

LEGISLATIVE ASSEMBLY

Wednesday 20 June 2001

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

Mr Speaker offered the Prayer.

CASINO CONTROL AMENDMENT BILL

In Committee

Consideration of the Legislative Council's amendments.

Schedule of amendments referred to in message of 31 May

No. 1 Page 9, schedule 2. Insert after line 19:

[8] Section 110 Inspectors to investigate complaints

Insert "with due diligence" after "the complaint" in section 110 (1).

No. 2 Page 12, schedule 2, lines 4 to 6. Omit all words on those lines. Insert instead:

- (2) Such a direction is not to be given unless the person presiding at the inquiry is satisfied that the direction is necessary in the public interest or that there are other exceptional circumstances that require the direction to be given.

Motion by Mr Whelan agreed to:

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

Resolution reported from Committee and report adopted.

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

POLICE LEGISLATION AMENDMENT (SPECIAL CONSTABLES) BILL

Second Reading

Debate resumed from 5 April.

Mr TINK (Epping) [10.03 a.m.]: The Opposition opposes this bill, the purpose of which is to abolish the position of special constable from 1 January 2002. One of the Opposition's key concerns with this legislation is that the Government makes no provision for what it is doing in practical terms. Essentially, it is completely abolishing the position and then reconstituting certain particular positions within the Police Service. In respect of special constables who work outside the Police Service—and, overwhelmingly, special constables do work outside the service—absolutely no provision is made. These officers work in almost all major government departments, including the National Parks and Wildlife Service, New South Wales Fisheries and the Department of Education and Training. Most critically, they also work for local councils.

The bill, if it goes through in its present form, will leave all those government organisations hanging in the air. It makes no provision whatsoever for the organisations served by those officers to continue to cover themselves in any way. Essentially, the only organisation that is provided for is the Police Service. I would like to quote from an undated letter, which I assume was written earlier this year, from the Minister for Police to the Minister for Education and Training. It dramatically highlights the point I wish to make. The Minister for Police informed the Minister for Education and Training that the new provisions are to be effective from 1 January 2002 and went on to say:

Any department or agency within your portfolio—

that is to say, the Department of Education and Training—

that uses special constables will therefore be affected. The Cabinet resolved on 6 February that such agencies, provided they can demonstrate a compelling need for employees to exercise enforcement or compliance powers in performing their functions, could ensure this function continues by returning to Cabinet to gain approval for amending their relevant legislation.

I have not seen any of the other letters, but I assume that letters along the same lines were sent to all other Ministers of State in New South Wales. Quite fundamentally, the Minister for Police is going about this legislation in utterly the wrong way. It is fundamentally incumbent upon the Government, and the Minister in particular, to make adequate and proper provision for special constables right across the public sector, including local government, before the Minister brings before this House legislation abolishing that office. He is basically putting the cart before the horse: he is saying, "This office is abolished; and, by the way, if you have problems, come back and see me and we will fix up your problems."

That is an incredibly sloppy way of legislating to control such fundamentally important offices in this State. This action will leave many government departments wide open. It is suggestive of a lazy, sloppy approach to policy making that addresses the issue totally back to front. It is extraordinary that legislation as sweeping and comprehensive as this should be pushed through Parliament and that the Minister should say, "By the way, if you have a problem you can come to Cabinet and we will try to fix it for you". It is a joke.

Ten days ago \$3 million damage was done to Pennant Hills High School in my electorate. The school is virtually a smoking ruin and it will cost the taxpayers of this State a fortune to fix it. School security is very much on my mind, and it should be constantly on the mind of every member of Parliament. Yet the Minister for Police has written to no less than the Minister for Education and Training to say, "As of 1 January 2002 all of those who provide special security for your schools will no longer exist; they will no longer have any legal authority. But if you want to cobble something together in the meantime, we will look at it". With respect, that is a pathetic approach to public policy making. The school security situation is extremely difficult. A couple of thousand of my constituents have been victims of school security breaches in the past weeks. They and members of school communities across the State feel less safe and less secure as a result of the Government's approach to policy making.

I believe fundamentally that this legislation should not be supported in the upper House until the Minister formulates a comprehensive plan for special constables in all other departments. It is that basic. Are members of Parliament expected to support legislation that abolishes special constable positions and leaves floating in thin air the protection of the public and public facilities? The Minister for Health has spoken at great length in this Chamber in the past few weeks about hospital security. The security of doctors, nurses and patients in the public hospital system is a huge issue. Who are involved in providing security at public hospitals across the State? In many cases, that is also the role of special constables.

Yet I do not doubt that exactly the same letter that was sent to the Minister for Education and Training was also sent to the Minister for Health to say, "We are abolishing the office of special constable. By the way, if you have any problems just come back to Cabinet and we will try to fix them." It is completely back to front. Before we put at risk the personal safety of doctors, nurses and patients in the health system, and students and teachers in the school system—the list is endless throughout various government departments—we must ask the Minister for a comprehensive plan to cover all special constable positions across the public sector. He should put on hold this plan to abolish the office of special constable and reconstitute those positions within the Police Service until all departments of State are covered.

