LEGISLATIVE ASSEMBLY

Wednesday 4 April 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.

STRATA SCHEMES LEGISLATION AMENDMENT BILL

Second Reading

Debate resumed from 28 March.

Mr O'FARRELL (Ku-ring-gai—Deputy Leader of the Opposition) [10.00 a.m.]: The Opposition does not oppose this legislation. This bill simply seeks to modernise existing provisions to take account of more recent developments of the type that one sees regularly at places such as Chatswood and Hurstville. It is fair that the laws involved in the strata scheme should be adapted to meet modern conditions and it would be unfair not to do so. The only point I make briefly is that this legislation is another plank in this Government's platform to increase development densities across the whole of Sydney. The Opposition's concerns are that that approach takes no account of local communities and it is a policy that will certainly have a huge impact in many areas of Sydney in relation to residential managing. The Opposition does not oppose the legislation.

Mr MARKHAM (Wollongong—Parliamentary Secretary) [10.02 a.m.]: I am pleased to support this bill. I note that the bill has its genesis in problems that have been brought to the attention of the Registrar General in the course of registering strata plans and transactions affecting land in strata schemes. Because of this, the House can be assured that this bill deals with matters that are real issues for the strata industry. The Minister has explained how a part-strata scheme is created so I will not repeat that information. I will merely mention that a part-strata scheme exists when only part, as opposed to all, of a building is subject to a part-strata scheme.

At the time that the part-strata legislation was put in place, it was thought that only a fully completed building would be the subject of a part-strata scheme. It was not anticipated that a part-strata scheme might apply to the podium and tower-type development, which was mentioned in the Minister's example, and it was certainly not anticipated that a part-strata scheme might be built in stages. However, the reality is that this type of development is being built and there are problems in being able to develop and manage it as a single part-strata scheme. It is for this reason that the current restrictions on developing a part-strata scheme in stages are being abolished.

This bill will allow a part-strata development which is built in stages to be managed by a single management committee set up by a strata management statement, so that the strata and non-strata components of one building can be managed by one committee. This will ensure that these types of developments can be managed efficiently and properly and will be of benefit to those owners and lessees who have an interest in such schemes. Following the Minister's explanation, I note that a staged scheme is one in which the initial strata plan designates vacant land lots, which are to be developed at a later point in time. Those vacant land lots are called development lots. The initial strata plan upon which they are illustrated must be accompanied by a disclosure document known as a strata development contract, which sets out how the development lots will be developed in the future.

Normally development lots will be developed by a building being constructed upon the lot and then having that building subdivided into strata lots and common property. Those strata lots and common property will be part of the same strata scheme, as are the lots and common property created by the initial strata plan. When the part-strata and staged-strata legislation was introduced in the early 1990s it was not anticipated that there would be developments that would incorporate both part-strata and staged-strata elements into the development. However, with the increasing sophistication and innovation of developments since the legislation was introduced, there is now a demand for this type of development. The Minister cited the example of a podium and two-tower type development in which the towers are built at different times, say, a year apart. The first tower could be a part-strata development, that is, a development in which only some of the floors in the

tower comprise a strata scheme. When the second tower is built, the whole of that tower will be able to be included in the same strata scheme that was created for part of the first tower, that is, the second tower will be the second stage of the strata scheme.

The bill also introduces provisions to require the disclosure document, the strata development contract, to disclose that the strata scheme will be part of a part-strata development and that a management statement will govern the relationship between the strata and non-strata components of the development. Therefore, purchasers of lots in the initial stage of the development will be made aware of the type of the development that they are buying into and the future course of the development. This reform will introduce necessary flexibility in that the strata legislation will facilitate innovative and imaginative development. The bill also proposes to alter the way in which the changes to the strata plan are documented for the benefit of owners and purchasers. It provides protection for minority owners and provides a more streamlined process for preserving or transferring property rights.

The last reform concerns transfers of common property. At present the legislation provides that a unanimous resolution is needed in order to transfer common property. That means that if only one person in the scheme opposes the transfer, it cannot proceed. However, the practicalities of effecting such a transfer require that the common property to be transferred first be shown as a lot in a plan registered with the Registrar General. The Court of Appeal of the Supreme Court of New South Wales has said that, because the common property to be transferred is now shown as a lot, it loses its status as common property and is instead a lot owned by the owners corporation. Because it is now a lot, it can be transferred by a special rather than a unanimous resolution.

The reform effected by this bill is to translate the decision of the Court of Appeal into legislation. That means the legislation will now state clearly that common property can be transferred by a special resolution. This is not a change to the substantive law but rather a clear statement of what the law is since its interpretation by the Court of Appeal. The various measures in this bill are practical and commonsense reforms that have been put forward only after consultation with those involved in strata matters. I have no doubt that they will benefit the strata community and I am pleased to support the bill.

Mr D. L. PAGE (Ballina) [10.11 a.m.]: As the Deputy Leader of the Opposition indicated, the Opposition does not oppose the Strata Schemes Legislation Amendment Bill. It is fair to say that this bill is part of an ongoing process of updating strata title legislation, as is the subsequent bill dealing with the Conveyancing Act. This type of bill has enjoyed bipartisan support in the past because it has been about updating the legislation to make it take account of the realities of modern living. It has also been about facilitating the types of developments that in many cases were not envisaged when the original legislation was drawn up. Specifically, this legislation allows a staged-strata scheme to be a component of a part-strata development. It also amends the current form of surveyor's certificate for part-strata schemes so that it no longer prevents the second or subsequent part-strata scheme from being part of a development that is being built in stages and that already contains an existing part-strata scheme.

The bill also removes the requirement for a strata management statement to be lodged for a part-strata scheme when there is already a registered strata management statement that adequately governs the development as a whole. It suspends the initial period restrictions while the developer still owns all of the lots in the strata scheme because there are no minority interests to protect at that point. It also allows a revised schedule of unit entitlements to be lodged by the owners corporation at the conclusion of a staged-strata development. This will correct anomalies that may have arisen during the development. It allows common property to be transferred pursuant to a special, rather than a unanimous, resolution. Importantly, none of the proposed changes will diminish the rights of minority owners in a scheme. The Opposition supports the legislation.

Mr ANDERSON (Londonderry) [10.12 a.m.]: I am pleased to support the Strata Schemes Legislation Amendment Bill. I note that, while the Deputy Leader of the Opposition talked about Hurstville and Chatswood, he did not refer to many parts of western Sydney—and this bill is certainly relevant to the people in and around my electorate. Many of the reforms in the bill concern staged-strata development and, accordingly, in order to understand those reforms it is necessary to understand how a staged-strata development works. A staged-strata development means the development of a strata scheme in stages: some development will take place now and some will take place later. The purchasers in each stage of such a project become members of the same body corporate and the common property created in each stage becomes part of the overall common property. This means that a developer can use the proceeds of a sale from the early stages to finance the development of later stages. Another advantage is that the developer can take account of the changing expectations of purchasers and adapt later stages to meet those expectations.

The Minister outlined the main features of a staged-strata scheme in his second reading speech, and those that I am interested in are as follows. A strata development contract will be lodged at the same time as the initial strata plan is lodged with the Registrar General. Upon registration of the initial strata plan together with the strata development contract a staged-strata scheme will come into existence. The strata development contract sets out all the details of the development. It specifies the development that the developer may be compelled to complete and also the development that the developer has a discretion to complete. Owners of lots in the scheme are not able to prevent the discretionary development from occurring but are able to compel the developer to carry out the work that the developer is obliged to perform.

The statutory form of explanatory note is displayed prominently at the beginning of the strata development contract, drawing attention to these fundamental aspects of the scheme. The contract also bears a statement by the consent authority—normally the local council—that carrying out the development will not contravene the development consent that has been granted for the development. Apart from the contract, the staged-strata provisions of the strata legislation also impose obligations on the developer. For example, it is a requirement that the standards in all subsequent stages for materials, finishes, landscaping, roads, paths and common property investments will not be less than for the first stage of the development. This is a real concern. I have been involved in a number of disputes with property owners and developers because these requirements were not met. The developer certainly put forward proposals in lodging the plans but those outcomes did not eventuate. On numerous occasions the Department of Fair Trading and other bodies have had to try to resolve those issues. These matters will now be in the contract that is lodged and the developer will not have the opportunity to renege on the contract.

Other important points should be noted. First, the method of determining the developer's liability for owners corporation expenses must be disclosed in the strata development contract. It will be determined according to unit entitlement or some other basis. Secondly, the developer will have a majority vote in general meetings or council meetings of the owners corporation when the meeting considers what are known as "development concerns". Development concerns are generally those matters necessary to carrying out the staged development in accordance with the strata development contract. For example, commencement of the next stage of a development would be a development concern. Thirdly, variations to the development contract may be made by filing an amended contract with the Registrar General. This amended contract must contain a certificate from the relevant consent authority certifying that the contract is not inconsistent with any related development consent. Fourthly, vertical staged-strata schemes are permitted—that is, a building divided into strata lots will be able to have additional floors built onto it in future.

However, in such cases special implied statutory obligations will apply. For instance, the developer will be deemed to have promised that, in carrying out the building operations, support for existing land and buildings is guaranteed in accordance with proper engineering and building practice. A staged-strata development will end when the last stage has been completed, which must occur within 10 years of the commencement of the scheme. Lot owners and the owners corporation can take action to compel a developer to complete the development. That is how a staged-strata development operates. The reforms introduced by this bill will allow staged-strata schemes to operate in conjunction with a part-strata scheme. That means that a part-strata scheme can be developed in stages. This will allow innovative and imaginative developments to proceed without being hamstrung by legislative provisions that did not anticipate that such developments might be proposed. The strata development contract for that type of development must disclose that the strata scheme will be part of a part-strata development, and that a management statement will govern the relationship between the strata and non-strata components of the development.

Another reform that the bill is effecting in relation to staged strata concerns unit entitlements. As the Minister explained in his second reading speech, when common property facilities are provided in a stage of the development, the allocation of unit entitlements is often rendered inequitable. The problem will now be able to be overcome by empowering the owners corporation to lodge a revised schedule of unit entitlements at the completion of the staged development. The revised schedule must allocate the unit entitlements amongst the lots upon the basis of their respective market value at the date of the completion of the development.

The initial schedule of unit entitlements will contain a warning that the unit entitlements are temporary and are liable to be revised at the completion of the staged development. That already happens in respect of the staged development of a community scheme. The other reforms contained in the bill provide, first, for a part-strata scheme to be completed in stages; second, to remove the requirement for a management statement to be lodged for a part-strata scheme when there is already a management statement for the building; third, to abolish the initial period restrictions where the original proprietor owns all of the lots; and, last, to allow common

property to be transferred by a special rather than a unanimous resolution. Those reforms remove anomalies and impediments to strata development, and are needed by the strata community. They will facilitate innovative development of strata schemes, and aid in their efficient operation. I support the bill.

Mr MERTON (Baulkham Hills) [10.22 a.m.]: I support this bill. It is fair to say that strata title legislation in New South Wales is an ongoing process and one that during the past 40 years has seen enormous changes from the time when the Act was introduced in the early 1960s. Without giving a history lesson, honourable members may recall that strata title followed the making of properties available for multiple ownership in the form of either company title or tenancy in common. Strata title allows people—as the Act and the name imply—to own real estate not only on the ground but also by strata title. That has presented opportunities for ownership, in the first instance, of residential properties and in recent years, although for some years now, commercial and industrial complexes on a strata title basis.

This is good legislation that has been implemented to overcome a number of technical problems that have arisen only because strata title is used in so many instances these days. I do not solely advocate the great swell of urban consolidation, which unfortunately has adversely affected areas. Nevertheless this legislation deals with the problems of strata title in New South Wales, and I will mention briefly some of those problems. For many years there were restrictions on developers who still owned two-thirds of the lots in a strata plan from doing certain things. The bill states:

> At present, the Act includes a number of restrictions on dealings during the initial period that are designed to ensure that the interests of minority owners are not prejudiced by the developer by requiring a unanimous resolution at a meeting of the owners corporation before such dealings are undertaken.

That is, the restrictions are of little effect during the initial period when the developer owns enough unit entitlements to control the owners corporation anyway. Honourable members will know that in some contracts developers are given the power of attorney to exercise certain rights during the preliminary part of the part-strata title set-up. This legislation alters the dealings during the initial time and removes some of the restrictions on the registration of the plan. People can now enter a strata title development on a staged basis. For example, stage one of a complex of townhouses might be built, and on the same plan another lot, which is still only vacant land, is shown, but it will be the subject of further development. The staged development of a strata title is recognised by this legislation and allows other stages of strata schemes to be a component of a part-strata development. A part-strata scheme can apply to a part of a building rather than the entire building. A multi-storey building can have perhaps only the top three floors as part of a strata scheme and the remaining floors are not part of that strata development. This legislation allows people to have strata title to part of a building as opposed to the whole building.

For many years common property has been a problem in strata buildings. Nine out of ten unit holders in a building might agree to do something with the common property but the other unit holder is not interested and holds out and will not go along with the other nine unit holders. That has happened in my own experience. I recall that everyone agreed on a certain course of action in one block, and the remaining person held fast. Common property is property within the strata development that is not owned by a specific unit holder but is owned by the body corporate, which effectively means that individual owners own the common property jointly. Dealings can relate to common property, whether it is the acquisition of additional common property or the transfer or lease of it. For example, a car space in a strata development might be owned by a body corporate and is regarded as common property. A unit holder in the complex might seek to lease that car space and 9 out of 10 unit holders agree, but the other unit holder, who might not even like the person who is seeking to lease it, does not agree, and therefore that cannot proceed.

Mr E. T. Page: It also stops that one person, the car owner—

Mr MERTON: Yes, it stops that one person.

Mr E. T. Page: —objecting to the lease.

Mr MERTON: That is right. It covers a broad range of situations, but it allows for a special resolution, which in fact may allow consensus and does not particularly allow one person to hold fast. The situation could be compared with the requirements for unanimous or majority jury verdicts. The Opposition has introduced a good bill that unfortunately has not been dealt with by the Parliament. However, we support the Government's provision for dealing with common property: a resolution at a meeting against which not more than one-quarter in value of votes are cast, as opposed to a unanimous vote being required to pass a motion dealing with common property, whether it be a storeroom, car park, balcony or whatever.

I turn finally to unit entitlements. Unit entitlements are allocated to lots that represent the particular value of the lot in a strata plan. A plan intended to be registered as a strata plan must include the schedule of the unit entitlements. The bigger the building the smaller the unit entitlements: in multi-storey buildings the unit entitlements are very small. They are set out in a schedule when the plan is registered. At the conclusion of a staged development the schedule of unit entitlements registered on completion of the initial stages of the development may no longer accurately reflect the comparative value of all lots.

For example, in a staged development, lots 1 to 10 will have certain unit entitlements. Lot 11, which was a vacant block of land at the time the original plan was registered, would have an entitlement of whatever it might be. But when lot 11 becomes a building and part of the original strata plan, unit entitlements have to be rearranged to reflect the value of the newly created property. As a vacant block of land, lot 11 obviously would not have the same unit entitlement as it would have when developed into apartments, townhouses or whatever. The Opposition supports the bill and notes that it is part of the ongoing process of strata title legislation in New South Wales.

Mr E. T. PAGE (Coogee) [10.33 a.m.]: I enjoyed the speech of the honourable member for Baulkham Hills. I support also the Strata Schemes Legislation Amendment Bill. As the Minister has indicated, the bill adopts legislation that is already in existence for strata schemes for part of a building. I will now go through the bill's provisions. Both the Strata Schemes (Freehold Development) Act 1973 and the Strata Schemes (Leasehold Development) Act 1986 contain provisions dealing with part-strata schemes. However, as both Acts contain essentially the same provisions, I will refer only to the Strata Schemes (Freehold Development) Act 1973.

The part-strata provisions of the development Act were enacted in 1992 in response to a demand for strata schemes confined to only part of a building. The need was for mixed-use developments where, within one building, shopping centres, commercial offices and residential home units could coexist while the different, if not conflicting, needs of the various occupants could be accommodated. The demand for such legislation had been demonstrated on a number of occasions. Indeed, the strata subdivision of part of a building had been achieved in several major high-rise developments, but only at considerable expense and with great legal complexity. This was because when the original strata legislation was framed its use for this type of subdivision had not been contemplated.

While developments such as Eastgate Towers at Bondi Junction and the Connaught building in the city eventually occurred by way of complicated systems of subdivisions and dealings registered under the provisions of the then Strata Titles Act, such projects may well have been completed faster and more cheaply had the Act contained provision for part-strata subdivision. I was well aware of the situation with Eastgate Towers because at the time I was mayor of Waverley and the council owned 40 per cent of the site. It ended up with the car parking strata. It seems that the reason the strata titles legislation did not permit a strata scheme to be created for part only of a building was that at the time it was drafted in 1973 there was a perceived need to keep within the control of one entity, the owners corporation, all matters relating to the insurance, management and maintenance of a building as a whole.

Specifically, the technical bar to part-strata subdivision was that under the old section 8 of the Strata Titles Act it was necessary for the surveyor to certify that the building concerned was wholly within the perimeter of the land that was the subject of the strata plan. It was not possible to partly strata, subdivide a building, and comply with this requirement. As an example of how the existing scheme works, let us imagine that the intention is to construct a multi-storey building on a privately owned vacant city block. It is proposed that the building will have a car park within its four underground levels, commercial retail outlets at ground level, 10 floors of office space, and finally five floors of residential units at the top of the building. The proposal is that the residential units and some of the car park would form a separate strata scheme. This is precisely the sort of development that will lend itself to part-strata subdivision. The vacant block of land on which the building is constructed will be what is known technically as "a current plan lot", that is, in most cases, a lot in a conventional deposited plan registered in the Land Titles Office.

For the part-strata provisions to operate, the building erected on that vacant block must be subdivided horizontally into other lots. This is achieved by registration of a further conventional deposit plan, the horizontal subdivision creating new "current plan lots" carved out of the airspace and/or substrata occupied by the building so as to become in effect cubic spaces. Obviously, with the change in the ownership of buildings and the multiple use of buildings to part-strata complexes, it is necessary for commercial life to go on.

Mr HICKEY (Cessnock) [10.37 a.m.]: I am pleased that the Strata Schemes Legislation Amendment Bill is supported by both sides of the House. The Minister is clearly putting forward legislation that is of benefit

to all. As the Opposition has said, this is an ongoing process that needs constant amendment. Large-scale strata developments are currently going on in the vineyard area of the Cessnock electorate and the local council has experienced angst in dealing with applications for strata titles and part-strata titles.

This legislation became necessary following the Registrar General becoming aware of a number of technical anomalies and restrictions that can frustrate strata schemes or proposed strata schemes. The following terms need to be understood. A part-strata scheme is a strata scheme that applies only to part of a building rather than all of the building, as is the case with normal strata schemes. For example, a part-strata scheme might apply to the top three floors of a five-storey building, with the bottom two storeys remaining under common ownership.

A strata management statement is a document in respect of a part-strata scheme that sets out a method of managing the strata and the non-strata parts of the building. A staged-strata scheme is a strata scheme that is developed in stages. For example, the first stage might be a building containing 10 units on a large parcel of land. Later, when the developer has sold that part of the development, he may build a second stage comprising a further 10 units. The first and second stages of the development are all part of a staged-strata scheme. There is currently about $1.5 billion worth of village development in the Cessnock electorate in the vineyard area, and these changes to the legislation will allow those developments to proceed.

The principal reforms introduced by the bill include allowing a staged-strata scheme to be a component of a part-strata development; amending the current form of surveyor's certificate for part-strata schemes so that it will no longer prevent a second or subsequent part-strata scheme from being part of a development that is being built in stages and already contains an existing part-strata scheme; and removing the requirement for a strata management statement to be lodged for a part-strata scheme where there is already a registered strata management statement that adequately governs the development as a whole.

Another reform of the bill suspends initial period restrictions while the developer still owns all the lots in the strata scheme. This is because there are no minority interests to protect at this point in time. A further reform allows a revised schedule of unit entitlements to be lodged by the owners corporation at the conclusion of a staged-strata development. This is to correct anomalies that may have arisen in the course of the development. Finally, the bill allows common property to be transferred pursuant to a special, rather than a unanimous, resolution. It will not be possible for common property to be transferred during the initial period when there are minority interests. I appreciate that the Minister and his staff have worked hard to address these issues. I commend the bill to the House.

Mr BROWN (Kiama) [10.41 a.m.]: It is with great pleasure that I speak in favour of the Strata Schemes Legislation Amendment Bill. The Government is taking particular note of a form of development that is starting to gain more and more acceptance up and down the coastline of New South Wales. But I wish to speak particularly about the electorate of Kiama, which has to consider a number of issues that relate to whether it should consolidate development close to the coast or whether it should start to develop the hills to the west in the council areas of Shellharbour, Kiama and Shoalhaven. This is great law as it will make the building of strata blocks within those areas much safer and more sensible. In particular, the bill will allow a staged-strata scheme to be a component of a part-strata development. Basically, that means that a strata scheme can be developed in stages. This will help with the economic implications for the many small to medium builders operating in regional areas.

As an example, the first stage of a development may be a building of say 15 units on a parcel of land. Depending on how that development goes, the developer may some one or two years later decide to develop another set of 15 units, that being the second stage of the development. Developments will not be limited to two stages; they could comprise a number of stages. However the ability to stage a development definitely will help the cash flow of many builders in our regions, keep the construction industry buoyant and provide much-needed homes for the many families that want to move closer to the coast.

The part-strata scheme is important and needs to be fully understood in this debate. This is a scheme that applies only to part of a building, rather than the usual circumstance of the strata scheme applying to the whole of the building. For instance, in a six-storey building the top four storeys may be part of one strata scheme and the bottom two storeys part of a separate strata scheme. To be able to work the two schemes together of course requires a constitution or some documented agreement to ensure that all stakeholders in the building on the block of land have ways to address their concerns.

The bill talks about a strata management statement. This is a document in respect of a part-strata scheme setting out the method by which the strata and non-strata bodies will manage a building. The strata

management statement, which would be registered at the Land Titles Office, will set out constitutions similar to those already registered in respect of strata schemes and the operation of the owners corporation.

The bill also removes the requirement for a strata management statement to be lodged for a part-strata scheme where there is already a registered strata management statement that adequately governs the development as a whole. Many of my constituents face problems similar to those faced by constituents in the rest of the State arising from the complexities of working within strata schemes as well as dealing with community title. This legislation will address those issues. It will also suspend the initial period restrictions while the developer still owns all of the lots in the strata scheme. This is because there are no minority interests to protect at that time.

Common property is an issue that affects many people involved in strata schemes. Many decisions of the owners corporation are frustrated because one or two people decide not to support a motion. This bill will allow common property to be transferred pursuant to a special, rather than a unanimous, resolution. Thus no longer will it be possible for common property to be transferred during the initial period where there are minority interests. In commending the bill to the House I particularly commend the Minister for making this method of development much more streamlined and flexible. This measure will serve to enhance coastal regions of this State. It demonstrates that the Government is doing all it can to ensure that the building industry is as buoyant as possible.

Mr YEADON (Granville—Minister for Information Technology, Minister for Energy, Minister for Forestry, and Minister for Western Sydney) [10.47 a.m.], in reply: I thank all honourable members who participated in this debate. There were quite a number of them, which goes to show the interest in planning issues in this State. Opposition members indicated their support for the bill. The bill sets out to recognise a range of approaches to development within the community, particularly larger developments that may more appropriately be undertaken in a staged way. The bill seeks to provide that sort of flexibility while at the same time retaining the protections needed for individual owners and others who have an interest in such developments. That is, the bill provides flexibility while putting in place provisions that allow for the corporate governance of those developments and facilitate resolutions in respect of such developments that protect everybody's interests. In that sense the bill will go a long way to facilitating a range of flexible developments within our community. I commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

CONVEYANCING AMENDMENT (BUILDING MANAGEMENT STATEMENTS) BILL

Second Reading

Debate resumed from 28 March.

Mr O'FARRELL (Ku-ring-gai—Deputy Leader of the Opposition) [10.49 a.m.]: The Conveyancing Amendment (Building Management Statements) Bill amends the Conveyancing Act 1919, as I am sure the honourable member for Baulkham Hills will expand on further. Since the enactment of the Strata Schemes Freehold Development Act 1973 a scheme has existed whereby parts of building strata schemes are managed by a strata management statement, which has to be registered on the title and allows the strata and non-strata parts of a building to be dealt with. The 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, and it binds any subsequent owner of part of the building.

The Opposition does not oppose the legislation, the aim of which is simply to take this existing method established by the Strata Schemes Freehold Development at 1973 and apply it to buildings where, although there is no strata scheme, different parts of the building are owned by different persons. This again reflects changes in the way in which developments are occurring across New South Wales. It is an attempt to regularise and update planning laws, and for that reason the Liberal and National parties have no opposition to it.

Mr WEST (Campbelltown) [10.50 a.m.]: The Conveyancing Amendment (Building Management Statements) Bill brings many reforms that are currently available to strata developments to developments that have been created under the Conveyancing Act 1919. The development of strata legislation has been an

evolving one, beginning with the Conveyancing (Strata Titles) Act of 1961 allowing a person to own a unit and a share of common areas, as well as establishing a body corporate. The need for more comprehensive management dispute resolution provisions and to cater for the increasing complexity of strata scheme development resulted in the Strata Titles Act of 1973. Further reforms allowing leasehold strata for government agencies and private development were enacted in 1986 and 1999 respectively.

The flexibility for staged developments was introduced in 1985 and enhanced in 1993 to allow development over more than one parcel of land in stages as long as that is declared initially. The final reform I wish to mention is the Strata Titles (Part Strata) Amendment Act 1992, which allowed a building to contain several strata schemes, or part of a building to be outside the strata scheme. By mirroring many of the strata provisions in existing legislation and applying it to conveyancing legislation we are building on decades of innovation and reform.

This bill is needed because although strata legislation allows for a strata scheme to be created for part of a building only—for example, only the top floor of a building—it is also possible to subdivide a building under the Conveyancing Act such that separate parts of the building are owned by separate owners. These developments also need a mechanism for them to be managed as a whole between the separate owners, and the existing provisions in strata legislation are a model for this. The Department of Fair Trading in its "Guide to Strata Living" provides considerable information on the operation of management committees under strata legislation. It sets out the roles and responsibilities of members and is a good starting point for those interested in the way those bodies function.

These changes will allow the registration of a building management statement for buildings owned in separate parts. The building management statement, in mirroring the provisions in strata legislation, provides for the establishment of a building management committee; the functions of that committee; settlement of disputes; procedures for dealing with complaints about management of the building; insurance; and other matters such as sharing of expenses for an airconditioning plant that services the whole building. This bill follows on from developments in strata legislation and I am sure will enhance management and security for those in subdivisions under the Conveyancing Act.

Mr D. L. PAGE (Ballina) [10.53 a.m.]: I support the Conveyancing Amendment (Building Management Statements) Bill. The strata legislation allows a strata scheme to be created for part only of a building. For example, in a five-storey building, the top three storeys might constitute the strata scheme and the bottom two storeys are not part of the strata scheme. In these types of buildings the strata legislation provides for a strata management committee, comprising representatives of the strata scheme and the non-strata owners, to manage the building as a whole. A document called a strata management statement sets out the functions and procedures of the committee and provides for the sharing of expenses between the strata and non-strata parts of the building.

However, it is currently possible to subdivide a building under the Conveyancing Act 1919 other than under strata legislation, such that separate parts of the building—for example, the bottom two floors and top three floors—are owned by separate owners; that is, no part of the building is a strata lot. These types of buildings also need a mechanism to allow them to be managed as a whole between the separate owners. Accordingly, the existing provisions in the strata legislation are being mirrored in the Conveyancing Act, and there will be a connection between the Strata Schemes Legislation Amendment Bill and this bill.

The principal reforms allow a building management statement to be registered on the titles for buildings owned in separate, non-strata parts. The building management statement must provide for the establishment and composition of a building management committee and its office-bearers; the functions of that committee and those office-bearers in managing the building and its site; the settlement of disputes, or the rectification of complaints, concerning the management of the building or its site; insurance for the building; the manner in which notices and other documents may be served on the committee; and any other matter that it is thought desirable to include.

The bill also provides for the automatic creation of easements for support and shelter between different parts of a building and to apply standard terms and conditions in any easements for particular access, personal access, or for specified services that are created in respect of a building that is subject to a building management statement. This is part of an ongoing process to streamline the conveyancing legislation to ensure that best practice is achieved, to reflect what is happening in the marketplace and to provide equitable outcomes for all involved.

Mr MERTON (Baulkham Hills) [10.55 a.m.]: The Opposition supports this important legislation, which in some respects is a follow-on to the Strata Schemes Legislation Amendment Bill. It deals with situations in which one part of a building is subject to a strata scheme and the other part is not. A classic example is the famous building used in the television show *Number 96*, in which the top three storeys of a five-storey building were subject to a strata scheme and the bottom two storeys were not. Where there is part strata and part non-strata, the strata legislation provides for a strata management committee, comprising representatives of the strata scheme and non-strata owners, to manage the building as a whole.

Strata management statements set out the functions and procedures of the committee and provide for the sharing of expenses between the strata and non-strata parts of the building. Three storeys of a five-storey building could be owned by a number of individual owners and two storeys could be owned by one individual. At the end of the day the same walls that form part of the unit subject to the strata title also form part of the building that is non-strata title. Therefore, it is necessary to have some form of regulation or agreement that controls the relationship of the people who are within a body corporate owning some lots on a strata title basis and others who remain individual owners not part of the strata scheme.

Put simply, the body corporate has legislative power or authority to deal with lots within the strata scheme but where that does not comprise the whole of the building, those powers are limited. It is necessary that there be a memorandum of understanding, as it were, to set out rules on how the building will be operated and the rights of the parties with regard to maintenance of the building and other important matters. A ministerial adviser mentioned to me the somewhat unusual situation of individual ownership of a multistorey building that did not have a strata scheme for the building as a whole.

That is done ingeniously by subdividing land with reference to strata heights. For example, lots one and two would be so much above the Australian height datum and lot three would follow from there. So it is possible to have a deposited plan that relates to individual lots on a particular subdivision—a plan that applies to individual lot holders in a particular building. That means that they would be holders of lots on a deposited plan as opposed to lots on a strata plan. At the end of the day, there is no contractual relationship between those people.

I congratulate the Minister and his advisers on introducing this good legislation, which seeks to introduce building management statements. Individual owners of a building who are not members of a strata title arrangement or a strata title scheme would be able to seek a building management statement. Those people have joint responsibility to maintain the building in which they share ownership. I believe that that sets out the position pretty clearly. As I said earlier, this is good legislation. However, I might elaborate a little on the interpretation of a building management statement.

Building management statements, which will be registered on the titles for buildings owned in separate, non-strata parts, would be very much like a section 88B instrument—an instrument that appears either on a deposited plan or on the title. The building management statement will provide for: the establishment and composition of a building management committee and its office-bearers; the functions of that committee and those office-bearers in managing the building and its site; the settlement of disputes or the rectification of complaints concerning the management of the building or its site; insurance for the building—a matter to which I have already alluded; the manner in which notices and other documents may be served on the committee; and any other matter that it is thought desirable to include.

In other words, this bill provides for a legislative mechanism in which the relationship of individual owners in one area of a building can be completely non-strata. In other instances part of the building can be strata and the remaining part can be non-strata. All those issues are resolved and set out in the building management statement. There are ancillary matters like creating easements for support and shelter between different parts of the building, which is commonsense. That means that someone cannot pull down a wall as a building might collapse, so it is necessary to have an easement for support. This legislation complements the rapidly growing area of strata title ownership. I would not encourage too much of this type of development in the western suburbs as some people have some resistance to it. But we have to face reality. There is a need for strata title. Strata title is an ongoing process. I congratulate the Minister on introducing the bill.

Mr HICKEY (Cessnock) [11.04 p.m.]: I support the bill. As the Minister said in his second reading speech, the bill adopts legislation that is already in existence for strata schemes for part of a building. In order to better understand the bill I will examine some parts of that legislation. The part-strata provisions of the Development Act were enacted in 1992 in response to a demand for strata schemes confined to only part of a

building. The need was for mixed use developments where, within one building, shopping centres, commercial offices and residential home units could co-exist while the different, if not conflicting, needs of the various occupants could be accommodated.

New and current plan lots carved out of air space and/or substrata occupied by the building become, in effect, cubic spaces. These are known as stratum lots. It then becomes possible to create strata lots and common property out of one or more of the latest current plan lots or stratum lots which have resulted from horizontal subdivision. It is thus possible to create a strata scheme for part of the building. Easements for support and shelter come into effect automatically. Statutory forms of easements for access and services may be created to regulate the use and maintenance of the building by the owners of strata lots and the owners of parts of the building outside the strata scheme.

To inform and protect intending purchasers a developer is obliged to develop up-front disclosure provisions set out in the strata management statement to be lodged with the plan. These statements take effect as agreements under seal entered into by various interested persons and entities using the building whether as owners, mortgagees in possession, lessees or, in the case of strata schemes, the bodies corporate—now called owners corporations. It is mandatory for certain matters to be detailed in the management statement. Those matters are: first, the establishment and compensation of the building management committee and its office bearers; second, the functions of the committee and those office bearers in managing the building and its site; third, the manner in which the statement may be amended; fourth, the settlement of disputes or the ratification of complaints concerning the management of the building or its site; and, fifth, the manner in which notices and other documents may be served on the committee.

The legislation seeks also to encourage developers to disclose in the strata management statement any other matters which might add to the commercial viability of the development. To aid in the marketing of the development it will be in a developer's interests to include matters such as security and the control of noise levels. Schedule 1C allows such matters to be addressed. In an effort to deter parties from resorting to litigation in respect of disputes that may arise between the owners of the various parts of the building, it is required that a developer provide in the statement details of the method by which such disputes are to be resolved. There is no provision for the strata management statement to be submitted to the consent authority for approval.

In practice, upon lodgement of the statement with the Registrar General, the document is reviewed simply to ensure inclusion of mandatory provisions and to ensure that in matters of form and execution it is not otherwise objectionable. The legislation not only facilitates large-scale multipurpose developments; it might also be utilised by smaller landowners such as clubs and other organisations which seek to take advantage of a commercially viable site by selling off commercial or residential strata units while retaining totally self-contained club rooms and administration offices within the same building.

Each owners corporation for a strata scheme for part of the building and any other person in whom is vested an estate in fee simple in any part of the building or its site that does not form part of a strata scheme must be members of the building management committee. The legislation which I have discussed forms the basis of the bill before the House. It has been working well in the part-strata situation and it is a good and reliable precedent for management of buildings divided into separate ownership. I am pleased to support the bill.

Mr ORKOPOULOS (Swansea) [11.09 p.m.]: This bill sets up a method for the effective management of buildings that have separate parts owned by different persons, and where no strata scheme applies. Honourable members may well ask themselves: How can a building be owned in separate parts unless there is a strata plan to divide the building into lots? Normally, a building will sit within the boundaries of a single lot shown in a plan registered with the Registrar General. The plan is known as a deposited plan and illustrates the boundaries of the lot at ground level.

No height or depth boundaries of the lot are shown on the plan as, according to common law rules, a lot is presumed to extend underneath the surface to the centre of the earth, and above the surface to the heavens. This is a theological sort of explanation. This common law presumption is only partially applicable in New South Wales, as most lots have their depth limited by the terms of the first Crown grant of the land. Nevertheless, the depth of the lot is still not normally shown on a deposited plan. Whoever owns the lot in my example will also own the building sitting on the lot. This is because of another common law rule that provides that anything attached to land forms part of the land.

Let us say that the building is 10 storeys tall and the owner decides to sell the top five storeys. This can be achieved by registering a new deposited plan that subdivides the existing lot into two new lots. One lot will

be defined to include the surface and subsurface of the land itself but to extend upwards only until a height equal to the top of the fifth storey is reached. That is, this first new lot will, unlike the lot being subdivided, be limited in height. The second new lot will be defined to commence from the top of the first new lot and to continue upwards indefinitely. By this means the first new lot takes in the first five storeys of the building and the second new lot takes in the top five storeys of the building. If the two new lots become owned by different owners, the building itself is effectively owned in two parts.

Of course, by using the subdivision method I have just described it is possible to create any number of lots, and therefore a building can be divided into any number of parts. When a building is owned in parts it is necessary that there be some mechanism for the building to be managed as one entity. The bill provides this mechanism by allowing a document known as a building management statement to be registered in respect of the building. The building management statement sets up the building management committee to manage the building as a whole. The committee will be comprised of representatives of each owner of part of the building and the statement will set out the functions of the committee as well as the way that the committee is to exercise its functions. For example, the statement will set out the office bearers the committee must have, the functions of those office bearers, how the statement can be amended, and the way in which disputes about management of the building are to be settled.

The concept of a building management committee and a building management statement is not new. It is an adaptation of the strata management statement and strata management committee that exist when part of the building is subject to a strata scheme. The concept works well in the those situations and there is no reason to expect that it will not be just as successful for buildings that are the subject of this bill. Indeed, it was because the concept was so successful in the part-building strata situation that the private sector called for a similar method to be available for buildings owned in separate parts.

Another mechanism that exists in part-building strata schemes has also been imported into this legislation. That is a provision to create mutual easements for support and shelter between the different parts of the building that require it. For example, in a 10-storey building in which the top and bottom five storeys are in different ownership, the bottom five storeys must provide support to the top five storeys, and the top five must provide shelter for the bottom five. Also imported are those provisions from the part-building strata legislation that provide that if easements are created for personal access, vehicular access or for specified services, certain standard terms and conditions for those easements are also created. This is the case unless these implied terms have been varied or negatived by the instrument that creates the easement. This bill is a response to a need identified as existing in the community. It will provide a benefit to those existing buildings that are owned in separate parts as well as facilitate the development of such buildings in the future. I am pleased to support the bill.

Mr BROWN (Kiama) [11.13 a.m.]: I am pleased to support the Conveyancing Amendment (Building Management Statements) Bill. New South Wales has been the leading State in Australia in the field of legislation to allow development containing shared property. In fact, Australia has been the leading nation in the world in regard to legislation of property interests. Torrens title was first devised in South Australia, and it has taken off around the world very quickly. From my experience in Canada, lawyers and legislators there are also well aware of the impact that Australia, New South Wales and our other States have had in ensuring that property is properly registered and that the interests of property holders are secure.

This bill is the latest innovation in that area. To understand the bill in a historical context I propose to discuss some of its predecessors. The first legislation to address the issue of shared property was the Conveyancing (Strata Titles) Act 1961. The Act allowed a person to own a unit in the building and also to own a share of the common property—for example, halls, stairways and grounds. It also created an entity known as the body corporate to own those common areas. All unit owners were members of the body corporate and controlled it through making decisions at meetings. The Act contemplated that a strata scheme would generally consist of a stand-alone block of residential units. However, as strata schemes became used for villa and townhouse development as well as for retail, commercial and industrial schemes, it became apparent that the Act was inadequate, particularly in the area of management and dispute resolution provisions.

Accordingly, in 1973 the Strata Titles Act was enacted to provide more comprehensive management and dispute resolution provisions, and to cater for the growing sophistication and complexity of strata scheme development. Sometime later it was realised that many government-owned sites that were suitable for strata development were not being so developed because the owners were not authorised to part with their ownership of the site. Accordingly, the Strata Titles (Leasehold) Act was passed in 1986 to enable strata development of those sites without the need for the owner to part with any freehold interest. In 1999 that Act was amended to allow leasehold strata schemes also to be developed on privately-owned land.

Until 1985 the Strata Titles Act did not provide any formal mechanism for developing strata schemes in stages. Therefore, if a developer owned two parcels of land, built a strata block of units on one parcel, and later built a strata block and a swimming pool on the second parcel, that second strata block could not be in the same strata scheme as the first parcel. Of course, the residents of the first strata scheme could not use the pool in the second strata scheme. The Strata Titles (Development Schemes) Amendment Act 1985 and its successor, the Strata Titles (Staged Development) Amendment Act 1993, allowed the two unit blocks in the example I gave to be part of the same scheme. This is of particular concern, in that to keep those schemes alive and make sure that all common property is well funded, each of the participants in the strata scheme has to pay a levy to the body corporate. If there were two such strata blocks next to each other and the residents of one block wanted to use a pool but there was no pool in that strata scheme, they would have to build their own pool in their strata scheme even though that pool might be only 10 metres away from the other pool, therefore increasing the management costs of those two strata schemes next to each other.

Those Acts allowed the two unit blocks to be part of the same scheme by allowing the developer to designate the land in the second stage as a development lot in the strata plan for the first stage. When the development lot is subdivided into lots and common property, the lots and common property are part of the same strata scheme as the lots and common property in the first stage. The Acts also provided that at the time the first stage is commenced the developer must lodge a strata development contract that discloses the intended development of the second stage. At that time development that contained a component of communal ownership was still confined to strata development. This meant that a building or buildings had to be completed before the subdivision could be registered and titles issued for the individual lots.

In 1989 the Community Land Development Act was passed to overcome this restriction. It allowed a subdivision plan to be registered that divided land into conventional lots plus common property. That common property might consist of the road to which lots have frontage, or it might consist of an area such as a swimming pool or tennis court to be shared by all lot owners. An owners corporation also arises upon registration of a plan, and the owners corporation is the entity that owns and manages the common property. The Act also allows for very large developments with different uses—for example, a development built around a golf course, where there are residential, commercial and hotel areas. The Community Land Development Act facilitates the carrying out of this type of development in stages over time. As a result, a large development may end up having several tiers of management.

Firstly, there will be an owners corporation for each of the residential and commercial schemes, and then there will be an umbrella owners corporation, of which the subsidiary owners corporations are members. The umbrella owners corporation will control the common property that is used by all the components of the development, whereas the subsidiary owners corporations will control the common property that is used by the members of that subsidiary scheme. In essence, that means that one large owners corporation made up of members or delegates from the other schemes will look after the major roads and major common property, such as a golf course, a barbecue area or a swimming area, and the separate owners corporations schemes for the different strata units will look after the hallways, stairs and lift well within their own block of units and not the major common property of the whole scheme.

The final innovation that I mention is the Strata Titles (Part Strata) Amendment Act 1992. This legislation allows a building to contain several strata schemes or to have a part of the building outside the strata scheme that applies to the rest of the building. For example, a five-storey building may have a ground floor comprising shops and the remaining floors comprising residential units. The shops can be in their own strata scheme and the residential units can be in a separate strata scheme. That way, the shop owners do not have to contribute to items like the lift or a swimming pool that they do not use, and the residential owners will not have their insurance policies affected by the commercial activities of the shops. There will be a document called a Strata Management Statement which regulates the relationship between the different parts of the building and provides for the sharing of expenses, for example, an airconditioning plant that services the whole building.

This bill follows on from the innovative legislation that I have discussed. It is the next step in a history of pioneering initiatives that this State has undertaken to the laws governing subdivision of land. It will be as welcome as those other laws have proved to be, and I welcome the Opposition's support of the bill. Throughout my speech I have referred to the bills developed in 1961, 1973, 1985, 1986, 1992 and 1999. It is a clear example of honourable members on both sides of the House working to develop this important area of law in this State. It also shows that honourable members on both sides of the House have a good working relationship with the Law Society of New South Wales and the relevant property councils. I am very pleased to support this measure, and I commend the Minister and his team for their excellent work in preparing the bill.

Mr YEADON (Granville—Minister for Information Technology, Minister for Energy, Minister for Forestry, and Minister for Western Sydney) [11.22 a.m.], in reply: I thank honourable members on both sides of the House who participated in this debate. As with the previous item of legislation, the Conveyancing Amendment (Building Management Statements) Bill is about providing greater flexibility in relation to strata development in this instance when it is desirable to do it within the Conveyancing Act. In this bill a range of mirror provisions from the strata schemes legislation has been incorporated in the Conveyancing Act to make it more convenient in instances when people seek to undertake development or other dealings in land under the provisions of the Conveyancing Act. I commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

LOCAL GOVERNMENT AMENDMENT (GRAFFITI REMOVAL) BILL

Bill introduced and read a first time.

Second Reading

Mr WOODS (Clarence—Minister for Local Government, Minister for Regional Development, and Minister for Rural Affairs) [11.25 a.m.]: I move:

That this bill be now read a second time.

Briefly, the provisions in this bill are designed to facilitate agreements between councils and owners or occupiers of private land for the timely removal of graffiti. In the past 20 years or so what is broadly described as graffiti has become a prominent feature of the landscape of cities in Europe, in North America and in Australia. Graffiti is now seen by many as a significant social and environmental problem. In response, a range of anti-graffiti laws and other measures have been introduced. Most people in the community believe that there is no justification, and certainly never any right, for someone to change the appearance of someone else's property without permission. It has often been said that the only difference between vandalism and art may be permission.

Illegal graffiti on public and private property is estimated to cost the Australian community between $50 million and $100 million per annum. Unwanted graffiti can seriously affect property values, community wellbeing and civic pride. Graffiti is done in many forms by a wide range of people with an equally wide range of motives. Consequently, a range of strategies to address illegal graffiti is necessary. Local communities often look to councils to fix concerns about graffiti. In recognition of this, the New South Wales Government is keen to assist councils to address graffiti. One initiative that involves councils is the establishment of the graffiti strategy task force. This is a whole-of-government approach to addressing graffiti, and oversees the implementation of the Government's Graffiti Solutions program.

