leniency in that area but when it comes to prudential standards the interest of New South Wales should be protected. Failed credit unions from Victoria and Western Australia sought access to New South Wales. The Greiner Government of the time ensured that whilst those credit unions had access they had to meet the same prudential standards that this State had imposed on its own non-bank financial institutions. That was fair. We had an obvious interest in preserving our triple-A credit rating. We wanted to ensure that the disasters that occurred in Victoria and Western Australia did not occur in New South Wales.

So we were careful to pass legislation in New South Wales that, whilst similar to legislation passed in other States across Australia—it was done in conjunction with other parliaments—ensured that prudential standards that we had enjoyed in the past were retained for non-bank financial institutions. That is the sort of independence that we need, because we need to ensure that the New South Wales Government acts in the best interests of the people of the State. I support the statements of the honourable member for Auburn in this respect. I agree that we need to look at these issues with the utmost caution to ensure that the interests of our constituents are covered in the best possible way. I commend the report.

Report noted.

SPECIAL ADJOURNMENT

Motion by Mr Aquilina agreed to:

That the House at its rising this day do adjourn until Thursday 29 March 2001 at 10.00 a.m.

House adjourned at 10.18 p.m.