I turn now to the concerns expressed by local government and point out that the Government has recognised the role played by special constable-type security guards in patrolling The Rocks area. A couple of years ago the Deputy Premier, Minister for Urban Affairs and Planning, Minister for Aboriginal Affairs, and Minister for Housing announced the placement of new rangers in The Rocks area. In the *City of Sydney Times* of 17 November 1999, the Minister said:

The new rangers will make sure that Sydneysiders and tourists have the best possible experience when visiting these famous city landmarks.

Under the new regulations, rangers will have the authority to enforce regulations under the ... Act. ... Security guards at The Rocks have been replaced by 20 people-friendly rangers.

It was intended that those rangers would assist The Rocks police by performing a gamut of beat policing-type duties. The future of those people will be put at risk if the bill passes without the appropriate arrangements being made.

Several councils employed community law-enforcement officers when the Government and the Minister abolished dedicated beat police officer positions. Under the previous Coalition Government, 1,300 police officers were dedicated to beat policing in New South Wales. The rosters at any police area command across the State read, "Constable Smith, beats; Constable so-and-so, beats". All police officers are now on general duties, and beat police officers cannot be found. We do not see police on the beat; the best we can hope for is target action groups. There are no basic, community-focused police officers as those under the previous Coalition who were an important part of policing in this State until Labor abolished those positions when it came to office.

A testament to the importance of those 1,300 positions is the fact that local government area after local government area has employed people to do the work of those beat police. Councils such as Fairfield, Lismore, Rockdale, Sutherland, Sydney, Hurstville, Tenterfield, Blacktown, Botany, Forbes, Wollongong and Wyong have employed community law enforcement officers from time to time. These officers are able to make arrests and lay charges for crimes such as vandalism and assault. They may prosecute for illegal dumping, carry handcuffs and batons, be the eyes and ears for local police, issue infringement notices against heavy trucks that breach weight limits in local streets, relieve police at accident scenes and patrol parks. These officers—who have the full support of police—play a significant role in the community, filling the great gap caused by this Government's decision to do away with beat policing. An article that appeared in the *St George and Sutherland Shire Leader* of 20 May 1999 referred to the employment of six community law enforcement officers in that area as a result of an initiative by the then Sutherland Council under the leadership of Mayor Schreiber. The article states:

Miranda's acting local area commander, Inspector Stewart McNiece, said police thought Sutherland Shire Council's plan was a "great idea" and supported it "100 per cent".

"I think it's another example of the police and council working together to prevent crime in the area," Inspector McNiece said.

The honourable member for Cronulla has organised public meetings to discuss the grave security problems facing the Cronulla community. Not too long ago I attended a meeting in Gunnamatta Park at which an extraordinary level of concern was expressed about the level of policing in the Cronulla area. The situation is doubly frustrating for people of that shire. When the Government refused to provide a policing presence in Cronulla, the council resolved to employ its own beat police by default. However, the Government then turned around and set about making illegal the self-help measures that the council—supported strongly by the ratepayers—was attempting to provide.

This Minister for Police not only will not provide us with proper policing in Cronulla; he wants to make it illegal for people to help themselves. That is pathetic and dangerous. This issue, which is of the utmost concern to the honourable member for Cronulla and which is overwhelmingly of concern to council, has come up for debate within council. This Minister has abolished beat policing, shut down the Cronulla patrol and done away with locally led and locally based policing through centralising police patrols. He should at least let Sutherland council, in conjunction with its local member and other concerned residents, continue a program that they believe is necessary to protect ratepayers and shire constituents who are not being protected by this Government.

That is a bit like a hit from the left and then a hit from the right from this Minister. He has taken away the support that the community has had from the police. He has also taken away the ability of the community to police themselves—an issue of great concern not only in Cronulla but also in Menai. Menai is in a situation similar to that in Cronulla, basically having had a locally led and locally based police force until 1997. Essentially, Menai is now a shopfront. No police are based in the Menai area and I do not believe that any police are based in Engadine—they are based in Sutherland and in Miranda. As a result, local policing right through the shire is in crisis. The Minister, having completely stuffed up policing in the shire, is now preventing the shire council from policing itself and providing beat policing.

The Minister has shut down all these police stations and turned them into shopfronts. It appears as though the only duty that is performed by the police is to turn the lights on and off at night. The Minister is now saying that council will no longer have the power to provide special constables—a policing service that he has withdrawn from Menai, Engadine and Cronulla since he came into office. I cannot believe that the honourable member for Menai, in supporting this legislation, is prepared to stab Sutherland Shire Council in the back when it is trying to do its best to protect her constituents. She is a member of a Government that is withdrawing policing services from her area.

Her neighbour, the honourable member whose electorate encompasses the Engadine area, will also come into this Chamber and support a bill that will deprive his electors and his shire council of the office of special constable. The constables were to replace members of the police force that this Government has withdrawn from the Engadine area. Shopkeepers in Menai, Engadine and Cronulla and the communities in those areas want to see beat police. They know that things have gone downhill since this Government has withdrawn beat police. If beat police are not provided by this Government—and that does not appear likely—those communities want beat police provided by council.