Another initiative is the Beat Graffiti Grants scheme. Under the scheme, $900,000 is available over three years, commencing in 1999, for councils, police and community youth clubs, and community organisations to address graffiti at the local level. Thirty projects received funding in the first year of this three-year scheme. In 1999-2000 grants of between $2,500 and $15,000 were available from a total fund of $300,000 for projects developed by communities in which there is a significant problem with illegal graffiti. Seventeen of the 30 projects, or 57 seven per cent, approved for funding in 1999-2000 involve councils and represent a total of $173,000. In the main, the projects entail the engagement of artists and young people in education programs, providing opportunities to create murals in appropriate spaces, development of graffiti prevention plans and removal of graffiti from business and residential property.

In the 2000-2001 funding round, 25 of the 54 projects, or 46 per cent, approved for funding involve councils and represent a total of $197,000. Under the Community Service Order [CSO] scheme, 66,000 CSO hours are available to councils for the removal of illegal graffiti. Fourteen councils are currently participating in the scheme: Auburn, Blacktown, Blue Mountains, Campbelltown, Dubbo, Fairfield, Gosford, Leichhardt, Maitland, Shellharbour, Wagga Wagga, Wollongong and Woollahra. The teams are working on a range of sites, including council properties, private residences, bus shelters, shopping centres, parks and playgrounds. Some teams are involved in painting murals on significant graffiti sites. For example, a very successful project has been completed in Shellharbour which involved the painting of a mural. The site has not had any incidents of graffiti since the mural was completed, and the project has had a positive impact on the offenders who were involved. Other councils are being encouraged to set up graffiti clean-up teams.

Through the Graffiti Blasters project, the New South Wales Government is funding the purchase of equipment and materials to remove graffiti, and councils are meeting the costs of staffing, administration and insurance. The project was piloted with Newcastle and south Sydney councils, and a further 13 councils—Auburn, Bankstown, Blacktown, Blue Mountains, Campbelltown, Gosford, Hornsby, Hurstville, Lake Macquarie, Penrith, Ryde, Sutherland and Wollongong—are in the process of being provided with blasting equipment. Also, the New South Wales graffiti information web site contains information about graffiti. The graffiti solutions handbook provides advice for councils, planners and developers about addressing graffiti. The handbook is designed to complement information already available on the New South Wales graffiti information web site at *www.graffiti.nsw.gov.au*.

The Department of Local Government has also assisted councils to address the issue of graffiti through its involvement in the production of the crime prevention resource manual for councils, which includes a range of strategies to address graffiti in public places. Councils are also implementing their own initiatives in response to community concern about graffiti. For example, a number of councils have established graffiti hotlines for the reporting of graffiti; removed graffiti from council property and public places; provided information and advice and in some cases materials to residents so that they can remove graffiti from their property; and established legal walls where graffiti is acceptable. A number of factors can reduce the occurrence of illegal graffiti, including urban design; providing legitimate venues of public communication; making observation easier and more likely; generating activity in public spaces; and eliminating the incentive by speedy removal of the graffiti and continuing to remove it if it recurs.

It is this last factor that the amendments seek to facilitate. The advantages in removing graffiti as soon as possible are that it is much easier and less costly to remove graffiti if it is done within 72 hours or before it has had time to fully dry and harden; and the graffitist gets the least recognition from others the sooner the so-called work is removed. At present councils are able to make voluntary agreements with land-holders of private property to remove illegal graffiti, and some have already done so. However, the explicit legislative support for agreements will provide impetus to councils to make agreements having an ongoing effect. It is intended that councils will work with land-holders of property which is particularly susceptible to illegal graffiti so that timely removal and efficient use of resources will, in conjunction with community support, provide an effective deterrent to graffiti.

These amendments are part of the wider government strategy to prevent graffiti and encourage councils to take an active and participatory role in graffiti prevention. The proposed legislative provisions will empower councils to enter into agreements with owners and/or occupiers of private property to allow councils to enter onto private property and carry out work to remove graffiti. Property owners need to be given an opportunity to enter into agreements to remove graffiti, as they may be asked to clean up property damage caused by another person. Council employees cannot just enter private property or interfere with it without the owner's permission. An agreement would allow the owner to give permission for council employees to remove graffiti whenever it occurs rather than having to obtain permission on each occasion. This will enable the timely removal of graffiti which has been found to be important. However, the agreement may include that the owner be advised by council on the exercise of authority under an agreement.

The agreement may permit council staff or contractors to enter property whenever graffiti is present; permit the use of water, electricity or tools and/or equipment on the property to remove the graffiti; require council staff to leave the property as it was and make good any damage; provide for a contribution from the landowner-occupier towards the graffiti removal costs; contain notification requirements so council must notify if possible of the intention to enter and remove graffiti; provide for reporting and other notification so the landowner/occupier is informed about the work carried out on the property; and contain provisions concerning leases and other arrangements. Section 67 of the Local Government Act imposes conditions on councils for performance of work on private land. This section will not apply to agreements with land-holders for the removal of graffiti.

Section 356 of the Act places obligations on councils when providing financial assistance for the purposes of exercising its functions. It is intended that the public notice requirement will not apply where graffiti is removed from private property under an agreement with council as part of a program of graffiti prevention and removal. In other words, the public interest character of graffiti removal will allow councils to subsidise the cost of removal of graffiti in part or in total, subject to the terms of the agreement with the land-holder. Council will need to have passed a resolution for a program to contribute money or otherwise grant financial assistance for removal of graffiti under section 356 (1) of the Act. Once this has been done, and agreements providing for financial assistance are consistent with the program of graffiti removal, the public notice requirement in section 356 will not apply.

There is a need to ensure accountability where council subsidises work it carries out on private property. Consequently, new section 67A (2) provides that a register of graffiti removal work carried out in accordance with agreements will need to be kept. The register will itemise expenditure identifying the person for whom the work was carried out, the nature of the work and the amount of any subsidy in relation to graffiti removal. This ensures that subsidies provided are available as a matter of public record under section 12 of the Act. Different groups are involved in different types of graffiti for different reasons.

In recognition of this complexity, a range of initiatives aimed at preventing graffiti in the first place or removing it if it occurs is required and has been put in place. A number of these initiatives as outlined previously involve councils. In addition, councils are taking the initiative to implement strategies in response to community concern about illegal graffiti. Evidence indicates that timely and persistent removal of graffiti is an effective deterrent. The current proposal is part of a suite of strategies being used by the Government to deal with illegal graffiti and which will assist councils in this quest. It will encourage councils and the community to work together to address the issues relating to illegal graffiti. In turn, communities should feel less degraded, and their sense of wellbeing and civic pride restored. I commend the bill to the House.

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

DISTINGUISHED VISITORS

Mr SPEAKER: I bring to the attention of members the presence in the gallery of the General Manager of the Dalian Sanhuan Group Co. Ltd., Mr Liu De Cheng, who, together with his delegation, is in the process of negotiating a university association with the University of Western Sydney. Mr Liu De Cheng heads an organisation that is one of the largest dairy producers in China and is working closely to develop a nexus between the Department of Agriculture and the private sector for the establishment of a breeding program. I welcome Mr Liu De Cheng and his delegation to the New South Wales Parliament.

CHIROPRACTORS BILL

OSTEOPATHS BILL

Second Reading

Debate resumed from 28 March.

Mrs GRUSOVIN (Heffron) [11.38 a.m.]: I support the Chiropractors Bill and the Osteopaths Bill. These bills will provide for the separate registration and regulation of chiropractors and osteopaths, and the Chiropractors and Osteopaths Act 1991 will be repealed. There has been a lengthy process of review of the Chiropractors and Osteopaths Act. The review commenced in 1997, a review issues paper was released in June 1998 and the review report was released in January 2000. This lengthy review process has provided an opportunity for wide consultation with all stakeholders. Following the release of the report, and particularly during the drafting of the bills, all stakeholders, including the professional associations, the board and the educational institutions, engaged in direct consultation.

The overwhelming majority of the submissions on the review of the Chiropractors and Osteopaths Act, including those from chiropractors and their professional organisations, acknowledged that the two professions, chiropractic and osteopathic, are separate professions. That is evidenced by the fact that they have separate professional associations and separate professional education in separate territory institutions. In Queensland, Victoria and Western Australia, there is either provision for separate registration of the professions or legislation has been introduced for separate registration. The legislation in New South Wales is consistent with developments in other States.

Given that the professions are distinct and that both have developed to the point at which the original rationale for joint registration—that is, the provision of a sufficient number of practitioners to allow for economic and administrative efficiency—is no longer valid, there is no logical reason to continue with joint registration. However, those practitioners who are currently registered to practise as both chiropractors and osteopaths will continue to be entitled to registration under both boards. Their entitlements will endure, notwithstanding any decision on course accreditation by a future chiropractors registration board or osteopaths registration board. Each bill expressly provides a power for a different annual registration fee for practitioners who, at the commencement date of the legislation, are dual-registered practitioners and who continuously maintain dual registration. Those fees will be set following consultation with the separate professional boards when they are appointed.

There is a deal of significant public interest in these matters. It is well known that spinal manipulation, or adjustment as it is also known, can, if improperly performed, bring about some very severe consequences. It can be dangerous and, in some cases, can result in paralysis or death. The report of the Department of Health on the review of the Chiropractors and Osteopaths Act referred to published studies that demonstrate the serious consequences of improperly performed spinal manipulation. It has therefore been very necessary to ensure the safety of consumers. For that reason the practice of spinal manipulation has been restricted to chiropractors, medical practitioners, osteopaths and physiotherapists. Those four registered health professions have safely employed manipulation since it was first regulated in 1978.

Despite the restriction on spinal manipulation for some two decades, to date a satisfactory definition of "spinal manipulation" has not been provided. The lack of definition has resulted in some uncertainty for both the professionals, that is, the practitioners, and the public. The decision to amend the definition of "spinal manipulation" and restrict its use under the Public Health Act is a good move. The definition has been the subject of extensive consultation with the professions and recognised academic experts. The proposed definition clearly sets out what constitutes manipulation and therefore assists in enforcement by helping unregistered people to ensure that they do not inadvertently commit an offence.

As restriction on the use of manipulation is based on health and safety grounds, it is appropriate for that to be incorporated in legislation which concerns itself with public health and safety, namely, the Public Health Act. As a result, four registered professions will be able to practise manipulation. It is clearly inappropriate for the restriction to be placed in any single professional registration Act because of the implication of one profession being able to claim this area as its own territory. Some community discussion has taken place on the issue of whether the use of the title "Dr" is provided to practitioners. I agree with the view held by the Minister that the title "Dr", in the context of health care, has been associated traditionally with comprehensive treatment, including the prescribing of pharmaceuticals by medical practitioners.

While chiropractors and osteopaths provide an expert and valuable service, they provide a service that is quite different from the comprehensive range of treatments and services that can be provided by medical practitioners. Some would argue that dentists are able to use the title "Dr". I believe that there is a clear move within some sections of the medical profession whereby a number of medical practitioners, having achieved some eminence in their profession, prefer to be referred to as "Mr". As someone who has personal experience of osteopathy, I have to state my belief that osteopathy will grow exponentially as people in the community understand that steps can be taken to maintain their health, improve their health and ensure that they do not have conditions that cause degeneration.

I like to think of osteopathy as very important ongoing maintenance, and believe that greater recognition ought to be given by health funds, for example, to the importance of chiropractic and osteopathic services. Very often those services ensure that the consumers, the patients, do not visit their local general practitioner or other medical practitioners nearly as often as they otherwise would, and do not continuously take strong medication, which can often have adverse side effects. I believe that an anomaly has been created by some health funds recognising the importance for consumers of preventive care while others are not totally convinced.

In discussing the limitation on the terms of office of board members as proposed by the bill, it must be emphasised that the limitation applies to consecutive terms of office. Any board member may serve more than three terms of office provided that no more than three terms are served consecutively. It is important to note that the limitation is of a prospective nature only and that there is no legal impediment to existing board members serving for an additional three terms. That provision brings about a healthy turnover in board membership, which promotes continuing change. New views, ideas and perspectives will be introduced as a result of a more rapidly changing membership after the bill is implemented.

Professional associations will continue to have a role in nominating practitioners for membership of the board. The bill has provisions to ensure that each board will include two professional members who are nominated by the Minister for Health from names put forward by professional associations representing chiropractors and osteopaths respectively. Both of the major professional associations, the Chiropractors Association of Australia in New South Wales and the Australian Osteopathic Association, are specifically referred to in the bills. The Chiropractic and Osteopathic College of Australia is an organisation which was founded in 1959. It enjoys a good reputation among chiropractors and osteopaths as well as other health-related professionals as a provider of quality professional and vocational education services.

However, it is not a professional association which represents the interests of a particular profession, particularly as membership is available to all registered health practitioners and researchers holding a relevant

basic science degree. It is good to note that the complaints system remains largely the same as the current system under the Chiropractors and Osteopaths Act 1991. The significant difference will be that expert committees modelled on the Dental Care Assessment Committee under the Dentists Act have been introduced to inquire into less serious complaints. The committees will be able to inquire into complaints and make recommendations to the board for its resolution. Those recommendations include that a complaint can be referred for an inquiry by the board or tribunal, and there will be provision for the practitioner to be counselled and the complaint dismissed.

The proposed system is supported by both associations. The Health Care Complaints Commission, as the independent investigator of complaints about health care providers, will serve an extremely important role in protecting the public interest. Under the current Act the commission receives and investigates complaints about chiropractors and osteopaths, liaises with the board on the management of complaints, and brings appropriate complaints before the Chiropractors and Osteopaths Tribunal. The commission will retain that role under the new Acts. Maintenance of the commission's role will ensure that the transparency of the disciplinary systems, and of professional regulation in general, will be maintained.

The current Chiropractors and Osteopaths Act provides for inspectors to be appointed, and provides those inspectors with power to enter premises of a registered practitioner and make inquiries to ascertain whether the Act or regulations are being complied with, or to determine if a practitioner is guilty of professional misconduct. Furthermore, an inspector may apply for a search warrant into those premises, including those of an unregistered person, for the same purposes. Under the power of such a search warrant the inspector may remove records and equipment as specified in the search warrant. This legislation continues these same powers with the modification that inspectors will now be also able to enter premises of an unregistered person who is reasonably suspected of illegally performing spinal manipulation, without first obtaining a search warrant. I congratulate the Minister on conducting such thorough consultations with the associations and professional groups to ensure support for the legislation being determined by this House.

Miss BURTON (Kogarah) [11.53 a.m.]: I also support the Chiropractors Bill and the Osteopaths Bill. The objects of these bills is to provide for the registration of chiropractors and osteopaths. The bills repeal the Chiropractors and Osteopaths Act 1991 and re-enact the provisions relating to the regulation of chiropractors and osteopaths with the following modifications: a statement of the objects of the Act is included; additional mechanisms are provided for the accreditation and recognition of qualifications entitling a person to registration as a chiropractor or osteopath; competence becomes an express requirement for registration and the Chiropractors Registration Board or the Osteopaths Registration Board—the board—is given power to inquire into competence; a mechanism for establishing a code of professional conduct is provided for and the operation of a code is clarified; and registered chiropractors and osteopaths are required to submit an annual return to the board detailing matters that establish their continuing competence and good character.

Registered chiropractors and osteopaths are required to notify the board of convictions and conviction findings, findings of guilt without proceeding to a conviction for various offences; and courts are required to notify the board of certain convictions and conviction findings against registered chiropractors or osteopaths. Definitions of "unsatisfactory professional conduct" and "professional misconduct" have been introduced. A complaint against a chiropractor or osteopath can be made and dealt with even if the chiropractor or osteopath has ceased to be registered. The board is required to notify a chiropractor or osteopath of a complaint made against that chiropractor or osteopath, and the Chiropractic Care Assessment Committee and the Osteopathic Care Assessment Committee are established to inquire into less serious complaints about chiropractors and osteopaths and to make recommendations to the board with respect to the determination of those complaints.

The Chiropractic Care Assessment Committee or the Osteopathy Care Assessment Committee will be able to conduct skills testing of a registered chiropractor or osteopath about whom a complaint is made. Mechanisms are provided to enable the board to monitor and manage chiropractors and osteopaths who are impaired in their ability to practice. Determination of complaints by professional standards committees is replaced by determination of a hearing of the board. Complaints can be made about fees charged for chiropractic and osteopathy services, and the board is authorised to make orders with respect to those fees when determining a complaint. The board is to consist of seven members, comprising four professionals—either chiropractors or osteopaths—an officer of the Department of Health or a public health service, a person to represent the community, and a legal practitioner.

Members of the board are limited to serving three consecutive four-year terms. The board is given the power to delegate is functions. The operation of the Criminal Records Act 1991 is modified to facilitate the reporting of and consideration of conviction findings affecting applicants for registration as chiropractors or osteopaths. The board is required to notify chiropractic and osteopathy registration authorities of disciplinary

action taken against a chiropractor or osteopath. Proceedings for an offence under the Act will be able to be taken within 12 months after the offence, and any conditions on a chiropractor's or osteopath's registration will be recorded in the register.

The Chiropractors Bill also amends the Public Health Act 1991 to restrict the performance of spinal manipulation to registered chiropractors, registered medical practitioners, registered osteopaths and registered physiotherapists. The time for taking proceedings for an offence under the new provision is extended to 12 months after the offence is committed. The Chiropractors Bill and the Osteopaths Bill also enacts consequential savings and transitional provisions and makes consequential amendments to other Acts. The honourable member for Heffron spoke about some important details in relation to these bills: for example, why it is important for the separate registration of chiropractors and osteopaths, what happens in relation to dual registration of practitioners, the rationale for restricting spinal manipulation and why that has been included in the Public Health Act. The honourable member also referred to restrictions on the use of the title "Dr" and other important issues.

I will focus on the powers of the inspector, the way complaints are handled, annual returns, and consultation. The complaints system will remain almost the same, but the significant difference will be that expert committees under the Dental Care Assessment Act and the Dentists Act have been introduced to inquire into less serious complaints. The current Chiropractors and Osteopaths Act provides for inspectors to be appointed and to enter premises of a registered practitioner. Furthermore, an inspector may apply for a search warrant to enter any premises, including those of an unregistered person for the same purposes. Under the power of such a search warrant the inspector may remove records and equipment as specified in the search warrant.

These powers are required for the effective enforcement of the Act, both in respect of the practitioner's professional conduct and the illegal practice of spinal manipulation. Similar inspection powers relating to skin penetration activities exist in section 51 of the Public Health Act. In relation to annual returns, the boards are charged with protecting the public by ensuring that practitioners are, and remain, fit to practise. One mechanism that will enable the boards to discharge this duty is the requirement that practitioners provide returns when they renew their registration each year. Declarations will be required on a range of matters, including criminal convictions other than for minor traffic matters, and criminal findings for sex and violence offences and offences committed in the course of practice.

Practitioners will be required to provide information on education that they have undertaken over the course of the previous year. I emphasise that that does not make continuing education mandatory. It simply will allow the boards to gather reliable information on the incidence of continuing education within the profession. The fact that a practitioner declares a conviction, offences or other matters to a board does not mean that the board must take action or that a complaint must be made. The boards are best placed to determine whether a particular matter affects a practitioner's fitness to practise and, if so, what is the appropriate course of action. This clearly is in keeping with the boards' role to protect the public. Basically, the bills seek to protect the public, and to maintain the integrity of chiropractors and osteopaths.

I am pleased to report to the House that there has been a massive consultation process to ensure that these new laws will be effective and that they will ensure the protection of patients, chiropractors and osteopaths. The review of the two Acts commenced in 1997. The review issues paper was released in June 1998, and the review report was released in January 2000. Extensive consultation with stakeholders has taken place over that period. Following the release of the report, and particularly during the drafting of the bills, the stakeholders, including professional associations such as the Chiropractors and Osteopaths Registration Board and education institutions, have been consulted in detail. That includes consultation on the draft bills. Officers of the Department of Health have held numerous meetings with key stakeholders. That is in addition to extensive telephonic and written communication. I am pleased that all stakeholders have expressed their satisfaction with the level of consultation. I commend the bill to the House.

Debate adjourned on motion by Mr Fraser.

CRIMES AMENDMENT (COMPUTER OFFENCES) 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) [12.04 p.m.]: I move:

That this bill be now read a second time.

I am pleased to introduce the Crimes Amendment (Computer Offences) Bill. The bill contains new offences designed to protect the community against computer offences both now and in the future. The bill continues the Government's commitment to providing an effective criminal justice system, and also shows the Government's readiness to implement recommendations of the national Standing Committee of Attorneys-General to rationalise the criminal law and make it the same across the various States and Territories. The recommendations are contained in chapter 4 of the report of the Model Criminal Code Officers Committee [MCCOC].

The draft bill has been developed in accordance with the model provisions contained in the MCCOC report. There are no substantial deviations from the MCCOC provisions. The bill contains a definition of data and electronic communication, and deals with crimes in relation to the unlawful access, modification or impairment of data, including identity theft offences, and crimes in relation to the unauthorised impairment of electronic communication. The Crimes Act 1900 currently contains basic provisions regarding computer crime. The current provisions concerning unlawful access to data in computer, contained in section 309, and the provisions concerning damage to data in computer, contained in section 310, are not as specific as the proposed new provisions. The existing provisions are to be repealed. The proposed new provisions will take into account the latest technological developments and information from all jurisdictions, in order to provide an effective response to computer offences and keep ahead of perpetrators of such crime.

Adoption of the MCCOC provisions will constitute a move towards a uniform approach to computer offences, both nationally and internationally. As stated in the MCCOC report, there are "few areas of current legislative concern in which the need for uniformity of approach in the formulation of criminal offences is more desirable or more pressing". In addition, the consistency of approach to computer offences will clarify the law and assist in the prosecution of offenders. The proposed new provisions, which are in accordance with the MCCOC report, are as follows. New section 308C will create an offence of unauthorised computer function with intention to commit a serious offence. This section will cover the situation I mentioned in this place on 15 August last year, interfering with credit card information with an intention to defraud, and will carry a five-year penalty.

Section 308C applies the maximum penalty applicable as that which applies to the commission of a serious indictable offence, an offence that carries a maximum sentence of five years or more, and would thus cover the fraud offences under current section 178BA and apply them to the computer context. I will now go through the other proposed changes to the legislation in some detail. Firstly, proposed section 308D creates the offence of unauthorised modification of data to cause impairment for which the maximum penalty will be 10 years imprisonment. There are three broad categories of the offence. The first is where a person with limited authorisation impairs data or programs by engaging in an unauthorised operation on data or programs. The second is where a hacker obtains unauthorised access to and modifies data or programs, causing damage or impairment. The third is where a person causes damage or impairment by circulating a disk containing a worm, or virus, et cetera, which infects the target computer data or program via the actions of an innocent agent.

Proposed section 308E creates the offence of unauthorised impairment of electronic communication to and/or from a computer. That offence will carry a maximum penalty of 10 years imprisonment. This offence has an extremely broad band of application, from harms which are transient and trifling to conduct which results in serious economic loss or serious disruption of business, government or community activities. Proposed section 308F will create the offence of possession of data with intent to commit computer offence. That offence will carry a maximum penalty of three years imprisonment.

This is a preparatory offence to allow the prosecutions of individuals who intend to commit a computer offence and who have taken steps to commit the computer crime by the possession or control of data which would allow the crime to occur, or would allow them to attempt to commit the crime. An analogy would be a housebreaker having possession of a crowbar in preparation for the offence of housebreaking. This offence will also allow a person to be charged who has such data to assist another person to commit the offence.

Proposed section 308G deals with producing, supplying or obtaining data with intent to commit a computer offence, and carries a maximum penalty of three years imprisonment. This offence is aimed at those who traffic in data which might be used to commit a computer crime. It is a broad offence because of the potentially wide nature of computer crimes. Proposed section 308H deals with unauthorised access to or modification of restricted data and carries a maximum penalty of two years imprisonment. The formulation of this offence follows the United Kingdom Computer Misuse Act 1990 in placing primary emphasis on the need to ensure the integrity of computer systems and networks against unauthorised access.

Proposed section 308I deals with unauthorised impairment of data held in computer disk, credit card and so on, and carries a maximum penalty of two years imprisonment. This offence supplements the law of criminal damage. Cards, tokens and other devices which store electronic data grow daily more sophisticated and their use is more widespread. This summary offence ensures that liability can be imposed whether the card is rendered useless by crude physical attack or by more subtle measures. Last, proposed section 308C deals with the offence of causing unauthorised computer function with the intention to commit a serious indictable offence. A serious indictable offence is defined in section 4 of the Crimes Act 1900 as an offence carrying a maximum penalty of five years imprisonment or more, or life imprisonment.

The draft bill also proposes a consequential amendment to the Criminal Procedure Act 1986 to enable computer offences to be disposed of summarily unless the prosecuting authority or the accused otherwise elects. All the proposed offences can be punished by way of fine as well as imprisonment pursuant to sections 15 and 16 of the Crimes (Sentencing Procedure) Act 1999, the maximum fines being 1,000 penalty points in the case of an individual or 2,000 penalty points in the case of a corporation. The bill reflects the combined wisdom of computer experts, experts in criminal law and academics from around Australia. It has utilised the world's best experience in the formulation of such legislation. It places New South Wales in the forefront of criminal law in computer offences in the world. I commend the bill to the House.

Debate adjourned on motion by Mr Fraser.

NATURE CONSERVATION TRUST BILL

In Committee

Consideration of the Legislative Council's amendments.

Schedule of amendments referred to in message of 3 April

No. 1 Page 2, clause 3, lines 10-13. Omit all words on those lines.

Insert instead:

Aboriginal person means a person who:

(a) is a member of the Aboriginal race of Australia, and
(b) identifies as an Aboriginal person, and
(c) is accepted by the Aboriginal community as an Aboriginal person,

and the expression ***Aboriginal people*** has a corresponding meaning.

No. 2 Page 7, clause 11. Insert after line 4:

(3) In exercising its function of negotiating and monitoring compliance with conservation agreements and property agreements, the Trust must act in accordance with the Act under which the agreement is, or is to be, made (that is, the *National Parks and Wildlife Act 1974* in the case of conservation agreements and the *Native Vegetation Conservation Act 1997* in the case of property agreements).

No. 3 Page 9, clause 18, line 24. Insert “person” after “Aboriginal”.

No. 4 Page 10, clause 18, line 8. Insert “and appropriate management” after “conservation”.

No. 5 Page 10, clause 18. Insert after line 13:

(e) to provide advice to the Board on matters of local land use planning, local land use management and the operations of local councils,

Mr DEBUS (Blue Mountains—Attorney General, Minister for the Environment, Minister for Emergency Services, and Minister Assisting the Premier on the Arts [12.15 p.m.]: I move:

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

Mr FRASER (Coffs Harbour) [12.16 p.m.]: The Opposition supports these amendments.

Motion agreed to.

Legislative Council's amendments agreed to.

Resolution reported from Committee and report adopted.

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

NATIONAL PARKS AND WILDLIFE (ADJUSTMENT OF AREAS) BILL

Second Reading

Debate resumed from 28 March.

Ms SEATON (Southern Highlands) [12.17 p.m.]: I lead for the Opposition in debate on the National Parks and Wildlife (Adjustment of Areas) Bill. I indicate at the outset that, whilst the Opposition does not oppose this bill, it has some grave concerns about the circumstances that led to the necessity for its introduction. We will be seeking strong guarantees from the Government that it will remedy the problems that are implicit in the bill. The Government tried to present this bill as a housekeeping bill, a bill that is designed to tidy up some minor national park boundary changes. When one looks at the detail of the bill and at the way in which the Government has handled these issues it is obvious that it is anything but a housekeeping bill. In fact, it sets several dangerous precedents in what is essentially becoming a formalised retrospective validation process.

In recent months the Government has followed that process not only in this bill but in TransGrid legislation, and it has done so regularly in relation to budget supplementation bills. A number of national parks areas have been affected by a variety of circumstances. The schedule that I have been given in relation to this bill is a summarised version of incidents. The Government is trying to minimise public information about one incident and to prevent questioning in relation to it. The schedule refers to 17 different national parks which have had their boundaries affected in some way. The first one, to which I will refer in detail later, changes the boundaries of Barren Grounds Nature Reserve. The schedule states:

Barren Grounds NR	To correct accidental boundary encroachment by adjoining land owner.
Blue Mountains NP	This area is in the existing Cliff Drive Car Park, which is currently managed by the Blue Mountains Council.
Brisbane Water NP	Construction F3 Freeway by RTA (construction completed).
Broadwater NP	To validate the boundaries between the park and the Pacific Highway …
Brunswick Heads NR	Substantially modified land required for the upgrade of the Pacific Highway …
Cockle Bay NR	Construction of bus turning circle at Empire Bay School by Gosford Council.
Georges River NP	Required for part of road in Landcom subdivision (construction completed).
Karuah NR	Area required by the RTA for upgrade of the Pacific Highway …
Kororo NR	Widening of the Pacific Highway by RTA at Coffs Harbour …
Morton NP	Former office on urban land that is isolated from the rest of Moreton National Park, and is no longer required.
Mount Warning NP	Revocation of Mount Warning Road for Tweed Council, which was accidentally added to the park.
Mundoonen NR	Construction of the Hume Highway by RTA …
Munghorn Gap NP	Realignment of Main Road 208 by Mudgee Council …
Myall Lakes NP	Area required by the RTA for upgrade of the Pacific Highway …
Sydney Harbour NP	Removal of Bradleys Head Road from the Park, which was inadvertently included in the park
Wamberal Lagoon NR	Widening of The Entrance Road by Gosford Council …
Wee Jasper NR	Substantially modified land required by Yass Council for tip site (the tip has already been established and encroaches onto 2000m^2 of the reserve).

That list sets out a number of instances in which, without any reference to Parliament and without any observance of the requirements of the National Parks and Wildlife Act, changes have been made to national parks, and territory has been encroached upon. Although many of the listed projects are worthy projects that were wanted by local communities and will be of benefit to them, the proper process was not observed. No-one in this place had the chance to see the plans proposed by the Government and to understand and assess their implications. Many of these projects have already been completed. The projects affecting Barren Grounds Nature Reserve, Blue Mountains National Park, Brisbane Water National Park, Broadwater National Park,

Georges River National Park, Kororo Nature Reserve, Mundoonen Nature Reserve, Munghorn Gap National Park, Wamberal Lagoon Nature Reserve and Wee Jasper Nature Reserve have all been completed. The work was done—in some cases one might argue the damage was done—before Parliament was consulted.

Some of the projects have yet to be completed. Those projects include those affecting Brunswick Heads Nature Reserve, Karuah Nature Reserve and Myall Lakes National Park. The Minister has commented that not all this work is done by the National Parks and Wildlife Service. I agree absolutely, but the fact that these things can occur in national parks without the service advising the Minister that the permission and oversight of Parliament is required in advance of the work being undertaken highlights the fact that the National Parks and Wildlife Service is not interested in these issues, it is not properly structured to undertake its compliance role, or it is not being correctly administered and managed.

I have consulted with a number of different groups and a number of members of Parliament about these adjustments. Representatives of the National Parks Association, the Colong Foundation and the Nature Conservation Council have indicated to me that they share the concerns I have outlined. They have also indicated to me that, bearing in mind the bill before us, it is hard to have confidence in the ability or the inclination of the Government to uphold the provisions of the National Parks and Wildlife Act. The bill makes a mockery of the Act. I have already mentioned that the bill raises issues of funding, staffing and management. Some of those issues relate to inadequate mapping.

The alteration to the Barren Grounds Nature Reserve involved a private house being built without anyone noticing. I do not know whether the Minister will put the responsibility for that back onto the Shoalhaven council, but the fact that land can be cleared and a house constructed with no-one in the National Parks and Wildlife Service noticing it for some time puts a huge dent in the confidence of those of us who seek to rely on the National Parks and Wildlife Service Act and the protection that is intended to be given to our high conservation value areas. Why was there no parliamentary consideration of these adjustments? These alterations were undertaken by other agencies and validation is now being sought from Parliament when it is too late, when everything has been done.

I mentioned earlier that a good example of the Government seeking retrospective validation was the TransGrid legislation. In my area, and in the areas represented by a number of other members, TransGrid has installed cabling along its existing poles and that has had some effect on the landowners' properties. There has been a lack of clarity as to what changes those arrangements might make to the existing agreements between TransGrid and the property owners. After the work was done the Minister came and told us about it and sought approval for it. That is the developing style of the Carr Government: retrospective approval. It has happened before in budget bills. Every year the Government seeks approval for its budget, and two or three times a year it comes up with a supplementary bill that basically says to members that there have been overruns, money has been spent and validation for those overruns has been sought after the event. What message does that send?

One example I have been advised about by the Minister's office relates to the Barren Grounds Nature Reserve. As I have said, it has been described as a correction of accidental boundary encroachment by the adjoining landowner. Apparently private landowners chose to build a house on a piece of land they believed joined the nature reserve, not understanding the area they chose was actually within the nature reserve. They occupied a 5.3 hectare area, cleared a good deal of it and constructed a house. Some thought was then given to how to correct or accommodate the problem. I accept at the outset, because I have no reason to believe otherwise, that this was a genuine mistake. However, the fact that a genuine mistake like this could have occurred and could have been accommodated in the way it has been sets a precedent for the National Parks and Wildlife Service which could be manipulated in the future by less genuine landowners.

I understand a number of options were considered to resolve the problem. It was suggested that the landowners be licensed to occupy that part of the reserve. That suggestion raised a number of liability issues and, at the end of the day, it was considered a cleaner solution to accept from the private landowners an offer of 16.1 hectares of land they owned, which contained a rainforest community and was apparently of high conservation value but was poorly represented in the reserve system. That land was given to the National Parks and Wildlife Service as compensation for what was described as a genuine mistake. My advice from the Minister's office states:

> Opinion on the matter was sought from the NPWS Advisory Council who discussed the various options and agreed that the revocation and land transfer option would enable essential environmental benefits that would not be achieved otherwise.

As I understand it, the advisory council believed it had little option but to take that path. It is important to note that perhaps the advisory council is not as happy with the situation and with the precedent it set as the Minister's

briefing note would have us believe. In this bill the Government seeks to excise parts of 17 national parks and nature reserves and to add, at a future time, 880 hectares of land to the national parks estate from a variety of sources, including council land, Landcom land and Roads and Traffic Authority land. At present we do not have any detail about exactly where that land is. I have not been given the courtesy of being shown any maps; neither have honourable members been given a full briefing on the conservation values of the compensatory land that will be added to the national park estate.

Basically, the Government has told us to take this on trust. It is saying, "Trust us, this land is of a higher conservation value in net benefit than that which has been lost." I have yet to see proof of that. I should like the Minister to comment on that. I would like to know why there is not a full list of that compensatory land and why there is no information about exactly what sort of conservation values are represented in that land. I have no idea whether the surplus Landcom land or council land is degraded or denuded land, and what sort of conservation values are involved. Yet we are being asked to take this on trust. There has been no chance to debate this matter in advance of the national park boundaries being excised. It is simply a matter of the Government saying: "This is what we have decided to do. We will seek your approval to post-validate decisions and actions we have already taken. Trust us."

Another important issue that has been raised with me is the potential for corruption that exists within the precedents that have been set in these 17 examples. It is possible that people who are less than genuine in their intentions could see the precedent that has been set with Barren Grounds and see that if so-called mistakes are made the Government intends to come back to the Parliament from time to time to seek post-validation. It is possible that people who are less than genuinely motivated could see the potential to corrupt public officials or to attempt to corrupt the system to get a financial gain from a structure that they have seen validated by Parliament. Again, I am not suggesting that any such thing has occurred in the case of Barren Grounds Nature Reserve. I am saying that there is absolutely no—

Mr Martin: You are clutching at straws. Talk to the issue!

Ms SEATON: If members opposite are willing to guarantee that there is absolutely no potential for mismanagement or incorrect and improper procedures to occur as a result of the precedent being set, I would like to hear them say that. I would like to hear them rule that out. It is possible that people could look at the precedent and see the potential, first, to negotiate with the National Parks and Wildlife Service and push the limits of what would otherwise be considered unacceptable and beyond the leave of the National Parks and Wildlife Act or, second, to deliberately seek to obtain a financial gain for themselves through this precedent.

This is entering new territory. The Government has correctly looked at issues such as tradable water rights and tradable emissions as ways to deal with environmental problems. However, under this bill, it is formalising what I see as a tradable breaches system, by which it is possible to commit the sin and then come back later and say, "Sorry, we didn't mean to do that, but here is a bit more land that we do not want. We will throw that in and hope you will just give it a big tick."

Many people in the conservation arena are seriously concerned about the implications of this issue. I seek a guarantee from the Minister that if at any time in the future changes are required to national park and nature reserve boundaries as a result of freeway extensions, road widening, infrastructure development or any legitimate and community supported projects, that Parliament will have a chance to consider those changes, understand the implications of them and, more importantly, assess what sort of compensatory land or other environmental benefits are being proposed to make up for the loss.

That is missing completely from this particular proposal. However, if the Minister expects people to continue to have confidence in the national parks system and all the important things it does, and if we are to continue to have confidence in the Act and the protection it is supposed to provide to our important natural areas, it is important that we have an opportunity to consider any changes. The Opposition will not be opposing the bill, but I seek those guarantees from the Minister. I seek also the Minister's comments on the important issues of concern that I have raised on behalf of the many people who have had a chance to look at the bill.

Mr GAUDRY (Newcastle—Parliamentary Secretary) [12.35 p.m.]: This bill is, in effect, a housekeeping bill which identifies approximately 116 hectares of land to be revoked from parks and reserves and transferred to the Minister for the Environment. As has been said, negotiations are being finalised to transfer approximately 880 hectares of compensatory land to the National Parks and Wildlife Service in terms of the provisions in the bill. As has also been said, the bill's provisions will impact on 17 parks and reserves. The bill

can be regarded as a housekeeping measure when one considers those 116 hectares of land proposed for revocation in the context of the 1.4 million hectares of land that have been added to the reserves and national parks of this State since 1995, when this Government came to office. Some 250 new national parks and reserves have been created—a 33 per cent increase. That is the context in which the revocation of this land is occurring, at the same time as the transfer of compensatory land.

Under the National Parks and Wildlife Act, land must be reserved as a national park or dedicated as a nature reserve, and can only be used for activities that accord with the Act. That position has been confirmed by the Land and Environment Court, which found that activities inconsistent with the purposes of a national park were not valid uses; and if such activities had occurred, the impact of those activities had occurred before the court's ruling or as a result of inadvertent action. The areas of land to be revoked include areas of land from certain national parks and nature reserves, where the land is already part of a public road or highway, is required for the widening of a road or highway, is required for the upgrade of the Pacific Highway, is no longer required for the purpose for which it was acquired, or is needed to correct reserve boundary inconsistencies.

There is concern statewide about safety issues relating specifically to the Pacific Highway. A dual carriageway on the Pacific Highway from Hexham to the Queensland border is necessary. The community must be consulted about the path that the highway will take, and there must be comprehensive environmental impact statements, including a full and comprehensive review of the impact on fauna and flora. The Government can guarantee that areas of land will be revoked only after full and comprehensive consultation. In many cases the areas of land to be added, after negotiation, have important fauna and flora communities that will improve the national park.

I refer to two of those areas. Some 16.384 hectares will be transferred for the Karuah bypass, which is currently in an advanced stage of design. It is also proposed that the RTA will transfer 89 hectares of similar habitat value vegetated land. That habitat is extremely important for threatened species such as the glossy black cockatoo, the koala, the east coast free-tail bat and the greater broad-nosed bat. A number of measures will also be implemented in the transfer, to minimise other impacts on the existing reserve.

I also refer to the 28.36 hectares of land required by the RTA for the upgrade of the Pacific Highway from Karuah to Bulahdelah. In compensation for that, it is proposed that some 573 hectares of similar habitat value vegetated land will be transferred. It is a habitat for threatened species such as the squirrel glider, the powerful owl, the glossy black cockatoo and the plant tetratheca juncea. The honourable member for Wallsend would be well aware of the fact that the plant tetratheca juncea was pivotal to a conservation hold-up on the Glendale athletics stadium. The Government is extremely aware of the need to preserve threatened species and habitat, to enable not only their current growth but their survival over the long term.

Members who have driven along the bypass constructed between Karuah and Bulahdelah would have noted that the issue of threatened species conservation and the preservation of habitat was very much taken into account in the construction of the bypass. Members would have noted that there are fauna protection fences with floppy tops which prevent koalas and other threatened species from crossing the barriers and being obliterated on the Pacific Highway. There are also transfer points for fauna to cross underneath the highway. An extensive design process has been undertaken following the preparation of comprehensive environmental impact statements.

This approach indicates that the Government is very keen not only to expand its conservation areas under the control and management of the National Parks and Wildlife Act but also to seek to revoke the reservation or dedication of certain areas of land by this Act of Parliament, which is housekeeping legislation. I understand from the Minister's second reading speech that it is one of five similar housekeeping bills introduced in this House over the past 22 years to deal with these issues. The Government recognises that areas that were formerly within national parks need to be treated by way of revocation. Where it is possible for the Government to do so, it ensures that recompense is made to the public estate by the transfer of similar land, or in some cases land with even more conservation value, from the public authority. In many cases this would be the council, the RTA or another public authority that has ownership or control of that land. With those comments I commend the bill to the House.

Mr MILLS (Wallsend) [12.44 p.m.]: I speak in support of the National Parks and Wildlife (Adjustment of Areas) Bill. In doing so I wish to emphasise the conservation gains that will be made by this bill for the national parks estate of New South Wales. Since coming to office the Carr Labor Government has demonstrated an outstanding commitment to conservation. One of our proudest achievements over the past six

years has been the establishment of more than 150 new national parks and reserves covering more than one million hectares. The Government has previously enacted five bills to allow for the excision of land from national parks and nature reserves. Similarly, the bill will revoke land that is currently part of a public road or highway, land required for the widening of a road or highway, land required for the upgrade of the Pacific Highway, or land no longer required for the purpose for which it was acquired; or to correct reserve boundary inconsistencies.

Many of the areas proposed for excision under the bill have little or no conservation value. The areas are already impacted on by existing uses—for example, highways and public roads—which have resulted in the disturbance and modification of the land. More than half of the proposed revocations are for parcels of land of less than one hectare each. This bill will allow for land uses which are at odds with the character and purpose of the national park or nature reserve to be excised. Though this bill will involve the excision of approximately 116 hectares of the national parks estate, it will result in the additional protection of more than 880 hectares of compensatory habitat.

Under the provisions of the bill, ownership of the land would pass to the Minister for the Environment. The Minister would transfer ownership on the completion of negotiations, including, for most proposals, the transfer of compensatory habitat to the National Parks and Wildlife Service. The compensatory gains which will flow from the bill include, as referred to previously, the protection of more than 880 hectares of land through addition to the national parks estate; the protection of the habitat of threatened species including the glossy black cockatoo, the koala, the squirrel glider, the powerful owl, and the plants tetratheca juncea and Davidson plum, in addition to a maternity site in Wee Jasper nature reserve for the common bent-wing bat; and the protection of a State environmental planning policy 14 wetland, rainforest communities and a karst area.

This bill represents a move in the right direction. The excision of land under the bill is not contradictory to the philosophy of the National Parks and Wildlife Act. It will result in the protection of additional important habitat and landscape features. The much smaller loss of land from the reserve system mainly involves substantially modified land of limited conservation value. The bill does not represent a degradation but, rather, an enhancement of the State's reserve system, not only in total land area reserved but also in the quality of the conservation values protected.

The National Parks and Wildlife Act provides that land reserved as a national park or dedicated as a nature reserve can only be used for activities that accord with the Act and for purposes for which the park or reserve was established. The Land and Environment Court has found that activities that were inconsistent with the purposes of a national park were not valid uses. Prior to the court ruling, some public roads and utilities were constructed in parks and reserves because they were seen as public purposes and were therefore considered to be valid. This bill revokes certain lands previously reserved or dedicated. I again emphasise that substantial areas of compensatory land have been set aside.

I wish to refer to the Pacific Highway and the impact that the highway has had on some of the lands referred to in this legislation. Substantial compensatory areas have been put aside in this bill for the three Pacific Highway upgrade sites that are referred to and are nearing completion. It is important that the Pacific Highway be upgraded. The safety of travellers on that highway from Hexham to the Queensland border is a vital political and social issue for New South Wales, and indeed for the nation. The Carr Government is committed to a construction program, with hundreds of millions of dollars to be spent on the project over future years. The Federal Government is also contributing to the funding of the upgrade of the Pacific Highway from Hexham to the Queensland border. For the safety of travellers and for the benefit of the people of New South Wales, that needs to be done. Because there are a large number of national parks in the area between Hexham and the Queensland border, inevitably some minor impact on the national parks estate will occur.

In the Brisbane Water National Park, which is referred to in the bill, 42.5 hectares will be affected by construction of the F3 freeway by the Roads and Traffic Authority [RTA]. That is the purpose of the excision for which compensation is surplus RTA land. In the Broadwater National Park, five hectares will be excised to validate the boundaries between the park and the Pacific Highway which were agreed to by both the National Parks and Wildlife Service and the RTA some years ago. Because the purpose of the excision is a boundary validation, no compensatory land needs to be provided.

In the Brunswick Heads Nature Reserve, the land to be excised is 5,221 square metres, which is not a large piece of land. It is about the size of a football field which measures 100 metres by 50 metres and is a total of 5,000 square metres. That is the size of the land that will be coming out of the Brunswick Heads Nature

Reserve, and the land is substantially modified land which is required for the upgrading of the Pacific Highway from Brunswick Heads to Yelgun. This is an important social and safety project that is supported by the Carr Labor Government and by the Federal Government. The proposed RTA land transfer includes the creation of one new nature reserve of approximately 150 hectares and additions to three existing nature reserves involving a total of approximately 50 hectares.

The proposed additions will result in the protection of a regionally rare and threatened species, the Davidson plum. The Davidson plum may be regionally rare and threatened, but because I go walking in the Booti Booti National Park at Pacific Palms I know that there is a stand of Davidson plums in a rainforest area of the park, so Davidson plums also can be found south of Brunswick Heads in the Booti Booti National Park. The compensatory additions will also include State environmental planning policy [SEPP] 14 and rainforest communities. It is wonderful to see those inclusions in the national parks estate as a result of this legislation.

Karuah Nature Reserve is impacted by this bill and an area of 16.3 hectares, which is required by the RTA to upgrade the Pacific Highway for the Karuah bypass, will be excised. The bypass is in the planning stages and I look forward to its construction in the near future because it will provide a great deal of benefit to travellers who are heading north, particularly during holiday periods. All honourable members would know the enormous queues that occur on the Pacific Highway caused by traffic clogs, traffic lights and activity at Karuah. It is excellent that the land is to be excised for the purpose of upgrading the Pacific Highway in that area and that the compensatory measure is a transfer of RTA land of approximately 89 hectares of similar habitat. The transfer land is a habitat for the glossy black cockatoo, the koala, the east coast free-tail bat and the greater broad-nosed bat. The transfer land represents a real conservation gain as a flow-on from the excision of land for Pacific Highway upgrading purposes.

In the Kororo Nature Reserve, 327 square metres only will be excised for widening of the Pacific Highway by the RTA at Coffs Harbour. Compensation will take the form of surplus RTA land. In the Myall Lakes National Park, which is an area that honourable members from the Hunter region all know well, and love, there is a 28-hectare area of land which is required by the RTA for upgrading the Pacific Highway for the Karuah to Bulahdelah project. My colleague the honourable member for Newcastle referred to that earlier. The compensation for the excision of 28 hectares is the addition of 573 hectares of similar habitat land. The threatened species of animals on the compensation land include the squirrel glider, the powerful owl, the koala, the glossy black cockatoo and the threatened species of plant is tetratheca juncea, which is a most interesting plant.

The honourable member for Newcastle referred to tetratheca juncea causing a significant delay in construction of the new Glendale regional athletics centre undertaken by a partnership between the State Government, that is, the Department of Sport and Recreation, and the Lake Macquarie City Council. A half dozen tetratheca juncea plants were growing on the site and I should remind the House of the compromise reached in that case. The Hunter Region Botanic Gardens removed those plants as part of a study of how propagation of tetratheca juncea could be achieved in an artificial setting, such as in a botanic gardens. That propagation work is continuing through the Hunter Region Botanic Gardens and represents a sensible outcome which allowed construction of the Glendale regional athletics centre to proceed.

It is interesting that tetratheca juncea is right at the bottom of a list of vulnerable plants in schedule 2 to the Threatened Species Conservation Act. Tetratheca juncea was included in the list not because it is hard to grow and not because it does not occur widely; rather, it was included because if all bushland in the region between the Hawkesbury River and Bulahdelah were cleared, tetratheca juncea would disappear. The favoured growing place of tetratheca juncea is degraded areas. The Cardiff railway workshops operated for many years adjacent to Glendale and tetratheca juncea loved to grow among rubbish that was left lying around in the workshops and in bushland which was traversed by traffic associated with the railway workshops.

It also loves to grow in cleared areas underneath power lines. It grows all over the place and is really widespread in the Lake Macquarie area. However, it is included on the threatened species list and must be treated with respect. It is pleasing to note that land which has the plant tetratheca juncea growing on it and which is as far north as the Myall Lakes National Parks is being included as a conservation gain. In that way, this Parliament and this Government are respecting the need for biodiversity in the Australian plants.

Some of my constituents worry when they hear that parts of the national park estate are to be revoked. The point must be made that compensation is being provided and that the boundaries of parks and excisions for human activity are prone to human error in land use recording. I cite a couple of examples of normal human

error. One example occurred a couple of years ago in the Wallsend electorate when the Lake Macquarie City Council and the RTA wanted to widen Macquarie Road, which is main road 527, between Cardiff South and Warners Bay. Funds were allocated to carry out the road widening, but as people started to delve into the details of the project, it was discovered that the RTA did not own the land. The land was privately owned by Coal and Allied Industries Ltd, yet the plan was all ready to be implemented to widen the road. The road surface had been laid and the road had been used for decades by the public but had not been properly sorted out. Human error and human oversight play a significant part in the excisions and boundary changes.

Another example concerns the Cardiff Bicentennial Park which was being set up by a community group with which I was involved in 1988. Again, everything was ready to go but a 12-month delay occurred because when the great northern railway line was moved 150 metres from low-lying land in Cardiff to a place on a hill, someone had omitted a triangular strip of land measuring about one-third the size of this Chamber. The land was simply not recorded in the land titles system which meant that the necessary transfers could not be effected to enable the Lake Macquarie City Council to establish the park. That error was also caused by human oversight.

I believe that the honourable member for Southern Highlands should be reluctant to accuse people of base motives in the way she did during her address to this House a short time ago. I am upset that the honourable member questioned the professionalism of officers of the National Parks and Wildlife Service and questioned the commitment of those officers to maintaining the integrity and the conservation values of the national park estate. Such conduct does the honourable member no credit. The honourable member has not been a member of this House for very long. I suggest that she should speak to the honourable member for Gosford, a former Minister for the Environment who introduced similar legislation. Perhaps she should also speak to Tim Moore, the former honourable member for Gordon and a former Minister for the Environment, because such bills are necessary from time to time to bring into reality in exact detail the boundaries of the national park estate.

Mr MARTIN (Bathurst) [12.59 p.m.]: I support the Minister and the National Parks and Wildlife (Adjustment of Areas) Bill. I echo the remarks of the honourable member for Wallsend, particularly in relation to the contribution of the honourable member for Southern Highlands, whose only constructive comment was that the Opposition would not oppose the bill. If the honourable member had been serious about what she said she should have opposed the bill. It is unfortunate that she questioned the integrity and management of the National Parks and Wildlife Service. Honourable members know that no government department is perfect but—given its role and the great expansion of areas that it covers, and the practices that have been implemented under this Minister and also the previous Minister—they would agree that there have been major advances in the management of our national parks and that those who run the service should be congratulated rather than condemned. The honourable member for Southern Highlands threw around all sorts of conspiracy theories and used the word "corruption", and the tone of her speech did not do her any great favours.

The aim of the bill is to excise from parks and reserves those land uses that are not appropriate for land reserved and dedicated under the National Parks and Wildlife Act 1974. This Government is committed to preserving the character of parks and reserves as required by the National Parks and Wildlife Act. The Act sets out the purpose of each type of park and reserve. Those purposes relate to nature conservation, protection of cultural heritage and the provision of recreational opportunities. For a wide variety of historical reasons, including gazettal of parks over existing uses, land uses which are now considered invalid exist in parks and reserves.

In some instances the boundary between national parks and existing roads and other infrastructure has not allowed for the widening or upgrading of the infrastructure without encroaching upon reserve boundaries. Therefore, changes to the boundaries are necessary to allow for the upgrading of the infrastructure. Honourable members have heard many examples of road works, in particular. This is a commonsense and cost-effective way of making those adjustments. As a result of a Land and Environment Court ruling, public utilities such as those within national parks and nature reserves may now be considered unlawful if their purposes were to be challenged in the courts. The proposed excisions involve only minor, not entire, areas of parks or reserves.

Most of the areas are highly disturbed and where conservation values are to be lost, for example, with the upgrade of the Pacific Highway, the negotiations for compensatory habitat have focused on gaining back those values and more. This is not the first time that such a bill has been proposed. Five housekeeping bills of a similar nature have been enacted over the years with the aim of excising land which involved land uses not appropriate for inclusion in the National Parks estate. It is appropriate to point out to the honourable member for

Southern Highlands, who has railed against this Government for introducing this type of legislation, that the Coalition in its last term passed similar legislation at least once. Anyone with commonsense would agree that this approach is necessary to manage such a vast estate.

By excising these uses, the land can be transferred to the appropriate land manager. In terms of administrative improvements, the transfer of land would reduce any inconsistencies arising where the service is the owner of the land but does not manage on a day-to-day basis the associated land use. An example of that is the number of existing highways, roads and road developments proposed to be excised from the National Parks estate under the bill. The bill allows for the Minister for the Environment to take on subsequent ownership of excised land. The Minister can then negotiate the transfer of ownership to the relevant infrastructure manager—in most cases the Roads and Traffic Authority. That can only be a positive outcome for parks and reserves, the service and the infrastructure manager of the highway or road.

In addition to the many outstanding areas of compensatory habitat that will be added to the National Parks estate as part of the negotiations for the transfer of land, the bill represents the opportunity to right history, which has seen inappropriate and invalid uses included in these protected areas in the past. This bill provides the opportunity to reinstate the integrity of parks and reserves presently affected by inappropriate uses. I commend the bill to the House, and congratulate the Minister on the way in which he has accomplished this task.

Debate adjourned on motion by Mr Fraser.

[*Mr Deputy-Speaker left the chair at 1.05 p.m. The House resumed at 2.15 p.m.*]

LIVESTOCK DISEASE CONTROL AND SURVEILLANCE

Ministerial Statement

Mr AMERY (Mount Druitt—Minister for Agriculture, and Minister for Land and Water Conservation) [2.15 p.m.]: I wish to make another ministerial statement relating to disease control and surveillance procedures. Yesterday I made mention of feeding practices relating to the foot and mouth disease outbreak in the United Kingdom. Today I want to highlight another stock disease against which we are taking a strong stand. Honourable members may be aware that tests currently are being carried out to determine whether cattle in New South Wales and Queensland have tuberculosis [TB]. I can advise the House that four isolated cases of bovine TB recently were detected in New South Wales, with the cows having originated in Queensland.

Bovine TB is a slow-moving, insidious disease that can be debilitating for cattle. Any risk to human health from bovine TB has virtually been eliminated because all cow's milk is now pasteurised and infected cattle are not used in the food chain. Thankfully, the incidence of the disease is now very rare in Australia. During the 1970s and 1980s Australia fought a concerted and very successful campaign to rid the country of TB. This cost the industry and government about $800 million. I am pleased to say that Australia is currently one of only a handful of countries that are classified as being TB free. Even so, isolated incidents may still occur. It is important that we continue to control TB to prevent its re-establishment here and to ensure we maintain our freedom status on the world stage.

A national surveillance program is constantly in operation in abattoirs across Australia. The four cases of TB recently detected were at Mudgee, Inverell and Casino abattoirs. The cows originated from a herd in Bollon, in south Queensland. New South Wales Agriculture is currently tracing other cows that originated from that herd. Of the several hundred cows traced so far, only the above-mentioned four cases have been detected. A cattle industry funded program ensures that the owners of infected cows are compensated for the cost of their slaughtered stock. Properties are quarantined while tests are carried out and then, when a case is detected, property programs are put in place to determine any risk of spread. This could result in either a destocking program or further testing, depending on the assessed level of risk. I am pleased that New South Wales and Australia are continuing to take a tough stand against TB. This is another fine example of authorities working with farmers to stamp out unwanted diseases that threaten our livestock.

Mr SLACK-SMITH (Barwon) [2.19 p.m.]: Yet again I respond on behalf of the Opposition to a ministerial statement regarding livestock diseases in New South Wales. I congratulate the department on this trace-back and on the action it has taken first to identify and then to eliminate tuberculosis in New South Wales cattle. As I said yesterday, nationally our livestock industry is worth $25 billion. Therefore, we must make every effort to have in place an effective national system of livestock disease surveillance. If a livestock disease is

detected in Australia, but especially in New South Wales, action must be taken immediately to stamp out that disease. Again I impress upon the Minister the need for a livestock identification program in New South Wales. At the moment, we do not have such a system. A proper identification system would have made the trace-back of the several hundred head of cattle from Bollon in Queensland a lot easier and quicker and certainly more efficient. I once more urge the Minister to take proactive steps to put in place a decent identification program for this State.

PETITIONS

North Head Quarantine Station

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

Willoughby Paddocks Rezoning

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

McDonald's Moore Park Restaurant

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

State 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**.

Redfern, Darlington and Chippendale Policing

Petition praying for increased police presence in the Redfern, Darlington and Chippendale areas, 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**.

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**.

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**.

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**.

Kempsey and Macksville Pacific Highway Upgrade

Petition praying that the House improve safety on the Pacific Highway and fast-track the proposed bypassing of Kempsey and Macksville, received from **Mr Stoner**.

Windsor Road Upgrading

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

Local and Regional Roads Funding

Petition praying that funding be increased to allow local government authorities to maintain local and regional roads, received from **Ms Hodgkinson**.

Main Road 241

Petition praying for an increase in funding to local government authorities to allow them to properly maintain Main Road 241, received from **Ms Hodgkinson**.

Senior Citizen Equitable Travel Concessions

Petition praying that holders of pensioner concession cards and the Seniors Card receive equitable travel concessions on transport, received from **Mr Lynch**.

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**.

Manly Lagoon Remediation

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

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**.

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

Mrs CHIKAROVSKI (Lane Cove—Leader of the Opposition) [2.31 p.m.]: I move:

> That the General Business Notice of Motion (General Notice) given by me this day [Closure of Metropolitan Schools] have precedence on Thursday 5 April 2001.

The Government is going through the most extraordinary farce at the moment with the closure of schools. Two weeks ago the Government announced there was going to be a consultation period in relation to its supposed draft plan for the reorganisation of schools in the inner west area. Everybody now knows this is a complete farce because, while the consultation period is going on, the Minister for Education and Training has made it perfectly clear that the matters to be negotiated are "not negotiable". The closure of the schools is not negotiable. What sort of consultation period does one have when the matters of most concern to the community are not negotiable? These matters are of great concern to the community. At Maroubra 100 people turned up to protest; 500 people turned up at Hunters Hill; and 1,000 people turned up at Marrickville, in the electorate of the Deputy Premier. Where was the Deputy Premier? He did not bother to turn up because he was not game to face his

community. I understand he had accepted. We were told he would be one of the speakers on the night. He did not turn up.

The reason this motion needs priority and we have to debate it is that there has to be a genuine consultation period. The people who are affected by this decision must have the opportunity to be heard. The students I spoke to at Hunters Hill High School, who are now in year 11, tell me that next year they will be operating in a ghost school. What sort of environment is that in which to do their higher school certificate [HSC]? What guarantees do they have that they will have the support of teachers to get through their HSC? Let me tell honourable members what some of those students said.

Mr SPEAKER: Order! There is far too much audible conversation in the Chamber. The Deputy Leader of the Opposition will remain silent.

Mrs CHIKAROVSKI: The Minister for Education and Training should listen to this because it will give him some idea of the effect his decision is having on students. Simon Daniels, a year 12 student at Hunters Hill, said he was dumbfounded when he read in the morning newspapers the news about his school. He said that some of the girls had been crying and many of the younger students will be going to private schools instead. If the Minister wants to make public education the issue, he is going about it the wrong way. He is driving students out of public schools and into private schools. As this young man rightly points out, some said they will be going to private schools instead, which defeats the purpose of what the Government is trying to achieve. The Government's proposal rewards failing schools. [*Time expired.*]

Question—That the motion be agreed to—put.

The House divided.

Ayes, 37

Mr Armstrong	Mr Kerr	Mr Slack-Smith
Mr Barr	Mr Maguire	Mr Souris
Mr Brogden	Mr McGrane	Mr Stoner
Mrs Chikarovski	Mr Merton	Mr Tink
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	
Ms Hodgkinson	Mr Richardson	*Tellers,*
Mr Humpherson	Ms Seaton	Mr Fraser
Dr Kernohan	Mrs Skinner	Mr R. H. L. Smith

Noes, 51

Ms Allan	Mrs Grusovin	Mr E. T. Page
Mr Amery	Ms Harrison	Mr Price
Ms Andrews	Mr Hickey	Dr Refshauge
Mr Aquilina	Mr Iemma	Ms Saliba
Mr Ashton	Mr Knowles	Mr Scully
Mr Bartlett	Mrs Lo Po'	Mr W. D. Smith
Ms Beamer	Mr Lynch	Mr Stewart
Mr Black	Mr Markham	Mr Tripodi
Mr Brown	Mr Martin	Mr Watkins
Miss Burton	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 Newell	*Tellers,*
Mr Gibson	Ms Nori	Mr Anderson
Mr Greene	Mr Orkopoulos	Mr Thompson

Question resolved in the negative.

Motion negatived.

BUSINESS OF THE HOUSE

Unanswered Questions Upon Notice

Mr SPEAKER: Pursuant to Standing Order 141(5), I draw the attention of the House to unanswered questions on notice Nos 1565 and 1569 standing in the name of the Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development.

Mr FACE: The answers that were prepared did not provide satisfactory information sought by the honourable members who asked the questions. The matters will be before the House as soon as possible.

QUESTIONS WITHOUT NOTICE

POLICE STATION CLOSURES

Mrs CHIKAROVSKI: My question is directed to the Premier. Why is the Premier planning to close police stations in areas such as Malabar, Mascot, Randwick and Redfern when the head of the Bureau of Crime Statistics and Research has briefed the Southern Sydney Regional Organisation of Councils, telling it that there has been an alarming jump in crime in the area, including an increase in motor vehicle thefts in south Sydney and a sharp increase in break and enters in Randwick?

Mr CARR: The easy answer is that I stand by the answer I gave yesterday and the answer to identical questions that I have given in the House on previous occasions. The Minister for Police and I have said repeatedly that we would only agree with the plan to close police stations if, first, it means more police on the streets; second, it reduces response times; third, it improves occupational health and safety for police; fourth, it satisfies local communities; and, fifth, no country areas are considered as part of the plan. The community consultation period is continuing, and discussions with the Police Association are continuing. At their conclusion, the commissioner will report to the police Minister and me. At that point the future of the trial will be determined. I thank the House for its attention.

Mrs Chikarovski: Point of order: I can only assume that the type of consultation the Premier is talking about is proper consultation, unlike the Government's consultation in relation to schools. We want an assurance that the community consultation relating to the police is real consultation, because no-one in the community believes the Government is doing anything other than that it is closing police stations.

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

HEART ATTACK TREATMENT

Mr ANDERSON: My question without notice is directed to the Minister for Health. How is the Government helping heart attack victims to get better treatment?

Mr KNOWLES: The honourable member is aware that coronary heart disease accounts for about 22 per cent of all deaths in the State. Our cardiac surgery units around the State undertake more than 5,500 heart bypass operations every year. For those who survive their first heart attack, the prospect of a second and third attack is highly probable. As the Leader of the Opposition interjected, the best way to deal with heart attack is regular exercise and proper diet—preventing the heart attack from occurring in the first place would avoid the need for ongoing chronic management of the symptoms should the person survive.

However, statistically, some individuals will need heart bypass surgery. For those individuals, I can announce a great new service that is now available to assist them through their illness. The New South Wales Heart Rescue Service has been developed following a proposal by one of Sydney's leading cardiac surgeons, Professor Cliff Hughes, the head of cardiac surgery at Royal Prince Alfred Hospital. Professor Hughes' proposal has the support of his colleague Dr Phil Spratt, who is the director of the heart transplant service at St Vincent's Hospital in Darlinghurst. Professor Hughes will oversee the establishment of the Heart Rescue Service, which will be specifically targeted to individuals who have had heart surgery but who require the additional support of new technology to give the heart muscle the opportunity to recover.

In simple terms, the procedure will see the insertion of a catheter into the heart ventricle. The patient is connected via the catheter to a photocopier-size, state-of-the-art console, which will take over the pumping functions of the heart. Critical evidence from around the world suggests that by effectively bypassing distressed

heart muscles for a period of several days post-surgery, the muscle will strengthen and recover. The ventricular pump offers a bridge of survival for patients who have been severely compromised by their condition and who, statistically, in many cases may otherwise have died. This short-term boost using state-of-the-art technology is indeed a gift of life.

This is a new service for post-cardiac surgery patients who experience complications. The ventricular assistance consoles have been used and tested widely in America. In Australia one machine has been regularly in use for the past year at St Vincent's Hospital, but for heart transplants only. The extension of the service to an articulated Heart Rescue Service will mean keeping more people alive and using technology to continually improve cardiac care. Based on Professor Hughes' proposal, we will initially provide three new consoles in addition to the existing services at St Vincent's Hospital. Those consoles will be maintained at two sites, Royal Prince Alfred Hospital and St Vincent's Hospital, and because of their portable nature, the consoles will be transported at short notice to other hospitals when required.

The efforts of Professor Hughes and his colleagues in developing the service are about the system networking its services and sharing expertise. It is also about underpinning high quality of care already available in heart surgery units with the latest technology and the highest skills from two of our leading teaching hospitals. Naturally, as the new service rolls out, Professor Hughes and his colleagues will monitor outcomes and publish their results. However, based on available international evidence, the New South Wales Heart Rescue Service will vastly improve the quality of life for many individuals in our community who have complicated heart conditions and who may otherwise not have survived.

COUNTRY ENERGY

Mr WINDSOR: My question is addressed to the Premier. With the scepticism surrounding the creation of Country Energy as the latest electricity distributor for country New South Wales, will the Premier give the House an assurance that at least two board members will come from within the distribution area?

Mr CARR: I will examine the suggestion of the honourable member.

AUSTRALIAN DOLLAR

Mr CRITTENDEN: My question without notice is directed to the Premier. What is the Government's response to the low Australian dollar?

Mr CARR: Early yesterday morning the Australian dollar fell to an all-time low—at 5.30 a.m. it was worth US47.75¢. It has climbed back slightly. A short while ago it was trading at 48.68¢. The dollar has increased by almost one-third of a cent since this morning's announcement by the Reserve Bank that it would cut interest rates by half a per cent. I am pleased to see that all four major banks have indicated they will pass on the cut immediately. The decision by the Reserve Bank is welcome news for home buyers and small businesses, however it could have happened earlier. On 21 March I called on the bank to look at interest rates, and I am pleased to see that it has now acted.

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

Mr CARR: Despite the cut in interest rates, the Australian dollar remains at historically weak levels. I say to businesses throughout this State: I believe that a Premier who represents a State that contains one-third of the Australian economy should speak out in view of a Reserve Bank cut in interest rates. A lot of small businesses in particular would have found it very helpful indeed if that had happened when I called for it.

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

Mr CARR: The last occasion on which the House took a survey of what business thinks of the Opposition's side of politics it showed that we got more support from business than the former Coalition Government received. No-one could say that overall a low or weak Australian dollar is a good thing for Australia. But we must make the most of the circumstances that Federal Government policy and international circumstances have forced on this country. One response is for New South Wales industries to export their heads off.

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

Mr CARR: Thanks to the best Olympics ever, the brand "Made in Australia" is now recognised around the world as a stamp of excellence. I can report to the House today—

Mr Brogden: Are you supporting Michael Knight?

Mr CARR: A lot of people are not cynical like you. They remember me jumping for joy in Monte Carlo. In September 1993—

[*Interruption*]

We can produce the video. It shows the Premier jumping for joy when Sydney got the Games. The best Games ever are fresh in the memory of all Australians, and that has helped make the brand "Made in Australia" a message of excellence. We must seize those opportunities where we can. For example, I can report to the House today that, as a result of the low Australian dollar and international increases in steel production, New South Wales coal producers have negotiated a 20 per cent increase in coal prices. I can confirm that the Japanese power company Chubu Electric has agreed to pay an extra $US5.75 a tonne for thermal coal. This is the first contract increase in four years. It will apply to sales made after 1 April. Hunter coalmines will now receive $US34.58 a tonne for thermal coal, an increase from $US28.75. It is anticipated that this price will now become the benchmark for all thermal coal sales to Japan.

I was advised this morning that, if the 20 per cent increase is negotiated for all contracts, the value of thermal exports from the Hunter will increase by $A600 million this financial year. This is great news for the families of the Hunter, where most of New South Wales thermal coal is produced. BHP confirmed to my office this morning that a 1 per cent fall in the Australian dollar against the United States dollar, after hedging, adds $A46 million to the company's bottom line. The Managing Director and Chief Executive Officer of Newcrest Mines, Mr Russell Barwick, today said that gold producers selling on the spot market were receiving near historic Australian dollar prices. He said that these prices were offset to some extent by increases in the price of fuel and spare parts. According to Mr Russell, gold is today trading on the spot market for around $A530, compared with $475 a year ago. Bega Cheese on the South Coast is one of regional Australia's exporting success stories. It has an annual turnover of $125 million and employs 320 staff, and this Government is proud to have helped it.

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

Mr CARR: Bega Cheese products are on the supermarket shelves in 17 countries. This morning the company told my office that it is already forward-selling its export products to take advantage of the low Australian dollar. The company has received more than 20 new business inquiries since February. According to the chief executive officer, Maurice Van Ryn, it will "definitely result in new business". He told my office this morning that over the next six to 12 months this will directly translate into new jobs. He said that the company may be faced with a situation in which it simply will not have enough product to satisfy demand.

Last Monday I opened Black Watch Boats, which builds luxury game-fishing boats at Tweed Heads. The New South Wales Government helped the company to relocate. I know that the honourable member for Tweed is delighted and that the Minister who attended with me is thrilled by the news. Black Watch Boats is undertaking a major export drive, with sales to Indonesia, the Philippines, the United States of America, Thailand, Japan and New Zealand. The company already employs 50 highly skilled local tradespeople. Black Watch expects to employ 100 staff once it reaches full production of approximately 150 boats. The company originally expected to reach that point in 2005, but that projection may now have to be brought forward. Yesterday the company's owner, Mr Graham McCorly, told my office that over the next six to 12 months, the low value of the Australian dollar would substantially help the company. He said that it would "absolutely, no question, lead to more jobs." Wasn't it good that the New South Wales Labor Government got that company down from Queensland and created a new industry for New South Wales!

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

Mr CARR: There is good news from Goulburn as well. On Friday I will be in Goulburn to open the $2.5 million upgrade of the Supertex Industries, which is Goulburn's largest private employer, with more than 230 workers. The company manufactures bathroom products and bedroom accessories which are distributed throughout Australia. The company is also an exporter to major department stores in the United States.

Ms Hodgkinson: This is a point of clarity.

Mr SPEAKER: Order! There are no points of clarity. The honourable member for Burrinjuck can deal with the matter in relation to which she seeks clarification at the conclusion of question time if she so desires. I call the Leader of the National Party to order for the third time.

Mr CARR: I do not know what the honourable member is saying but she will be begging for our preferences as the next election approaches—that is, if she is preselected. I understand that she is under some threat. This morning Supertex said that the low value of the Australian dollar would help to open up potential new markets in Australia and overseas.

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

Mr CARR: Yesterday the managing director, Mr Max White, said that it is in the domestic market where Supertex is against mainly imported products and that is where the company is set to cash in. Mr White said that "Made in Australia" products have a competitive edge over their imported rivals and that if Supertex can increase its market share by only 10 per cent, that will translate into 20 new jobs in Goulburn. I note that for some reason the honourable member for Burrinjuck is somehow opposed to that prospect. I do not understand why that would be so. Last Friday I was in Narrabri talking with local farmers. The prices that they are obtaining for their stock and their crops are at an all-time high. Rural exports jumped 15 per cent in February. Wheat is selling at around $200 a tonne. A year ago, the top price for an export lamb out of Wagga Wagga was $55 whereas on 22 March prime lambs sold in Wagga Wagga for $122 a head—a New South Wales record.

Mr Amery: And under a Labor Government!

Mr CARR: Yes. According to an Albury stock agent, Michael Unthank, the cattle market is as good as he has ever seen it.

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

Mr CARR: Another winner is, of course, film production. Decisions are being made by producers to make movies in New South Wales. Last week I highlighted the fact that the sequels to *The Matrix* will be made in New South Wales. Film production will create approximately 7,000 days of work for extras.

Mr Armstrong: Point of order: I will not let the opportunity pass of recognising that the Premier is acknowledging the good financial management of the Howard Government.

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

Mr CARR: Austrade reports that the number of companies exporting in this State is growing by more than 20 per cent a year. The exports are often in high value-added, smart industries.

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

Mr CARR: Experts say that the value of the Australian dollar will not stay around US50¢ forever. Who knows? In the past the experts have been wrong in projecting currency movements.

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

Mr CARR: The low value of the Australian dollar is not desirable on a host of grounds. There have been many complaints from importers about the pressure that the current value is subjecting them to, and it does not sound a note of confidence in the Australian economy. Alan Greenspan is on the record as saying he has never seen a country devalue its way to prosperity. But Labor is attempting at every opportunity to build an export culture in this country, with New South Wales leading the way. We have to ensure that, while the value of the Australian dollar is low, the opportunity to get into the markets is seized by the increasing number of New South Wales companies that have become exporters. As I said a few weeks ago, this is an opportunity for industries based in New South Wales to export their heads off and to generate good jobs here.

Mrs Chikarovski: What about Kim Beazley talking down the economy?

Mr SPEAKER: Order! The Leader of the Opposition will remain silent.

Mr CARR: What an extraordinary interjection by the Leader of the Opposition! She is blaming Kim Beazley for the low value of the Australian dollar.

Mrs Chikarovski: I said he talks the economy down.

Mr CARR: No. Despite the Ryan by-election result, the Coalition Government remains in Canberra.

Mrs Chikarovski: And Beazley will keep talking the economy down.

Mr CARR: No, the Leader of the Opposition cannot blame Kim Beazley.

Mrs Chikarovski: He talks the economy down all the time.

Mr CARR: The Leader of the Opposition cannot blame Kim Beazley. Until the next Federal election Kim Beazley, as Leader of the Opposition, will be happy to set up a little Wednesday morning political science discussion group in the Parliament to teach members of the Coalition some of the rudiments of Labor's political superiority.

REGIONAL POLICE NUMBERS

Mr SOURIS: My question is directed to the Premier. How can he talk about making our streets safer when he has gutted regional police numbers in areas such as Scone, where police numbers have been cut to only two officers at any one time on most days, and in the Mudgee command, where numbers have been slashed from 74 to 59, including Coolah, which has been reduced to only one officer? How many more country towns will be left exposed to assaults, vandalism, stock theft and other crimes?

Mr CARR: I am advised by the Police Service that the report about Scone is totally incorrect. According to the Hunter Region Commander, Terry Collins, there are eight officers at the Scone police station and other police are stationed at three other stations.

Mr SPEAKER: Order! The Leader of the Opposition will remain silent.

Mr CARR: As well, officers attached to the Hunter region Tactical Action Group, the TAG team, also place themselves at Scone when required. I am advised that in 2001—

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

[*Interruption*]

Order! I place the honourable member for Pittwater on three calls to order.

Mr CARR: Being aware of the courtesies of this House, I am prepared at all times to accommodate the extraordinary behaviour of members opposite. I thought a point of order had been taken and, as one who is steeped in the courtesies of this House, I like to afford my colleagues some courtesy.

Mr Fraser: Point of order: In fact, I have two points of order. The first point of order is that you called the honourable member for Campbelltown. As a matter of courtesy the call should have been given to him.

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

Mr Fraser: The second point of order is that Standing Order 105 states that when a point of order is called the member speaking must resume his or her seat. The Premier was not seated.

Mr SPEAKER: Order! There is no point of order. The Premier has the call.

Mr CARR: I am so intent on creating an atmosphere of courtesy in this House that I sit down in response to the first stirrings on that side of the House—courteous to a fault! I am advised by the Police Service that media reports stating that only two officers are attached to Scone are incorrect. According to the Hunter region Commander, Terry Collins, there are eight officers attach to Scone. As well, officers attached to the

Hunter region Tactical Action Group, the TAG team, also base themselves there when required. I am advised that as at March 2001 there were 77 police in the Hunter Valley Local Area Command.

[*Interruption*]

Another point of order? I am happy to accommodate this recklessness of the swamp fox. He is famous for his restlessness and, indeed, promoting himself furiously. His egotism is tickled by the attention he gets with the name "Swamp Fox" that is attached to him now wherever he goes on the Central Coast. There goes the swamp fox, ready to leap—the mouse pounce—on his prey. Enough of this diversion! I am advised that there were 77 police in the Hunter Valley Local Area Command and, while there has been no reduction in police numbers in the Hunter, there has been a reduction in crime, according to the press release from Commander Collins today. I hope there is no confusion. I am of course talking about Commander Collins, the Hunter region commander, not the noted author. By the way, it is some time since I quoted from that book, but it has been so successful that we might relaunch it. Whether the author wants to or not, why don't we get—

Mr Gibson: Rusty the dog.

Mr CARR: Gough, Mike Carlton? Why don't we get Mike Carlton back into the Chamber, and with your permission, Mr Speaker, with Rusty the dog thrown in, if you want him, and get the Collins book out there. Because if there is any book that merits reprinting and more promotion, it is that insight into the way the parties of the town and country capital in New South Wales run.

[*Interruption*]

A preview of the Carr diaries might be offered as an extra inducement. According to the press release from Commander Collins, reports to the police in Hunter Local Area Command dropped from 114 in January to 56 in February and—

[*Interruption*]

Don't be so negative! The Leader of the Opposition is always so negative! They fell to 35 in March. That is good news.

CHILD PROTECTION

Mr WEST: My question without notice is to the Minister for Community Services. How is the Government boosting front-line child protection across New South Wales?

Mrs LO PO': Campbelltown is one of the busiest offices of the Department of Community Services [DOCS], and the honourable member for Campbelltown knows a great deal about child protection.

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

Mrs LO PO': The Premier announced during the mid-term statement that in Penrith the Department of Community Services will receive 60 new caseworkers for front-line child protection. That is 60 more people on the ground protecting our children over and above the 109 new caseworker positions created by the Department of Community Services helpline. Those new positions will bring the total of the Department of Community Services caseworker positions to 1,052, a record in this State. The annual or recurrent costs of the 60 new positions will be $4.04 million in the first year. and $4.1 million a year thereafter.

Today I will inform the House exactly where those positions will be located. It is good news for the Hunter, for the western and southern areas of the State, for the Central Coast and the North Coast and for western and south-western Sydney. There will be five new positions for the community service centres at Wyong, Gosford and Corrimal; four new positions for the community service centres at Muswellbrook and Shellharbour; three new positions for the community service centres at Maitland; two new positions for the community service centres at Wagga Wagga, Dubbo, Albury, Parkes, Batemans Bay, Clarence Valley, Cessnock, Charlestown, Cardiff, Mount Druitt, St Marys and Ingleburn/Campbelltown; one additional new position for the community service centres at Bathurst, Mudgee, Walgett, Cootamundra, Coffs Harbour, Lismore, Raymond Terrace, Penrith, Auburn and St George.

The 60 additional front-line caseworkers will be responsible for managing cases of neglect or abuse and providing support for families in need. They will play a vital role in investigating and assessing reports of

suspected neglect or abuse of children. They will boost the department's capacity to quickly investigate reports, take appropriate action and increase services in high-need areas of the State. The Department of Community Services is seeking people with tertiary qualifications in social welfare, psychology, behavioural science or equivalent experience to fill those positions. The Department of Community Services is committed to supporting the professional development of staff and providing opportunities to advance to positions such as casework managers or to positions in policy or project work.

The recently announced $3.6 million annual funding boost for training will include an enhanced induction and orientation program for all staff, entry-level training for front-line staff and the provision of better professional opportunities. The 60 new staff will benefit from the additional training. Working for the Department of Community Services is both challenging and rewarding. On any given day one could be providing families with support and referrals, investigating child abuse reports, placing children with foster families, attending court or working with other agencies to offer the best solutions to struggling families. Recruitment for these new positions will commence with the appearance of advertisements in the local and statewide press in the next fortnight. The department now has record staffing and a record budget to combat child abuse in our community.

POLICE STATION CLOSURES

Mr TINK: My question is directed to the Premier. How much taxpayers' money has been wasted by the Government on hiring private consultants to assist the Premier to convince local residents that they will benefit from the closure of police stations in the inner suburbs? Why does the Premier keep the consultants' report secret and refuse to release it under freedom of information legislation?

Mr CARR: I have hired no consultants, and I am not aware that consultants have been hired by anyone.

GLOBAL WARMING

Mr BLACK: My question is to the Minister for Energy? What is the latest information on Government measures to combat global warming?

Mr YEADON: Global warming is a topical issue at the present time. The way the honourable member for Murray-Darling stays abreast of international debates is remarkable.

[*Interruption*]

Members of the Opposition may well laugh, but the honourable member for Murray-Darling then applies that knowledge in his own unique way to his own electorate. He is thinking globally and acting locally. We all know that members of the Opposition and their colleagues in Canberra do not care about global warming and about the greenhouse effect. The honourable member for Southern Highlands knows who the eco-hypocrite is: it is her national leader in Canberra, the Prime Minister John Howard.

Mr SPEAKER: Order! Members of the Opposition will remain silent.

Mr YEADON: The Prime Minister is crawling over himself to apologise for his Government's policy failure in relation to these matters. If there is one area in which the Federal Government has had an absolute policy collapse, it is in the area of greenhouse gases and global warming.

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

Ms Moore: Point of order: Though this is one of the most important issues that this Parliament could consider, the level of conversation and interjection is disgraceful. Members should be directed to be quiet.

Mr YEADON: I can only agree with the honourable member. It is hardly surprising that the Federal Government has had such a fundamental failure in this area when Minister Hill is lined up against the likes of Minister Warren Truss, Senator Minchin and that great environmentalist Wilson Tuckey. While the Federal Cabinet backs away from greenhouse commitments, in New South Wales the Premier and the Government are forging ahead with real solutions to environmental problems such as global warming.

Mrs Chikarovski: What are you doing about car emission testing?

Mr SPEAKER: Order! The Leader of the Opposition will remain silent.

Mr YEADON: I will tell you what we are doing. Unlike the Leader of the Opposition, Country Labor knows how important these issues are.

Mrs Chikarovski: And what are you doing about the electricity industry?

Mr SPEAKER: Order! The Leader of the Opposition will remain silent.

Mr YEADON: Droughts and floods that are far more severe than those of the past are becoming commonplace. We need to address this issue. If we do not rural New South Wales will get nowhere.

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

Mr YEADON: Let me be clear about the position in New South Wales. The Carr Government supports responsible action by the international community, including Australia, by signing up to the Kyoto protocol. It is most disappointing that the President of the United States has said in the past couple of days that the United States is withdrawing from that process. The New South Wales Premier has been a major advocate for the arrest of global warming.

Ms Seaton: Point of order: The Minister is misleading the House. The State Government has presided over an increase in energy emissions and the Minister for Transport has abandoned vehicle emission testing.

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

Mr YEADON: The Premier has been a great public advocate of initiatives to arrest the greenhouse gas problem and has spoken on a couple of occasions before the Davos community and been extraordinarily well received in those forums.

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

Mr YEADON: We stand on our record. In 1996 we established the first government agency in Australia to deal with these problems, the Sustainable Energy Development Authority. That authority has literally moved mountains through its many programs, working with business and residents. It has saved more than 10 million tonnes of greenhouse gas from being emitted, the equivalent of taking approximately 625,000 cars off the roads of New South Wales for good.

Mr Armstrong: Can you verify those figures?

Mr YEADON: Yes, I can, and those figures will get better over time. That brings me to the latest round of practical implementation, a program of renewable energy investment in New South Wales. Of course, this builds on the $6.2 million of previous Government funding. We will invest a further $3.65 million for various energy projects.

Mrs Chikarovski: Point of order: I would hate to anticipate anything that the Minister is about to say, but it would be a delight if he were to make an announcement about motor vehicle emission testing in this State and emission control on the stack on the M5.

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

Mr YEADON: I was saying that the Government will commit another $3.65 million for various energy projects including solar, hydro and wind generators similar to the project that was recently installed near Blayney involving Eraring Energy's largest New South Wales wind farm. The latest projects, some seven of them, will range from the quite modest right through to the world's biggest. The combined impact will be the saving of another 3.4 million tonnes of greenhouse gases over their lifetime.

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

Mr YEADON: Make no mistake about it: New South Wales is leading the country. We are leading the pack in relation to greenhouse initiatives.

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

Mr YEADON: New South Wales is the home to renewable energy with over half of the industry being based in New South Wales and generating more than a third of the nation's total green power. It is an extraordinary industry, an industry that provides $16 billion worth of economic activity in New South Wales, much of it regionally focused. There are some 11,500 full-time jobs in the industry. To date, 14 projects have already resulted in $80 million worth of private investment. The projects this year will result in even more emphasis on regional New South Wales. I know that Country Labor supports these latest projects in areas such as Leeton, Nowra, Wagga Wagga and Broken Hill. The honourable member for Murray-Darling has been a staunch supporter of what will become the world's largest solar dish farm on the outskirts of Broken Hill. As I said, he is thinking globally and acting locally.

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

Mr YEADON: The honourable member for Murray-Darling has been a strong supporter of that project. This cutting-edge technology will result in 42 solar dishes being installed later this year by Australian Inland Energy and Solar Systems Pty Ltd. The 12-metre dishes, which are approximately equivalent to the size of a drive-in movie screen, will magnify the energy from the sun 20 times and turn it into the cheapest solar energy available today. Feeding that energy into the electricity grid will significantly reduce coal-generated power and save thousands of tonnes of greenhouse gases over the project's 30-year life.

An allocation of $1 million will be used to establish a waste-to-energy plant using 60,000 tonnes of rice hulls and turning them into power. Thiess Pty Ltd, with funding it has been given, can pursue ground-breaking combustion technology and pioneer this project, which it believes will have major international implementation implications. This project is a triple win for the environment, as it not only deals with the greenhouse gas issue but also will reduce landfill, and that in turn will eliminate additional emissions of deadly methane gas that landfill produces as waste decomposes. That is a first-rate project.

Another project that we are looking at is the feasibility of this Parliament's own green generation. I know that the Opposition, with its impeccable environmental credentials, will support that initiative. We are exploring installing a wind or solar farm right here on the roof of Parliament House to augment the cogeneration facility already in place. That cogeneration facility could certainly use the hot air being generated from the other side of the Chamber! If the proposal proves feasible, such a project could become a landmark demonstration of the Government's commitment to the environment and to saving money, and of course it would offer a first-class showcase education tool for visiting schools and guests. Discussions are under way, and I look forward to informing the House of future developments in that regard.

As I have said, we on this planet have a long way to go in dealing with the global warming issue, but New South Wales definitely is headed in the right direction, with real benefits being accrued not only for the environment but by way of fundamental investment and job creation in this State, particularly in rural areas. Of course, we are leading the pack nationally on these sorts of projects.

DAPTO POLICE STATION

Mr MAGUIRE: My question without notice is directed to the Minister for Police. How can the Minister say that he is trying to make our streets safer when Dapto police station has been forced to cut its operating hours in half so that it is now open from 8.00 a.m. to 8.00 p.m. because local commanders do not have enough money or officers to keep it open all day long? How many other country stations are also being forced to cut back services?

Mr WHELAN: It would be a privilege for me to report to those honourable members whose electorates fall within Dapto rather than to the honourable member for Wagga Wagga. I think that he should concentrate on his own electorate.

Mrs Chikarovski: Point of order: It has never been the tradition in this House for honourable members to ask questions only about their electorates. It is entirely appropriate to ask questions that refer to issues affecting Labor electorates.

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

Mr MAGUIRE: I ask a supplementary question. In light of the Minister's non-answer, will he guarantee the non-closure of country police stations?

Mr SPEAKER: Order! That is not a supplementary question.

SCHOOL HOSTELS

Mr BLACK: My question without notice is directed to the Minister for Education and Training. How is the Government working to help families from remote areas meet the cost of sending their children to high school?

Mr AQUILINA: Once again I have good news for country kids following representations from Country Labor. But before I give honourable members that good news I congratulate staff and students from The Rock Central School who are visiting Parliament today. I congratulate in particular the Principal of The Rock Central School, Malcolm Clune, who celebrates 41 years of teaching in public schools. Malcolm Clune will retire next week on Thursday 12 April. Recently I received a letter from Mr Clune in which he stated:

> I have had the honour of being a Principal in a number of our State's schools. The children I have known, the parents and the communities belonging to those schools have enriched my life. What an extraordinary job to be able to share so much with so many.

Well spoken! Access to education is a fundamental right. It is something that most Australians take for granted. For 99 per cent of towns and communities in New South Wales, their local, government school can offer a high quality, world-class education within comparatively easy reach of their homes. But the situation is different in some parts of remote New South Wales, in particular in the electorate of the honourable member for Murray-Darling. Across the State more than 1,000 families live too far from their nearest school to make the daily journey possible. One option for these families is to send their children to larger towns to attend high school and to organise boarding for them at school hostels.

There are seven school hostels in New South Wales—at Cobar, Dubbo, Forbes, Hay, Wagga Wagga and two at Broken Hill. Collectively, they provide a home away from home for students from farms and towns across more than half of New South Wales. All are run by charity or religious organisations and all operate on a not-for-profit basis in the interests of country schooling. The State Government does not set entry requirements or duty of care provisions for hostels. However, we recognise the importance of school hostels in giving students from remote New South Wales a chance to attend a government school.

To assist families to send their children to school hostels the New South Wales Government provides an annual subsidy of at least $1,000 per student for years 7 to 10, and at least $1,300 per student for years 11 to 12, paid directly to parents. Following strong representations from Country Labor, this living away from home allowance was increased last year from the previous Government's minimum of $649 to the current minimum of $1,000. This was good news for country families, but there is always more that needs to be done. Today I can inform the House that for every family that sends a child to board at one of these school hostels the living away from home allowance will be doubled to a minimum of $2,000 per year.

Mr Black: Hear! Hear!

Mr AQUILINA: The honourable member for Murray-Darling said, "Hear! Hear!" So should all country members who have children living in these hostels. The Isolated Children's Parents Association raised this issue as a major concern at its conference last month. This Government has heard its concerns and it has acted. School hostels will also receive more than $400,000 in State Government subsidies for urgent capital works and repairs to improve the facilities that they offer to country families. School hostels exist in every State and Territory and they receive too little credit for their efforts.

No doubt rural members of Parliament from both Country Labor and the National Party are asking themselves where the Federal Government stands on school hostels. After all, Federal governments have provided direct funding to school hostels around Australia since time immemorial. Until now, school hostels that had less than 50 per cent enrolments could seek emergency assistance from the Federal Government to keep their doors open until the following year. The Isolated Children's Parents Association was told at its conference last month that this Federal funding was no longer available.

Mr Black: Shame!

Mr AQUILINA: Shame indeed. For the benefit of honourable members let me describe the situation at one school hostel at Broken Hill, in the electorate of the member for Murray-Darling, as outlined to the recent Isolated Children's Parents Association by the hostel's convener, Rob Seekamp:

> Allison House is at capacity this year and has had to turn some students away. The last two years it received federal emergency funding which allowed for a much-needed and overdue plumbing upgrade.

This is the funding which is no longer available. Allison House will now have to eat into its funding reserves. The Carr Government is doing its share to support school hostels and to improve education delivery for families on remote farms and stations. We are increasing funding, subsidising building works and lifting allowances. The Federal Government, the traditional provider for school hostels, appears to have abandoned its responsibilities altogether.

In July this year State and Territory Ministers will meet in Canberra with the Federal education Minister, Dr David Kemp. One item for discussion is school hostels. I can assure the House that I will be taking the message to the Federal Minister that school hostels deserve his full financial support. New South Wales has delivered for country kids. The Federal Government should not be allowed to abandon them.

Questions without notice concluded.

CONSIDERATION OF URGENT MOTIONS

Lucas Heights Nuclear Reactor Proposal

Mr LYNCH (Liverpool) [3.37 p.m.]: My urgency motion should be given precedence because it is urgent. It is urgent because of the seriousness of the issues that have been raised about the operation of the nuclear reactor near residential areas and also because of the amount of public concern that those issues have generated.

Mr Richardson: Point of order: It is incumbent on the honourable member to read out the motion.

Mr SPEAKER: Order! The standing orders do not require the honourable member for Liverpool to read his motion at this stage.

Mr LYNCH: The degree of public concern and the seriousness of the issue, thus justifying the urgency, stem in turn from what is potentially an extremely dangerous development. That is not to say that the nuclear reactor up until now has been dangerous or that in the future it will be dangerous. However, potentially it is certainly dangerous. The shadows of Chernobyl and Three Mile Island loom large in these sorts of debates. This issue is a matter of considerable urgency to south-western Sydney. I say to those Opposition members who come from the North Shore and who have no knowledge of south-western Sydney that Lucas Heights is located within the electorate of Menai and is about six or seven kilometres from the extremities of urban development of the city of Liverpool.

Mr Brogden: Point of order: Earlier today, in response to a question from the honourable member for Wagga Wagga, the Minister for Police indicated that it is the new standard of this House that members are allowed to ask questions or speak about issues only if they are relevant to their electorates.

Mr SPEAKER: What is your point of order?

Mr Brogden: I am wondering whether you are happy to rule in accordance with what was said by the Leader of the House, that as this is not relevant to the honourable member's electorate it is out of order.

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

Mr LYNCH: Part of the reason for urgency is that it is such a significant issue and it has such a large potential impact. Fallout from a nuclear catastrophe would not be confined to the one electorate; it would spread well beyond the one electorate. It displays an extraordinarily narrow view for the honourable member for Pittwater to suggest that it will somehow be contained within just one electorate. The motion is urgent because the current proposal of the Federal Government is to construct a nuclear reactor to replace the current one. The motion is urgent precisely because of the inadequacies referred to in the substantive motion, and because of those inadequacies discussion of this motion today is genuinely urgent.

Northside Storage Tunnel Gas Emissions

Mr COLLINS (Willoughby) [3.40 p.m.]: As most members of this House would realise, the motion I have brought to the attention of the House is about an action within the hands of this Government. We are not talking about a hypothetical issue; we are addressing an issue that the Government brought to the attention of

the House today. The Premier was asked about global warming and was asked to talk about the effect on the environment of global warming. This issue is taking place 15 minutes drive from Parliament and members of my electorate and the schoolchildren of Glenaeon school are being used as human guinea pigs in an experiment of unprecedented size. We are talking about the largest single storage vent ever constructed in this country being located in my electorate. It commenced operation only very recently.

The children at Glenaeon school do not know when that vent is operating. They do not know when fumes are being emitted. They do not know when pathogens are being released into the atmosphere. Experts before an upper House committee of this Parliament recently made a number of recommendations that the Government has ignored. By ignoring that advice it put at risk the health, the safety, the welfare and the future wellbeing of the schoolchildren at Glenaeon school and the residents who live around that school.

This matter is urgent because the Government has not built in adequate safeguards. What does it take to shift the Government, to have the Government understand that despite its admirable attempt to overcome the sewage overflow problems in the northern regions of Sydney? It is not a question of ignoring the problem. We support the Government's original initiative in trying to keep Sydney Harbour clean and making the waters of Sydney Harbour cleaner. Why did the Government not take the extra step? Why did the Government not spend just a little bit more money in the overall project to get a safe solution to this problem? The safe solution was at hand. The monitoring that has been spoken about by Sydney Water is plainly inadequate to provide schoolchildren and parents with the reassurance they need and seek from the Government, that the children will not be put at risk.

The motion is urgent because with each day that passes there will be more concern at the school about the operation of the vent. The control of pathogens from that vent is inadequately addressed. The Government has ignored the upper House recommendations. The select committee in the upper House made a whole series of recommendations which, if implemented, would have made this a far safer project. There was exhaustive analysis and consideration by not merely Opposition members of that committee but crossbench members as well. That committee looked at all the issues and made a series of recommendations—and they are affordable recommendations. That is the tragedy. This is not a project that requires hundreds of millions of dollars to fix. This project probably requires $20 million or $25 million to fix, to get it right, to provide the safety net that the schoolchildren, parents and staff connected with Glenaeon school so desperately seek.

As the Government claims environmental credentials, and the Premier is a former Minister for the Environment who prides himself on having been Minister for the Environment and regarded it as one of his key achievements in his political life, it is absolutely critical that the Carr Government look at this issue again and that we debate this issue. I ask members on the crossbench in this Parliament to support the Opposition's move to bring this matter on for debate so we can get some safety provisions for people in this region. If the Government does not address the problem relating to this vent, many more will follow in other electorates. It may be my electorate today; it will be yours tomorrow. We have a responsibility to the people to do things right, especially when we know at the outset that the Government is doing them wrong.

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

The House divided.

Ayes, 49

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

Noes, 37

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

Question resolved in the affirmative.

LUCAS HEIGHTS NUCLEAR REACTOR PROPOSAL

Urgent Motion

Mr LYNCH (Liverpool) [3.53 p.m.]: I move:

That this House condemns the inadequate processes adopted by the Federal Government in its upgrading of the nuclear reactor at Lucas Heights.

The nuclear reactor site at Lucas Heights is currently run by the Australian Nuclear Science and Technology Organisation [ANSTO]. The nuclear reactor was established at Lucas Heights in 1958, at a time when the site was remote bushland. In September 1997 the Federal Government took a decision to proceed with the construction of a new reactor on the site, on the basis that the existing reactor would cease to operate at some stage in the future. The Federal Government decided to develop another reactor to replace the existing one.

Curiously and, I think, rather significantly, on the same day the announcement was made that a new reactor would be constructed at Lucas Heights the Federal Government also announced that the Holsworthy airport option would not be pursued. People do not necessarily always adopt conspiracy theories, but it seems fairly clear that the Federal Government was hoping to mask a decision that was likely to be received badly—that is, the construction of the new reactor—with the good news that there would be no airport at Holsworthy.

There have been a series of problems with the process revolving around the construction of the new reactor, and it is those difficulties and defects at which this motion is aimed. The first and, in a sense for this Chamber, most problematic difficulty is that the site and the process are completely governed by Commonwealth legislation. Thus, there is no official role for the State Government in the development of the site. That means that the State Government and local State members have had little input into decisions that have been taken about our area. Essentially, the role is restricted to making submissions on the Federal environmental impact statement [EIS] process.

The process itself is also considerably problematic and quite difficult. The EIS that was prepared and exhibited by the Federal Government was not clear or precise on the proposed design or the operating details. That lack of detail is a real issue for the people who live in south-west Sydney. Another difficulty with the process is the end result in the sense that the imposition of a new reactor on the site is probably the worst possible thing that could happen on the site. In 1958 there was some logic at least in the selection of Lucas Heights as the site of a nuclear reactor because at that time it was remote bushland.

The site is now cheek by jowl with residential development. It is in the middle of a residential area, and about five or six kilometres to the west are areas such as Wattle Grove, which is the beginning of the urban development of the city of Liverpool. As the crow flies, the reactor site is very close to massive residential developments, and that is a matter of considerable concern. Indeed, local people are inclined to regard it as absurd that a new reactor will be built that close to residential areas. Without the development of a new reactor, the old reactor was likely to be decommissioned in the period 2003 to 2005.

Another part of the process that is troubling to me is that there seems to have been no proper assessment of whether we need a new reactor. The research reactor review in 1993 concluded that a reactor

should be pursued only if national interests justified it, that is, if there was a foreign affairs aspect or perspective that it was in Australia's interest to develop nuclear capacities, or if it gave us the ability to participate in nuclear safety debates. That seems to hark back to cold war rhetoric, rather than to a rational discussion about how or if we should proceed with nuclear reactor developments at this point in time. In 1997 the Senate Economic References Committee found that a full public inquiry should have been conducted before a final decision was made to construct. That is, that committee was not satisfied that a case had been made out to construct a reactor at all, let alone at Lucas Heights.

Certainly, the process had little regard for a series of apparent safety breaches that have occurred at Lucas Heights, which have been an ongoing concern. It seems that little attention has been addressed to those concerns in this process in so far as any of it has been open to public scrutiny. Earlier, to justify why my motion should be debated urgently, I said that the shadows of Chernobyl and Three Mile Island hang long over these sorts of debates. That is not meant to inflame the debate or to terrify people; it is a simple statement of the consequences of what can go wrong with nuclear reactors.

On 13 July last year contracts were signed to allow the construction of the new reactor. That was with an Argentinian-based company, INVAP. That part of the process is a problem because INVAP has been linked with all sorts of nuclear proliferation and with the fairly willy-nilly spread of nuclear capacity around the world. That seems to be a difficult thing in which Australia should be involved. In August last year Dr John Loy, the Chief Executive of the Australian Radiation Protection and Nuclear Safety Agency—he is the person who must issue a construction licence to allow a new reactor to be built—indicated that he had considerable doubts as to whether that will be able to occur because there had to be a proper process to deal with nuclear waste issues before he could issue that construction licence. One has only to read the recent newspapers to see the chaos that INVAP is getting itself into with regard to getting rid of nuclear waste

The other great difficulty with this process is the extraordinary secrecy that surrounds it. Documents were recently made available as a result of the actions of Sutherland council. The council had to go to the Administrative Appeals Tribunal to enable it to use freedom of information provisions to get hold of some of the material surrounding the Cabinet decision for site selection. Max Moore-Wilton, a senior Commonwealth bureaucrat, signed a certificate stating that the council was not entitled to have access to that material. As a result of the tribunal proceedings, a whole lot of interesting material was obtained by Sutherland council. The background to the material is well set out. Part of the material obtained under freedom of information provisions states:

> The "Siting" Cabinet Submission addresses alternative sites for the location of the research reactor and the spent fuel processing plant. The sites are Lucas Heights (base case), Holsworthy, Goulburn, Adelaide environs, Perth environs, Woomera, Broken Hill, Mt Isa and Darwin. For the processing facility, a site with existing infrastructure, such as a mining site, is also considered.

Another part of the document sets out the fundamental reason that there has been no public involvement in this process. It reads:

> Release of information about alternate sites may unnecessarily alarm communities in the broad areas under consideration.

In other words, the Commonwealth Government does not want anyone to know what it might be going to do with this reactor. It says, " We might be putting it next door to you, but you are not going to find out." A whole series of sites have been considered without any public consultation or public involvement in the process. Another portion of the documents obtained under freedom of information provisions reads:

> Selection of alternate sites has been a desk-top exercise to find areas where a 1000 hectare site (about 250 hectares for the nuclear science facility and the balance as an exclusion zone 1.6 kilometres in diameter, centred on the reactor) could be found which would not be subject to urban encroachment in the next 40 years, having good geological and drainage characteristics and which was in reasonable proximity to an airport for the delivery of radiopharmaceuticals.

That is interesting because it emphasises the necessity to have this sort of facility well away from residential development. The public is not being informed about any of this, and did not participate in the selection process. However, one is at a loss to understand why the Federal Government has decided to locate the reactor at Lucas Heights. It does not make a lot of sense. The reality of the situation seems to be that the Federal Government is being driven by cost rather than by sensible planning decisions. Another section of the document reads as follows:

> An independent consultant, NNC Limited, UK, has verified that the capital cost estimates for additional infrastructure to support a research reactor and/or a spent fuel processing facility at sites other than Lucas Heights, are well founded and appropriate.

That economic imperative—indeed, obsessive imperative—seems to run throughout the Federal Government's approach to its decision. Another interesting perspective on the selection of the site comes from another section of the document, which reads:

> The timing for the task is very tight. The analysis should be completed by 22 July 1997, so that Mr Moore has time to consider it before he goes overseas on 29 July.

The conclusion one is entitled to draw is that the economic imperative is driving this and that the process has been extraordinarily rushed. The siting report itself concedes both that economic imperatives override rational planning decisions and that, in any event, immense pressure is being placed on the Federal Government to make a decision on the matter within a particular time frame. As a result, it is not surprising that people have a great deal of concern about the processes that have been adopted in choosing the Lucas Heights site.

Ms SEATON (Southern Highlands) [4.03 p.m.]: I move:

> That the motion be amended by leaving out all words after the word "That" with a view to inserting instead:
>
> "this House acknowledges the important role of the nuclear reactor for medical research and condemns the Government for its ongoing threat to massively increase levels of waste from Sydney into the Sutherland tip at Lucas Heights, and condemns the Minister for the Environment for his failure to address worsening roadside dumping near the Lucas Heights tip."

Mr Lynch: Point of order: Standing Order 170 requires that amendments must be relevant to the question before the Chair. In my submission the amendment is not relevant to the motion before the Chair.

Ms SEATON: To the point of order: My amendment specifically refers, first, to medical research at the Lucas Heights reactor and, second, to environmental issues which are related to the issues that the honourable member for Liverpool has raised in his motion: environmental issues which are very specific to Lucas Heights and the local environment.

Mr Lynch: Further to the point of order: The second part of the amendment refers to waste in rubbish tips, which has absolutely nothing to do with the nuclear reactor. It is an absurd proposition.

Ms SEATON: Further to the point of order: The honourable member for Liverpool chose to dismiss the idea that waste and rubbish tips are unrelated. Waste is a matter that the honourable member has canvassed in his motion. He has referred to by-products of waste and waste products. The issue of waste is central to this motion.

Mr SPEAKER: Order! The honourable member for Liverpool is correct in his reading of the standing orders. The motion addresses one item only: the processes adopted for the upgrade of the nuclear reactor at Lucas Heights. The amendment moved by the honourable member for Southern Highlands deals with the Sutherland tip, an entirely separate facility. There may be some nebulous connection between the two facilities, but the amendment does not relate to the essence of the motion. I rule the amendment out of order. That ruling does not prevent the member for Southern Highlands from moving another amendment at a later stage.

Ms SEATON: It is extremely important that this House acknowledge the very important role that the Lucas Heights reactor has played in medical research, not only in New South Wales but across Australia. Members of this House would be aware that the research that is carried out at Lucas Heights plays an important role in developing X-ray technologies, emerging technologies, pathology, and research into drugs and their effects. Anyone who has had experience of anything from a broken bone to cancer diagnosis and treatment would acknowledge that at some point it has been necessary to take advantage of nuclear-based medical technologies and treatments. The motion moved by the honourable member for Liverpool seeks to undermine all of the good work that so many Australian scientists and researchers have done for so long at the Lucas Heights facility, which has benefited so many Australians.

I am surprised that the honourable member for Liverpool would attack the people in our community who rely on nuclear medicine. I am also surprised that he would attack the hard-working researchers and scientists who have made it their life's work to dedicate themselves to that sort of research, particularly at the Lucas Heights facility. The honourable member for Liverpool has in his electorate a very fine hospital. It is important that we test whether he supports the work that is undertaken at that hospital. I would be interested to know how medical staff, patients and families who are treated at Liverpool Hospital would react to his implied assertion that we should abandon nuclear-based medicine. I imagine that many people who are patients in Liverpool Hospital today would be feeling very uncertain about the future of those sorts of treatments, given the approach that the Labor Party is taking today in this place.

It is important also that we recognise that the presence of the nuclear reactor at Lucas Heights ensures that Australians are not required to import the sorts of materials and technologies that we would otherwise be

reliant upon if we had no such locally based facility. In fact, many of our own scientists, students and graduates who have moved through the university system in New South Wales and Australia would be faced with the situation of having to go overseas to find jobs to develop their expertise. As the honourable member for North Shore said, the honourable member for Liverpool is advocating the very circumstances that would lead to a brain drain. If he had his way, medical staff and students at many of our universities would have to look overseas and would probably be poached by overseas universities, research centres and pharmaceutical companies. We are developing expertise, and we have expertise in all those fields. In fact, Australians are sought after around the world. The honourable member for Liverpool would prefer them to be pulled overseas because there are simply no options for them in Australia.

The motion moved by the honourable member for Liverpool implies that environmental considerations are driving this debate. If the honourable member really understood the role of this Parliament and understood that honourable members of this House, as members of Parliament, should deal with State environmental issues, I believe he would change his views. I would be interested to know what the honourable member for Menai has to say about this. Local environmental issues that are under the control of the State Government are the matters that are on people's minds, particularly those who live in the Sutherland area. On many occasions in recent weeks I have had the pleasure of visiting the Sutherland area. Unfortunately, the reason I have been asked to visit the Sutherland area is that the people who live in the area believe that their local environment is under threat.

The issues that Sutherland residents are worried about are day-to-day issues such as the future plans for the Sutherland tip and roadside illegal dumping. I was taken to a site on the corner of Illawarra Road and Australian Road at Barden Ridge, where I saw no fewer than 25 dumped vehicles and literally truckloads of carpet and building construction waste. It was pointed out to me that large loads of asbestos had been dumped, presumably by commercial fly-by-nighters—that is, those who take money from people who believe that their rubbish will be taken to a properly licensed tip and disposed of properly. Instead, the material is put in the back of a truck and simply dumped in any handy piece of bushland. Some of these fly-by-nighters come from all parts of Sydney and New South Wales. The carnage that they create in once pristine bushland in Sutherland—bushland that the people of Sutherland are very proud of—is not being properly addressed by this Government.

I have seen piles of asbestos, piles of building waste, piles of tiles and bricks, and piles of household material. This rubbish has been dumped a hundred yards or so off the road. If the honourable member for Liverpool and the honourable member for Menai are serious about addressing the types of environmental issues that concern people in their electorates, they would debate those matters today. The honourable member for Menai would be better served paying attention to the future of the Lucas Heights waste facility. Mr Robin Grimwade, Managing Director of Waste Services New South Wales, wrote to the *District Reporter*, a Macarthur area newspaper, about the Jacks Gully Waste Management Centre. He stated:

> Claims that Jacks Gully Waste Management Centre could become a dumping ground for all Sydney councils … are wrong.

Mr Face: Point of order: You have already given a ruling on the limited nature of debate on this motion. The honourable member has completely strayed from the leave of the motion. She has made no mention whatsoever of the nuclear reactor at Lucas Heights. If honourable members accepted what the honourable member for Southern Highlands is putting to the House they would be talking about every piece of illegal rubbish dumped in this State. She is now talking about a waste management facility that has absolutely nothing whatsoever to do with the Lucas Heights reactor. I ask you to bring her back to the leave of the motion.

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

Ms SEATON: The matters to which I have referred are central to environmental issues in the Sutherland area. If the Jacks Gully Waste Management Centre is ruled out, it will put the focus back onto the Sutherland waste tip. If the Jacks Gully centre is not in the picture, what will happen in the Sutherland area? Will people who live in the Sutherland area be forced to bear the costs which the local council—according to memorandums of which I have become aware—says it cannot bear? I move:

> That the motion be amended by leaving out all the words after the word "That" with a view to inserting instead:
>
> "this House condemns the Government for failing to acknowledge the importance to medicine of the upgrading of the nuclear reactor at Lucas Heights."

Ms MEGARRITY (Menai) [4.13 p.m.]: It may be appropriate for me to restate the motion because matters may be a little confused at this point. The motion reads:

> That this House condemns that the inadequate processes adopted by the Federal Government in its upgrading of the nuclear reactor at Lucas Heights.

I felt that it was important to restate the motion because at no point in the speech made by the honourable member for Liverpool did I hear him condemn the current workers at Lucas Heights or, indeed, the outcome of any medical research that is currently undertaken there. The Lucas Heights facility is a significant employer in my electorate and no-one has condemned the work that is carried on there. However, what is condemned—and I understand the nervousness of the honourable member for Southern Highlands in relation to this point—is quite literally the processes by which the Federal Government has sought to upgrade the facility and site a new reactor there. I remind the House of the content of a 1997 Federal Cabinet submission which was obtained by the Sutherland Shire Council under freedom of information legislation and court action, as pointed out by the honourable member for Liverpool.

Honourable members may recall hearing today that the issues on site selection were canvassed as a "desktop exercise". The site that was required was one that was not subject to urban encroachment during the next 40 years. Financial considerations were discussed and this factor seems to have been the main criteria under which Federal Cabinet's decision was made. A draft environmental impact statement [EIS] was subsequently prepared for the proposal under the Commonwealth Environment Protection (Impact of Proposals) Act 1974. The New South Wales Government produced a submission on that draft EIS in December 1998.

The agencies that contributed to that submission included the Environment Protection Authority, New South Wales Fire Brigades, the South Eastern Sydney Public Health Unit, the Department of Land and Water Conservation, the Roads and Traffic Authority, the National Parks and Wildlife Service, Sydney Water, the Police Service, and the Department of Urban Affairs and Planning. Some very serious conclusions were drawn about the draft EIS, and those conclusions were contained in a summary which states, in part:

> The draft EIS appears to largely overlook opportunities to achieve better environmental outcomes in the areas of water cycle management, energy efficiency and waste minimisation.

Most importantly, the summary goes on to state:

> As limited design detail is available, it is not possible for a full detailed assessment of its possible impacts to be undertaken at this stage. The selected nuclear reactor should be the subject of a detailed supplementary Environmental Impact Assessment (EIA) ... which contains technical and quantitative data on expected gaseous and aqueous emissions for that particular reactor design and which is made available for further comment by NSW agencies.

The summary states in conclusion:

> No degree of certainty can be assumed for information provided in the draft EIS as the concept design of the proposed reactor is not finalised.

It was also pointed out "that there appears to be promotion for the new reactor rather than an assessment of the proposal". Certainly the New South Wales Government agencies concluded that these issues have significant implications for the development and ongoing management of the proposal. It is considered that they raise fundamental questions about the appropriateness of continuing with the environmental impact assessment [EIA] process until they are resolved. The NSW government agencies, in their submission on the draft EIS in 1998, could not find sufficient justification for even proceeding with the EIA process.

Only last year the Minister for the Environment confirmed in this House that many of those questions remain unanswered and that the concerns have been exacerbated by the Federal Government's steadfast refusal to provide the community with information on design and operating details of the proposed reactor. Sutherland Shire Council has been mentioned during the debate today. The council has consistently attempted to obtain information from the Federal Government. Each time the council has tried to open a door on this issue, that door has been slammed in the council's face. That was confirmed as recently as today. In 1998 the Sutherland Council engaged an international expert, Daniel Hirsch, to undertake a review of the draft EIS.

Among other things, Mr Hirsch focused on the accident evaluation included in the EIS. He conceded that it was seriously inadequate. Time prevents me from going into the full details but I am happy to provide them to any member who is interested. Mr Hirsch referred to the fact that the potential accident scenario has

been seriously underestimated. In other words, the EIS simply does not provide that level of detail. Mr Hirsch gave evidence to a Senate select committee. Instead of listening seriously to what he had to say and addressing the issues he raised, the Federal Government's response, to its shame and embarrassment, was an attempt to discredit him. He subsequently answered the criticisms that were put to him. His supplementary submission states:

> We all appear now to agree that if the replacement reactor were to suffer a loss of coolant, or a power exacerbation accident that tosses out the coolant, and if the confinement fails or is bypassed, radioactivity releases thousands of times higher than that assumed in the EIS could result ... and many cancers would result.

Mr Hirsch is a credible witness. He should not be dismissed.

Mr Black: There is a very good hospital at Liverpool.

Mrs SKINNER (North Shore) [4.18 p.m.]: I have been invited to make comments about Liverpool Hospital and I will do just that because, frankly I am astonished that the honourable member for Liverpool would speak in this House about a Commonwealth matter, albeit a matter of great importance, when he has been absolutely silent on concerns and issues confronting the people of Liverpool in relation to their hospital. I visited Liverpool Hospital recently and talked to doctors, patients and relatives of patients. One of the things that astonished me was the state of filth in parts of that brand new hospital. It was so dirty that relatives of patients complained to me about it. I am astonished that the honourable member for Liverpool would speak in this place on another matter before giving priority to his Liverpool constituents, particularly those who are reliant upon the services of Liverpool Hospital.

Mr Lynch: Point of order: Whatever this debate is about, it is not about the state of Liverpool Hospital. The honourable member is clearly outside the leave of the motion, and she should be brought back to the topic that is before the Chair.

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

Mrs SKINNER: The other thing that astonishes me is the hypocrisy of the Government in trying to prevent my colleague the shadow Minister for the Environment talking about environmental impacts—

Mr SPEAKER: Order! I remind the honourable member for North Shore of my ruling on the point of order.

Mrs SKINNER: I will refer to environmental impact statements made by the honourable member for Menai and reiterate the concerns expressed by my colleague the shadow Minister for the Environment in relation to the dumping of waste and all of those other matters that have been raised by the people of that area. With regard to the nuclear reactor at Lucas Heights I point out to honourable members that the Government's own task force was established to examine investment in biotechnology and value adding in this State. One of the areas that have been of most concern is, as my colleague the honourable member for Southern Highlands mentioned, the brain drain of our young scientists, academics and doctors who have been forced to go overseas because there is no encouragement and very little facility for them to do their work here.

It is acknowledged that those scientists are leaders in their fields internationally. We are losing their skills because we do not have the facilities to keep them in this country. The Government has acknowledged that fact by establishing its own committee, and this is one of the issues that the committee has been asked to address. To suggest that they would be encouraged to stay here by downgrading or by not addressing the workplace where they need to do their research for the development of medical equipment, techniques and radioisotypes, is just absolute nonsense. All of the treatments that are so effective because of the work that is done in research and development at places like Lucas Heights are seen to be taken for granted by members of the Government. I am referring to cancer treatments and the use of these materials for diagnostic purposes.

I want to know how members opposite would react if a family member or relative—or indeed any of them—required the use of material produced out of Lucas Heights for treatment of their loved ones. Would they be so willing to put it down, to say it is not a necessary facility? I am afraid Government members are two-faced in this regard. The Minister for Health, the Premier and his Cabinet colleagues say that they want to do all they can to increase the facilities where scientists can carry out their research. The Opposition believes that New South Wales should be able to attract more of this research, investment and infrastructure because we are certainly losing out now.

New South Wales is way behind Victoria in particular, and Queensland, where there has been a marvellous boost in resources put in by their State governments, compared with the resources in this State. That is why the Government has established this committee to examine ways to encourage investment and value adding to research. The kind of research that is so fundamental is that which is carried out at Lucas Heights. For the Government to ignore that fact in this debate is a sin.

Mr BLACK (Murray-Darling) [4.23 p.m.]: It is a delight for Country Labor to be present today to support city Labor in this matter, particularly given the gravity of this issue to rural and regional New South Wales. I will not respond to the honourable member for North Shore except to say that I majored in nuclear radiation chemistry in my degree as an industrial chemist, and I know that what has been said in this Chamber today is a load of rubbish, and you, Mr Speaker, as a member—

Mrs Skinner: Do you want it in your electorate?

Mr BLACK: We happen to belong to an association of professional chemists. What the honourable member for North Shore said is a load of rubbish, and Mr Speaker will agree with me on that. I want to refer to the disgraceful and deplorable conduct of the New South Wales National Party in this matter. The honourable member for Orange said last year "Wrong, wrong, wrong" that road funding had decreased in western New South Wales. That same member made comments about Wilcannia in 1999 which led to that great newspaper the *Barrier Daily Truth* publishing massive headlines—

Ms Seaton: Point of order: The Speaker ruled that I should maintain my debate within very strict limits. The honourable member for Murray-Darling is talking about road funding and a whole range of different issues which have got nothing to do with either nuclear reactors or the Sutherland area or the environment.

Mr ACTING-SPEAKER (Mr Mills): Order! There is no point of order, but the Chair will pay particular attention to the argument being developed by the honourable member for Murray-Darling.

Mr BLACK: That great newspaper the *Barrier Daily Truth* carried the massive headline "Orange National Idiot/Mayor". It was not me who said it; it was the mayor of Central Darling. This was the same person who, earlier this year after inspecting the Lucas Heights facility, said that there was no problem with it. This is the only statement from the National Party on this matter. They have taken him upstairs; they have probably put him in bed. They would not bring him into the Chamber for this debate. There is nothing wrong with this because all the waste is going to go to France. How wrong is he? On 17 May 2000 Senator Nick Bolkus said:

> The waste repository is a precondition for the go-ahead for the proposed new nuclear reactor at Lucas Heights in NSW. A licence to operate cannot be issued by ARPANSA without "clear and available means" for the ultimate disposal of radioactive waste and spent nuclear fuel.

We have been through the story and umpteen press releases have been issued about where the waste will go. South Australia led the way. Polls were taken in South Australia and the South Australian Parliament has spoken. It does not want it; 85 per cent of the people in South Australia voted against it. What did Senator Minchin have to say about that? He said that western New South Wales is not excluded as a potential for the waste material. The communities of northern South Australia, Broken Hill and all points east which are threatened with the transport of nuclear wastes need a clear, unequivocal decision as to where the Federal Government proposes to store Australia's nuclear wastes prior to the construction of the new nuclear reactor being commenced.

I am pleased to report that Federal Labor has never supported the construction of a new reactor in suburban Sydney. I took this issue to Country Labor at its Caucus meeting on 10 August last year and Country Labor also resolved that there would be no nuclear reactor unless a sensible waste disposal location was authorised. This matter is of great concern to the Broken Hill citizens, who have every right to seek an assurance—which has not been given to this day either from Senator Minchin or Senator Hill—that nuclear waste will not be stored in the West Darling region. Nick Minchin was the cousin of one of the great brushmen, Eric Minchin, who was one of my great supporters. As I have said previously, there is overwhelming opposition in western New South Wales to the proposal. I congratulate the Barrier Darling Environmental Group, led by Christine Moore.

Even the Greens have come on board on this issue—Ms Lee Rhiannon, Darrian Turley and Jim Green**,** who do not really represent western New South Wales. Today the Hon. I. Cohen challenged me to a competition on traditional country skills. I accept the challenge, and we will be horse riding, working a chain saw, cooking one of my recipes, and conservation farming, but all the competition will be in the absence of nuclear waste from this disaster that the New South Wales National Party— [*Time expired.*]

Mr LYNCH (Liverpool) [4.28 p.m.], in reply: As a matter of formality I reject the Opposition amendment. Its assertion is clearly untrue. I will deal specifically with some comments made by Opposition members. There are times when one has a sense that the conversation is not working, that whatever is said on this side is not being heard on the Opposition side, and that what is being said by the Opposition has absolutely nothing to do with what was said by Government members. This is one of those occasions.

The honourable member for Southern Highlands made a number of interesting points, none of which appeared to be valid in terms of the motion or relevant to the comments made by the honourable member for Menai, the honourable member for Murray-Darling or by me. We were accused of abandoning nuclear medicine, that somehow or other that is the plot that excited Government members to move and support the motion. That is simply not true. It is not an issue raised in the motion. If the Opposition's accusation about what we were doing were true, I would have called in the motion for the closure of the current facility at Lucas Heights. I do not. The motion deals with concerns that we have about the development of another nuclear facility on that site.

I was also accused of being anti-worker and of being opposed to the tremendous efforts of workers at Lucas Heights. A couple of my branch members are longstanding employees at Lucas Heights. I know more about workers at that facility than honourable members on the Opposition side of the House. I know those workers far better than do Opposition members. I have certainly made no comment that could be taken to be in any way critical of workers at the site. The problem I have is not related to workers at the site. The problem I have about the site—and it is what the motion refers to, despite the magnificent attempts of the Opposition to ignore the wording of the motion—is that there is a major problem with the processes that have been used by the Federal Government in choosing the location for a new nuclear facility. That is different from the misrepresentation by Opposition members of what was said by Government members today.

Another matter that the honourable member for Southern Highlands got very excited about was waste and rubbish in the Sutherland area. No doubt that is a worthy subject for a long and proper discussion, but perhaps she should seek the call to move a motion about that issue, rather than introduce it as material that is irrelevant to a motion that deals with the location of a new nuclear facility at Lucas Heights. Basic rules of debate exist for obvious reasons. Otherwise we would simply have a dialogue of the deaf.

The honourable member for North Shore carried on at great length about Liverpool Hospital. I have had occasion before to tell the honourable member that the only interest she has in Liverpool is that it is a location through which she passes on her way to the snowfields. She has no legitimate interest in Liverpool. Perhaps she would be better off not trying to pretend that she does. The honourable member for North Shore also made the false claim that we on this side of the House who took part in this debate were opposing the medical use of nuclear material emanating from what she quaintly, but I think accurately, called "Nuclear Heights", rather than Lucas Heights. Perhaps I should thank the honourable member for coining that term; it may well be one that we will use in the future. Her suggestion that we were somehow trying to prevent the use of nuclear material for medical purposes is as false when she says it as it was when the honourable member for Southern Highlands said it.

The issue here is the process that the Federal Government has used to select the site for a new nuclear facility. That Government has hidden that process, which has within it a plethora of flaws. It presents a whole series of difficulties. I have spoken before about the problems of the EIS. Might I return to those problems by referring to a comment by Daniel Hirsch, who was referred to by the honourable member for Menai. His first submission in October 1998, which was in relation to the EIS, had this to say:

> In particular, the EIS inexplicably assumes that the most serious accident credible is one in which only approximately *one millionth* of the radioactivity in the core, or even less, is released to the environment. Only by such tortuous manipulation of input assumptions does the EIS manage to conclude that the worst accident would result in doses to the public below regulatory levels.

That is another indication of the difficulties with the process that the Commonwealth Government has pursued. It is yet another defect in the process that it has undertaken. Clearly, that statement is in support of the motion that I have moved. It is also worth noting what was said in Daniel Hirsch's supplementary submission dated March 2001. That says, in part:

> I explain why the new reactor can make little if any positive contribution to non-proliferation, but may instead undermine Australia's ability to restrain proliferative tendencies in the region and worldwide, and may have some unforeseen security implications.

If that matter were to be properly pursued and properly discussed, we would not have had the truncated process that we have had to endure in relation to the selection of Lucas Heights as the site for the new facility. Certainly, the further Senate inquiry that has been called for probably would have been an appropriate way in which to

explore that matter. But it seems that the Federal Government is intent, upon the bases of cost and speed, to make a decision. The process it undertook to get to that decision clearly has been flawed. [*Time expired.*]

Question—That the words stand—put.

The House divided.

Ayes, 53

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

Question resolved in the affirmative.

Amendment negatived.

Question—That the motion be agreed to—put.

The House divided.

Ayes, 53

Ms Allan	Mrs Grusovin	Mr E. T. Page
Mr Amery	Mr Hickey	Mr Price
Ms Andrews	Mr Iemma	Dr Refshauge
Mr Aquilina	Mr Knowles	Ms Saliba
Mr Ashton	Mrs Lo Po'	Mr Scully
Mr Barr	Mr Lynch	Mr W. D. Smith
Mr Bartlett	Mr Markham	Mr Stewart
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Mr Black	Mr McBride	Mr Tripodi
Mr Brown	Mr McGrane	Mr Watkins
Miss Burton	Mr McManus	Mr West
Mr Collier	Ms Megarrity	Mr Whelan
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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	Ms Seaton	Mr R. H. L. Smith

Question resolved in the affirmative.

Motion agreed to.

NORTHERN BEACHES HOSPITAL SERVICES

Matter of Public Importance

Mr BARR (Manly) [4.45 p.m.]: I wish to raise as a matter of public importance my concern about hospitals on the northern beaches. Currently there are two acute care hospitals in the northern beaches area, Mona Vale Hospital and Manly hospital. Mona Vale Hospital has 155 beds and Manly hospital has 190 beds. Manly hospital is more than 100 years old and Mona Vale Hospital was built in the mid-1960s. Both hospitals have served their communities well and have played a major role in providing health services on the northern peninsula. However, at the moment, both are facing serious problems. Those problems relate, unfortunately, to what is sometimes called critical mass, that is, the through-put of patients. I believe that a better term for it would be heads on beds, the number of people going through the hospitals and requiring services there.

During many years the infrastructure at both hospitals has suffered because of neglect. The other problem that members of the public face in relation to both hospitals is gaining access to them. Mona Vale Hospital is at the northern end of the peninsula and Manly hospital is at the wrong end of a central business district on the isthmus. People experience difficulties when attempting to gain access to that hospital, in particular, when special events are held in the Manly area. A good illustration of the kind of issue that faces those hospitals is the paediatrics ward at Manly hospital. Not so long ago there was an unfortunate incident at that hospital. A young boy died and the subsequent coroner's report was critical of the processes and procedures at the hospital.

There followed two professorial studies or reports into the paediatrics ward. The first was the Roberton report, which stated basically that the facility was unsustainable because it was a six-bed facility with an occupancy rate of 47 per cent. It did not have adequate medical coverage and it could not justify retaining specialists on call for such a low number of patients. The Northern Sydney Area Health Service announced in January 2000 that the paediatrics ward was to be closed. Local doctors and I fought a campaign to get the paediatrics ward opened. At my request and through the Minister's office a second report was commissioned in relation to the paediatrics ward.

That report, the Henry report, which confirmed the findings of the Roberton report, stated that the paediatrics ward should be closed. Furthermore, it stated that, alarmingly, there was a question mark over the obstetrics ward. Highlighted in those reports were the issues of safety, numbers of patients and the ability of the hospital to justify the retention of a sufficient number of expert medical staff to deal with the serious issues that arose. So that ward was closed. The intensive care unit at Mona Vale Hospital is now under question. Although paediatrics has been combined from the Manly site I am informed that few people from the Manly area access the paediatrics ward at Mona Vale Hospital. The local community faces three issues. For the past two years the Northern Sydney Area Health Service has undertaken a planning process. It is proposing to take a more integrated approach to service delivery and to put buildings around this integrated strategy.

As part of that strategy it proposes to build a new centralised acute-care hospital to reduce from two to one the acute-care facilities. The new facility would be able to generate sufficient numbers of patients from a

wider catchment area to justify the necessary expenditure and would be able to employ the sorts of people that acute-care hospitals need. Those people would not be attracted to smaller hospitals where they do not experience the kind of professional practice they require to keep their professional expertise up to date. The prospect is for a $160 million facility located somewhere around the demographic heart of the northern beaches. One would think that is the sort of facility communities would be happy to have and that they would reach out and do whatever is necessary to achieve it. The funding for facilities such as that is not handed out on a platter. Expert work has to be done. The community must want the facility and be prepared to push hard for it, as competing communities would be keen to secure such a facility.

The position I have taken is that the communities on the northern beaches must act in each other's interests. The people of Manly must think of the people of Frenchs Forest; the people of Mona Vale must think of the people of Manly. If we act in each other's interests, we can mutually benefit from a new facility that has a sufficient population catchment area to justify the kind of expenditure necessary to build it. The preliminary results of a survey undertaken by GHB Consultants indicates that those at the southern end of the peninsula have been supportive of a centralised facility in the demographic centre of the area. For example, in the Manly local government area something like 70 per cent support a centralised facility, 60 per cent of them at the demographic centre and 10 per cent at the Mona Vale site. That is a responsible approach to take, and that is the position I support.

From the northern end of the peninsula has come a big push for Mona Vale to be the centralised facility. I oppose that because it is too far away from the heart of the population. It is argued that they are at the geographic centre and that is where the investment should be. I point out that if we were to invest in the geographic centre as a nation, we would have a great deal of infrastructure at Ayers Rock. We need investment in the demographic centre of the area. Somewhere near that intersection of Wakehurst Parkway and Warringah Road would be a good site for a centralised facility. About 80 per cent of those in the population catchment area can reach that location in an emergency within 15 minutes. One has to think of the greater good of the greater community.

My position has been that we need a new acute-care facility but that the two existing sites, Mona Vale and Manly, should have an ongoing community health-care role. The Minister has spoken on the John Laws show and has given an unequivocal commitment to Mona Vale. Last Saturday at the public meeting the chief executive officer of the Northern Sydney Area Health Service, Dr Stephen Christley, gave an unequivocal commitment to Manly having an ongoing role, with the caveat that it must be safe medical practice. That is a sensible and mature way to go. I want our community to endorse that concept and to keep pestering the Minister and the Government about what we want. The survey results indicate that is what people want.

It is a disappointment to me that the Opposition has been silent over the past two years. When I was battling for a paediatrics ward, the silence was deafening from this side of the House. I could not get support from Manly Council, which is dominated by the Liberal party. I know that last Thursday the Opposition enunciated a two-hospital policy. I do not know whether the matter of public importance I put forward last Thursday triggered that and the Opposition had to cobble something together on the back of a envelope, but we have seen no policies from the Opposition and now it is suggesting a two-hospital policy. It is time for the Opposition to get a proper, considered policy and to give an ironclad commitment to funding, and that should be—

Mr Hazzard: Point of order: The honourable member is obviously in cahoots with the Government. He is seeking to cast aspersions on the Opposition.

Mr ACTING-SPEAKER (Mr Mills): Order! There is no point of order. The honourable member will resume his seat.

Mr BARR: The honourable member for Wakehurst is seeking to use up my speaking time in a shameful manner. I would like to see the Opposition's hospital policy. We need a new acute-care facility. We need the Opposition to show a mature approach, to show some leadership and to offer some ironclad guarantee of funding. I also call on the Government to kick the process along and to commit funding for the next stage of planning process so that people in the northern beaches area know what will happen. A great deal planning is taking place, but people cannot see where the site is and they do not know what sort of buildings and facilities we will have. They need to know that. They need both the Opposition and the Government to tell us what they plan to do. We need to get this plan moving.

Mr KNOWLES (Macquarie Fields—Minister for Health) [4.55 p.m.]: Capital is one issue. As the honourable member for Manly correctly indicated, clinical quality and the maintenance of safety is another

issue. Those issues have to be integrated in any consideration of the health services for the northern beaches and the northern peninsula. It is all very well to say the community wants one hospital or two hospitals, but unless everyone can be satisfied with the safety and quality guidelines and the clinical standard in whatever facility is eventually provided, doctors will not work there.

I have said on many occasions, and I place on record again, that I will not force a view on the people of the northern beaches. I am not going to close either hospital. I have said over and over again that despite the loud and large number of protesters seeking to preserve Mona Vale Hospital—and I am conscious of the force of people power—it is a matter of fact that many individuals—doctors and nurses, both as individuals and in their formal settings—have said to me publicly and privately that the present configuration and the configuration of two new hospitals will not work in the context of the second issue to which I have referred, that is, the ongoing and long-term maintenance of clinical standards and quality. They may be wrong, but that is their view. From the Government's perspective it is instructive to note that the northern beaches gives the external viewer an image of a region greatly divided over this issue.

I notice that the honourable member for Davidson is not in the Chamber. As a member of the Liberal Party representing that area, he agrees with the one-hospital option. I am reading from the *Manly Daily*. I know the honourable member for Pittwater has a different view. I know the honourable member for Wakehurst has another view, and I know the honourable member for Manly has another view. I know Jean Hay supports the honourable member for Manly. She told me that at the opening of Bear Cottage two or three Saturdays ago, and implored me in the presence of the honourable member for Manly not to listen to the loud minority from the northern part of the peninsula and to amalgamate the hospitals.

No-one would be naive enough to suggest that the Government would force a view on a community that has that level of dislocation and dissatisfaction with its public representatives. If the Liberal Party cannot get its act together and decide what it wants, how can the community expect to get anything other than a lot of noise around the issues? I am conscious that this is an important issue to the people of the northern beaches. I have visited the area. I have met with medical staff in my office in the presence of the honourable member for Manly, and with representatives of the union and community representatives. That was a little while ago now. I would have thought that this was a political decision. The decision whether to invest $1 or $160 million to provide health services for a region with a population of about 250,000 involves many people. It is to the credit of the honourable member for Manly that he sought to organise a delegation comprising representatives of the medical staff councils and the unions so that they could put their views directly to me. The offer I made to them at that time, and the offer that I have made ever since, is that we can work together on this, but unless and until the community can be satisfied about what it wants, this issue will not go very far.

Mr ACTING-SPEAKER (Mr Mills): Order! The honourable member for Wakehurst will remain silent. He may seek the call at the appropriate time if he so wishes. I call the honourable member for Wakehurst to order.

Mr KNOWLES: Opposition members may like to hear the Government's position. However, let me place it on the record that the honourable member for Wakehurst and, indeed, the honourable member for North Shore are not only seeking to disrupt me; they sought to disrupt the honourable member for Manly when he was making his remarks. If nothing else, it demonstrates that the local public representatives of all political persuasions on the northern beaches are simply unable to decide amongst themselves what is the best direction to take. The advice of many independent people—independent of the Government, the Opposition, the Independent members of Parliament and, indeed, the representatives of the northern beaches—about the need for clinical standards to be improved, and in some cases amalgamated, is not getting through. That means that for a long time to come my commitment to maintain two hospitals at Manly and Mona Vale will be the case.

That is the position that will be taken, because that is what the Government will do in the end: it will respond to what the community is telling it to do. At the moment I hear a large group of people saying, "Keep two hospitals." Then on the weekend at a public hearing sponsored by Tony Abbott I hear that 80 per cent of the people on the northern beaches want one new hospital. Somewhere between those views the truth may lie, but as far as I am concerned the one person who at least deserves some credit for trying to find the answer, whatever the answer may be, is the Chief Executive Officer of the Northern Sydney Area Health Service, Stephen Christley, who for two years has endeavoured to engage the community in any number and manner of consultations and at every turn has been beaten down. He has been accused of being biased and all those sorts of things that manifest themselves as politically based, publicly inspired campaigns.

When I am no longer the Minister for Health and we are all retired, people will look back on this era and there will be an indictment on all of us because it will be seen that our public representatives—the

representatives at the local government and State levels—have not provided the leadership necessary to take a community to where it may go. When many leading clinicians are saying, "You should at least think about this from a clinical quality perspective, otherwise your present facilities will continue to suffer pressure from downgrading," not because of anything the Government may do but because of constant changes in clinical standards, then somebody should at least take the time to listen to them.

Christley provided five options in a fairly comprehensive document that sought to allow people to have their say. One option was seized upon as the option that the Northern Sydney Area Health Service wanted to pursue. That is simply not true, and the documentation demonstrates that. But I understand: I have been involved in many political campaigns and have organised plenty of public rallies, and I know how information can be skewed. When I attend functions on the northern beaches and I am told by Liberals and Independents alike, "Please build one hospital," and then I hear other Liberals and public representatives saying, "Don't do that", in the end I will listen to the people.

What I am hearing is that people do not want to change, whether that is for the right or wrong reasons. The Coalition has a two-hospital policy. Members opposite should detail precisely what that means, because out of respect for their constituency they should understand that they are talking about a two-hospital policy not only in terms of maintaining two buildings. How will clinical standards be maintained under the Coalition's policy, and what does that mean in the context of the provision of services out of North Shore? How will it guarantee the appointment of doctors at those places to maintain the critical mass and maintain the skill levels, quality and nursing standards that are required? Members opposite may have filibuster answers to those issues, but they will not have clinical quality answers because they know that such answers do not exist. That is the point.

In the end, the people on the northern beaches will have to understand that at some point in time—perhaps not in the term of this Government or in the term of the next government—the facilities on the northern beaches need to change to reflect contemporary and future practice. That will require members opposite to stop beating their political drums. The person who deserves the biggest level of criticism is the Mayor of Pittwater because some of her comments about the services provided at those facilities are nothing short of shameful. We see the honourable member for Davidson and Jean Hay on one side, and members opposite on the other side and no-one providing any leadership on the northern beaches, and we get this fallacious two-hospital policy that is simply smoke and mirrors and nothing more. We know that services on the northern beaches will remain. That is what I have said will happen. Perhaps it is for all the wrong reasons, but that is the standard that the representatives of the people on the northern beaches clearly want. [*Time expired.*]

Mrs SKINNER (North Shore) [5.05 p.m.]: The Minister made a very telling comment in his final remarks when he said "this fallacious two-hospital policy". He has clearly indicated that he has made up his mind about what the delivery of services on the northern beaches will involve, and that is one hospital. That puts the lie to the Minister's commitment to listen to and heed the community consultation. That consultation has clearly shown that the people on the northern beaches want high-quality improved services, as the honourable member for Manly and the Minister said. The doctors and the public believe that the hospitals as they are currently configured do not provide those services. The Government will get no argument from the Coalition on that basis.

Indeed, both of the hospitals are a disgrace physically. They should have been done up in the past five years. The fact that the Opposition, through the honourable member for Wakehurst, had to force the Government to shut maternity services at Manly hospital because the building did not meet the standards of the Board of Fire Commissioners is a disgrace. That would not have happened if the honourable member for Wakehurst had not raised the issue and the Minister had not been shamed into temporarily shifting maternity services to Mona Vale.

Mr Hazzard: The Government intended to shut Manly hospital after the election.

Mrs SKINNER: That is exactly right. The Government intended to shut Manly hospital after the election. The honourable member for Manly suggested that we have suddenly come up with this two-hospital policy. I refer the honourable member to a rally I attended in 1996, shortly after I became the shadow Minister for Health, when the former Minister for Health intended to close many hospitals. I stood in the Manly Corso alongside many other people, including Sandra Moait and the former member for Manly, Peter Macdonald, fighting to save Manly hospital. The Coalition is firmly committed to a two-hospital policy for the peninsula, and to the delivery of the highest quality services. We believe that will require two hospitals: A state-of-the-art, redeveloped new hospital for Manly—

Mr Orkopoulos: So that's your policy.

Mrs SKINNER: Absolutely. We have announced that policy. As the honourable member for Manly said, a press release was issued on 15 February in the names of the honourable member for Wakehurst, the honourable member for Pittwater and the honourable member for Davidson—the three members on the northern beaches. The policy is not new; it has always been our policy. We have listened to 250,000 people on the northern beaches peninsula. Of that number, some 6,000 who attended a public rally on a Sunday—if I remember rightly, it was a rainy Sunday—at the Mona Vale end of the electorate said, "Do not close our hospital." We listened to those people. I have a letter from the people on the northern end of the peninsula stating that they believe the consultation process was forced on Stephen Christley. I must add that Stephen Christley, the chief executive officer [CEO] of the Northern Sydney Area Health Service, has tried to do the right thing.

The consultation process has been forced on Stephen Christley to get a flawed result, because it fits with what the Minister wants, that is, one hospital for the peninsula. The Government has selected 60 people to represent 250,000 people on the northern beaches peninsula to take part in this so-called consultation. A large number of those people walked out or did not even bother to turn up. Some of them did not stay for the second day. Of those 60 people, 26 were in favour of the new greenfields site hospital.

Mr Hazzard: Twenty-seven.

Mrs SKINNER: I am sorry, 27 of the 60 who were invited, which is hardly a majority. I do not think they count, when one compares it to 6,000 people who were prepared to turn up on a terrible day to make sure the Government got the message that they wanted their hospital at Mona Vale to remain open. I will join the honourable member for Manly any day he wants in the fight to save the hospital for Manly—a state-of-the-art, redeveloped, rebuilt hospital that can provide all the facilities to enable those people to get first-quality services—and I would like that to happen sooner rather than later.

The Minister spoke about some time in the never-never. The honourable member for Manly was correct in insisting that the Minister provide a date and the money. The Minister should trust us and the people of the electorates—not only the constituents of Manly but also the residents of the northern beaches. He should tell them the real facts and when he intends to proceed with this. We will all then be able to work together, for the benefit of the people and the health services of the area.

Mr BARR (Manly) [5.10 p.m.], in reply: I want a paediatrics ward for the people of Manly and the northern beaches. The paediatrics ward at Manly hospital was closed, and the move to Mona Vale hospital has not worked out. I want a paediatrics ward that is accessible and has sustainability. I want a maternity ward that is sustainable. The College of Obstetrics has said that for an optimum number of deliveries per year a hospital must have about 1,500 beds. Manly hospital has 900 beds, and Mona Vale hospital has 600 beds. For clinicians to maintain their expertise, hospitals must have a certain number of beds. This is the situation we face. In all sorts of areas we need to have the expertise that the facilities can justify. That is why I support a centralised acute facility in the demographic centre of the northern beaches with an ongoing community health role for both Mona Vale and Manly hospitals. The shadow Minister spoke about the Health Summit on 17 and 18 February. I thought that process was very good. People gave up their time over two days to attend the summit, and all the issues were canvassed in a highly detailed manner. At the end of the summit they were asked to make their consideration.

Mr Hazzard: How would you know? You were only there for an hour.

Mr BARR: I attended the summit on both days—which is more than you did. That was an extremely valuable process. A matter of concern is the way in which some of these people were derided as being faceless and not representative. Those people should be congratulated on the time they gave up, as should the clinicians, who have stated how they feel about this. For example, the *Manly Daily* recently published a one-page advertisement by clinicians from both Mona Vale and Manly hospitals expressing what they believed in. Those clinicians support a centralised acute facility, and they do that for the reasons I have outlined, namely location, heads on beds and the decayed existing infrastructure.

It is critical that the Government gives encouragement to this process. There also needs to be support from both sides of the House as well as from all local members, which unfortunately has not occurred to date. The honourable member for Davidson has supported a centralised facility, but the honourable member for

Pittwater has not. Jean Hay, the Liberal Party Mayor of Manly, and I issued a joint statement saying that we will work together in supporting a centralised facility. Manly council has voted unanimously for a new centralised facility, as has Warringah council. The overwhelming trend is for a centralised facility.

The preliminary findings of a Gutteridge Haskins and Davey survey showed that 80 per cent of people on the northern beaches favour a centralised acute facility. Although a lot of noise is being made—some of it by politicians and some by community representatives from the Mona Vale area—overwhelmingly the trend is that people want a centralised facility. I urge the Government to take that into consideration in determining its capital expenditures, and to support the residents of the northern beaches area in seeking funding for further planning processes for a centralised facility. What I fear most is what has happened over the past many years: that we will have to look over our shoulders all the time, wondering which facility will be closed next. The future we face is that hospitals will continue to decline. We need to staunch the flow, and move to try to secure significant capital investments for the northern beaches area. It is an area that has not had significant capital funding for many years. We have, for the first time, a very significant opportunity to secure large capital funding and to do the right thing by all the people of the northern beaches, including Frenchs Forest, Pittwater and Manly. Inescapably, the logic of that is that we need a centralised facility. Shame on those who will not support that. They should stand together with me, the Mayor of Manly and the honourable member for Davidson in moving for a centralised facility. The notion of a back of an envelope two-hospital policy makes no sense at all. I have urged the Minister to allow for this in the budget.

Mr Hazzard: Call for it in the budget.

Mr BARR: Yes, I am happy to do that. It should be provided for in the budget. I call on the Minister to keep this process moving.

Discussion concluded.

BUSINESS OF THE HOUSE

Bill: Suspension of Standing and Sessional Orders

Motion by Mr Debus 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 Parramatta Park Trust Bill, notice of which was given this day for tomorrow.

PARRAMATTA PARK TRUST 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) [5.18 p.m.]: I move:

That this bill be now read a second time.

Parramatta Park is a site of national significance. In 1788, when the fledgling colony of Sydney was struggling to survive, Governor Phillip sought more fertile lands and founded the settlement of Rose Hill. It was here on the banks of the Parramatta River that the crops which were to save the infant colony were grown. That site still remains intact in what is now known as Parramatta Park. The land comprising the park was also of significance to the local Darug people. It was the core territory of the Burramatta clan of the Darug. They used this site for fishing and hunting and as a meeting place. Evidence of their occupation exists today in the form of artefact scatters and scarred trees.

It was from the local Burramatta people that Phillip obtained the word Parramatta. He renamed the settlement Parramatta in 1791. The park contains more than 100 archaeological sites, both Aboriginal and non-Aboriginal, colonial monuments, and buildings in a rare combination of cultural and natural heritage. Its importance lies not only in its meaning for residents of Parramatta and western Sydney but in its historical significance for visitors both from throughout Australia and overseas.

The park is a very important open space for the people of western Sydney. It is enjoyed as a place for both passive recreation and organised sporting events, and it has the potential to become even more tailored to

the needs of its community. The park also provides a valuable lunchtime green space for the increasing population of the central business district of Parramatta, and it serves as a significant amenity for the local community as more urban areas in the city of Parramatta grow in size.

The park is also the venue for major cultural events in Parramatta. Each year the park hosts the celebrations for Australia Day in Parramatta. The park also sees major multicultural events such as Loy Krathong, the Thai Festival of Candles, the India Fair, performances by the Australian Opera and Sydney Symphony Orchestra and sporting events such as the Roads and Traffic Authority's [RTA] Cycle Sydney. The park also sponsors and provides the venue for major charity events such as the Starlight Foundation and Foster Carers Week.

Parramatta Park is currently reserved as a regional park under the National Parks and Wildlife Act 1974. While the park has always been professionally managed, its categorisation as a regional park has not been universally endorsed in the community. There has been a growing consensus within the local community that the current legislative framework for the park is not able to deliver the level of autonomy and flexibility necessary for the effective conservation and management of this significant historical site. Further, a widely held view in the community is that the labelling of this site as a regional park has unintentionally diminished the standing and prestige of the park.

Parramatta Park is listed as a site of national significance on the Register of the National Estate, the State Heritage Register and the Register of the National Trust. The park is therefore clearly a site of national significance and is quite distinct in terms of its historical importance compared to other regional parks. It is in fact as significant as Centennial Park, Moore Park and the Royal Botanic Gardens in heritage terms. Those parks have successfully been managed under their own park-specific legislation. Notwithstanding the appropriateness of the National Parks and Wildlife Act as a suitable legislative vehicle for regional parks, the Centennial Park and Moore Park and Bicentennial Park models are clearly more suited to Parramatta Park

The purpose of the bill is to recognise the outstanding historical and heritage values of Parramatta Park. The bill achieves this by creating a new trust, revoking the existing regional park and vesting those same lands in the new trust. This mirrors the legislative basis for the protection and management that applies to our other great urban spaces such as Centennial Park and Moore Park, Royal Botanic Gardens and Domain, and Bicentennial Park. It is proper and fitting that the people of western Sydney should have their park protected and managed in the same way.

Another purpose of this bill is to establish the trust as a corporation sole to be responsible for the care, control and management of Parramatta Park. The park is already of great historical, educational, environmental and cultural heritage significance and this legislation will provide for the protection of the park for the enjoyment of future generations of the State and for national and international visitors. The bill will establish the independent park trust and the land, now known as Parramatta Park, will vest in that body. The bill defines the powers, authorities, duties and functions of the new trust. The trust will consist of seven trustees appointed by the Governor, each for a term not exceeding four years. It is envisaged that the trust will include persons who possess skills in a wide range of fields and will include members with knowledge and experience of Aboriginal culture, heritage, the environment and the delivery of recreational and cultural activities.

The objects of the proposed trust are to maintain and develop the Parramatta Park Trust lands; to encourage their use and enjoyment by the public by promoting the recreational, historical, educational and cultural heritage significance of the park, and to ensure the conservation of natural and cultural heritage values of this unique parkland. The functions of the trust are to include making the trust lands available for activities associated with the park; entering into arrangements for the provision of food or other refreshments; and the management of all property vested in the trust. The legislation gives a much-needed ability for the trust to enter into sponsorship agreements and other entrepreneurial arrangements for revenue-raising events and activities.

The need to preserve the park is recognised in the bill. It does not allow for the disposal by the trust of the principal trust lands at Parramatta Park by prohibiting their appropriation or resumption, except by an Act of Parliament. The proposed trust will, however, with the approval of the Minister, be able to grant leases including long-term leases, easements and licences, and impose covenants in connection with the trust lands. This is a sensible and necessary provision which also recognises the existence of current leases and interests in the park which will not be adversely impacted upon by the changes brought into effect by this bill.

It is worth noting also that this bill does not affect the Transport Administration Act 1988 or the Public Works Act 1912 as they apply to the Parramatta rail link. This important infrastructure initiative recognises the

values of the park so that both heritage and development interests can be accommodated. The bill also maintains the interests of the National Trust and other authorised persons in the Old Government House site. The bill provides that the trust is to prepare a plan of management for the park. This plan is to outline a scheme of operations proposed to be undertaken in relation to the park. This will ensure that careful planning and consideration will go into the preservation and improvement of the park and its use by the public.

Finally, the bill also provides for a range of regulatory powers to be exercised by authorised officers in the management of the park similar to those that presently exist under the National Parks and Wildlife Act. These include the ability to require a person reasonably suspected of having committed a crime to provide a name and address. It also provides for the trust to have the capacity to recover money due to it as a debt in a court of competent jurisdiction.

The legislation recognises the importance of preserving parklands and recreational areas in the ever-expanding urban environment of Sydney. It will ensure that Parramatta Park will be administered by a body that is fully aware of the recreational, historical, scientific, educational and cultural heritage significance of the park, and is also committed to its maintenance, conservation and development both now and into the future. The bill ensures that this parkland will be preserved for the use, enjoyment and benefit of the people of western Sydney and all visitors. It is fitting that, in this year of celebration of one hundred years of our nation, this Government has taken steps to preserve a most significant part of our national heritage—the unique parkland known as Parramatta Park.

Debate adjourned on motion by Ms Seaton.

Mr DEPUTY-SPEAKER: Order! It being after 5.15 p.m. business is interrupted for the taking of private members' statements.

PRIVATE MEMBERS' STATEMENTS

MACARTHUR RAIL SERVICES

Dr KERNOHAN (Camden) [5.27 p.m.]: I draw to the attention of the House problems being experienced by people who commute between Macarthur and Sydney each day by rail. I do so by mentioning the events that occurred on Thursday 1 February and which concern one of my constituents, Paula Couto of Ambarvale. Paula arrived at Central Station's platform 22 at approximately 9.20 p.m. to await the 9.28 p.m. rail service to Macarthur via East Hills. She waited patiently for about 15 minutes and there had been no announcements whatsoever. She went to ask someone in authority what was happening and was told that her train would be along in about five minutes.

At approximately 9.50 p.m. the train arrived and then departed. It travelled for a few minutes and then stopped for quite some time. There was a female guard on board who was courteous and very professional. She said that the driver was waiting for a signal to change. That happened twice during the journey and the guard kept passengers informed on both occasions. Finally the train arrived at Campbelltown at 10.55 p.m., some 35 minutes later. The train was placed at platform 2 instead of platform 3 and no announcements were made. While the passengers were waiting, a country diesel train arrived on platform 3. It departed, with its first stop being Macarthur, but no announcement was made. The passengers assumed that they had to wait for the country diesel to depart before their train could proceed to Macarthur.

An announcement was made by the female guard that the driver was waiting for a green light. At that stage, the indicator board showed that the train was travelling to the city via East Hills. There was no announcement made by station staff or by the guard about the new destination. At this stage, after 11.00 p.m., another train pulled into platform 3. Paula Couto ran up the steps and across the station's overhead bridge to platform 3. She whistled and shouted to two Chubb security guards to hold the train as there were four people who wanted to go to Macarthur. The train departed without any announcement and left the people on the platform. In the space of two or three minutes, two trains departed for Macarthur while the people waited for some information about what was happening.

They saw the stationmaster come out of the control room door and Paula Couto says that she asked him politely why there were no announcements and inquired what he could do to help them. His only reply was that

there would be another train in about 25 minutes and that the people would just have to wait. At that stage, the people were nearly 45 minutes late in arriving at Macarthur. The stationmaster continued on towards his office. Apparently he entered the doorway and tried to close the door in Paula Couto's face. She stopped him and insisted that something be done—in particular, she asked about receiving a cab charge.

In the past she got a Cabcharge voucher because she is a shift worker and has to get up at 5.30 a.m. to catch a train at 6.30 a.m. to be at work at 8.00 a.m. There were six taxis waiting in the adjacent taxi stand at Campbelltown station. However, the stationmaster spoke to somebody who then spoke to somebody else, and after the second phone call, and after some time, the stationmaster said that a cab had been ordered. By this time nine cabs were waiting. They asked him whether they could use one of the nine cabs that were waiting. The stern reply was "No, you have to wait for the one that we have ordered. It is from a different company to those ones over there."

One of the passengers phoned his wife, who agreed to take him home. At 11.25 p.m., whilst they waited at the taxi rank, the next train to Macarthur arrived at the station. Paula's partner and another passenger caught that train to Macarthur, brought the car back to Paula and arrived at 11.30 p.m., the same time as the taxi. Paula said to the cab driver, "Sorry, you are too late." That night Paula finally got home at 11.45 p.m., two hours and 25 minutes after arriving at Central Station and one hour and 15 minutes after her normal arrival time. She was an extra 40 minutes late because nobody on Campbelltown station cared enough about her welfare to inform her of the train's termination, or to advise passengers to go to platform 3. Apparently when the same thing happened on a previous occasion she wrote a letter which stated:

> All any of us want is to be kept fully informed and up-to-date with the latest information …
>
> What is the function of station staff if it is not to look after the welfare of the fare-paying passengers?

She also said:

> Or is there a them and us culture within the station staff?

This is wrong. I ask the Minister to do something about the trains to Macarthur that are terminated without notice. The Minister should cancel the increases to train fares, as he proposes to do with the ferries, until the people of Macarthur get a decent service.

HIH INSURANCE

Mr ORKOPOULOS (Swansea) [5.32 p.m.]: I speak on behalf of a young couple from the Central Coast—part of the electorate of Swansea—who are tragic victims of the financial collapse of HIH Insurance, which has devastated them and thousands of people around Australia. Their story is a very sad one. I am extremely angry at the apparent inaction of the Australian Prudential Regulatory Authority [APRA] until it was too late. I reserve my greatest criticism for the Federal Government, especially the Minister for Financial Services and Regulation, Joe Hockey. The Minister responsible has been caught out sleeping at the wheel, and at a disastrous cost to my constituents. They wrote me an urgent letter which states:

> Just prior to the house being at lock-up stage we received notice that Kitset Homes Pty Ltd had gone into administration on 28th Sept 2000.
>
> We then completed with the last of our savings work needed to lock our home up.
>
> In early Nov 2000 we were told that Kitset was to be liquidated … We were also told that we would be covered by the home owners warranty held by HIH Insurance.
>
> We were then instructed to get three (3) quotes from builders to complete work on our home and that the insurance would pay for this and any other expenses for eg rental or storage fees until our house was fully completed.
>
> On the 15th March 2001 bad notice was received once again that HIH Insurance had been placed into liquidation.
>
> Where do we stand now!
>
> We have been waiting since 1999 for a dream home to be completed. It should have been finished before March 2000, meanwhile we are struggling to pay our large mortgage as well as paying rent week to week.
>
> We cannot continue this for much longer financially …
>
> Quotes from three (3) independent builders to finish our home came in at prices of approx $80,000 each.

Last week we found out that APRA knew nine months ago that HIH Insurance was experiencing difficulties. Minister Hockey advised the House of Representatives last week that the Australian Securities and Investments Commission [ASIC] had been investigating HIH and its former directors for some weeks in relation to corporate governance, market disclosure and possible insolvent trading. Why has ASIC investigated HIH Insurance only for the past three weeks when APRA, another arm of the Commonwealth Government, has known of the situation for the past nine months? This young couple are forced to live in their garage and pay off their mortgage, but are unable to find $80,000 to complete their home.

The Federal Government is wiping its hands of the matter. It says that it has nothing to do with it—it is the responsibility of APRA. The Federal Government either accepts responsibility for its governance or it does not. Mr Hockey should announce, on behalf of the Government, that he will produce a package to assist people such as my constituents to complete their homes so that they can live normal lives. The lives of this young couple have suffered a setback. They are unable to determine whether to start a family or what to do with their assets. They have a mortgage of about $200,000. It is a disgrace that the Federal Government is not living up to its responsibilities and providing an emergency package for those people and thousands of others around Australia.

Mr FACE (Charlestown—Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development) [5.37 p.m.]: I thank the honourable member for Swansea for raising this matter tonight. As the Minister Assisting the Premier on Hunter Development I also have been approached by several people who are in similar circumstances. They feel helpless. Warning bells were going off for quite a few months.

Mr Orkopoulos: Nine months!

Mr FACE: The honourable member for Swansea says "nine months". My office certainly received expressions of concern, if not before Christmas then shortly thereafter. A fair amount of time elapsed during which people sat around and did not heed the warnings. Many builders in Newcastle who are in similar circumstances have approached the honourable member for Newcastle. This matter needs to be investigated. Today Gary Screen, from the Northern New South Wales Soccer Federation, sought an appointment with me. The soccer federation has an insurance claim of $80,000 with HIH Insurance and does not what know what to do about it. I am seriously concerned that the Northern New South Wales Soccer Federation, which represents an area from Gosford to the border and west as far as Bourke, is in difficulties as a consequence of the collapse of HIH Insurance.

I have tried to do my best for my constituents, and I am concerned that builders are unable to reinsure. I am a life member of the Northern New South Wales Soccer Federation, an organisation that provides for young people from all over this State. It is great concern not only to me but to many members on both sides of the Chamber that the soccer federation could be in financial difficulties as a result of the collapse of HIH Insurance.

LONG SWAMP CREEK DAM

Ms HODGKINSON (Burrinjuck) [5.39 p.m.]: I raise with the House a matter of considerable concern and a blatant miscarriage of justice by the Department of Land and Water Conservation. The property "Westwood" is located at Binda, in the southern central tablelands. It consists of 1,149 acres of prime grazing land on which the owner, Mrs Edith Macleod, and her daughter Ms Toni Cameron run sheep. The property until recently had been specially blessed because through it ran Long Swamp Creek. Long Swamp Creek is fed, or used to be fed, by several springs that are located upstream in an adjoining property.

Records indicate that this creek has continued to flow, uninterrupted, since at least 1903. Even during 1982, the worst drought of the last century, Long Swamp Creek did not cease its flow. Honourable members could imagine how valuable a resource like this is to a farmer. In January 1998 the owner of the upstream property had a dam constructed which completely obstructed the flow of water into Long Swamp Creek, causing disruption to the running of "Westwood" and significant financial loss. The dam, when it was initially built, was measured to contain 17.446 megalitres of water. The owner did not obtain a licence under the Water Act 1912. In 1998 an unlicensed dam exceeding seven megalitres was illegal.

What is of significant concern is that the dam was constructed by the Goulburn Soil Works Unit of the Department of Land and Water Conservation. The department that was supposed to uphold the law was the very

body that broke it, and it did so with government bulldozers! Discovery documents obtained by Ms Cameron show that on 2 February 1998 Department of Land and Water Conservation officers in both Goulburn and Forbes were aware that the dam, as it had been built by the department, was clearly illegal. The owners of "Westwood" went to court. It was only after they instituted legal proceedings that the Department of Land and Water Conservation brought back the government bulldozers and remade the dam to a size that was just less than seven megalitres. That occurred in March 1998.

As a result of this work Long Swamp Creek has now become an intermittent stream. When it does flow, the previously pristine spring-fed creek can now only be described as a putrid, turgid flow. A further legal opinion was obtained which held that the reconstructed dam also was illegal under a different section of the Water Act 1912. Mrs Macleod and Ms Cameron went back to court. The Department of Land and Water Conservation fielded a top-notch legal team, led by Mr Peter McClellan, QC. After months of on-site meetings and discussions, on 14 June 2000 the hearing date was scheduled for Monday 7 August 2000. So strong and secure was the department's case that on the Friday before the hearing Mr Peter McClellan, QC, contacted Mrs Macleod offering an out-of-court settlement which would have resulted in the offending dam being demolished and the Department of Land and Water Conservation contributing $20,000 towards her legal costs. Having already spent much more than that seeking justice, Mrs Macleod rightly refused.

On the first day of the hearing the Department of Land and Water Conservation legal team produced a special supplement to *New South Wales Government Gazette No. 70* which had been signed by the Director-General of the Department of Land and Water Conservation changing the law upon which Mrs Macleod and Ms Cameron were relying. The gazette had been signed on 9 June, almost a week before the date for the hearing was set. The Department of Land and Water Conservation failed to inform Mrs Macleod or Ms Cameron of this development. In recognition of its culpability and misconduct in not informing Mrs Macleod and Ms Cameron of the changed situation, the Supreme Court of New South Wales ordered the Department of Land and Water Conservation to pay $45,000 towards their costs. On 7 November I wrote to the Minister asking him to review this situation. His reply to my letter stated:

> It was the department's position during the whole of the litigation that the re-constructed dam was not illegal.

This raises a few interesting points. If the obviously illegal 17-megalitre dam was reconstructed legally during March 1998 and did not need a licence, why did the owner then apply for a licence under the farm dams amnesty on 26 August 1998, which the Minister himself revealed in a letter to "Westwood's" solicitors? If the Department of Land and Water Conservation's case was so strong, why did such an eminent Queen's Counsel as Peter McClellan offer to have the offending dam demolished as part of an out-of-court settlement? Mrs Macleod and Ms Cameron have now spent about $100,000 in legal fees seeking justice in a case where officers of the department can be shown to have broken the law. Instead of upholding the law, the Department of Land and Water Conservation moved to change the law to deny them justice.

It is disturbing that the department can be aware that it has committed an illegal act and not take any action to rectify the mistake until threatened with court action. It is disturbing that, apparently, when the department feared it was losing a court case, it acted to change the rules of the game to make an illegal construction legal at the stroke of a pen by unelected and faceless bureaucrats. It is disturbing that the Minister is aware of this situation and has decided to do nothing. It is disturbing that the land-holder cannot find justice. It is disturbing that a Government that trumpets its commitment to law and order gives us this magnificent example of its real respect for the law. I would like to mention that Libby Webster, a neighbour of the Macleods, is in the gallery this evening. [*Time expired.*]

TWEED VALLEY COUNTRY CENTRES GROWTH STRATEGY

Mr NEWELL (Tweed) [5.44 p.m.]: The Tweed Valley Country Centres Growth Strategy, which was launched in November 1998, identified eight key initiatives for acting as a catalyst for economic growth in the Tweed. One of the key initiatives of the strategy is the Agribusiness (Horticulture) Development initiative. One of the key findings of the study was the need for a central packhouse in the Tweed. This was necessary to underpin the future viability of a number of crop types. The Department of State and Regional Development, in conjunction with an industry partner, the Banana Growers Federation Co-operative Ltd, undertook further work to establish the interest of growers and the feasibility of the proposal. The Banana Growers Federation Co-operative has now committed itself to undertaking a pilot, while seeking investors to establish a central packhouse that will handle up to five of the area's crops. A central packhouse is on its way to becoming a reality in the Tweed.

The Tweed Valley Country Centres Growth Strategy identified a gap in coastal tourism infrastructure on the Tweed coast and recommended further investigation into a Crown lands site at South Kingscliff, with the

intention of proving the feasibility of a tourism facility and attracting investors to develop the site. This ongoing project involves several government agencies in partnership with the Tweed Shire Council. The process is overseen by a probity officer, as a public asset is involved. The State Government will fund the economic evaluation required to test the viability of the project and provide the project management skills required to bring the proposal to a state capable of attracting investment capital.

Another initiative of the Tweed Valley Country Centres Growth Strategy was to complete an evaluation of the North Coast region as a potential location for future aquaculture investment. This project evolved into a significant project for the rest of the State. The New South Wales North Coast region became the first region in New South Wales to benefit from the Government's new aquaculture policy. A key outcome has been a significant number of investment inquiries. One of those, a very substantial one, is investigating opportunities in the electorate of Tweed.

Another key feature of the proposal was to provide incentives to large companies considering investment in the Tweed, by offsetting their infrastructure development costs. Two major investments in the Tweed have been assisted through the Department of State and Regional Development's Regional Business Development scheme. The first company to benefit was the Australian Racing Institute, which was formerly based in Queensland but has now established two campuses in the Tweed, one at Tanglewood and one at Murwillumbah. Recently the Premier, during a Cabinet meeting in the Tweed, officially opened a second major company, Black Watch—another one from Queensland—which is a beneficiary of State Government assistance. Those two companies alone have provided almost 100 new jobs in the past two years and brought millions of dollars of new capital investment to the Tweed as well as provided export income for the region. They will continue to inject millions of dollars into the local economy.

Today the Premier congratulated the owners of Black Watch on their move to the Tweed and congratulated the Department of State and Regional Development on getting behind the project and ensuring that the company located in that district. I congratulate also Mr Trevor Wilson of the Department of State and Regional Development on the fine work he has done in tracking down and assisting with the relocation of companies such as Black Watch from Queensland. It is not every day that we hear about companies relocating to New South Wales from Queensland. Often the movement is the other way. Mr Wilson, through his fine work, has been able to achieve a great deal. These two initiatives alone mean that he has more than earned his keep, if I could put it that way.

The Tweed Valley Country Centres Growth Strategy is an initiative of my colleague the Minister for Regional Development. I congratulate the Minister and the hard-working officers of the Department of State and Regional Development on their professional and competent work in attracting major investors to relocate from Queensland. The Tweed Valley Country Centres Growth Strategy has underpinned a number of initiatives. Mr Wilson, from the Department of State and Regional Development, is located in the Tweed office. As I have said, he has worked very hard, and successfully, to attract businesses to the electorate. He is following up a number of other ongoing initiatives, among them aquaculture, which would be of great benefit to the Tweed.

Another initiative supported by the Department of State and Regional Development was announced today. The department has received funding from the Minister for Energy, who announced $1 million for the New South Wales Sugar Milling Co-operative to establish a project in Condong to convert sugar cane waste products to energy. That $1 million from the State Government will enable the project to go ahead and be a further success for the New South Wales Government in attracting jobs to, and keeping them in, New South Wales country areas.

SOUTHERN HIGHLANDS RAIL SERVICES

Ms SEATON (Southern Highlands) [5.49 p.m.]: This evening I wish to speak about three rail-related issues in my electorate. I bring to the attention of the Minister for Transport, yet again, some of the day-to-day problems from which people in my electorate are suffering. People have been let down since the Olympic Games, when they saw that the rail system could work well. People had great confidence in the rail system and they were pleasantly surprised by it. They enjoyed using it and started to think about changing their commuting habits and switching to rail. Almost the day after the Olympic Games and the Paralympic Games people in the Southern Highlands saw a return to the bad old days of railway services—the sardine express and all the things that we have come to expect from this Government.

On Tuesday this week a supporter of mine went to Bowral station at 5.30 a.m. to hand out information to local rail commuters—information detailing how they could get in touch with the Independent Pricing and

Regulatory Tribunal and express their views about the proposed increase in rail fares before the closure date. I was glad that Margaret Hogg was in a position to do that on my behalf as I had to be here in Parliament House. It was important for us to get that message through to commuters as they are all horrified at the idea that rail fares might increase. Rail services have certainly gone backwards in recent times. People were at Bowral station at 5.30 a.m. on Tuesday. At 5.30 a.m. the first bus arrived—a situation made necessary because of much-needed track work on the Southern Highlands line.

Three weeks ago I called on the Minister for Transport to guarantee that while this track work was taking place Olympic-style transport arrangements would be put in place so that commuters were not disadvantaged by unreliable bus connections that bypass that track work along the southern line. People had no idea where that 5.30 a.m. bus was going. It was suggested that bus drivers should be taken on a bus tour of station pick-up points so that they could familiarise themselves with those pick-up points. That suggestion was ignored. The 5.53 a.m. bus from Moss Vale left at 6.03 a.m., as the train from Goulburn was 10 minutes late. That bus was to go to Bowral, Mittagong and then on to Campbelltown. Two buses—one of which was full and the second of which had only three passengers—went past, leaving 24 passengers, who could clearly be seen, stranded at Bowral station.

At 6.25 a.m. an all-stations bus pulled into Bowral station. After several phone calls by Graham Perry, the station officer, that bus became an express bus to Campbelltown and left at 6.35 a.m. People said to Margaret Hogg that the proposed price increases were an insult, given the service unreliability and that sort of treatment. People in my area have also said that because of the unreliability of the rail service they are arriving at work late and are having their pay packets docked. Those people are working through lunch and late after work. They are then making the long trip back to the Southern Highlands in the evening and are missing out on seeing their families. Some people have told me that they are going to work on Saturday or Sunday to make up the money that they have lost as a result of having their pay packets docked because trains are failing to get them to work on time.

I congratulate Steve Davies, the local president of the Southern Highlands Rail Commuters Association, on expressing concern about this issue and the issue concerning the sardine express. People get on the train at Central and they get off at Campbelltown on what should be a through service—a service that is meant to exclude passengers destined for Campbelltown, who have many more train services available to them than do passengers from the Southern Highlands. Passengers from the Southern Highlands cannot get on these trains as they are so packed with people going to destinations well short of the Southern Highlands. Finally, I refer to an incident that was reported to me by Mrs Lehmann, a local elderly lady. Last Friday she and her friend were travelling home to Mittagong from Campbelltown on the 5.39 p.m. service. A group of young men who had been drinking got on the train and they became a nuisance.

The guard approached the young men at Picton and asked them to quieten down. They refused to do so. Mrs Lehmann said that they became profanely abusive. The guard ordered them to leave the train, which they reluctantly did. On the platform the guard was then kicked and punched by one of the young men. The guard defended himself by retaliating and he was subsequently aided by some male passengers. The young man and his companions fled the scene and escaped. The train was delayed for 20 minutes or so while the guard waited for the police to arrive. Mrs Lehmann said that the guard should be commended for his actions. I endorse her recommendation. She mentioned that the train was filthy and said:

> When are we going to have more Guards and Inspectors on our trains, as we were able to do during the Olympics and the Paralympics?

That question remains with the Minister. I would like him to answer it. [*Time expired*.]

MENAI HIGH SCHOOL

Ms MEGARRITY (Menai) [5.54 p.m.]: On Wednesday 21 March I attended a function at Menai High School. I attended that function because the Sutherland district superintendent, Ms Julie Houghton, was presenting the school with a director-general's award for outstanding achievement in teaching and learning programs. Menai High School staff and students received this prestigious award for a program through which they developed a whole-of-school approach to combating racism and promoting multiculturalism. It was obvious to me on the day—and this is a large claim—that this spectacular anti-racist campaign has united the whole school in a celebration of community diversity.

Menai High School, a culturally diverse and comprehensive high school, is located in a generally affluent area. According to the school profile there are 1,100 students, 65 per cent of whom are from an Anglo-

Australian background and 35 per cent of whom are from non-English speaking backgrounds. The largest cultural groups are Lebanese, Macedonian, Greek and Italian, with a significant number of Chinese and Indian students.

[*Interruption*]

Students from four Aboriginal families attend the school. In addition, a significant number of students are from socioeconomically disadvantaged families residing in a large Department of Housing complex within the general area. The Menai-Illawong-Alfords Point area, which serves this school, is home to the third largest settlement of Macedonian families in this State. Statistics from the 1996 census reveal that Sutherland shire has a higher incidence of immigrant settlement than suburbs such as Kogarah, Hurstville and Leichhardt. As I said earlier, this program really arose from the fact that in 1999 the school experienced some terrible problems.

The school identified that racism was evident within the divisions of the student body, especially in the senior school. According to students, a "them and us" mentality prevailed. There was the Anglo clique and the ethnic clique, which was accepting of anyone not Anglo-Australian. In the junior school those distinctions were not so obvious, although it was noted that students from the public housing development tended to stick together. On the issue of religion, students felt that the promotion of Christian values was above their own religions, which were mainly Muslim, Hindu or orthodox. The perception from the Lebanese community in particular was that the school was racist and that only Lebanese children were disciplined and suspended. There was limited contact between ethnic communities and the school, and a lack of awareness of school procedures and options.

In order to address these issues students, teachers and parents got together and decided on a two-phase process. Phase one was to promote multicultural activities within the school to gain increased staff, and student and community awareness and involvement. Phase two was the curriculum dimension. Head teachers and staff were to include anti-racist and multicultural activities in faculty teaching programs. Some programs were aimed at staff by sensitising them to issues of cultural misinterpretation. Some programs were aimed at students through multicultural performance days and the incorporation of multicultural activities across the curriculum.

Other programs were aimed at parents through ethnic parent-staff morning teas and school bulletin items so that they really got to know about every issue and, for the first time, they could talk about some of these problems. They then proceeded to phase three—celebration and consolidation in 2001. At the February parents and citizens meeting parents decided to provide $4,500 to maintain and expand this initiative in 2001. One parent said:

> Our kids don't fear kids from other cultures because of this program at this school. It has got to be a top priority for getting P&C support.

Those funds are being used in a number of areas, including multicultural performance days, the important year 7 multicultural sensitivity workshop day, and an extension in year 6 for four feeder schools so that they can maintain this program as students move in and out of the school. I pointed out earlier that the school is now in phase three—celebration and consolidation. The function that I attended, which was quite overwhelming, was part of that celebration. It included a welcome to the nation by Aboriginal elders of the area, a didgeridoo performance and multicultural student performances.

That statement does not adequately describe our experiences on the day. We experienced a myriad of different and culturally based activities. The backdrops for the stage were nothing short of works of art. They incorporated many different students' ideas about their countries of origin. The Aboriginal background designs formed the backdrop for the cultures that have come to this country. As I said earlier, those backdrops were quite spectacular. One thing that exemplified the success of the program was the dance group that performed. It involved Greek, Macedonian and Lebanese girls. Three groups performed as one. Eighteen girls worked together to develop a series of dances which represented all the different cultures. [*Time expired*.]

Mr MARKHAM (Wollongong—Parliamentary Secretary) [5.59 p.m.]: The honourable member for Menai has again brought to the attention of the House issues relating to education and education values in which she has been involved in her electorate. She has spoken about a great case of self-empowerment for teachers, students and the community at large. We must understand that school communities are a vital part of everyday life. Greater involvement of parents in everyday life in the school community can do no harm at all. The good it does has been highlighted by the honourable member for Menai. I congratulate her on attending phase three of the program. The honourable member should bring it to the attention of the Minister for Education and Training, who may be able to put it in place in other schools throughout New South Wales.

SUTHERLAND SHIRE DEVELOPMENT

Mr KERR (Cronulla) [6.01 p.m.]: Port Hacking is an important waterway for my electorate and for the State. Its future is now being threatened by a councillor on Sutherland Shire Council. The minutes of the meeting of the Port Hacking user group on 14 March refer to motion No. 1, which reads:

> A vote of no-confidence in Councillor Bob Spencer, Chairman of the Port Hacking Management Panel, in that he exhibited partiality by agreeing to the detailed discussion of the draft of the Waterways Boating Plan of Management, in the absence of a significant number of members of the Management Panel and who were also contributors to the Waterways document.

It should be noted that Councillor Spencer called this meeting with less than 12 hours notice.

Mr George: Shame!

Mr KERR: It is a shame, as the honourable member for Lismore has said. Motion No. 2 which was passed at the meeting reads:

> A vote of no-confidence in the Port Hacking Management Panel sub committee convened on March 1, 2001 and also the resolutions of that sub committee of March 1, 2001. In that, their resolutions were disingenuous and the documents which they put up as references and which the sub committee assets are the protocols which prevail over all others, are at best out of date, irresolute, unrepresentative, untested, unendorsed, and legally unenforceable wish lists.

When Kevin Schreiber was mayor, dredging was carried out in Port Hacking. Sand was removed and placed on the beaches in the Bate Bay area. That has now become a public safety issue. If a storm blows up, a person could be drowned in Port Hacking because of the state of the waterway. If that occurs, it will be on the heads of those who prevented meaningful action being taken. Given the amount of sand in Port Hacking at present, Shire Watch ought to change its name to Shire Wash. The latest matter is a further disturbing development in the cult of secrecy that is emerging in Sutherland Shire Council.

Recently I received a letter from constituents. They referred to an article that appeared on 27 March in the *St George and Sutherland Shire Leader* about a development application in Bando Road, Cronulla. They state what the problem was. They were advised by someone experienced in property development to go to the council and look at the shadow diagram to see the real effect of what was to happen. Council could not find the shadow diagram and, therefore, there was no opportunity in the limited time frame to see the real effect of the development. Later the shadow diagram was found to be incorrect and the effect was worse than the development application stated. My constituents went to the expense of hiring a surveyor and found that their land falls further away than stated. They ask what residents are to do when they object in time but council will not assist them.

I have obtained through freedom of information legislation a plan of development for the head of Gunnamatta Bay. I would like to know why this important document has not been made public. It is time for the secrecy to end. It is time for dialogue to commence between ratepayers and residents and the Sutherland council. It is time we had a bit more than 12 hours notice for important pieces of information. I am sure it would not happen in Coffs Harbour.

Mr Fraser: No. It is a disgrace.

Mr KERR: It is a disgrace, and it is time to come clean.

COMMUNITY BUILDING

Mr WEST (Campbelltown) [6.06 p.m.]: In my inaugural speech I spoke of working with and building community. As a government we need to work to build community and provide opportunities to residents. In Campbelltown local police established CDSEC 2000, which is Campbelltown Development of a Safer Environment Committee, of which I am a member, as part of the process to provide government agency and community support to developing long-term strategies to build community. The committee is chaired by the head of the Macarthur Area Health Service and is attended by the local heads of housing, police, the Department of Community Services, Argyle Housing, council staff, councillors and members of the community. This is about taking a whole-of-government approach to creating a safer environment and ensuring that people with the authority to make decisions are part of the process.

Not all safety problems can be solved by the police; a whole-of-government approach is needed. We can tackle related issues such as health problems, housing issues and delivery of council services, and we can

encourage other agencies to work with residents. By bringing together staff who have the authority to take action we can take a proactive approach to developing a safer environment. I commend to all members the value of such a local, whole-of-government approach. However, some communities need more of a helping hand. We need to build community and provide opportunities; not all areas have an equal access to opportunity.

One area of disadvantage is Airds in my electorate. The Government has been working with community members in the Airds-Bradbury area to strengthen community. Through the Department of Housing the Government has been involved in a neighbourhood improvement program. It is redesigning the area so that front yards face the street, roads provide access to main streets, and housing is generally improved. They are things we all take for granted. Through these physical changes to the suburb the environment is made safer, and the inadequate design and planning of the original subdivision is rectified. It is one of the Radburn designs.

Physical changes such as those are not enough. It is only through building community and working with residents that lasting improvements can be made. Together with the community housing agency, Argyle Housing, the Department of Housing has established a joint office called HART—housing Argyle and residents together—to manage properties and work with the community. I was pleased to attend the launch of the program. One thing that has always struck me when working with residents of the Airds-Bradbury area is their enormous willingness to get in and have a go. The enthusiasm of residents like Rae, Dawn, Jen, local schoolteachers and many others encourages other people to get involved. The Government has a real commitment to work with residents to improve Airds.

As a result of consultation with agencies in the community, I am pleased to announce that the Government has approved funding of $75,000 to strengthen the Airds community. That funding follows on from the Responding to Disadvantaged Communities conference in March last year and a subsequent Campbelltown renewal workshop which identified Airds as a priority area for the project. Some 40 per cent of the Airds community is aged under 15 years. That is double the Sydney average. Through this funding, the Government is reaffirming its commitment to get results for Campbelltown by harnessing the community spirit in areas such as Airds.

The renewal program will result in government agencies working together to improve services for families in Airds. I want to have red tape cut through to target the key areas of concern identified by residents and community groups: improving safety, providing employment opportunities, delivering better access to transport and enhanced services for youth, and working with families. The $75,000 in New South Wales Government funding will be administered by Campbelltown City Council for all stakeholders, and as part of the Government's strengthening local communities strategy. The Government is working for and with families to build better communities. I welcome this commitment to overcome disadvantage and to improve safety and opportunities in Airds.

Mr MARKHAM (Wollongong—Parliamentary Secretary) [6.10 p.m.]: I congratulate the honourable member for Campbelltown. Obviously, he has a real feel for what is happening in his electorate. No wonder there was a swing of more than 5 per cent to Labor in the recent by-election. It is great that he has raised this matter. No wonder he is so popular in the electorate of Campbelltown. His popularity will increase while ever he takes this line of community consultation: talking and listening to families and then adopting a whole-of-government approach. That is the correct action to take, and it should happen in more communities throughout New South Wales. I congratulate the honourable member on bringing the information to the Parliament. Keep up the good work!

ISOLATED PATIENTS TRANSPORT AND ACCOMMODATION SERVICE

Mr GEORGE (Lismore) [6.12 p.m.]: I raise the concerns of the Uniting Care Casino transport team and others regarding the Isolated Patients Transport and Accommodation Service [IPTAS], which provides financial help to people who need to travel 200 kilometres or more one way from their home to obtain specialist medical treatment. The reason for those trips is to access medical treatment that is not available in Casino or Lismore. To set up guidelines for charges to clients, discussions were held with the Casino Neighbourhood Centre and Northern Rivers Community Transport in Lismore. As I understand the basis for the IPTAS calculation, the mileage is calculated from post office to post office of the towns concerned. It calculates the mileage at 12.7¢ per kilometre, deducts the first $40 as a client contribution and ignores the amount paid to any carrier as irrelevant. In most cases the balance is not worth paying.

To highlight some examples of calculations, a return trip from Casino to Brisbane is 550 kilometres. At the moment one client pays $100 to the transport team. IPTAS calculates the 550 kilometres at 12.7¢ per kilometre, which amounts to just on $58. Once the client contribution of $40 is deducted, the amount payable by

IPTAS is only $15.55. That means that the client is $84 out of pocket for the service provided by the transport team. One private person must have taken a different route for the same trip because IPTAS calculated the mileage at 12.7¢ a kilometre for 600 kilometres. The client received $76 less the $40, which is only $36 for the trip. I point out that when a Koori client travels to Brisbane the Department of Aboriginal and Torres Strait Islander Affairs foots the bill and pays 35¢ a kilometre. When a veteran makes the trip the Department of Veteran Affairs foots the bill and pays 65¢ a kilometre.

The Minister is aware of these concerns and has agreed to look at them. IPTAS needs to realise that its help is not help at all, and that persons who are transported to and from Brisbane for medical treatment by the care group or by private car are being kept out of care facilities and, consequently, keeping ambulance costs down. Today in my area the cost of fuel is 96¢ to 99¢ a litre. When IPTAS deducts $40 from the 12.7¢ a kilometre that clients receive, effectively that reduces the payment to about 3¢ a kilometre. That is unfair, especially when family and friends of patients are providing transport, thus reducing pressure on the local ambulance service and keeping down the costs to the New South Wales Ambulance Service.

Generally, the people requiring assistance are not well off and need the support of people such as the Uniting Care team, friends or family. I refer to two letters I have received about this problem. John Brown has just been diagnosed as having incurable non-Hodgkinson's disease. Five days a week he will have to travel to Lismore for radiotherapy treatment, a round trip of 120 kilometres from his home. He understands that because he does not live 200 kilometres away from the treatment it is impossible for him to receive financial help. In his letter he stated:

> If I elect to go to Brisbane and leave my wife and son here on the farm that IPTAS will not only pay for my mileage but also pay for my accommodation …
>
> In the future I do not know how many trips to and from we will have to make as down the track they tell me that I will have to have Radiotherapy some where as they do not do it at Lismore.
>
> I am asking if you through the Ministers office could consider not only my representation but also that of others before mine and after.

I received a letter from Doug and Julie McDonald of Casino which stated:

> For over five years now we have been travelling to Brisbane with our youngest daughter Meagan, who suffers with Diabetes Insipidus for medical treatment, examinations and collecting medication which is only available from one of the specialists in Brisbane.

They set out their situation as follows:

> Again in the beginning we stayed at a Caravan Park to keep the costs to a minimum, then we found out about St Paul's Lodge ... and have been staying there ever since as it is only costing $32 (for 2) each night ...

Again, by the time the $40 is deducted from their cheque, they are not left with much support at all. However, they are saving the system money. They are simply asking to be recompensed for out-of-pocket expenses.

Mr MARKHAM (Wollongong—Parliamentary Secretary) [6.17 p.m.]: The honourable member for Lismore said that the Minister is aware of his concerns. The Minister indicated that he would not be able to come to the Chamber tonight to respond to those concerns because of other commitments. However, I can assure the honourable member that I will ensure that the *Hansard* record is brought to the Minister's notice tomorrow, and no doubt the Minister will contact the honourable member to discuss his concerns further.

COUNTRYLINK DISCOVERY PASS

Mr MOSS (Canterbury—Parliamentary Secretary) [6.18 p.m.]: A constituent of mine who is hosting an overseas tourist recently approached me inquiring whether State Rail provided a Eurorail-type pass that enabled a person to travel extensively by train throughout New South Wales over a period for one up-front fee. Although I suspected that there was such a travel pass, I was not 100 per cent sure. However, following inquiries I found that an excellent deal exists. Without sounding too critical, I must say that, as a person interested in travel and as the Parliamentary Secretary for transport, I should have been aware that such a ticket exists.

That shows that the pass in question needs to be more widely promoted. I emphasise that this pass, namely, the New South Wales Discovery pass, is a good deal. It allows the holder unlimited economy class travel on all Countrylink services within the State. It is valid for a full calendar month at a reasonable cost of

$273.90 for adults and $218.90 for concession cardholders. It would be reasonable to expect that a person holidaying in this State for a few weeks and using Sydney as a base would want to travel around. I have estimated that it would take only about five reasonable trips to cover the cost of the pass. For example, many tourists may wish to travel by train from Sydney to the Queensland border before proceeding to the Gold Coast. A tourist may want to travel to the Gold Coast, stay a few days, and then return to Sydney. The cost of a return economy class rail ticket from Sydney to Murwillumbah would be $196.

Mr Fraser: Don't forget to drop in to Coffs Harbour.

Mr MOSS: Yes, by all means tourists should call in to Coffs Harbour on the way back. A tourist may also wish to spend a day in Canberra. The return fare for that tourist to travel from Canberra to Sydney in one day would be $90. Many tourists love the Southern Highlands. A return train trip to Bowral costs $42. Many tourists who holiday in Sydney like to travel to Dubbo to visit the Western Plains Zoo. A return train trip to Dubbo costs $124. If a tourist wished to leave the State and travel by train to Melbourne, the single train fare to Albury would cost $81. The figures I have just referred to total $533. That is almost twice as much as the cost of the New South Wales Discovery Pass, which allows for travel over a seven-day period to five locations. As I have emphasised, the pass is good value for money. A good proportion of Central Europe, where Eurorail is the preferred mode of travel for tourists, could fit into New South Wales. The Countrylink Discovery Pass is therefore, I believe, comparable to a Eurorail pass. No doubt Eurorail is popular because everyone knows about the deals it offers. I dare say that if the Discovery Pass were more widely known it would undoubtedly be better patronised.

I believe that Tourism New South Wales could play a role in making the Discovery Pass more well known. First, Tourism New South Wales would need to be fully briefed by Countrylink, and a promotion could then follow. I have already discussed this matter with the Minister for Tourism, who is currently examining my suggestion. I am sure that Tourism New South Wales will take the suggestion seriously, because it is good at promoting destinations around the State. Tourism New South Wales is also good at promoting the Multi-day Sydney Pass, which covers travel by rail, bus and ferry. I suggest that any future promotion should be specifically aimed at the Discovery Pass and not Countrylink generally, which is well known. However, the pass is such good value that it warrants being singled out as it would encourage more use of Countrylink services by interstate and overseas tourists.

NEWLING PUBLIC SCHOOL HALL

Mr TORBAY (Northern Tablelands) [6.23 p.m.]: I wish to place on record my support for the request by Newling Public School in Armidale for a new hall. Newling Public School is a family-oriented school which was established in Armidale in 1974. At that time a minimum number of classrooms were constructed, with plans for expansion at a later date. In 2000 a long-promised new library and two new classrooms were completed, replacing the temporary library's leaking roof and water-damaged books. I acknowledge the Government's contribution to those works. However, after 26 years the school remains without a much-needed hall and a network of covered walkways. Those facilities are now urgently needed at the school.

Recently I visited the school. At present, school assemblies and other get-togethers have to be held in two classrooms with a concertina partition between them. All the students' desks and other furniture have to be moved aside. That causes considerable disruption to teachers and students alike. More than 200 students, along with teachers, parents and guests, are then squeezed into an area that is totally unsuitable for the purpose. Adults are forced to sit in child-size chairs while the children sit on the floor. Any larger functions, such as school concerts, have to be held in another school's hall, resulting in unwelcome expense and inconvenience.

Music students have to practise in a small foyer outside the canteen. Larger touring productions cannot be brought to the school as there is nowhere for them to perform, thus depriving the children of many events that other schools enjoy. There is plainly a need for a building that is suitable for such activities and other creative arts presentations. The ability to present such activities in a formal function area complete with stage, proper public address system and professional lighting would greatly enhance these students' educational experience. Armidale has an extremely varied climate. Winter minimum temperatures can drop to as low as minus 10 degrees Celsius, while maximum daytime temperatures can be as low as five degrees.

Mr Fraser: Not as good as Coffs.

Mr TORBAY: As the honourable member for Coffs Harbour interjects, the weather in Armidale is not as good as the weather in Coffs Harbour. Snow and sleet in Armidale are not unusual. Summer temperatures can

soar into the mid to high thirties. It is unacceptable that the children at Newling Public School should be expected to endure these extremes in temperature with no suitable area to protect them. The students should not be expected to spend their morning tea and lunch breaks in classrooms during inclement weather. That severely constrains much-needed free play and socialisation. They should also not be expected to walk in the rain, sleet or snow to and between classes.

All public schools are required to allow the public to avail themselves of their facilities. At present Newling Public School has little to offer in the way of such facilities. A hall would, therefore, increase the school's worth and usefulness, thus enabling the wider community to utilise a much-needed resource. Fundraising by the parents and citizens association—which, together with the school community generally, is hard-working—would also be enhanced, as a hall would enable more diverse fundraising activities to be held, thus creating additional benefits for the children and the wider school community. I acknowledge the recent announcement of the Minister for Education and Training of much-needed funding for many schools in the area. However, I ask the Minister to give consideration to the urgent need for the establishment of a hall and covered walkways at Newling Public School, which has been waiting for so long for these facilities.

Mr IEMMA (Lakemba—Minister for Public Works and Services, and Minister Assisting the Premier on Citizenship) [6.27 p.m.]: I commend the honourable member for Northern Tablelands for raising the establishment of a hall and additional facilities for the students, staff and community members at Newling Public School. I will pass on the honourable member's remarks to the Minister for Education and Training and ensure that the honourable member receives a response. I also place on record my appreciation for the way in which the honourable member raises important issues on behalf of his constituents.

Private members' statements noted.

[*Mr Deputy-Speaker left the chair at 6.28 p.m. The House resumed at 7.30 p.m.*]

CHIROPRACTORS BILL

OSTEOPATHS BILL

Second Reading

Debate resumed from an earlier hour.

Mr GAUDRY (Newcastle—Parliamentary Secretary) [7.30 p.m.]: In speaking to the Chiropractors Bill and the Osteopaths Bill, I note that this legislation repeals the Chiropractors and osteopaths Act 1991 and re-enacts provisions relating to the regulation of chiropractors with a range of modifications. Earlier today I listened to the debate and noted that those modifications were very clearly detailed by previous speakers. 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 Chiropractic Act 1978, these separate bills provide for the regulation of chiropractors and osteopaths.

The origins of both professions and the treatments and philosophies underlying their practices are distinct. This is reflected by the fact that the professions have separate educational systems and professional affiliations. Furthermore the professions are separately regulated internationally and this trend will apply in Australia as Queensland, Victoria, and Western Australia have moved to separate registration. This legislation is important because it gives appropriate recognition. It carries through a whole range of provisions to ensure the adequate oversight of chiropractors and osteopaths. This legislation also makes it very clear that "spinal manipulation", which is well defined in the legislation, is only to be carried out by people whose qualifications enable them to practise as chiropractors, osteopaths and members of the medical profession who have adequate training and who have developed the requisite skills.

It is increasingly the case in Australia and worldwide that communities are becoming more aware of the holistic approach to solving health problems. Rather than always depending upon traditional methods, people are tending to utilise a range of medical approaches so that their medical and health needs are attended to by the traditional mechanism of attending upon a medical practitioner or by being appropriately treated by an osteopath or a chiropractor. That is a matter of personal choice and understanding. Many people in the community now utilise the services of chiropractors and osteopaths. It is very important for people to have a sense of absolute confidence in the capabilities of people who render health services.

In the Hunter Valley there has been a long history of people seeking manipulation of bones, joints and muscles by other people who were possibly not qualified. As this legislation makes very clear, it is most important, particularly for spinal manipulation, that medical health services are carried out by people who are qualified and recognised absolutely as possessing particular medical skills. But the important aspect of this legislation is that a clear definition of "spinal manipulation" is part of the Minister's second reading speech and is worthwhile repeating. The Minister stated that the definition of "spinal manipulation" clearly distinguishes it from "spinal mobilisation", which is a technique that can safely be employed by a much broader range of practitioners.

"Spinal manipulation" is 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". In a very comprehensive consultation program involving a huge number of stakeholders that was commenced as long ago as 1998 when a paper reviewing these matters was released, and completed when a report was released in January 2000, the importance of the definition being contained in legislation became clear.

Mr O'Farrell: Which definition—"sudden" or "spinal"?

Mr GAUDRY: The definition of "spinal manipulation" is included in the Minister's second reading speech, wherein the Minister made it clear that, irrespective of whether treatment was undertaken through the chiropractic, medical, osteopathic or physiotherapy professions, spinal manipulation must be restricted to those professions, which have been trained in its use. I am one who has had fairly extensive personal experience with treatment by spinal manipulation and I can vouch for the fact that patients really have to have a sense of confidence in their practitioner. In 1966 I suffered a neck injury and subsequently I undertook a significant period of physiotherapy which I found was not assisting me in making progress.

On the advice of a friend, I attended upon Dr Murray Strudwick, who was a chiropractor at Hurstville. He had obtained the qualification of a doctor of chiropractic from Canada and I was most impressed by his absolute professionalism and by the great sense of ease that I obtained from having chiropractic treatment. That was my first experience of chiropractic treatment. Prior to that, in the Hunter Valley I had seen people who were known as masseurs and who worked with footballers and other sportsmen as well as, in many cases, greyhounds and race horses. Those people had received no formal training but, over time, they had involved themselves in manipulation of bone and muscle. That is not a practice that people generally had a great deal of confidence in but, in contrast to that, I gained a sense of confidence and certainly some ease after being treated by a doctor of chiropractic therapy.

Throughout the community there must be a huge number of workers who suffer chronic pain which largely is associated with back injury or muscular and joint damage as a result of heavy lifting in the workplace. As a result of this legislation, which deals with the registration of chiropractors and osteopaths and which contains a very clear definition of "spinal manipulation", people can have confidence in the oversight and registration of professionals under the provisions of both bills. People will therefore have even greater confidence that the treatment they are receiving is being administered by people who have achieved absolute recognition in their profession.

I make a point on behalf of a chiropractor who operates a well recognised practice, the Newcastle Chiropractor Centre Pty Ltd, in my electorate. Mr Daniel Danuser holds a Bachelor of Applied Science, Chiropractic, from Melbourne, and a Master of Chiropractic Science from Sydney and is also recognised in Switzerland. He raised his concern about the use of the courtesy title "Dr" in conjunction with chiropractor. He said that there is a need for recognition of chiropractors because of the length of their training. I know that that is dealt with in the legislation but it is important that the view of a practitioner such as Daniel Danuser be brought to the Parliament. He wrote a letter to me dated 13 March in which he said:

> Regarding the use of the courtesy title "Dr" in conjunction with the word "Chiropractor" I would like to summarise key points as I see them. Essentially the Chiropractors push is based on the following:
>
> - All other State and Territories accept the courtesy title in conjunction with identification of the professional status (in this case Chiropractor at the same applies for Veterinarians and Dentist).
>
> - Graduates from US or Canadian institutions are awarded a "Doctor of Chiropractic" (DC) or "Doctor of Osteopathy" (DO) respectively and use the title "Dr" plus "Chiropractor" or "Osteopath" anywhere in the world …

- Undergraduate Medical education takes (5) years—as does Chiropractic. Both courses require a student to complete 5,500-5,600 hours of tertiary education to obtain their professional qualification. Physiotherapy studies take three (3) to four (4) years depending on whether the (post-graduate) manipulative courses is added on.

- There is no risk of "confusion of the public" which is the most common objection raised (esp by medical experts), as evidenced in the other States and Territories in Australia—just like there isn't a confusion about dentists being medical doctors or general practitioners in NSW.

Mr Danuser made the point clearly and strongly in his submission to me that he was concerned that the use of that courtesy title should be extended to chiropractors and osteopaths. The approach of the bill is that the title "Dr" has, in the context of health care, traditionally been associated with comprehensive treatment, including the prescription of pharmaceuticals available for medical practitioners. While chiropractors and osteopaths provide a valuable and expert service in the field, they do not provide the comprehensive range of treatments and services that can be provided by medical practitioners. I understand that is the position taken in this legislation but people in the community of chiropractors are concerned about that. I know that the Minister has dealt with that in his second reading speech and I am sure that he will listen to the concerns expressed in this debate. I repeat that this is important legislation because it contains a clear definition of "spinal manipulation" and seeks, in clearly defined provisions, to register both chiropractors and osteopaths. The bill has a comprehensive oversight of the registration and ongoing activities of these very important professions for the health of the people of New South Wales.

Mrs SKINNER (North Shore) [7.45 p.m.]: I lead for the Opposition, which does not oppose the bill. The aim of the Chiropractors Bill is to protect the health, welfare and safety of members of the public by providing mechanisms to ensure that chiropractors are fit to practise, and the Opposition supports that general principle. However, the Opposition has concerns about some matters contained in the bill and I seek a response from the Parliamentary Secretary, who led for the Government in this matter. It has been drawn to my attention by chiropractors who have read the second reading speech on the bill that the Parliamentary Secretary and certainly the honourable member for Newcastle used a definition of "spinal manipulation" which is not the definition contained in the bill.

They referred to "spinal manipulation" as being the sudden application of 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. In fact the definition is "rapid application". Whilst that may not seem important to a lay person, I am told that many chiropractors object to the inclusion of the word "rapid" because some say that it would be difficult to prosecute unqualified practitioners. Further, practitioners could argue that the force applied was not rapid. It has been suggested that if both words were omitted, that definition would be clearer and prosecution of somebody who has been practising spinal manipulation inappropriately would be easier. First, I would like clarification of that definition in the bill, and then consideration of removal of either of those two words.

The Minister in his second reading speech referred to members of the board and their appointment. He said that chiropractic members would include practitioners put forward by chiropractic professionals associations, from whom the Minister would select, whereas the bill states that two registered chiropractors would be nominated by the Minister from a panel of chiropractors nominated by the Chiropractors Association of Australia and that a third chiropractor would be determined by the Minister. Those with whom I have consulted said that it was their understanding that in the consultation and review process the three chiropractors would be selected from people nominated by the Chiropractors Association. I put that forward for consideration by the Government.

This bill is almost identical in its form to the Psychologists Bill, which had its second reading in October last year. It is simply a matter of removing the word "psychologist" and putting in the word "chiropractor", and the overview of the bills would be identical. The provisions in the Psychologists Bill that have caused a great deal of concern and are still the subject of discussion and debate with the Government are contained in this bill. I want to put on record my strong concerns in relation to some of these matters. I am of the view that the bill is an attempt by the Government to set a precedent that will be used in reviewing other Acts. Not only chiropractors but other allied health professionals have expressed concerns about that and I will read their letters later. A contentious issue concerns part 2, clause 8, on page 4, which deals with qualifications for registration and allows the board to determine which courses are recognised. There is a concern that a minimum standard is not defined. It is suggested that what constitutes an approved course needs to be elaborated on. That is not clear in the Chiropractors Bill and there are concerns that the standard could be lowered from its current position.

Another contentious issue is that the definition is to be included in the Public Health Act. It has been suggested to me that this is on the basis that it will cover the four professional groups deemed to be qualified to

do spinal manipulation—chiropractors, medical practitioners, osteopaths and physiotherapists. It will not be included in specific Acts that cover those specialties. Chiropractors have argued with me that neither this bill nor the Public Health Act addresses the issue of who will take responsibility and suffer the expense of prosecuting a person for practising spinal manipulation when unqualified to do so. I have received a briefing from the Minister's staff and from the department. I thank those very helpful officers for their briefings. I have been advised that any registration board or any individual could commence prosecution. However, this needs to be taken in the context of a current case involving a masseur charged with inappropriately practising spinal manipulation, a case that has cost nearly $100,000 so far and is not yet completed. The honourable member for Albury will address that matter a little later.

I note that item [6.5] of schedule 6 proposes the insertion of a new section 10AC, which provides that spinal manipulation is not to be practised by unregistered persons. It identifies people who will be registered to provide such a procedure and indicates that the maximum penalty will be 50 penalty units or imprisonment for 12 months, or both, for breaches of that provision. I should like an indication from the Parliamentary Secretary whether the Government, through the Department of Health, the Director of Public Prosecutions or otherwise, will accept liability for a prosecution under that part of the Act. That would clarify the concerns of those who feel it is unlikely that anyone will have the resources to take action should that part of the Act be breached.

A further concern that has been raised relates to part 7, clause 87 of the Chiropractors Bill. This provision relates to the membership of the Chiropractors Registration Board. This part specifies that seven members will constitute the board. One will be an officer of the Department of Health nominated by the Minister; one will be a chiropractor involved in the tertiary education of persons for qualification in New South Wales as chiropractors, also to be nominated by the Minister; one is to be a registered chiropractor of the Minister's own choosing; one is to be a community representative nominated by the Minister; one is to be a legal practitioner nominated by the Minister; and two will be registered chiropractors nominated by the Minister from a panel of chiropractors nominated by the professional associations, including the Chiropractors Association of Australia, New South Wales.

Earlier I referred to the fact that that association and others that took part in the consultation process believed that three chiropractors were to be nominated by the professional associations. They believed that a commitment had been made that the deputy chair was to be a chiropractor, yet there is no mention of this in schedule 2. Some clarification of that matter would be helpful. Chiropractors associations also believe that the term of the board would be as indicated in consultations, that is, only two consecutive terms, whereas the bill provides for three consecutive terms. I raise that matter because it has been raised with me by the Chiropractors Association as a matter of concern.

I turn now to the provisions of the bill relating to the use of the title "Dr". Many honourable members of this House will have received representations from individual chiropractors—as I certainly have—as well as from the Chiropractors Association requesting that they be entitled to use the title "Dr". The bill prevents the use of that title. It stipulates that chiropractors must not use the title "doctor" in the course of the practice of chiropractic, unless they have another qualification that allows for that, for example, a doctorate of philosophy. Chiropractors have lobbied strenuously for the right to use the title "Dr". They claim that this title is able to be used by chiropractors in all other States, although I must say that from my closer examination I have discovered that the title is able to be used in Queensland, Victoria, the Northern Territory and the Australian Capital Territory, but that the Tasmania legislation is silent on the issue, though it may well be the practice in that State. In South Australia chiropractors may use the title if they hold a doctorate of chiropractic. In Western Australia, apparently, the title can be used in conjunction with the word "chiropractor" or the word "chiropractic".

It is interesting that the Australian Medical Association has a view on this point. I raise this because it is interesting. The AMA opposes the use of the title "Dr" unless of course the chiropractor has a qualification such as a doctorate. However, the AMA is not opposed to the use of the title of "Dr" if the title is always used by chiropractors in association with the word "chiropractor" or the word "chiropractic" so as to clarify, both verbally and in writing, that chiropractors are not purporting to be, nor seen to be, medically qualified practitioners. That is taken from the policy of the Federal AMA. That suggests that "Dr" might be considered an appropriate title if used in the way suggested by the AMA. On the other hand, the Coalition has received comments from a number of members of the public who share the view that people who consult a doctor are consulting someone who can take a holistic approach to their treatment and prescribe medicine and undertake the whole of the range of activities of a medically qualified practitioner. For that reason, the Coalition will not be seeking to amend the legislation and will not oppose the Government's position on it. I raise this issue because I think it will emerge again for consideration at some future time.

Another contentious issue relates to clause 127 (3). This is a sticking point with psychologists in relation to the Psychologists Bill. This clause relates to the appointment and powers of inspectors. The bill allows, amongst other things, an inspector appointed by the Director-General of the Department of Health, with the approval of the board but with or without a search warrant, to enter a chiropractor's workplace, interview anyone, copy and/or seize any documents, take videos, and so on. This provision is strongly opposed by the Psychologists Association and other professional associations to whom I have spoken. The Chiropractors Association seem less concerned, although it has mentioned the issue. However, many individual chiropractors have raised in particular questions about patient confidentiality.

The Chiropractors Association and others also argue that the board should have no right to delegate any of its functions in relation to complaints and disciplinary proceedings. The bill puts qualifications on the right to delegate, but the board as a whole is still able to delegate such functions to a subcommittee or to the chairman or single members of the board. The associations believe that such delegation is inappropriate. I raise that matter for consideration and comment by the Government.

I have consulted broadly on this legislation and all of the Government's forthcoming legislation which, as Government members have indicated, has been out in the public domain for some time. The great difficulty with these bills—as happened with the Psychologists Bill—is that the Parliamentary Secretary indicated during his second reading speech that there had been broad consultation and everyone supported the bill. In fact, as honourable members know, the associations do not see the bills before they are presented in this place. Some associations see the bill for the first time when I send them a copy of it. When they have the opportunity to look at the fine detail of the legislation they find that they have concerns with the bills. I have quite religiously raised all written concerns raised with me, lest the Parliamentary Secretary should doubt that those are genuine concerns raised by the professional associations. For that reason, I think they warrant thorough examination and response.

I would like to refer to a letter that I received from the Australian Podiatry Association. That association knows full well, as do a number of other professional associations, that these bills are likely to become the model that they will follow. The Australian Podiatry Association has written to the Minister—I am sure the Minister's policy advisers are well aware of it—and sent a copy of the letter to me. The association raised concerns about the appointment and powers of inspectors, as I have enunciated, and raised concerns also about the delegation of powers and functions of the board in relation to complaints, as I have already expressed in relation to the communications from the Chiropractors Association. I indicate that several other Coalition members will contribute to this debate.

I summarise by saying that the Opposition does not oppose the principles of the bill; in fact, it strongly supports anything that will improve the quality of outcomes for patients. In my opinion, that has to be the driving force in the review of any legislation. In fact, the bill provides mechanisms which I think strengthen the practice of chiropractors and ensure that they are fit to practice. When there is inappropriate behaviour there has to be a mechanism to deal with it. As I said earlier, some of the mechanisms in this bill really ring alarm bells in the minds of some practitioners. I ask the Government to seriously address those issues.

Mr MILLS (Wallsend) [8.00 p.m.]: I am pleased to support the Chiropractors Bill and the Osteopaths Bill. These cognate bills provide for the separate registration and regulation of chiropractors and osteopaths. Separate registration boards will be established for each profession, which is consistent with what is happening elsewhere in Australia. The purpose of the bills is to protect the health and safety of the public in New South Wales by providing effective regulations that ensure that chiropractors and osteopaths are fit to practice. The practice of spinal manipulation was an important consideration in consultations with health professions prior to the introduction of this legislation. In accordance with these bills, that practice will continue to be restricted to chiropractors, medical practitioners, osteopaths and physiotherapists—those four professions alone.

For the first time, "spinal manipulation" will be defined, with the definition and restriction placed in the Public Health Act. Providing a definition will assist in enforcement as well as helping to ensure that unregistered people, such as masseurs, do not inadvertently commit an offence. Recognised academic experts from all the relevant professions have been involved in the drafting of the definition of "spinal manipulation" and the views of professional associations and registration boards have also been obtained. Earlier this evening the Deputy Leader of the Opposition said by way of an interjection—if I heard him correctly—that there is no definition of "spinal manipulation" in the bill.

Mr O'Farrell: You must have misheard me.

Mr MILLS: I must have misheard the honourable member. I confirm for the benefit of all honourable members that the definition is contained in schedule 6 on page 94 of the Chiropractors Bill. Earlier I followed the speech of the honourable member for North Shore to ensure that she read out the correct words in the bill. The bill states:

> ***spinal manipulation*** means the rapid 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 honourable member for North Shore was concerned about the use of the words "sudden" and "rapid". The *Macquarie Dictionary* defines the word "rapid" as "... occurring with speed; coming about within a short time ..." and it defines the word "sudden" as "... happening, coming, made, or done quickly ..."

I do not intend to debate the issue because I believe that that is something on which the professions should agree. I rather expect that they have. I believe that the definition they have agreed on is in the bill. The honourable member for North Shore may be missing the point in relation to the protection of public health through legislation and regulation and the maintenance of standards. She said that she saw the Chiropractors Bill, the Osteopaths Bill and the Psychologists Bill as essentially all the same. I am not surprised because, quite frankly, a reading of the Medical Practice Act reveals that a template has developed throughout the professions. Now that osteopaths and chiropractors are separated, the 11 professions that are listed in the Health Care Complaints Act will now become 12. So all 12 health professions are heading in the same direction.

I believe that that is part of a national move that is related to Medicare agreements. All the States have to have their complaints mechanisms in place. It makes a lot of sense if there is a fairly common procedure for all health professionals. I believe that is important. I know that the professions have been working for many years to have that sort of legislation and those sorts of regulations enacted. The aim of it all is to protect the public. But health professionals want to protect their own professions. Only through protecting their professions, maintaining high standards and all the things that go with that do we come back to the protection of the public. It is part of a consistent scheme. This legislation is building and developing on that scheme.

That explains, of course, why there is essentially a bipartisan approach to these sorts of things and there has been for many years in this Parliament, even when the former Coalition Government was in office and it was dealing with the Health Care Complaints Commission. The pattern that I am talking about is evident in the bill. A chiropractors board and an osteopaths board will be established. Registration processes are in place. The practice of the profession is referred to in the bill. Its codes of professional conduct and the way in which it handles complaints and disciplinary proceedings are dealt with in the bill. The bill deals also with the board's disciplinary powers and the establishment of a tribunal to manage different levels of complaints.

The bill makes reference to dealing with impaired practitioners. The Medical Registration Board has been a leader over many years in attempting to establish the best way that the professions can assist the Government in dealing from time to time with problem health practitioners. It takes a lot of dedication and courage on the part of those who serve on these boards and tribunals to deal with their peers to ensure the maintenance of high standards. Part 8 of the bill deals with the Chiropractic Care Assessment Committee. Part 9 of the bill deals with impaired registrants panels. Part 10 of the bill deals with the Chiropractors Tribunal. As all these details are in the bill I will not bore the House by going through them. The pattern is there.

What we are doing for chiropractors and osteopaths is essentially what the profession wants. I am sure that this legislation is headed in the right direction and it is what the New South Wales public and the rest of Australia want. The role of professional associations will continue. They play a role in nominating practitioners for membership of the board. Each board includes two professional members nominated by the Minister for Health from names put forward by the professional associations. Both associations are specifically referred to in the bill. The Chiropractic and Osteopathic College of Australia enjoys a good reputation among chiropractors and osteopaths as a provider of quality professional and vocational education services. But it is not a professional association, so it does not get the same mention in the bill that professional associations get.

As I said earlier, the complaints system, which is part of the same pattern throughout all health professions, is being built up. To some extent the expert committees, which have been modelled on what has happened in dentistry, have been introduced to inquire into less serious complaints. Given the smaller number of chiropractors and osteopaths compared with medical practitioners, the sorts of responses that are generated by dentists, who have been active in dealing with the Health Care Complaints Commission, the Department of Health and their own professionals, are slightly different. Their approaches and procedures are less bureaucratic but quite effective for small professions—something that is worth noting.

The Health Care Complaints Commission will continue to be an independent investigator of complaints about chiropractic and osteopathy health care providers. The role of that commission is to protect the public interest. The same sorts of procedures that are followed in relation to medical doctors, nurses and so on will now apply to chiropractors and osteopaths. The bill makes reference also to inspectors Again, as I said earlier, the pattern is consistent. I hope that it is leading in the right direction to ensure the public health and interest of consumers of osteopathy and chiropractic in New South Wales. I am pleased to support the bill.

Mr O'FARRELL (Ku-ring-gai—Deputy Leader of the Opposition) [8.09 p.m.]: I join the shadow Minister for Health in contributing to debate on the Chiropractors Bill, which is being debated cognately with the Osteopaths Bill. Both pieces of legislation stem from the national competition principles agreement, which requires this sort of work to be done. I acknowledge that this legislation stemmed from an extensive period of consultation, dating back to 1998, when an issues paper was produced. Last year a review report was released.

I want to raise a couple of issues in relation to the Chiropractors Bill. In a sense, I want to start where the honourable member for Wallsend started. That is, it is positive that this bill seeks to define and regulate the operation of chiropractic in this State. It is important for consumers and for professionals. But first and foremost we have a problem in the definition. For the edification of the honourable member for Wallsend, the interjection I made was that the honourable member for Newcastle read from the Parliamentary Secretary's second reading speech in which he referred to a definition that referred to "sudden manipulation".

The point I was making was that the definition in the bill is "rapid manipulation". I take the honourable member for Wallsend back to the *Macquarie Dictionary*, which defines "sudden" as "sharp and abrupt". That is significantly different from the definition of "rapid" which the honourable member for Wallsend read out. All members of Parliament know that the devil is in the detail and that a terrible breed of character called lawyers can have great fun and cause great distress and expense to taxpayers, consumers and everyone with words like these. I hope the Parliamentary Secretary addresses this point in his reply. I have no doubt that the definition has been put together with the industry, but I raise the concern that the looseness of the language between the second reading speech and the clauses of the bill may give rise to unintended consequences when it comes to prosecuting practitioners, consumers or clients in instances where problems have arisen.

The second issue I want to raise is one that has been touched upon by the honourable member for North Shore, the shadow minister. It relates to the model that is being applied by the Government as a result of the competition principles agreement, and that relates to the powers of inspectors under the proposed legislation. Essentially, it enables an inspector appointed by the director-general and with the approval of the board, but with or without a search warrant, to enter a chiropractor's workplace, interview anyone, copy or seize documents, take video and the like. It is not for me to lecture you, Mr Acting-Speaker, on the issues of privacy and civil liberties but when it comes to the relationship between consumers and their medical practitioners, in the broadest possible sense, we have to have great concern about the privacy implications and we need to ensure that those people are not threatened.

As a Liberal I have a great concern about these sorts of powers being in the hands of bureaucrats. It does not matter whether they are well intentioned; there need to be strict limits and clear guidelines on how they are operated. The third and principal issue I want to raise relates to the desire of chiropractors to be called doctors. The use of the term "doctor" across the country is a dog's breakfast. Many people have studied for degrees and others have been awarded honorary degrees. Many have studied for degrees in various professions and are entitled to use the term "doctor" and others seem to have very similar—

Mrs Skinner: Commissioner Ryan!

Mr O'FARRELL: Commissioner Ryan indeed. Lowitja O'Donoghue—I make the point. Other people in similar situations, with what might be argued to be comparable training, are not able to use the term. The honourable member for North Shore makes the point that a chiropractor operating in Queensland, Victoria, the Australian Capital Territory or the Northern Territory is able to call himself doctor or, at the very least, a doctor of chiropractic. If my friend Michael Epstein, a chiropractor at Chatswood, moves to Queensland tomorrow he can call himself Doctor Michael Epstein. It is clearly undesirable that in different States and Territories of the Commonwealth different regulations apply. I say to the Parliamentary Secretary that just as this legislation stemmed from some national agreement to sort out the profession, going in the other direction should be a request at a national and State level to try to sort out this term once and for all.

I am comfortable with the Federal Australian Medical Association policy provided that the term "doctor" is associated with chiropractor or chiropractic. It should be allowed to be used, but I recognise that

there are enormous vested interests in this field, and until there is uniformity across the Commonwealth no real action is likely to occur. I do not see any State government being courageous enough to legislate on this. Ministerial councils can work successfully in tackling some of these issues so that there is national uniformity and a clear description. The importance of that clear description, which both sides would agree on, is that consumers and clients understand exactly who they are going to and what sort of services they will get. I support the honourable member for North Shore. I do not oppose the bill and I welcome the fact that there is an attempt to better regulate and better define chiropractic.

Mr GLACHAN (Albury) [8.15 p.m.]: I want to raise two matters about the Chiropractors Bill. The first is what I consider to be the draconian powers given to inspectors. I agree with my colleagues that these powers are very dangerous if they are not used properly. They can cause concern. I am also concerned about the definition of "spinal manipulation" on page 94 of the bill. The bill states:

> ***spinal manipulation*** means the rapid 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.

I hope this definition is sufficient for the purposes for which it is intended. Many problems can develop about the definition of "manipulation" and how it applies in particular cases. Some constituents of mine—not chiropractors but masseurs—have had enormous problems and have been put to great expense and personal trauma over the definition of "manipulation". It has badly affected their business, their health and the health of members of their family and has had an effect on people who work for them. It has cost them a lot of money and time in courts, because expert witnesses are not able to define accurately what "manipulation" is.

Mr Scott Charles Hargrave and Mr David Hargrave have conducted a very successful massage practice in North Albury. The business is owned by Mr Scott Hargrave. The brothers employ four people and they claim to have treated, over a period, 20,000 clients. They started their business in Wangaratta in Victoria and moved it to Albury in 1993, and have practiced in North Albury since that time. Their business attracts clients through word of mouth and also through referrals from general specialist medical practitioners. Their practice is WorkCover accredited.

On 31 March 1998 an inspector employed by the Chiropractors and Osteopaths Registration Board, together with an officer of the board and a number of police officers, executed a search warrant without warning at the business premises of these brothers. Subsequently proceedings were brought against them in the Local Court at Albury, alleging 13 charges against Mr Scott Hargrave and one charge against Mr David Hargrave. The charges relate to three clients and allege breaches of section 4 of the Chiropractors and Osteopaths Registration Act. Among other things, that Act states:

> A person must not manipulate the joints of the human spinal column, including its immediate articulations, unless—

A number of clauses set out exemptions for people who are able to do this. When I last spoke to these people and their representatives on 5 March, the proceedings had taken 19 days in the Local Court in Albury and one day in the Supreme Court in Sydney. On 5 March the matter was listed for a further six weeks in the Local Court at Albury. That meant that the matter would continue until 10 August. As at 5 March the prosecution case had not finished. The evidence of the last prosecution witness, who was an expert witness, commenced on 8 December 1999 and did not finish until 16 June 2000. That was because someone had said that masseurs dealing with their clients had carried out a manipulation. Further expert witnesses will be called. I imagine the defence will call expert witnesses to refute the evidence of the prosecution's expert witnesses.

The key issue in all these proceedings has been the question: What constitutes a manipulation? That term was not clearly defined in the Act. The Hargraves are adamant that they have never manipulated a human spinal column or its immediate articulations. Indeed, they are opposed to that practice in principle; they do not agree with the practice. They said that they simply apply various muscle stretching techniques that they have been taught in the numerous courses they have undertaken. They have emphatically denied that they have been involved in manipulation. However, an inspector, accompanied by the police, visited their office. Subsequently, they have been in the courts for all this time, and it is predicted that the proceedings will continue until 10 August. It is amazing that this could happen.

As part of the Hargraves' defence, Mr Andrew Galligher, a manipulative physiotherapist who teaches massage therapy and who has also taught manipulative techniques to persons studying to be physiotherapists, will give evidence that in his opinion the procedures described by the three patients who now claim to have had manipulations carried out on them were stretching techniques rather than manipulations. It will be his view that

the procedures routinely used by the Hargraves are entirely appropriate muscle stretching techniques and do not offend under the Act. Although the court has not made a ruling, the informant has seen fit to commence other proceedings against the Hargraves, stating that the Hargraves have carried out other manipulations during the time that the current proceedings have been in the court. It is a very messy business.

Now there is a real question as to whether both sets of proceedings have been instituted by the board's inspector in a private capacity or by the board under the Act. That issue will be serious in terms of costs and proceedings in this matter. Of the many thousands of clients seen by the Hargraves in the past eight years, except for this case, there has been no suggestion of any injury ever having been caused to any member of the public, and no proceedings have been brought against the Hargraves alleging negligence. Both of the Hargraves are members of the Australian Traditional Medicine Society and the Society of Clinical Masseurs. No complaint has ever been made to those organisations regarding either of them. The only suggestion of injury comes from a former client of the Hargraves, Mr Cameron Mackie, who is a prosecution witness.

Mr Mackie complained of having what is known as a wry neck. He was treated by Mr Hargraves and went home. The matter did not clear up; he felt that his neck was not quite right. His wife called an ambulance and he was taken to hospital, where he complained of serious pain. Later he went to a physiotherapist, and it seems that that physiotherapist, when speaking to him about what had happened, suggested that a manipulation had been carried out on his neck. He then signed a statutory declaration to that effect, and these proceedings were then commenced. The Hargraves believe that people in other businesses are jealous of their practice and of the number of people they have dealt with. They believe that it relates partly to the fact that their practice is very successful.

The health of Mr Hargraves and his wife has suffered as a result of the pressure and stress that these proceedings have placed on them. The matter has been going on for a very long time. Indeed, Mr Hargraves suffered a seizure during the course of the hearings, which required part of one hearing day to be aborted. These proceedings will cost someone. It will cost the Hargraves an enormous amount of money for their defence, and it will cost someone else a lot of money, too. And at the end of it all the maximum penalty for each offence is no more than a fine of $5,500. Although there are 14 charges—13 against one person and one against the other—it is unlikely that the maximum penalty will be imposed because of the Hargraves' good record in the past. If they are found guilty and then fined—and there is doubt about whether they will be found guilty—the amount they will be fined is insignificant compared not only to the court costs but also to the pain and suffering of the Hargraves, their family and the people who work for them throughout this time.

They have had allegations made against them, and inspectors and police have visited their office. It has been a traumatic experience for them. That leads me to this question: Will the definition in the bill be sufficient to ensure that in future people like my constituents will not have to suffer the problems they have suffered and are continuing to suffer as the court case continues? Will it be sufficient to ensure that future court cases for offences with a maximum penalty of $5,500 do not continue for years? I do not know whether the definition will be sufficient; I am not in a position to know. However, I ask those questions because if the definition is insufficient such problems will recur in the future and other people might suffer the same sort of trauma. I simply hope that the definition will do the job that it is meant to do.

Mr R. W. TURNER (Orange) [8.27 p.m.]: It gives me great pleasure to speak to the Chiropractors Bill and the Osteopaths Bill. I think all honourable members who have spoken in this debate referred to confusion regarding the request from a group of chiropractors—I do not know whether all chiropractors have made the request; the chiropractors association has certainly made the request—for suitably qualified and registered chiropractors to use the term "doctor". I shall refer to that matter at various times during my contribution. It has been alleged that chiropractors undertake only a part-time study course and that they do not have the same level of training as medical practitioners. However, chiropractors undertake a similar level of training to that of medical practitioners.

A good comparison is between the five-year medical degree at the University of Newcastle and the five-year chiropractic degree at Macquarie University. The hours of study for a Bachelor of Medicine at the University of Newcastle are 4,992. The hours of study for a Bachelor of Chiropractic Science and Master of Chiropractic Science at Macquarie University are 6,028. The Dean of Medicine at the University of Newcastle has confirmed that the course is five years of 156 weeks, of between 31 and 33 hours per week. If the average is 32 hours per week, the total number of hours is 4,992. The chiropractic course at Macquarie University, as confirmed by the Department of Chiropractic, comprises a total of 6,028 hours of study over the five years. That demonstrates that chiropractic is not a part-time course as alleged but, rather, a comprehensive full-time course with hours to match those involved in the studying medicine. Anyone who suggests that chiropractic education is inferior to the study of medicine is mistaken.

The allegation has been made that the granting of the title "Dr" to chiropractors and osteopaths will open the floodgates to other professions wanting to use the title. If members of other professions want to use the title "Dr", they must have similarly high levels of education to those qualified in medicine and chiropractic. The Medical Board has maintained confusion regarding the title "Dr". A medical practitioner is entitled to use the title "Dr". A surgeon is entitled to use the title "Mr"—in fact, some surgeons insist on it. My general assumption is that most general surgeons are still referred by their patients as "Dr". Veterinarians are entitled to use the title "Dr". However, I do not know many people who, when they take their dog or cat to the vet, refer to the vet by the title "Dr". I do not think too many veterinarians worry too much about it or insist on being called "Dr", but they are entitled to do so because of their training. Likewise, a dentist is entitled to use the title "Dr". I have never heard a patient in a dentist's surgery refer to the dentist as "Dr", but dentists are entitled to use that title.

Chiropractors maintain that if they have done the correct amount of training and have been suitably qualified they also should be entitled to use the title "Dr". I have spoken to suitably qualified chiropractors in Orange who were trained in the United States of America and are entitled to use the title "Mr Bill Smith", or whatever it might be, "Doctor of Chiropractic". They would be happy with that title. Rather than using the title "Dr" at first, they would be happy to have the title "Mr Bill Smith", or whatever it might be, "Doctor of Chiropractic". I believe that would settle some of the confusion that exists at present. As one chiropractor pointed out, chiropractors are fearful that, whilst the general public assume that they are entitled to use the title "Dr" and they are quite often referred to by their patients as "Dr", somewhere down the track someone will sue one of them because it was not pointed out emphatically in the surgery that the chiropractor was not a doctor and, as a result of the confusion, chiropractors will be taken to court for wrongful identification. I wish to read part of a letter written to me by Mick Cornish, a suitably qualified chiropractor who trained in the United States of America and is now practising in Orange, which clarifies some of the chiropractic concerns. The letter stated:

> I draw attention to the terms of reference for this bill and indicate the inequity of the current situation in New South Wales. As you are well aware, every state in Australia with the exception of ours, allows Chiropractors to use the courtesy title "Dr". The information sheet which was presented to you at our meeting shows there to be no confusion regarding the type of service provided by Chiropractors. The information sheet contains quotes from the medical licensing boards in each state and these quotes unequivocally enhance my position that the general public has not become confused because of the use of the courtesy title.

I read that information sheet, which is a little confusing. In some States chiropractors are allowed to use the title "Dr" in the first instance, whilst in other States chiropractors are only allowed to use the title "Doctor of Chiropractic". Whilst chiropractors are allowed to use the term "Dr" in some form or other, the use of the title is not uniform in every State. Perhaps that is a matter that should be addressed by all States. The letter continued:

> Hansard of the first reading of this bill shows the member for Heathcote states it is unreasonable for Chiropractors and Osteopaths who do not possess such higher qualifications to adopt the title "Dr". May I remind you the title of the degree which I, as well as Tom Cole [the other chiropractic in Orange], hold is that of Doctor of Chiropractic. My degree requires a minimum of six years University education. To become a Chiropractor by studying in Australia, a minimum of five years University education is required. Completion of this degree allows the awarding of a Bachelor of Applied Science in Chiropractic. The education of a General Practitioner is the same in duration and the degree which they are awarded is a Bachelor of Medicine. Ironically, they are allowed to use the term "Dr", even though they do not hold a Doctorate degree. A medical education involves study of the eleven systems of the body and how the symptoms within these systems can be influenced by drugs or surgery. The chiropractic education also looks at the eleven systems of the body, whilst focusing on the nervous, the skeletal, and the muscular systems and how changes in structure affect the health of the individual. It stands to reason that Chiropractors have a more thorough understanding of the relationships between these systems as they relate to health. This statement was endorsed by the New Zealand Royal Commission into Chiropractic in 1979. Summary statements from that Royal Commission included this revelation…"the commission has found it established beyond any reasonable degree of doubt that chiropractors have a more thorough training in spinal mechanics and spinal manual therapy than any other health professional. It would therefore be astonishing to contemplate that a Chiropractor, in those areas of expertise, should be subject to the directions of a medical practitioner who is largely ignorant of those matters".
>
> Recognition of the expertise which Chiropractors have, especially those of us who have earned the title of "Dr" by receiving that as our degree, is necessary because of the primary contact role we play in the health-care system of Australia. I understand the vigour with which the medical community is fighting to deny Chiropractors this rightful title. The second most common reason for visits to a General Practitioner's office is for back pain. Recognition of our expertise will cause a downturn in their office visits related to back pain. Having said that, our arguments for the use of the title "Dr" are in no way a covert effort for Chiropractic to be considered in the medical benefits scheme.
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> As stated in the letter sent to our office, there are four professions who are able to do "spinal manipulation". In reviewing the four professions, Chiropractors, Physiotherapist, General Practitioners, and Osteopaths, Chiropractors are clearly the most, if at all, qualified to do spinal manipulation. General Practitioners can manipulate the spine without formal training. Anyone can learn in a weekend seminar "how to manipulate the spine". Chiropractors spend years at University learning not only how to adjust the spine, but most importantly, when and where NOT TO. We also have the education to identify other health problems and refer patients to the appropriate health professional. We are not a closed shop, like the medical community is for the most part…Spinal manipulation is not without risk, leave it to the experts in the field, undoubtedly chiropractors, and acknowledge this expertise by voting for the right for chiropractors to use the courtesy title "Dr".

As has been indicated, the Opposition supports the bill. However, the Opposition asks the Minister to give serious consideration to allowing an amendment to enable suitably qualified chiropractors to use the title "Doctor of Chiropractic". That will include an acknowledgment of the training that chiropractors receive, whether here or overseas. As I pointed out earlier, use of the term "Dr" may reduce the risk of litigation in certain areas. The Opposition has raised concerns about privacy of patients. A number of participants in the debate have referred to the inspectorial powers provided by this legislation and have suggested that chiropractors should be able to use the term "Dr" just as other professionals do in the medical, veterinarian and dental professions. I ask the Minister to give serious consideration to allowing chiropractors to use that term. In my opinion, the general public will work out for themselves whether they believe that chiropractors should be entitled to use the term.

The general public uses the term "Dr" when addressing members of the veterinary and dental professions. The general public will sort out the practitioners to whom the term refers. In other States the term applies to chiropractic, osteopathic, medical, veterinary and dental professionals without any confusion and a more widespread use of the term is commonplace in overseas countries. If New South Wales allows chiropractors to use the term "Dr", it is possible that they will get together with practitioners in the other States and devise a common term so that chiropractors throughout Australia can be recognised uniformly by use of the title "Dr", provided that those practitioners are suitably qualified members of the profession. The Opposition supports the bills.

Mr FRASER (Coffs Harbour) [8.42 p.m.]: I, too, welcome members of Inner Wheel and congratulate them on the great job that they do in society. I feel sure that at some stage some of them would have had to utilise the services of chiropractors. I believe those members would agree with me when I say that chiropractic therapy is a great profession and that chiropractors meet a great need in our community. Having said that, I indicate that the National Party supports this legislation. First I congratulate the chiropractic profession on its lobbying for this legislation. The Minister and the Parliamentary Secretary, who is at the table, ought to take into account one or two points about the bills. The first point I mention is one upon which the honourable member for Orange concluded his speech, namely, that chiropractors are well and truly entitled to use the term "Dr". The chiropractors to whom I have spoken are very professional. They do their job in a manner which fills me with great confidence.

I have visited a chiropractor on more than one occasion. Chiropractors undertake in excess of seven years training to gain a knowledge of the spine, which is the main motor mechanism for the human body. I know that some members opposite do not have much spine at times and, the way the Labor Party is going, they will not have much spine in the future. It should be remembered that if a mistake is made, chiropractic treatment of patients could mean that patients are damaged for life. Many chiropractors are trained overseas and undertake more training in Australia and I believe that their training is of such a high quality that they have greater expertise in anatomy than a suburban general practitioner. It is an insult to acknowledge the training of these people and simultaneously withhold the use of the title of "Dr".

David Byrne, the chairman of a chiropractors group in the Coffs Harbour region, has lobbied long and hard for rights for a profession of which he and his colleagues are members. I am aware that they support this legislation in general terms but I believe that they deserve greater recognition and that they should be able to use a title that is used by dentists, medical practitioners, veterinary surgeons and other professionals. It is within the power of the Minister and of the Parliament to accept and acknowledge the long periods of training undertaken by chiropractors. I also wish to discuss some of the contentious definitions associated with the legislation. The bill defines "spinal manipulation" as

> ... the rapid 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.

Chiropractors who have spoken to me in relation to this matter object to the use of the word "rapid" because it is so vague that it would be difficult to prosecute under that definition. I speak from recent personal experience which was gained when I had a problem with my upper back. The injury was not the result of activities at a party room meeting.

Mr Bartlett: Was it to remove your spine?

Mr FRASER: Well, at least I had one, unlike the colleagues of the honourable member for Port Stephens who do as they are told, whereas Coalition members are entitled to do as their conscience dictates. That is probably because members of the National Party are so straight backed and strong willed, unlike the

jelly-backed members of the Government. I believe that the vagaries of the term "rapid" leave a question mark over the legislation. If the Minister sat down at a roundtable discussion with people such as David Byrne, he may find that a word such as "sudden" may be more appropriate. It should be remembered that it could be up to four weeks before a problem can be rectified by treatment from a chiropractor.

I have received complaints in relation to membership of the board. I am sure those complaints have been well canvassed during the debate. The Minister and the Parliamentary Secretary should take those complaints into account and hold further discussions with the professionals with a view to amending this legislation to ensure those who are covered by it are comfortable with it, and will be prepared to work under it both with the Government and within their own professional societies. On behalf of the Leader of the National Party I indicate that, with some reservations, the National Party supports this legislation. I ask the Minister to take those reservations into account and ensure the continuation of dialogue with members of the chiropractic profession so that in the not-too-distant future, this legislation will be fully supported without reservation.

Mr DEBNAM (Vaucluse) [8.48 p.m.]: I will make some brief comments about the bills. The shadow Minister for Health has made extensive comments on the legislation and I support everything that she has said. She indicated that the Opposition will not oppose the bills and raised a number of concerns. From my point of view, having had to deal with a football injury over the years and having used chiropractors and osteopaths over a number of years, this legislation represents timely reform. The shadow Minister has indicated a number of concerns in a number of respects but, at the end of the day, I believe that this legislation, having been debated long and hard within the Government for a considerable period, is timely.

It is pleasing that this legislation has finally come forward. The honourable member for Coffs Harbour made some remarks in relation to the use of the title "Dr". At some time in this process it should be made possible for osteopaths to use that title, and I understand that matter may come up again. Osteopaths are a body of people who do a tremendous amount of work that is often unrecognised or not widely acknowledged in the community. Part of this legislative reform will more widely acknowledge them and give them a proper standing in the community.

Mr McMANUS (Heathcote—Parliamentary Secretary), on behalf of Mr Knowles [8.50 p.m.], in reply: I shall refer to some of the comments of the honourable member for North Shore and her colleagues, whose contributions were a little repetitious. I will attempt, wherever possible, to respond to the queries that were raised. I refer first to the letter from Mr Cornish which was read out by the honourable member for Orange. The letter struck me as amusing. Mr Cornish seeks to receive a level of respect by being referred to as a doctor, but in his letter to the honourable member for Orange he refused even to recognise my role as Parliamentary Secretary. If he seeks respect he must give the same respect to others when writing letters to his local member of Parliament on his own behalf and on behalf of the organisation he represents.

The first issue to which the honourable member for North Shore referred was the controversy between the use of the words "rapid" and "sudden" in the definitions of standards of manipulation. The Department of Health has consulted extensively with academic experts from all recognised professions. Those experts agree that the current definition is an appropriate definition that effectively regulates the dangerous practice. The professions have been extensively consulted. In fact, representatives of the Chiropractors Association objected to the use of the word "sudden" and the definition was amended, on their suggestion, to use the word "rapid". The second issue raised concerned the composition of the board. While the associations have pre-eminence in representing the interests of the professions they do not enjoy universal coverage within the professions. I am informed that approximately 85 per cent of registered practitioners belong to their respective associations.

There is, therefore, a small but by no means insignificant number of practitioners who are not directly represented by the associations. If the nomination of practitioners to the boards, other than the educator, were restricted to associations those practitioners could, to a certain extent, be disenfranchised. Equally as important, the board and the profession could lose the valuable contribution that those practitioners may be able to make. None of the registration Acts restricts the occupant of the position of deputy-president to being a member of the registered profession. There is no reason to treat chiropractors and osteopaths any differently. The third concern of the honourable member for North Shore concerned approved courses. The board already approves courses for the purposes of registration and makes recommendations to the Minister for those courses to be prescribed in the regulation.

Currently, any board or person can commence a prosecution. That system will continue under the new legislation. In relation to the terms, a board may serve a limit of three terms of four years consistent with the

existing profession under the Medical Practice Act. Furthermore, 12 years provides an appropriate balance between experience and fresh blood or fresh ideas on the board. In any event, there is no requirement that members serve three terms of four years and, where appropriate, members may be replaced with new members after one or two terms. In relation to the powers of inspectors, they are required for the effective enforcement of the Act both in respect of practitioners' professional conduct and the illegal practice of spinal manipulation. I point out for the benefit of members that similar inspectors' powers exist in section 51 of the Public Health Act in respect of skin penetration activities.

The current board is able to delegate its functions to committees. The board makes good use of this power to co-opt expertise from outside the board. The proposed legislation merely continues these existing powers, which are also exercised by other boards. The honourable member for Albury raised concerns about the Hargreaves matter. That matter is sub judice and it would be improper to comment on it at this time. I thank all honourable members for their contributions to the debate. The Chiropractors Bill and the Osteopaths Bill will facilitate protection of the health and safety of the people of New South Wales through the introduction of a combination of new initiatives and the updating of the procedures for ensuring that chiropractors and osteopaths are fit to practice. The introduction of these bills marks an important development in the regulation of chiropractors and osteopaths with the statutory acknowledgment that chiropractic and osteopathy are separate professions. That development has the support of professional associations representing both chiropractors and osteopaths.

The introduction of a definition of spinal manipulation will assist in protecting the health and safety of the public by providing, for the first time, statutory guidance to both practitioners and the courts as to those practices that are restricted and the practices that non-registered people may and may not perform. Finally, the bills contain a number of measures that are designed to protect the health and safety of the public by ensuring that practitioners are fit to practice. One of the key ways in which that will be achieved is through the registration boards having improved access to information obtained from the criminal justice system which is relevant to whether a practitioner is fit to practice.

Motion agreed to.

Bills read a second time and passed through remaining stages.

NATIONAL PARKS AND WILDLIFE (ADJUSTMENT OF AREAS) BILL

Second Reading

Debate resumed from an earlier hour.

Mr FRASER (Coffs Harbour) [8.58 p.m.]: I support this legislation. In doing so I refer to an area dedicated as nature reserve. That dedication is revoked in schedule 2 to the bill. The area in question is the Kororo Nature Reserve, which is in the electorate of Coffs Harbour and contains only 327.3 square metres. That revocation has demonstrated clearly that dialogue is clearly needed between the Roads and Traffic Authority, local government and the National Parks and Wildlife Service so that essential roadworks in New South Wales cannot be stopped unnecessarily by the service. The National Parks and Wildlife Service obviously had negotiations with the Roads and Traffic Authority.

Those negotiations enabled roadworks which were vital not only for the people of Coffs Harbour but for the people of New South Wales to be carried out. People love to travel up to the North Coast. They stay at Coffs Harbour for three or four weeks and then travel up to the electorate of Tweed for a day or two. They then realise that they have left the best part of New South Wales. They come back and spend another week in Coffs Harbour and then return home. The road has been satisfactorily upgraded for those travellers, for the locals and for all commercial and private motorists, and road safety has maintained. I draw the attention of the Attorney General to a section of road known as Waterfall Way, which basically links the inland tablelands of New South Wales to the coast. This road is used by many hundreds of tourists and visitors to the Coffs Harbour electorate.

Mr Newell: You are having a bit of a drive around the State.

Mr FRASER: This road is in the Coffs Harbour electorate. I invite the honourable member to drive down to Coffs Harbour and have a look at the best part of New South Wales, Australia and the world.

Mr Debus: This is not the Bucketts Way.

Mr FRASER: No, this is Waterfall Way. Buckets are what I tip on the National Parks and Wildlife Service every now and again because of its non-co-operative attitude. Waterfall Way is a significant and necessary road for those who wish to go by caravan on a visit to Coffs Harbour through the winter months. These people leave southern areas of New South Wales, as well as Victoria and South Australia, and head to Coffs Harbour for three or four months during winter. They come via the inland road and take Waterfall Way to Coffs Harbour. This is a winding and dangerous road. I am sure the Minister would be well aware that at the moment I am the subject of some criticism by the National Parks and Wildlife Service because after the most recent floods I was critical of that service not allowing the Bellingen Shire Council to push over the edge of the mountain road spoil that had slipped onto the roadway.

This is a precarious piece of road, and flooding rains inevitably are followed by landslips onto parts of Waterfall Way. My contention is that in the particular incident that is the subject of some contention a piece of National Parks land slipped onto a public roadway. In respect of a previous event the National Parks and Wildlife Service told Bellingen Shire Council that the spoil from, I guess, the southern side of the road that slipped onto Waterfall Way—really, it is only soil, rocks and trees—cannot be pushed over the edge of the roadway and into National Parks property on the other side of the road. One of the reasons for these slips, which I ask the Minister to look into personally, is that in the past the National Parks and Wildlife Service has refused permission to the Bellingen Shire Council—which is paid more than $2 million a year by the State Government to maintain and upgrade the road—to widen the road. National Parks has come up with all sorts of excuses, ranging from stuttering frogs.

A result of that National Parks and Wildlife Service directive is that large transports carrying timber and produce as well as tourists going to and from Coffs Harbour along Waterfall Way must negotiate very dangerous bends. The National Parks and Wildlife Service has threatened to report to the Environment Protection Authority any incident of spoil being pushed over the edge of the roadway and into National Parks land on the opposite side of the road, and to prosecute the council for any such breaches under the Protection of the Environment Administration Act and associated Acts. That could cost the council between $200,000 and $250,000 on each occasion that the council takes the opportunity to remove spoil in that manner. I have been accused by the National Parks and Wildlife Service and its supporters of picking on national parks.

Mr Gibson: Not you! I don't believe it!

Mr FRASER: I would advise the honourable member for Blacktown that I love national parks; I think they are absolutely magnificent. I invite the Minister to come to the Coffs Harbour electorate at any time. National Parks land encompasses about 70 per cent of the Coffs Harbour local government area and about 65 per cent of the Bellingen local government area. National Parks does not pay rates, making it difficult for those councils to raise revenue. Despite that, the National Parks and Wildlife Service has put an onerous task on the council by directing it not to push spoil from a landslip into National Parks land. I have aerial photographs that I could show the Minister of a major landslip just below Newell Falls where the land is thick with lantana.

It would be nice if the National Parks and Wildlife Service would allow the council to widen Waterfall Way. I suggest that it is mainly the responsibility of the National Parks and Wildlife Service to ensure that landslips do not occur from its land onto the roadway, avoiding council being placed in the situation of having to remove the spoil at its own cost, albeit on this occasion the work has been funded under emergency funding approved and instigated to a large extent by the Attorney General, Minister for the Environment, and Minister for Emergency Services. I suggest that the Minister consider which service he supports, because the lives of council workers are endangered in removing this spoil, especially when they must cart 20-tonne truckloads of it uphill to Ulong, some 25 to 30 kilometres from the slip site.

It would be nice if the National Parks and Wildlife Service, in a good-neighbourly manner, co-operated with Bellingen Shire Council and afforded the council the opportunity to cut out some of the bad bends from Waterfall Way, to use some of the more than $2 million State Government funds per year to improve the safety of members of our public who use this road. Dorrigo National Park boasts more than 300,000 visitors a year. Sometimes I wonder whether that figure is accurate. I think it is an inaccurate figure put out by the National Parks and Wildlife Service to justify its expenditure in that area to the Minister. But let us assume that that national park has 150,000 visitors a year. They must use Waterfall Way to get to and from that park. This Parliament and the Minister have a responsibility to tell the National Parks and Wildlife Service to co-operate with local government and allow it the opportunity to widen this roadway and remove dangerous bends. The National Parks and Wildlife Service should ensure that landslips do not result in spoil being deposited onto public roads, or alternatively it should allow the council to push the spoil over the side of the roadway.

This spoil consists of natural substances. Unfortunately, landslips on the North Coast are naturally occurring. Some of those landslips are exacerbated by the mere fact of the road being there, but at the same time landslips will occur whether or not the roadway is there. So it is somewhat dishonest of the National Parks and Wildlife Service to claim that I have been dishonest. The fact remains that it was the National Parks and Wildlife Service that has directed Bellingen Shire Council not to push spoil off the edge of the roadway, and that if it did the council would be reported and breached under the Environment Protection Act. As far as I am concerned, that is not a good neighbour policy.

Further, I have written to the Minister about what happened to the rotting carcasses in Guy Fawkes River National Park. I have not yet had a response to my correspondence. Was the National Parks and Wildlife Service prosecuted for allowing rotting horseflesh and other bits and pieces to wash into rivers in that national park? In contrast, when it came to a bit of mud and dirt, the National Parks and Wildlife Service threatened the local council. So there is one rule for one government body and another rule for another.

Mr Debus: I have answered that. No problems at all.

Mr FRASER: The Minister says that there are no problems at all.

Mr ACTING-SPEAKER (Mr Mills): Order! The honourable member for Coffs Harbour should return to discussing matters within the leave of the bill. Carcasses in Guy Fawkes River National Park have nothing to do with the bill being debated.

Mr FRASER: The bill is about being good neighbours and co-operating with other government departments. The parallel I was drawing is that the National Parks and Wildlife Service threatened Bellingen Shire Council with prosecution under the Environment Protection Act when the actions of National Parks have been whitewashed as far as I am concerned. This may be a matter for debate in this place at another time. However, spoilage of National Parks land by a National Parks landslip is far less serious than spoilage of a river in the Guy Fawkes River National Park by rotting horse carcasses.

Mr Gibson: You are not going to try to justify that, are you?

Mr FRASER: I definitely will justify that. I invite the honourable member to come to the electorate and have a look at the problem. I appreciate that many city-based members have never had a good look at national parks in regional New South Wales. The honourable member for Blacktown ought to know what happens with Bellingen Shire Council, which has 65 per cent of its land mass taken up with forest and national park, or the Coffs Harbour local government area, 75 per cent of the land mass of which is taken up with forest and national park. Those councils have difficulty raising revenue. They gain no revenue from the national parks, which nevertheless place fairly onerous conditions on those councils.

I wish to ask the Minister one thing, and I am prepared to provide photographic evidence of this issue. The Minister talked about the maintenance of national parks and the maintenance of roads within those national parks. However, the National Parks and Wildlife Service would not allow Telstra to put cables up the side of the road into Dorrigo.

Mr ACTING-SPEAKER: Order! Any discussion about the installation of Telstra cables in national parks is outside the leave of the bill. The honourable member for Coffs Harbour should return to the leave of the bill or resume his seat.

Mr FRASER: This legislation, in the Minister's own words, is about co-operation with other departments. I inform the Minister that I would like the National Parks and Wildlife Service to allow companies such as Telstra to construct easements in national parks so that land such as this does not necessarily have to be traded. When Telstra wanted to put cables up Dorrigo Mountain in Dorrigo National Park it was not allowed to do that. It would be cheaper and simpler for Telstra if the Minister or his department negotiated with Telstra and said, "We are prepared to allow you to put an underground cable through the park to alleviate the expense of going another way round", which is what it had to do.

We need a good neighbour approach. This bill is a good neighbour approach and I support the Minister's initiatives. I believe that co-operation with the Roads and Traffic Authority and other government departments is required to ensure that vital community services are provided. However, we must add to those services. We must ensure that we are proud of our national parks. People who have properties adjacent to

national parks must be prepared to negotiate with government departments, either State or Federal, that need access to the land or require to carry out land reclamation work. They must be prepared also to negotiate with local councils which have a duty to ensure public safety in those areas.

I congratulate the Minister on introducing this legislation, which I support. The Minister must ensure that the bill is finetuned. I do not believe that I am outside the leave of the bill when I say that we need to go a little further. Let us ensure that negotiations continue with other government departments at local, State and Federal level. That is important. From memory, national parks have given away about 116 hectares, but they have picked up about 880 hectares. That is not a bad trade-off. At the end of the day we can conserve our heritage and be proud of our national parks. We must be prepared also to negotiate with all our neighbours.

Mr BARTLETT (Port Stephens) [9.13 p.m.]: I support the National Parks and Wildlife (Adjustment of Areas) Bill, the object of which is to revoke the reservation or dedication under the National Parks and Wildlife Act 1974 of areas of land as parts of certain national parks and nature reserves. The honourable member for Coffs Harbour said earlier that approximately 116 hectares are to be taken for different purposes and that 880 hectares would be given back to national parks. I shall refer to two national parks—the Myall Lakes National Park, which is located in the northern part of the Myall Lakes electorate, and the Karuah Nature Reserve, which is located on either side of the Karuah River in the Port Stephens electorate.

Earlier today the honourable member for Southern Highlands said that she was not aware what national parks were included and what national parks were excluded as a result of this legislation. Let me clarify that issue. Despite what the honourable member for Coffs Harbour had to say earlier, the Port Stephens electorate has some of the most magnificent sites along the east coast of Australia. Tomaree National Park, which was gazetted in 1984, includes the headland of Yacaaba and the headland of Tomaree—a magnificent headland in the port of Port Stephens. The national park passes Mount Stephens and jumps Fingal Bay. From Boulder Bay it extends to Boat Harbour. It jumps Boat Harbour, goes along the coastline, jumps Fishermans Bay and ends at Anna Bay.

In 1984 I had hoped that it would jump Anna Bay and include the Stockton Bight National Park but that decision was delayed for 16 or 18 years while a series of issues were resolved. The headlands of Yacaaba and Tomaree, the entranceway to the port of Port Stephens, is 2½ times the size of the waterways of Sydney Harbour. Recently about 2,000 hectares were included in a conservation zone. That area now forms part of the Stockton Bight National Park. Even though it took 16 or 18 years to come to a decision those additional 2,000 hectares have been included in the park.

This legislation will also include two significant areas of land past Soldiers Point and up the Karuah River. One of those areas is Mount Karuah. About 118 hectares of land will be excluded from national parks and reserves. However, 662 hectares of the 880 hectares to be included in national parks are to be found in the two areas about which I am talking. So 662 hectares of that 880 hectares are located on either side of the Karuah River. Mount Karuah is the tallest physical feature on the northern side of the Karuah River. Those honourable members who know anything about the history of Port Stephens would be aware that Mount Karuah formed part of the AA company grant of one million hectares in about 1805. That land, which was taken over by Boral, was subsequently sold to the national parks.

This wonderful inland addition to the national parks of New South Wales compares with features such as Tomaree and Yacaaba. Mount Karuah is noticeable from places like Soldiers Point, which is 25 kilometres away. This land exchange is going on in my area because road widening is required due to population growth and a need to upgrade the Pacific Highway. At Karuah an area of 16 hectares is to be used by the Roads and Traffic Authority to build a road. That area, which encompasses wetlands and iron bark forests, is located along the river going towards Karuah township. It also includes Horse Island. Tenders have been called for that project. The road to be built also includes about 10 kilometres of dual expressway and one kilometre of bridge works.

About 16 hectares of national park will be lost, but an additional 89 hectares of similar habitat will be given over to national parks. To all intents and purposes there is a positive gain for the area. The Myall Lakes National Park deletion, which comprises 28.36 hectares, is required for the upgrade of the Pacific Highway near Nerang. That is a more difficult area as it includes a strip of land 20 to 30 metres wide and probably eight or nine kilometres in length. Going back into the pot is 573 hectares around the Mount Karuah area. As I said earlier, 662 hectares of that land is located on the northern and southern side of the Karuah River. I believe that this is a wonderful addition to the State's national parks.

Something like 3,000 hectares of National Park has come in from the Port Stephens and Myall Lakes area over the past couple of months. That adds to the 1.4 million hectares of National Park that the Government has reserved since 1995. That represents an increase of about 30 per cent in the area of national parks in New South Wales over that time. That is rather a magnificent figure. I think the honourable member for Coffs Harbour said about 73 per cent of his electorate is controlled by National Parks. I believe 53 per cent of the Port Stephens electorate is not available for development, whether it be national park, water resource land, waterway, forest, RAAF base or what have you. Almost 53 per cent of the area is not developable because of the intrinsic value of land for different purposes.

Mr Debus: But you are not complaining?

Mr BARTLETT: Not at all. It is a beautiful place to live. It is a great place for a boy who was born in the slums of London. This adjustment bill is a logical result of community growth and of the need for improvements to infrastructure in the Australian and the New South Wales community as people travel that major corridor between Cairns and Melbourne. I am happy to take part in this debate. It is a system of co-operation between the Roads and Traffic Authority [RTA] and National Parks. It is likely that sometime in the future I will be saying that the growth in the Tomaree Peninsula has been so great—it has doubled in the past 20 years and it will double again in the next 30 years—that a road is needed to Fingal Bay. That might chip off a bit of national park and we might have to do this all over again. What I like about the original National Parks and Wildlife Act is that it is only by coming back to Parliament that one can do these adjustments. That is a good way to go and I am happy to be debating this bill tonight.

Mr NEWELL (Tweed) [9.21 p.m.]: I join my colleagues on both sides of the House to lend my support to the National Parks and Wildlife (Adjustment of Areas) Bill. The National Parks and Wildlife Act 1974 provides that land may be reserved as a National Park or dedicated as a nature reserve. These lands can be used only for activities in accordance with the Act and the purposes for which the park or reserve was established. This position has been confirmed by the Land and Environment Court, which found that activities that were inconsistent with the purposes of a national park were not valid uses. Prior to the court ruling, some public roads and utilities were constructed in parks and reserves because they were seen as being for public purposes and therefore valid.

Lands reserved or dedicated cannot be revoked except by an Act of Parliament. The purpose of this bill is to do just that. The fact it has the support of both sides of the House indicates that we are more than happy with the negotiations and the work that has gone on between the National Parks and Wildlife Service and the RTA in land swaps and deals to ensure that the environment is impacted upon minimally. In this sense, the bill identifies approximately 116 hectares of land to be revoked from parks and reserves and transferred to the Minister for the Environment. The bill indicates that approximately 880 hectares of compensatory land will move to national parks. These additions will ensure that conservation values of the relevant reserves are maintained and, in several cases, significantly improved. Where the details of compensation have not yet been finalised, the land will be held in the name of the Minister until compensation is finalised.

The most desirable form of compensation is land where the natural and cultural values exceed those on the land to be excised. I would like to speak briefly about two areas of land affected by the bill. Revocation of approximately half a hectare of the Brunswick Heads Nature Reserve is required for the construction of the Brunswick Heads to Yelgun Pacific Highway upgrade. That is required because a new bridge is to be constructed in that location. There has been some controversy or concern about the nature of the bridge, but I would be digressing from this bill if I were to speak about that.

Mr Fraser: Absolutely. I would take a point of order.

Mr NEWELL: The honourable member for Coffs Harbour will no doubt attempt to take a point of order, despite the bipartisanship of the House.

Mr Fraser: No, I would not; it was the Acting-Speaker who did that.

Mr NEWELL: Our patience was tested during the honourable member's contribution, but I will move on. The Brunswick Heads Nature Reserve is to lose an area slightly less than the size of a football field. It is only a small area, 5,000 square metres, half a hectare. I remember in the 1960s the land was a quarry. It is now very much overgrown but there is still a large cleared area from those quarrying days. It is used as a car park. It also has an access road that goes along the north side of the Brunswick River to a fairly popular local fishing

spot and oyster lease that is well known to the locals. As I indicated, the major controversy was more about the design of the new bridge rather than about the excision of a small area of land. Although some people attempted to raise a difficulty with that, some locals who have been in the area for a longer time generally dismissed most of those concerns and accepted that the area being taken out was not of particularly high conservation value and they are more than happy with the 150 hectares of land to be added to the nature reserve to the north-west of the new Pacific Highway alignment.

The transfer of that land will afford protection to a viable population of Davidson Plum, a threatened rainforest tree species. That was one of the major issues that arose when the route of the Pacific Highway was being discussed. I am sure that the people who raised concerns about that stand of trees are more than happy with the new alignment and with the addition of 150 hectares around the stand to protect it. A significant wetland in the area as well as other important rainforest communities will be protected. The Brunswick Heads and Ocean Shores communities thank the Minister for the work done to expand the Brunswick Heads Nature Reserve and to put into the nature reserve an area that will be very valuable in the years to come. With regard to the concern about access arrangements to the new bridge that I mentioned, the RTA has undertaken to upgrade the existing access arrangements and look at the design of the bridge to ensure that some of the other concerns I alluded to earlier are addressed.

The other area of land affected by the bill is a section of Mount Warning National Park. Only a very small area, 1.108 hectares, is being taken out of the national park. The revocation is necessary because the Mount Warning Road that Tweed council constructed some years ago went off the survey alignment, albeit accidentally, and consequently there needs to be a realignment of the boundaries in that section. The honourable member for Coffs Harbour waxed lyrical about Coffs Harbour but I wonder whether he has ever been to Mount Warning.

Mr Fraser: I have.

Mr NEWELL: That is good to hear. It is good to know that the honourable member for Coffs Harbour has been there. No doubt he has climbed all the way to the top. He would have enjoyed the view and the forest that surrounds it. The revocation of that 1.108 hectares is matched by the transfer of an unused and vegetated 1.158 hectares of the previous road corridor which has not been used as a road since the reconstruction of the road some years ago. The road to Mount Warning National Park is not so much winding as it is very narrow, and there are problems with access to the car park at the base of the mountain, where many tourists leave their vehicles before climbing to one of the great sites on the North Coast.

To the north and west of Mount Warning National Park is Wollumbin State Forest, which is adjacent to Mebbin National Park. Together they form a fantastic complex of national parks and protected areas. Wollumbin State Forest may become more topical in the near future, especially as there will be logging in the area as a result of a regime that was locked in through the reserve assessment process. That is regrettable because Wollumbin State Forest is valuable and is an icon in terms of protecting the environment in that area. In the future some logging will be carried out in the area as a result of a process foisted on the North Coast some years ago.

Mr Fraser: Do you support the forests or the Greens? Tell us who you are supporting.

Mr NEWELL: I am more than happy to support this bill.

Mr Debus: Point of order: The honourable member for Coffs Harbour is trying the patience of honourable members with the level of his interjections.

Mr ACTING-SPEAKER (Mr Mills): Order! I uphold the point of order.

Mr NEWELL: As I said at the outset, this bill has bipartisan support. I congratulate the Minister on the work he has been done.

Mr Fraser: Point of order: The honourable member for Tweed did not object to my interjections. I was simply trying to ascertain whether he would support the Greens or State Forests. He should advise the House on that matter.

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

Mr NEWELL: In conclusion, I congratulate the Minister and the National Parks and Wildlife Service on the work they have done. Indeed, they have done so well that the bill has bipartisan support. Honourable members on both sides of the House have indicated that they have no problems with the details of the proposed revocations. Like me, they are more than happy to support the bill, which I commend to the House.

Mr DEBUS (Blue Mountains—Attorney General, Minister for the Environment, Minister for Emergency Services, and Minister Assisting the Premier on the Arts) [9.33 p.m.], in reply: I thank the honourable members representing the electorates of Wallsend, Bathurst, Port Stephens and Tweed for their contributions to this debate. Their respect for and familiarity with our national parks system were both self-evident and especially encouraging to me as the Minister for the Environment. I acknowledge the contribution of the honourable member for Coffs Harbour. If there is something in the matters he raised to which I can reasonably respond, then I shall. I invite him to communicate with me, or to ask Bellingen Shire Council to do so, with respect to the matters he raised. I was quite unconvinced by his example concerning Telecom, but there may be some matters that we can discuss further.

He might also discuss his attitude to this whole question with the honourable member for Southern Highlands, with whom he appears to have a significant philosophical difference. The honourable member for Southern Highlands, whose contribution I acknowledge, raised a number of issues that I believe need a significant response. First, she sought details about the conservation value of the lands proposed to be transferred to the national park estate. It is important for me to point out that that information has been provided. The honourable member was advised that if she required more details she could contact my office but she did not do so, apart from to seek specific information on the Barren Grounds Nature Reserve and Wee Jasper Nature Reserve adjustments detailed in the bill.

I say unequivocally that all of the land to be added to the national park estate—about 880 hectares—has a conservation value equal to or exceeding that of the 116 hectares that are to be removed from the national park estate. The remarks of my colleagues merely confirm the commonsense truth of that proposition. The adjustments need to be put in context. We are talking about the removal of 116 hectares from about 5.6 million hectares in the reserve system. It is a minuscule amount. Since 1995 this Government has added 1.35 million hectares to the reserve system. However, even the tiny amount of 116 hectares is being treated most seriously, and that is why it is to be replaced by a compensation package of 880 hectares of new national park.

The honourable member for Southern Highlands suggested that the National Parks and Wildlife Service was understaffed, and said that that was perhaps why these adjustments were necessary. The facts show that the truth is the complete opposite. The former Coalition Government left the service with 1,197 staff, and now there are 1,801 staff—by any measure, a significant increase and one that hardly represents understaffing. The member next referred to the Barren Grounds Nature Reserve adjustments, about which, as I have said, I provided her with a good deal of information at her request. To make that point better, I shall read onto the record extracts from my letter to the honourable member for Southern Highlands because they also illustrate the general circumstance that applies to the sorts of adjustments being addressed in this bill. My letter to the honourable member stated:

> Between 1984 and 1986, apparently with inspections and approval from the Shoalhaven City Council, the owners erected a residence in the area they presumed was on their land. However, in 1998—

more than a decade later—

> the owners, through survey, identified that the residence and access are in reality located within the reserve …
>
> A number of options were considered to resolve the situation. Potentially, the land-owners could be licensed to occupy the portion of the reserve. However, such occupation would likely be inconsistent with the purposes for which the nature reserve was created. Therefore, this approach would provide no guaranteed security or permanency for the land-owners, and such a licence could be challenged in the courts. Further, the issuing of a licence could create future unwanted liabilities for NPWS. Although NPWS is legally entitled to request the removal of the residence and other encroachments, NPWS recognises that this was an unfortunate and deliberate error that was based on incorrect boundary information and approved by Council. In good faith, the land-owner contacted NPWS when they realised the error. Evicting the land-owner who was not at fault, therefore, was considered as an unfair and undesirable option.

It would have been the sort of thing that would agitate the honourable member for Coffs Harbour, I am sure, if we had tried to simply demolish that house. The letter further states:

> Further, this would result in the NPWS managing an area of sustainably disturbed land, which was not considered as an optimal conservation outcome.

In other words, demolishing a house that had been built by accident would hardly have helped the cause of conservation. The letter goes on to state:

> Revocation was therefore considered as a final and ultimate solution. I have, however, been keen to ensure that this would result in a good conservation outcome for the reserve. The owners have indicated that in return for the 5.3 hectares that forms the triangular block in question, they would be prepared to transfer to NPWS a larger (16.1 hectares) portion of their property adjoining the reserve. This block is of considerable conservation value, containing a significant and poorly reserved area of rainforest that is in very good condition. In addition, the reservation of this block would result in a more logical reserve boundary with resultant management benefits, and would more completely reserve the lands that lie underneath Wonga Falls within the nature reserve.

My letter then went on to point out that the proposal of the National Parks and Wildlife Service for a fair and equitable solution on behalf of some people who were in no way at fault, having built the house on the edge of the park reserve, was put before the National Parks and Wildlife Service Advisory Council, which again considered various options and agreed that the revocation and land transfer option would enable essential environmental benefits that would not otherwise be achieved. It is difficult to imagine a more reasonable solution to a problem that arose a dozen years ago. I do not think it behoves the honourable member for Southern Highlands to have cavilled at this solution in the way she did.

The honourable member appears to be unaware that similar bills to revoke parts of reserves have been passed on five previous occasions in the last 22 years. For example, a bill that was passed in 1988 contained 14 revocations, many of which were to facilitate minor roadworks. It also involved a boundary adjustment of 20 hectares from Woko National Park which I understand was part of a Crown lease, and a minor boundary adjustment from Tomaree National Park to facilitate the construction of a swimming pool by an adjoining landowner. A further bill was passed by the Coalition Government in 1989 which contained six revocation proposals. I reiterate that these bills were of a similar nature to the bill that is now being debated in this House. I should like to quote from the Hon. Tim Moore's second reading speech in 1989. Who could invoke a more persuasive authority for those opposite? The Hon. Tim Moore said:

> Not infrequently, it becomes necessary for areas of land to be excluded from parks and reserves for various purposes such as road widening or to resolve boundary or access problems.

The Hon. Tim Moore is a very sensible fellow. The honourable member for Coffs Harbour has returned to the Chamber and has been provoked by that observation, but I stand by it. Indeed, two of the revocations contained in Tim Moore's bill were to provide additional track facilities for the State Rail Authority within the Blue Mountains National Park and Ku-ring-gai Chase National Park. A small amount of land was revoked from Macquarie Nature Reserve to enable the owners of three adjoining villas to gain access to their garages. Some two hectares of land was revoked from Lake Innes Nature Reserve to enable a sports field to be constructed by Hastings Shire Council. I probably would not have done that.

The revocations in this bill can be grouped into four main types: revocations related to the Pacific Highway upgrade, which my colleagues the honourable member for Port Stephens and the honourable member for Tweed have referred to, as has the honourable member for Coffs Harbour; revocations due to inconsistent land survey information—it has been known for land survey information to be occasionally inconsistent throughout the State in myriad different contexts over the last century; revocations needed to give effect to previous government decisions; and revocations required to clarify management and legal status.

The honourable member for Southern Highlands implied that the actions of this Government had necessitated this bill. However, as I have already indicated, in that respect the honourable member is utterly wrong. Many of these adjustments are required because of the actions of former governments, including the former Coalition Government. In fact, this bill is very much about correcting the actions of former governments which occurred up to 20 years ago. For example, in 1982 Cabinet approved the upgrade of the F3, which passes through Brisbane Water National Park, and expressly approved the revocation of the necessary areas within the park as part of that approval. Although the construction of the freeway was completed in around 1985, the freeway corridor was never removed from the national park. This bill now seeks to do that, and the removal of the freeway from the park will finally allow the Roads and Traffic Authority to clarify its legal and management rights over what is in effect its freeway.

In some of the revocations within the bill, roads that have been built have encroached upon reserve land as a result of inconsistencies between land survey information and park boundaries. For example, in Sydney Harbour National Park, Bradleys Head Road was constructed outside of the surveyed road reserve prior to the gazettal of the park. The road reserve was not included in the park, in the mistaken belief that this in fact excluded the actual formed road. The actual road was therefore inadvertently included within the reserve when

Sydney Harbour National Park was created. The Mount Warning National Park, Broadwater National Park and Cockle Bay Nature Reserve revocation proposals deal with similar situations, in that it was never the intention to include these areas in the park estate, as roads or parts of roads were accidentally included due to inconsistencies in land survey information.

With regard to the upgrading of the Pacific Highway and the proposed adjustments to Brunswick Heads and Karuah Nature Reserve and Myall Lakes National Park, the route options, including those involving the parks and reserves, underwent extensive public consultation and environmental impact assessment processes. The options involving avoidance of these three reserved areas would have resulted in greater loss of conservation values. It is important to note that the Pacific Highway upgrade will significantly improve public safety and is likely to lead to a reduction in road fatalities. As a special bonus, it will also lead to improvement in conservation values in its vicinity.

With regard to Barren Grounds, which had its origins in the early 1980s, and Wee Jasper Nature Reserve, which had its origins in the late 1980s, the land involved was highly disturbed, and the work undertaken on the nature reserves was done in the belief that the work was either approved or was not in the nature reserve. In each of these cases compensatory habitat of extremely outstanding value is proposed in exchange. This brings about a very significant net improvement in conservation values in the localities concerned.

This bill includes 17 instances in which there has not been an alternative option to excising some land from a national park or nature reserve. As I have said, the background to some of these incursions goes back 20-odd years. In introducing this bill the Government is trying to correct, on the basis of better information and knowledge, decisions which were made in the past. The bill will also ensure that the natural values and land uses found in national parks and nature reserves are those which the community expects to find, and which are allowed under the National Parks and Wildlife Act.

The National Parks and Wildlife Service manages more than 6 per cent of the State of New South Wales. Its officers have day-to-day contact with many hundreds of adjoining neighbours, other major land managers, development consent authorities and infrastructure providers across the State. They also have contact from time to time with the honourable member for Coffs Harbour, but that is another matter. The service endeavours to protect the conservation values of the national park estate through liaison, co-operation and negotiation with these other parties.

Given the size of the task, I consider that the National Parks and Wildlife Service has done a most commendable job. I repeat that the very occasional problem with survey information or tenure information in an estate of the size I have mentioned is simply inevitable. It is by no means a frequent occurrence that the organisation responsible for the mistake is even the National Parks and Wildlife Service: but rather, as I indicated earlier, the fault lies with other land managers, such as local government authorities. That is why this legislation is the sixth bill of this nature to have been introduced into Parliament in the last 20 years.

Finally the point must be made that, in terms of procedure and decision making, the decision to de-gazette any part of a nature reserve or national park is not one that is taken lightly. The proposals contained in this bill are not the result of a decision of a ranger taken by himself or herself in the field: rather, these proposals are the result of strict scrutiny within the National Parks and Wildlife Service. All proposals require approvals from the hierarchy of the National Parks and Wildlife Service, including approval by the director-general, as well as, ultimately, the approval of me as Minister for the Environment.

I now bring these proposals before the Parliament of New South Wales. I should emphasise the point that I am bound to bring the proposals before the sovereign Parliament of this State, and that is what has been done. All of the proposals before the House today are the result of thorough and well-considered decision making. I again commend the National Parks and Wildlife Service staff who have been involved in the process, particularly for ensuring an outcome that will manifestly and significantly improve the environmental integrity of the reserve system in New South Wales.

Motion agreed to.

Bill read a second time and passed through remaining stages.

STATE REVENUE LEGISLATION AMENDMENT BILL

Second Reading

Debate resumed from 28 March.

Mr O'DOHERTY (Hornsby) [9.52 p.m.]: I lead for the Opposition during this debate and indicate that the Opposition will not be opposing the legislation. This bill makes a number of amendments to a range of revenue statutes, some of which can be regarded as minor and consequential upon other things happening—for example, the abolition of the 13-week Treasury Notes and so on. Much of this bill relates to catching up with current practice. I note that the bill provides for electronic transfers to be dutiable. Apparently the law has not yet caught up with the Internet revolution that has taken place throughout Australia. Other provisions of this bill have slightly more impact on the day-to-day lives of the people of New South Wales and it is upon those provisions that I will focus in making my remarks during this debate.

The bill changes the eligibility criteria for the State Government's stamp duty exempt First Home Plus Scheme which operates in New South Wales and which applies to people who are purchasing their first home. The scheme is a reflection of the Commonwealth Government's scheme which was implemented last year by the Howard Government to assist in stimulating the economy. That scheme will extended this week and will again stimulate the economy during a time of economic pressure that has originated mostly from overseas markets. Anomalies exist between the way in which the State and Federal schemes are administered. To bring those two schemes into line, the bill that is currently before the House changes the provisions of the New South Wales scheme so that the State's eligibility criteria fall within the same guidelines as those for the Commonwealth scheme. That is a very sensible measure which certainly has the support of Coalition members.

The scheme applies not only to the purchase of a first home and is available even if the home is gifted to the recipients of the grant. My understanding is that this provision is intended to do away with what I regard as an overly silly criterion imposed by the State Government when the scheme was first mooted in this State. That provision was designed to ensure that people who were receiving a small gift from a relative to assist in paying for the purchase of their home or those who may have been purchasing a home from a relative at a price slightly lower than the market value were ineligible if the amount they paid for the property fell below the market rate.

It is necessary to examine the original purpose for the schemes that are the subject of this legislation whose purpose was to stimulate the economy. If the purchase of a house stimulates the economy because of all the knock-on purchases that accompany establishment of a home—for example, white goods and renovations—then it is wise to make a home-buying scheme available to as many people as possible, provided that the guidelines are being met. This legislation, which falls into line with the Commonwealth Act, will mean that the exemption is calculated either on the consideration or on the market value of the property, whichever is the greater. That is a very sensible provision and it mirrors exactly the way in which the duty is calculated. The Coalition believes that that is a sensible measure and takes no issue with that.

The changes provided in the bill will also allow any number of joint purchasers or transferors to be eligible under the scheme, regardless of their domestic arrangements. At present only singles and couples are eligible so the Coalition supports the widening of the scope of the legislation in that instance as well. Changes are also made to protect the scheme from double dipping, which invokes the fairness and equity principle to which I alluded a short while ago. The criteria are changed so that a person who owns, or has previously owned, vacant land in Australia is not excluded from being eligible. Only residential land is relevant to the criteria which are part of the scheme. These are sensible arrangements which bring the State's scheme into line with the Federal Government's scheme. As I said, recently the Federal Government extended its First Home Owners Grant scheme to provide additional stimulus for the economy at a time when that stimulus will be most welcome.

Mr Collier: During a recession?

Mr O'DOHERTY: I repeat what I said in the House recently: I certainly hope that the State Government will not miss the opportunity in the forthcoming budget to provide meaningful tax cuts to stimulate the economy by assisting businesses and householders to generate activity in this State's economy. At the moment the State Government is the recipient of the largest amount of tax of any State government in Australia. It has had windfall gains in stamp duty, payroll tax and other areas of revenue but it has not returned that money back to the economy. That is revenue that should be moving around the economy to stimulate growth at a time when it is needed.

Figures that were released last week by the Australian Bureau of Statistics on house-building commencements, notwithstanding the First Home Plus Scheme which is the subject of the bill currently before the House, show that housing activity in New South Wales is still flatter than the activity of any other State. I anticipate that a point of order is about to be taken by the Minister for Education and Training. Whereas Victoria showed a growth of approximately 4.5 per cent in both January and February in first home commencements, in New South Wales the rate is 2.2 per cent for the same period. That is a very flat rate of growth coming off the negative growth that occurred in the December quarter. In response to the interjection made by the honourable member for Miranda, I point out that it is New South Wales that has actually caused the downturn in the Australian economy.

Mr Collier: Oh, come on!

Mr O'DOHERTY: If it were not for the New South Wales figure in the December quarter, the Australian economy would not have recorded negative growth. The negative growth that occurred in New South Wales was of the order of 3.6 per cent, whereas the rate of growth throughout the rest of Australia was 0.6 per cent. If New South Wales had not been dragging the chain the Australian economy would not have gone backwards in December. Only yesterday the Premier was saying that the New South Wales economy is a very large percentage of the Australian economy. That puts additional onus on the Carr Government of New South Wales to provide economic stimulus to get this State's economy going. It is because this Government failed to manage the Olympic process and the aftermath of the Olympics that negative growth was recorded.

Mr Aquilina: It is a much higher base.

Mr O'DOHERTY: It might be a much higher base but the Minister's Government was promising much higher government spending and activity in the infrastructure area after the Olympics than during the period preceding the Olympics. Of course, at the moment, there is no infrastructure spending of any significant note in New South Wales at all, nor has there been for the past 12 months. It behoves the Carr Government to get some economic activity going because it is exactly that type of spending—infrastructure spending—that will have economic activity occurring in New South Wales. The Coalition acknowledges that the First Home Plus Scheme will provide economic stimulus but believes also that this Government should be considering other schemes that will promote economic activity and growth in New South Wales.

The bill also amends the Pay-roll Tax Act to clarify the tax liability of employers who employ staff through employment agencies. Briefly, the bill amends the legislation to provide that once a client becomes liable for tax, the liability extends to contract payments made since the commencement of that financial year. That is consistent with the rest of the Act as it applies to contracts and imposes tax on a financial-year basis. That measure lines up that aspect of the Act relating to contractors who are employed by employment agencies with other provisions of the Pay-roll Tax Act. Today in a briefing kindly provided by Treasury, I was told that the need to amend the Act has arisen as a result of one instance only of someone trying to minimise their payroll tax liability, unfairly in the view of the Office of State Revenue.

I hope that other unintended consequences do not occur as a result of the change that has been made. Companies legitimately contract out various services—maintenance, information technology, payroll—and while no-one wants people to deliberately avoid their taxation obligations to the rest of community, nonetheless we have to make sure the taxation law does not impose inefficiencies on business which will stifle the market. The Opposition will watch carefully the operation of the provisions to which I have referred. If there has only been one instance of a company trying to minimise liability, perhaps it will not be such a big issue, but it is worth keeping track of it.

Other amendments to the Pay-roll Tax Act clarify the formula that is used to calculate the amount of tax payable for the current financial year. That arises out of what was probably bad drafting when legislation went through Parliament which reduced the payroll tax rate from 6.4 per cent to 6.2 per cent starting from 1 January. The complication arises when employers start to calculate their liabilities and look at the threshold that is payable for each half. The change took place on 1 January, whereas changes in the past have normally occurred on a financial-year basis, as I understand it. That decision again seems a fairly sensible one. In relation to the change in payroll tax rate to 6.2 per cent from 1 January, the Opposition wants to make the following point.

In 2001 New South Wales business is supposed to be grateful to the Carr Government for a payroll tax rate of 6.2 per cent. It is a long way from the promise by the Carr Government to bring down payroll tax to 4 per

cent in 2000 that has been made in at least two election campaigns. I will compare the 6.2 per cent rate to much lower rates in comparable States. I am prompted to say that it is little wonder projects such as the smelter will now be in Queensland, despite the promise of the Government to locate it at Lithgow where 20 jobs were much needed. That is because of the uncompetitive nature of business in New South Wales resulting from the taxation and compliance rates under the Carr Government. By comparison, this year in Queensland businesses are rejoicing in a 4.8 per cent payroll tax rate and with a higher threshold than that in New South Wales.

In Victoria the payroll tax rate is not dissimilar; it is a little over 5 per cent. An employer who is wondering whether to start a new business or to expand in New South Wales or another State knows that the playing field in this State is not level with those in other major competitor States. We have a major disincentive built in—high payroll tax rates and other taxation rates under the Carr Government—for those wishing to base their businesses here or to employ more workers. For the benefit of honourable members a quick comparison is astounding. A company with a payroll of $1 million in New South Wales would currently pay about $24,800 in payroll tax. In Queensland the same company would pay $9,600. In New South Wales the payroll tax bill of a company with a payroll of $3 million would be $148,800, and in Queensland it would be $137,600. Those companies that have grown beyond mediumsize to larger than mediumsize and are looking forward to expanding are especially penalised by the Carr Government's payroll tax policies.

If we ever try to stimulate jobs and the economy of New South Wales we should look to cut payroll tax. The Opposition asks nothing more than that the Government honours the promises it made to business in New South Wales to bring down the rate to 4 per cent. At the very least the rate should be comparable to the rate in Victoria. The Carr Government deserves to be condemned in every forum because of its failure to honour its promises in relation to payroll tax. The bill envisages a number of minor changes to revenue tax. One matter that I mention in passing is the change to the way in which interest on tax defaults is calculated the New South Wales. Because of the abolition of the 13-week Treasury Note, which used to be the basis for the calculation of tax defaults, together with 8 per cent penalty which is constant under the relevant legislation, the provisions of the bill move to a 90-day bank-accepted bill average yield rate for the month of May.

In light of the number of interest rate changes that we have had, including today's of 0.5 per cent in the official rate, why do we still have to set a rate in May that applies for the entire year? Surely it would be fairer on business—it might be little bit more difficult of Treasury—and others who, for whatever reason default on tax, often in circumstances of hardship, to set a rate on a monthly basis. Interest rates regularly go up and down. The rate should be set on a monthly basis or, at the very least, quarterly. Why do we have to lock in people for the rest of the year at the rate set in May? With those few words, I am happy to indicate once again that the Opposition will not vote against this bill. I commend the bill to the House.

Mr COLLIER (Miranda) [10.07 p.m.]: I am pleased to speak to the State Revenue Legislation Amendment Bill which contains amendments to the Duties Act 1997, the Health Insurers Levies Act 1982, the Pay-roll Tax Act 1971, the Tax Administration Act 1996, and the Unclaimed Money Act 1995. For payroll tax, the amendments will 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. The annual tax-free threshold of $600,000 will be allocated for calculation purposes between the first and second halves on the basis of the number of days in each half-year. In 1999 the Government reduced the payroll tax rate to 6.4 per cent, with a further reduction to 6.2 per cent from 1 January, and legislation has been passed to reduce it to 6 per cent from 1 July 2002.

When the recent reduction in the rate to 6.2 per cent was announced last year, 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 of the year. An employer or group of employers with New South Wales and interstate wages, if any, of $600,000 or less for the full year 2000-01 will remain not liable to pay any tax for the whole year, even if their wages exceed the threshold for one of the two six-monthly periods. The amendments make it clear that the annual payroll tax liability for the 2000-01 financial year is to be determined by calculating the liability separately for the two half-year periods. Importantly, the amendments confirm that an employer with aggregate wages below $600,000 for the full year will remain not liable to pay the tax. That is good news. It is worth noting by the many small businesses in the electorate of Miranda and nearby electorates.

Among the most important changes for the people of the Miranda electorate and many other electorates across New South Wales are those relating to the First Home Plus scheme. The Government's First Home Plus scheme was introduced in last year's budget to provide increased assistance to first home buyers in New South Wales and to replace the First Home Purchase scheme. The First Home Plus scheme is intended to help young people who are buying their first home by providing them with a concession or exemption from duty payable on the agreement or transfer or on any mortgage given to assist financing.

The new scheme provides stamp duty relief on contracts, conveyances and mortgages for first home buyers. The scheme provides a full exemption for metropolitan properties valued at up to $200,000, phasing out between $200,000 and $300,000. A full exemption is available for non-metropolitan properties valued at up to $175,000, phasing out between $175,000 and $250,000. Between 1 July 2000 and 28 February 2001 more than 25,000 people received exemptions or reductions in duty totalling about $77 million, and more than 12,000 of those people are in rural and regional areas of New South Wales.

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 GST. This has been a highly successful scheme, with New South Wales providing a grant of $7,000 to more than 25,000 applicants, at a cost of more than $180 million, since 1 July last year. Subsequent administration of the two schemes, however, has identified a number of inconsistencies between them and some anomalies. The bill contains a number of changes to the First Home Plus scheme to bring the two programs into greater alignment, and to remove some of the restrictions on access to the scheme.

For instance, an applicant no longer will be ineligible if paying less than the full purchase price for the home, or if unable to move into the home immediately after settlement. The requirement that eligible persons occupy the home as their principal place of residence within a reasonable time after settlement is replaced with a requirement that the home now be occupied within 12 months of the settlement date. An applicant no longer will be ineligible merely because he or she has previously owned vacant land. The scheme will enable persons to apply for the grant if the home has been gifted to them. A discretionary provision has also been included to allow the concession where the mortgagee requires a guarantor.

The amendments will also remove an anomaly in the scheme where some applicants could have been eligible for the concession on multiple occasions. Similar schemes in other States allow the concession once only, and have additional restrictions, such as income tests, restricting eligibility to families and excluding single people, or requiring the spouse of the purchaser to satisfy the eligibility requirements even if the spouse is not a purchaser. The New South Wales First Home Plus scheme will remain the most generous and comprehensive stamp duty scheme for assisting first home buyers of any State or Territory. I welcome the changes that will improve access to the scheme by young first home buyers. Where the scheme allows first home buyers to purchase new homes, that of course will provide some stimulus to the building industry, which is one of the leading sectors of the Australian economy.

Some new exemptions from duty are contained in the bill. The first relates to amendments to the Legal Profession Act introduced last year enabling legal practices, mainly of solicitors, to incorporate. These were introduced to enhance the accountability of practitioners and provide a more efficient service. This bill provides an exemption from duty on transfers of property arising from the incorporation of existing New South Wales legal practices. I welcome those provisions for they remove an impediment to incorporation of those legal practices. I am sure the Law Society will be most pleased with that particular amendment. Secondly, the bill reflects changes being introduced by the Roads and Traffic Authority to replace certain permits which allow unregistered vehicles to travel on roads with a new system of conditional registration. Applications for conditional registration now will be exempt from duty. I believe that is fair and reasonable. Thirdly, the bill exempts from duty administration agreements entered into by agents who process applications for the First Home Owner grant. Those agents provide home buyers with improved access to the grant. Of course, that will assist first home buyers.

The bill also makes amendments to the Taxation Administration Act. Interest for late payment of tax is now determined annually in accordance with the yield rate for 13-week Treasury notes. Those notes are no longer issued. The bill therefore adopts the 90-day bank accepted bill average yield rate. This is a reliable indicator of the market interest rate for short-term loans or deposits, and is therefore an appropriate rate to apply to overdue tax liabilities. That, in my view, is fair and reasonable. A taxpayer dissatisfied with the assessment of a tax liability has the right to have the matter reviewed by the Administrative Decisions Tribunal [ADT] or the Supreme Court. Recent amendments to the Taxation Administration Act to allow review by the ADT also changed the right to "appeal" to the Supreme Court to a right to a "review" by the Supreme Court. Unfortunately, that amendment inadvertently changed the rights of taxpayers, because under the Supreme Court Rules a "review" is a separate and distinct concept from an "appeal". The bill restores the application of the appeal rules of the Supreme Court where a taxpayer elects to seek a review by the Supreme Court, by making it clear that a "review" is considered to be an "appeal" for the purposes of the Supreme Court Rules.

Information obtained in the administration of taxation laws cannot be disclosed except in specified circumstances or to specified persons. One such exemption is that the Chief Commissioner can use information

in the administration of other taxation laws. The bill extends this exception to allow information obtained in the administration of a taxation law to be used in the administration of unclaimed money and the First Home Owner grant scheme. This will enhance the Chief Commissioner's ability not only to verify the owner of unclaimed money but to verify the eligibility of grant applicants. It is important that the money made available under the First Home Owner scheme goes to those who are eligible for it.

The bill also amends the Unclaimed Money Act 1995. Under the Act certain organisations are required to pay the unclaimed money to the Chief Commissioner of State Revenue, who is required to publish information about the unclaimed money in the *Government Gazette*. The Government has improved access to that information by also publishing details of unclaimed money on the Office of State Revenue web site. This bill implements a number of changes to further improve public access to information about unclaimed money, including authorising the Chief Commissioner to determine the means of publishing the information, and publishing information on any amounts over $20, which is down from the current limit of $50.

The bill also contains amendments to protect the privacy of claimants, by preventing the disclosure of information obtained in the process of making, determining and satisfying claims, except with the consent of the individual or where the disclosure is in connection with the administration of a taxation law. Many of the changes proposed by the bill are of a technical nature, but they are designed to improve the efficiency of the various Acts that they will amend. On the one hand, they improve the administrative efficiency of various Acts, clarify provisions, and seek to remove existing anomalies in those Acts. In addition, of course, they improve access to the First Home Owners Plus scheme. These are changes which I welcome.

It was interesting that the honourable member for Hornsby spoke about changes in the Australian economy. It is quite apparent to anyone who has attended a year 11 economics class in any school in this State, public or private, that any year 11 economics student will be able to tell you that the management of the Australian economy is a responsibility of the Federal Government. That Government has responsibility to manage fiscal policy, monetary policy, wages policy and external policy. And the Federal Government is doing a pretty crook job of managing those responsibilities.

The Federal Government is doing a pretty crook job. When the honourable member for Hornsby—the man who would be Treasurer—spoke about the problems facing the Australian economy, he tried to shift the blame to New South Wales. Clearly, he has not read the newspaper reports of what the deputy governor of the Reserve Bank of Australia said in London. He said that the difficulties that the Australian economy is facing were caused in no small measure by the GST. The New South Wales Government did not introduce the GST; it was introduced by the Federal Government. The problems being experienced by the Australian economy are overwhelmingly due to the mismanagement by the Federal Government of the Australian economy. The Federal Government has failed to regulate the economy. It has not used its monetary and fiscal policy to regulate the economy and get the timing right. The Federal Government has created these problems for the Australian economy. There is no point in trying to pass the buck to New South Wales. We are the engine room of the Australian economy.

[*Interruption*]

Mr COLLIER: The Deputy Leader of the Opposition laughs and runs down the New South Wales Government. But his mates in Canberra have done this to the Australian economy. He should not try to shift the blame to the New South Wales Government. The problem is that the Federal Government has failed to gauge the economic cycle. I commend this bill to the House.

Mr O'FARRELL (Ku-ring-gai—Deputy Leader of the Opposition) [10.22 p.m.]: The honourable member for Miranda just demonstrated why the wind turbine of the Minister for Energy, which is on the roof of Parliament House, will be so successful. I speak tonight in debate on the State Revenue Legislation Amendment Bill. Accountability, fairness and transparency have to underpin any taxation system, and it is important that they do so. Accountability is all about the Parliament in this State administering and establishing the tax regimes upon which people pay their assessments. Fairness relates to the fact that, irrespective of who people are, if they are in the same situation, they will be treated the same way under the State taxation system. Transparency is all about those who are subject to taxation being able to determine exactly what it is that they are subject to and how those assessments have arisen.

I wish to say something about that third point as it relates to this legislation. Earlier this year a good corporate citizen of this state—a corporate citizen who certainly meets his Federal and State tax assessments—was issued with a tax assessment. In response, he wrote to the appropriate authority, not objecting to the tax assessment, but simply seeking clarification and an indication as to how that assessment had been arrived at. In

other words, he was seeking some evidence in particular for the significant increase in that assessment. It took three months for this individual—a good corporate citizen—to receive a reply. That is a significant time, but what is more significant is that the reply did not arrive until after the period for lodging objections had passed. What was even better was that the reply, signed by a public servant operating under this Government, basically told this person:

> I am unable to provide the information that you have requested and advise essentially that the onus is upon the taxpayer to determine whether or not the assessment is correct.

That is not the way in which a tax system is meant to work. I do not think I have ever seen a letter from a public servant in this State that is so bad. The significance of this is that we know that this Government has achieved a gold medal when it comes to increasing taxation in this State. We know that this Government has received a gold medal for applying taxation in different areas in this State. I accept that the Government has a majority in this place. However, it does not have a mandate because it promised no tax increases and no new taxes. I accept that the Government has a majority in this place and that it would have no trouble getting a majority in the other House, but it has to do so according to those principles of accountability, fairness and transparency. Clearly, in this case those principles have been offended. It offends me as a representative of my community to have to raise in this House an issue that I have raised directly with the Minister.

Mr STONER (Oxley) [10.25 p.m.]: The State Revenue Legislation Amendment Bill is obviously a high priority for this Government—a government which taxes at a rate 4 per cent above the national average. New South Wales, which is rightly called the premier tax State, is the highest taxing State in Australia. In fact, the Auditor-General in his recent report noted that in 1999-2000 an additional $988 million in state revenue was raised. The State Revenue Legislation Amendment Bill, which covers a number of fairly key issues—and I note that the Treasurer has just left the Chamber—seeks to make a number of amendments to various pieces of legislation, some of which are inconsequential, and others about which I will comment. Some of the amendments seek to tighten the grip by this Government upon State tax revenue. Whilst many other important reforms are languishing in this State, this bill reflects the true priorities of this big taxing, big spending Labor Government.

Some amendments—quite logical changes—will be made to the Duties Act and to the Health Insurance Levies Act. Those amendments are not controversial in any sense. However, I would like to comment on a number of issues relating to the Pay-roll Tax Act. In my view, the first issue, which is to clarify the payroll tax liability of employers who are clients of employment agencies, will have an impact. Obviously, the Treasurer is seeking to close a loophole which may have existed which enabled larger employers to employ people via employment agents, thus avoiding their payroll tax liability. What impact will this amendment have on employment agents? Have these employment agents been consulted? In fact, I formerly worked in an employment agency. I imagine that group training companies and labour hire companies would be concerned about this amendment. The reason for their concern is that they will be liable for the payroll tax, which would have been paid had that employee been employed by the company where he or she was physically working. Of course, that will have the effect of making the employment agency less competitive in the employment field.

Hence those employers who may have gone down the route of employing via an employment agency will now employ those people themselves. That could result in less work and fewer jobs in employment agencies, such as group training companies, labour hire companies, et cetera. Whilst I can see the rationale for that move I wonder what the impact assessment has been. Have employment agents been consulted? There is also provision in the bill for the calculation of payroll tax liability for the 2000-01 financial year. That figure appears to be coming down. The rate of 6.4 per cent for the first two quarters of the 2000-01 financial year has been lowered to 6.2 per cent for the last two quarters of that financial year. Any reduction in payroll tax in New South Wales is to be welcomed, but this still falls well short of the Treasurer's previous promises and commitments to reduce payroll tax. It still leaves New South Wales with a much higher rate of payroll tax than either Queensland or Victoria, as well as a lower threshold for payroll tax.

Payroll tax is not only higher, it cuts in earlier for businesses in New South Wales. Is it any wonder that many businesses seek to establish themselves in, or even move to, Queensland? There has been some suggestion that businesses in my electorate will move to Queensland unless things are made a little easier for them and they have a more competitive regime. I would like to see amendments to the Pay-roll Tax Act go further. The honourable member for Lachlan, a great National Party member, suggested some exemptions for businesses employing people in country areas. Although I note that the Government does not agree with this, it would be a good policy because unemployment in regional areas is up to double the rate of unemployment in the city. Affirmative action must be taken.

If honourable members opposite care to look at the statistics in the electorates of Oxley, Coffs Harbour or even the Tweed they will see that the unemployment rate is double that of city electorates. Payroll tax is something that keeps employers and jobs out of regional areas. They will remain in the cities or even go to Queensland and Victoria. The bill does not provide substantial amendment to the Taxation Administration Act. The bill seeks to amend the Unclaimed Money Act to require notice to be published if the amount exceeds $20. That measure is welcomed following years of the Government allowing unclaimed money simply to be absorbed into consolidated revenue without much noise. In short, the Coalition does not oppose the bill. I certainly had concerns about amendments to the Pay-roll Tax Act that affect employment agents but in the main there is no opposition to the bill.

Mr YEADON (Granville—Minister for Information Technology, Minister for Energy, Minister for Forestry, and Minister for Western Sydney) [10.32 p.m.], in reply: I thank all honourable members for their contributions to the debate. I commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

BUSINESS OF THE HOUSE

Suspension of Standing and Sessional Orders

Special Adjournment

Motion by Mr Yeadon agreed to:

That standing and sessional orders be suspended to allow:

(1) the introduction and progress up to and including the Minister's second reading speech on the Gas Supply Amendment (Retail Competition) Bill, notice of which was given this day for tomorrow; and

(2) the House at its rising this day to adjourn until Thursday 5 April 2001 at 10.00 am.

GAS SUPPLY AMENDMENT (RETAIL COMPETITION) 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) [10.34 p.m.]: I move:

That this bill be now read a second time.

The Gas Supply Amendment (Retail Competition) Bill is an important part of the Carr Government's energy reform package. The bill amends the Gas Supply Act 1996 in order to provide the legislative foundations to complete the gas retail reforms—reforms that have already delivered significant benefits to the community of New South Wales. Gas retail competition allows customers to switch from one retailer to another, and that is what this bill is all about: giving gas customers choice. In particular, the amendments will enhance customer protection in the fully competitive gas retail market. The bill will extend the ability of the Government to regulate all entities involved in the gas retail market, not just to authorised gas network operators and retailers. This is in order to protect customers and to ensure the effective operation of the fully competitive gas retail market. In addition, the bill will also promote convergence between the gas and electricity sectors, in order to further protect customers and to streamline administrative arrangements for customers.

I will address each of these issues in detail. However, I would first like to point out that these amendments are part of the Carr Labor Government's ongoing and comprehensive program of reforms to the gas industry. They also follow earlier legislative reforms to the electricity industry. The aim of the reform program is to introduce a competitive market in natural gas in New South Wales that is of benefit to the whole community. The Government is putting in place a strong consumer protection framework while delivering a competitive and efficient gas industry. Traditionally, nearly all the natural gas sold in New South Wales has been produced and sold by a single group of producers at Moomba in South Australia. It has been transported to the main markets in the State via a single long-distance gas transmission pipeline, and then distributed to

customers through gas distribution networks owned by a single operator and then sold by a single associated large retailer. Gas customers had little or no choice at every stage in the supply chain, from production, to transportation, to distribution, to retail.

Since 1995 the Carr Government has overseen a comprehensive package of reform, including the Gas Supply Act 1996 that established an interim code regulating access by third parties to gas distribution pipeline systems. This interim access code applied to gas distribution systems in New South Wales while the national access code was being developed. The result was that New South Wales was the first State in Australia to provide access to third parties to gas distribution systems. We also introduced the Gas Pipelines Access (New South Wales) Act 1998, which implements the national access code in New South Wales and extends third party access rights to transmission pipelines. Third party access to long-distance transmission pipelines is of critical importance to New South Wales gas customers. This is because nearly all the natural gas sold in New South Wales is produced by a single producer at Moomba, transported, as I said, via a single long-distance gas transmission pipeline, and then distributed to customers through networks owned by a single operator and sold by a single associated large retailer.

This situation is now changing. It is changing because of the reforms put in place by the Carr Labor Government. In September 1998 the Interconnector pipeline connecting New South Wales with Victoria was completed. The Interconnector was built because access to existing markets in New South Wales for new supplies of gas is guaranteed by the Government's gas reforms—initially by the interim third party access code established by the Gas Supply Act 1996, and then by the Government's implementation of the national third party access code. The Interconnector allowed natural gas from the Bass Strait to be brought for the first time to markets in New South Wales, providing the first opportunity for New South Wales gas consumers to benefit from competition between gas producers in South Australia and the Bass Strait. But it does not stop there. In July 2000, Duke Energy International's Eastern Gas Pipeline commenced operations. This major project brings Bass Strait gas directly to Sydney and represents one of the major infrastructure investments in recent times. Like the Interconnector, the Eastern Gas Pipeline was built because access for new supplies of gas to existing markets in New South Wales is guaranteed by our reforms.

Not just gas customers are benefiting from this competition, but the whole community. The reforms have seen a growing list of regional towns and centres with access to gas for the first time. However, the third party access reforms are not the only reforms. Retail competition will mean all gas consumers will be able to choose their gas retailer. The Carr Labor Government led the way in introducing third party access rights, and we are leading the pack in retail competition also. Under the national third party access law and code, each State and Territory is responsible for setting its own timetable for opening its gas market to retail competition. New South Wale's timetable is ahead of all others in Australia.

In July 1997, third party access rights were granted to retailers supplying very large industrial customers, those with an annual consumption of 100 terajoules or more, as well as to those customers themselves. For the benefit of members of the House, I should explain that one terajoule is the equivalent to an annual gas bill of around $12,000. One year later, third party access rights were extended to those gas customers whose consumption is 10 terajoules or more, and to retailers to supply them. Then, in October 1999, third party access rights were extended to small industrial and commercial customers, those with an annual consumption of one terajoule or more.

Since retail competition was first introduced to these customers, I am advised that customers responsible for around 30 per cent of the volume of the industrial gas market in New South Wales have switched their gas supplier and are now supplied with gas from Bass Strait. These firms are experiencing the benefits of competition. So, too, are those who elected to stay with the incumbent retailer because the possibilities opened up by a competitive market have meant that traditional suppliers have been forced to compete for customers. This means lower energy costs for businesses and with this comes improved employment opportunities for the New South Wales community.

The industrial gas market is already experiencing the benefits of retail competition in the gas market. The Carr Labor Government is now acting to ensure that the benefits of competition flow through to the other sectors of the gas market, including households. Since 1 July 2000 there have been no legal or regulatory barriers in place which prevent any gas customer in New South Wales from taking advantage of competition in the gas retail market. In order to make this legal situation a marketplace reality, the gas industry is presently working to put in place the retail market business systems that will allow large numbers of customer transfers to take place.

The Carr Government has pursued these competition reforms in the gas industry because we believe that a competitive gas market will provide benefits to customers in the form of greater customer choice, downward pressure on prices and improved quality of service and supply. We also recognise the achievements of the gas industry and retailers seeking to compete in a contestable market. To date, there are a number of achievements which are critical to the commencement of retail contestability. The market trading system has been designed and the rules of business have been written and agreed. The entity responsible for facilitating retail market trade—the Gas Retail Market Company—was established late last year.

The Gas Retail Market Company has chosen the companies who will provide the information technology [IT] and market management support. Authorisation conditions have been placed on all licensed gas suppliers and reticulators requiring them to become members of an approved market entity scheme. Finally, a deed of agreement between the Gas Retail Market Company and me as the Minister for Energy has been prepared and is expected to be executed in the near future. Much work has been done in preparing for the introduction of full retail competition and much more is to be done, particularly in ensuring market participants are ready.

In order to ensure that all market participants are ready, the Government has signalled its intention to place an additional authorisation condition on authorised reticulators and suppliers. It is fundamental that network operators and retailers have systems which facilitate the transfer of customers. In January 2001 the Chairman of the Gas Retail Market Company advised the Government it believed the IT systems would be complete and ready to implement late this year. This means the industry is unable to meet the current commencement date of 1 July 2001. It is of fundamental importance to the Government and the gas industry that the IT systems and market design are accurate, workable and have been tested in simulation environments.

Full retail competition will therefore be introduced on 1 January 2002 to coincide with the commencement of competition in the electricity industry. This is clearly an optimal outcome for customers, who, for the first time, will be given choice about their energy requirements generally. The Government is meeting its end of the bargain by delivering the regulatory framework before retail competition commences on 1 January 2002. I now turn to the provisions of the Gas Supply Amendment (Full Retail Competition) Bill 2001.

The prime purpose of the Gas Supply Amendment (Full Retail Competition) Bill 2001 is to amend the Gas Supply Act 1996 to provide the legislative foundations to complete the gas retail reforms. Gas retail competition allows customers to switch from one retailer to another, and this bill is all about facilitating customer choice. While reforms are designed to provide benefits, we also want to ensure that consumers are protected, particularly as small customers get used to the newly competitive market. The bill addresses this most important issue. It creates an obligation to supply. It introduces standard form supply contracts with minimum terms and conditions. It requires compliance with a marketing code of conduct, and it introduces requirements associated with the resolution of disputes between customers and their retailer.

At the moment, there is no legislative obligation on any retailer to supply gas to any customer. However, gas customers may have made a considerable investment in gas appliances, such as gas heaters. The introduction of full retail competition may see a potential for gas retailers to discontinue supply to customers that they deem to be commercially unattractive, such as tenants and low income users. The Government will not allow such customers to be stranded. The bill effectively creates an entitlement for small retail customers connected to the distribution network to be supplied with gas under a standard form contract.

In the fully competitive gas retail market, small gas customers will be free to choose from competing gas retailers. Some of them will choose to move to a new retailer. It is likely that those who do choose to move to a new retailer will do so because of advantages in terms of price or standards of service offered by the new retailer. On the other hand, other small gas customers may choose to stay with their current retailer. The Government is determined to protect the interests of those small gas customers.

For these reasons, the bill allows small gas customers to choose whether to obtain supply from the competitive market, or whether to obtain supply at a price regulated by the Independent Pricing and Regulatory Tribunal [IPART]. Perhaps one of the more important parts of the legislation is the right to opt back. In order to encourage consumers to try out the competitive market, if consumers do not like it, they can opt to move back to supply with a price regulated by IPART. The bill provides for all small gas customers to be entitled to supply on the regulated terms and conditions of a standard form customer contract.

The existing gas supply incumbent will provide gas to customers under the standard form contract and will be known as the standard supplier or default supplier. The standard form contract will contain minimum

terms and conditions which are to be regulated. This includes a tariff regulated by IPART. It is has been the intention of the Government, as stated in the policy framework released in December 2000, that tariffs and charges levied under a standard contract are to be regulated. The Government therefore proposes in this bill amendments to the powers for IPART to make gas pricing orders. The existing legislation already gives IPART the ability to regulate prices through a gas pricing order, similar to a pricing determination for electricity.

However, an order has never been issued as AGL has worked cooperatively with the IPART to agree on voluntary pricing principles. I congratulate AGL and IPART on the process they have developed. These amendments support the current voluntary pricing principles agreement between IPART and the incumbent retailer AGL, but provide a transition to a regulated tariff and charges environment. It is the Government's intention that the voluntary pricing principles agreement will continue to operate for a period of 12 months. During this time, the Government will work with IPART and industry, including AGL, to review the process for making a gas pricing order.

There are a number of elements that will be the focus of the review, including the length of an order and the appeal or review process. Currently, the legislation gives the retailer the ability to ask for a review of a pricing order on a merit basis. This is unlike electricity where electricity businesses can only ask for a review on the basis of legality of the determination by IPART. It should also be made clear that if for some reason the voluntary pricing principles do not work through the transition 12-month period, a gas pricing order will be issued to ensure ongoing price regulation for small default customers.

In addition to the terms and conditions of the standard form contract, there will be a core set of minimum terms and conditions that must be incorporated into all small customers' supply contracts. This will ensure that small customers do not lose basic customer rights when negotiating their own supply agreements. The inclusion of minimum terms and conditions in supply contracts is designed to allow small customers to concentrate on negotiating key aspects of their supply agreement, such as price and the length of the contract. The core set of minimum terms and conditions will cover such things as the methods for calculating gas consumption and charges; standards of service to be provided to customers; circumstances under which customers can be disconnected; and procedures for making inquiries and for managing customer disputes.

It should be clear that the existing conditions, particularly for disconnection, will not be watered down. This core set of minimum terms and conditions will be established through a regulation which is being developed in consultation with stakeholders. In addition the Government will introduce a retailer of last resort. It is proposed that this function will be fulfilled by the incumbent. A retailer of last resort is essential to ensure that, in the event of a retailer's insolvency, customers will continue to be provided with gas. While the core set of minimum terms and conditions will provide protection for customers when they have a contract with a gas retailer, it is just as important for the Government to define how it expects gas retailers and other gas marketers to behave when they are offering contracts to customers.

This will be through a marketing code of conduct, which will regulate how gas retailers and marketers must behave when approaching customers to offer them different supply options. For example, the marketing code of conduct will describe what information must be made available to customers so that they may make informed choices about who supplies them. The code is being developed jointly by government, customers, industry and regulators. It will be subject to Ministerial approval and authorised retailers will be bound to comply with the code. The code is being developed with the intention of applying it to both gas and electricity marketers. The marketing code of conduct already applies to electricity marketers through recent amendments to the Electricity Supply Act 1995 and the bill extends the application of the code to gas marketers.

The bill makes authorised gas retailers responsible for the actions of marketers who have acted on their behalf. The bill makes breaches of the code an offence. The Government recognises that introducing nearly 800,000 customers to a new, competitive gas retail market will mean that there is the possibility of an increase in the number of disputes between retailers and customers. In order to address this, small customers will have free access to an ombudsman. The bill requires gas retailers to join an external dispute resolution scheme approved by the Minister. Gas retailers and marketers will be bound by decisions of the ombudsman for small customers. In short, it will be an offence by a gas retailer or gas marketer to fail to comply with a decision by the ombudsman.

The bill is clear evidence that the Government will not compromise the protection of customers in the pursuit of competition reforms. The aim of the gas reforms is to introduce a competitive market in natural gas in New South Wales that benefits the whole community. This bill translates that aim into reality. The amendments that I have just referred to relate, in a direct manner, to the protection of customers. The bill also includes a

number of amendments that also relate to the protection of customers, but in a slightly less direct manner. This set of amendments—to which I will now turn—protects customers through ensuring that the fully competitive market operates effectively. Only when the fully competitive market is operating properly can customers fully benefit from gas retail competition.

It is important to ensure that the operation of the market does not work in a way that gives any market participant an unfair advantage, thereby limiting customer choice. For this reason, the bill includes powers to regulate the effective operation of the gas retail market. There are two aspects to this: powers to regulate all the participants in the market, and powers to regulate the rules under which the market will operate. Let me first comment on the need to regulate all market participants. The existing framework for regulating the gas industry is based on the Gas Supply Act's authorisation regime that provides for conditions to be placed on authorisations held by gas network operators and gas retailers. Full retail competition will introduce new gas businesses to the market which are not subject to the existing authorisation regime because they are neither gas network operators nor gas retailers.

These include businesses which provide retail market services, and self-contracting users. The Government is varying the conditions on the authorisations held by gas reticulators—network operators, and gas suppliers—and retailers, to require them to participate in a scheme to develop, administer and implement appropriate business rules and retail market business systems to support full competition in the gas retail market in New South Wales. The scheme must be one that is approved by the Minister for Energy. Authorisation holders will be required to comply with the business rules and to provide information about the operation of the approved scheme. In response to these requirements, the New South Wales gas industry has decided that the most efficient and cost-effective way of implementing retail market business systems and information technology systems is through establishing a new participant-owned company, the Gas Retail Market Company.

Honourable members should note that while the individual members of the Gas Retail Market Company are subject to the Gas Supply Act's existing regulatory framework, an organisation such as the Gas Retail Market Company is not, because it does not hold a gas reticulator or a gas supplier authorisation. The bill therefore provides reserve powers for the Government to directly regulate any entity that provides retail market services to the New South Wales gas market, such as the Gas Retail Market Company. Other gas market participants that are not covered by the existing regulatory regime are those gas users which do not use the services of authorised gas retailers. Rather, they purchase their gas on the wholesale market and manage their own gas transportation arrangements.

It is important to have the power to regulate such entities because their actions will impact on other gas market participants. This is particularly important in regard to their activities in the area of gas nominations and balancing. The bill therefore extends the regulatory framework to include self-contracting users. I said before that only when the fully competitive market is operating properly can customers fully benefit from gas retail competition. It is important to ensure customer choice is not limited by the market operating in a way that gives any participant an unfair advantage. Therefore, as well as extending the regulatory framework to cover all market participants, the Government is determined to ensure that any industry codes that are developed to support full retail competition are fair and do not disadvantage any market participants or customers.

To ensure the orderly operation of the new fully competitive market, it is essential that market participants be bound by a common set of rules. New rules for transactions between gas businesses are required to cater for full retail competition, and the Government will need the ability to approve industry rules relating to market operation and the ability to apply those rules to any market participant. It is hoped that the industry develops codes that are fair and that the Government will not need to use the power provided in the bill. However, it is important that the power exists, in case it is needed. This power sought in the bill is similar to that in the Electricity Supply Act 1995. So, the bill contains a number of amendments to protect customers directly. It also contains a number of amendments that protect customers in a slightly less direct manner through ensuring that the fully competitive market operates effectively.

These amendments protect customers and facilitate customer choice by extending the regulatory framework to cover all market participants so that no market participant can act in a way that detrimentally affects customer choice. These amendments also protect customers by giving the Government the power to approve industry business rules and to apply those rules to all participants. As noted, these reserve powers parallel those in the electricity industry. And I am sure that members will agree that it is desirable that the arrangements applying to full retail competition in electricity are similar to those that the Government is putting in place for the fully competitive gas retail market. In introducing these reforms to the gas industry, the Government is strongly committed to ensuring consistency between the regulatory frameworks for gas and electricity.

Similarly, the Government is also strongly committed to streamlining the administrative arrangements for gas and electricity customers and retailers. For this reason, the bill seeks the power to approve simultaneously a marketing code of conduct for the purposes of both gas and electricity. The code has been drafted to apply equally to both gas and electricity marketers, and the proposed amendment allowing the Minister to approve the code parallels a similar provision in the Electricity Supply Act. For the same reason, the bill provides for the ability to simultaneously approve a dispute resolution scheme for both electricity and gas. The proposed amendment allowing the Minister to approve an external dispute resolution scheme parallels a similar provision in the Electricity Supply Act 1995. Related to this is a proposal to enable the approval of an external dispute resolution scheme for the purposes of both Acts simultaneously.

In a competitive market, it is likely that a single retailer will offer both gas and electricity to customers. Certain minimum contract provisions, with the aim of protecting small customers, are to be contained in Regulations under the Electricity Supply Act and the Gas Supply Act. In order to streamline administration for both customers and retailers, the bill ensures that minimum contractual provisions required in the regulations under both Acts can be fulfilled in a single gas/electricity combined document. The bill ensures consistency between the regulatory frameworks for gas and electricity, and streamlines the administrative arrangements for gas and electricity customers and retailers. It also amends the Gas Supply Act to remove uncertainties and to streamline the protection of customers.

The annual fees paid by holders of gas reticulator and gas supplier authorisations are determined by reference to the cost to the State of administering the Gas Supply Act and the Gas Pipelines Access (New South Wales) Act. The bill clarifies that the definition of cost to the State includes costs incurred by the Government associated with facilitating the development of the competitive gas market and in assisting the gas industry to implement full retail competition in gas. As currently drafted, the Gas Supply Act subjects very minor changes to the Gas Supply (Customer Protection) Regulation 1997 to the regulatory impact statement process as set down by the Subordinate Legislation Act. In addition, it also extends the consultation period stipulated in the Subordinate Legislation Act from 21 to 40 days. There is no similar provision in the Electricity Supply Act.

Full retail competition in gas will result in changes to the gas market that impact directly on consumers. These market changes may require prompt amendments to the customer protection regulation. However, the current requirement for a full regulatory impact statement process, including a 40-day consultation period, means that the Government is unable to act in a timely fashion. Therefore, the bill provides the flexibility to respond to customer protection issues in a timely manner by replacing the requirement for a full regulatory impact statement process with consultation with appropriate representatives of consumers, the public, relevant interest groups and any sector of industry or commerce likely to be affected. As I said, the Government places a high priority on protecting the interests of small customers in the fully competitive gas market. The Government will ensure that customer protection is not compromised in the pursuit of competition reforms.

I emphasise the strong level of consultation that has been undertaken in the development of this bill. This will be extended to any new regulations made pursuant to the proposed new powers under the Gas Supply Act to ensure that they are practical and cost effective. In addition, any amendments to the Gas Supply (Customer Protection) Regulation 1997 will be subject to the usual regulatory impact statement and public consultation processes. This bill introduces important changes to the structure and operation of the gas retail market in New South Wales. Without these amendments the Government will not be able to deliver a major plank in its gas reforms, commenced more than five years ago. This bill is important in delivering ongoing benefits to New South Wales gas customers and to the wider community. I commend the bill to the House.

Debate adjourned on motion by Mr Fraser.

BILLS RETURNED

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

Conveyancing Amendment (Building Management Statements) Bill
Roman Catholic Church Communities' Lands Amendment Bill
Russian Orthodox Church Property Trust Amendment Bill
Strata Schemes Legislation Amendment Bill

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

Agricultural Tenancies Amendment Bill

Consideration of amendments deferred.

STANDING COMMITTEE ON PARLIAMENTARY PRIVILEGE AND ETHICS AND STANDING ETHICS COMMITTEE JOINT HEARINGS

Motion, by leave, by Mr Yeadon agreed to:

(1) That the Standing Ethics Committee have power to meet and hold joint hearings with the Legislative Council Standing Committee on Parliamentary Privilege and Ethics, for the purpose of its current inquiry into sections 13 and 13B of the Constitution Act 1902; and

(2) That a message be sent to the Legislative Council informing it of the resolution.

House adjourned at 11.05 p.m. until Thursday 5 April 2001 at 10.00 a.m.