Council is happy to oblige, but the Minister wants to outlaw services provided by third parties—services that he does not want to provide himself. The situation in Sutherland is replicated right around the State. Just about every council to which I have referred is or has been in a similar situation. It is totally inappropriate to proceed with legislation that, from 1 January next year, will deprive councils of special constables. I am sure that the honourable member for Cronulla will allude to the fact that, during the summer months in Cronulla shire, the risk to the safety of rail commuters in Cronulla is at its peak. It is during that crisis period that this Minister, this Government, and the honourable member for Menai and the honourable member whose electorate encompasses the Engadine area will be withdrawing these services.

When problems are experienced next January in that shire I hope that those local members to whom I have referred are prepared to accept responsibility. A number of police support the community law enforcement officer program. I understand that the program also has the strong support of Mr Walsh who is located in the northern area of New South Wales. Mr Walsh, who has been extremely complimentary of this program, sees it as an important adjunct to policing services. I believe that all commanders are finding it increasingly difficult to provide policing services, given the ongoing crisis in relation to police numbers, people on long-term sick leave and other issues. Just about every police commander recognises the importance of the services provided by these special constables—services which, until a couple of years ago, were provided by the State Government and services which the Coalition certainly provided when it was in government.

For those reasons the Opposition strongly opposes this legislation which it believes is not appropriate in its current form. It is appalling that the Minister has introduced legislation to abolish a statutory office across the board. He has taken no steps to put in place a replacement plan for other government departments. He has had no regard for school safety or the safety of school buildings. I refer again to the recent incident at Pennant Hills—an incident that could be replicated anywhere in this State. The Minister has not taken into account the safety of people in our public hospital system or the safety of people in every local government area across the State. This legislation is particularly sloppy and ill conceived. I sincerely hope that it does not proceed to finality in the upper House until the Minister gets his act together and puts in place a comprehensive plan for each government department.

Each government department must have a timetable within which to provide Cabinet with proposals detailing how to address these special constable positions. The Minister must table those proposals in Parliament and inform us how he will assist those local councils that are willing to continue with their community law enforcement program. The Minister must outline proposals to enable councils to continue their community law enforcement programs. There is a way to enable that program to continue. What is happening at the moment is not appropriate. I refer to new section 81AA, subsection (3), which provides that the powers to be exercised by special constables in the Police Service will be limited to the security of buildings. In other words, there is no provision in this legislation for the concept of beat policing.

Under this bill police will be limited to doing circuits of buildings, which will completely destroy the concept that community law enforcement officers have a wider capacity and that they act as a visible deterrent. I know that law enforcement officers in Sutherland, in Riverwood and elsewhere provide such a visible deterrent—a service that this Minister wishes to do away with. This legislation has no provision for law enforcement officers to do anything other than guard buildings. That issue would have to be addressed in any legislation that proceeds through either House of Parliament. In my opinion, this legislation requires a lot of work. The Minister must put in place a comprehensive plan for all public sector departments to use special constables. He must also put in place a plan to ensure that councils that want to continue to protect their ratepayers in areas where police services have been withdrawn are given an opportunity to do so. For those reasons the Opposition opposes the bill.

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

**SUMMARY OFFENCES AMENDMENT (MINORS IN SEX CLUBS) AND
THEATRES AND PUBLIC HALLS REPEAL BILL**

Second Reading

Debate resumed from 5 April.

Mr R. H. L. SMITH (Bega) [10.30 a.m.]: The Opposition does not oppose the bill.

Mr WHELAN (Strathfield—Minister for Police) [10.30 a.m.], in reply: I thank the Opposition for its support of this important bill.

Motion agreed to.

Bill read a second time and passed through remaining stages.

**LOCAL GOVERNMENT AMENDMENT (ENFORCEMENT OF PARKING AND RELATED
OFFENCES) BILL**

Second Reading

Debate resumed from 7 June.

Mr TINK (Epping) [10.31 a.m.]: The Opposition does not oppose this bill outright, but we propose to move amendments, which I will detail briefly. On my understanding, the bill comes about as a result of, amongst other things, a performance audit report of the Auditor-General in relation to the enforcement of street parking regulations. This is important legislation in the sense that the enforcement of street parking regulations is particularly important for small businesses. In my electorate of Epping, probably in every shopping strip in Pennant Hills, Beecroft, Epping and, by extension, Eastwood, parking offences have increased in the past couple of years despite the best efforts of parking patrol officers. I compliment and support the work of the parking patrol officer who is attached to the Eastwood Local Area Command. Despite the best efforts of that officer, quite plainly, the problem is way beyond the officer's resources to deal with.

I do not believe that the Police Service overall has any focus or commitment towards the enforcement of street parking rules and regulations. For that reason, I support the transfer of street parking responsibilities to local government. I believe that local government is much more sensitive to the needs of local communities and of small business people in my electorate and, I would imagine, in the electorates of every other member of this Parliament across the State. I believe also that local government is particularly sensitive to the needs of school and community groups. During school opening and closing hours particularly and, to a lesser extent, during the lunch hour, school communities face real issues relating to the parking of vehicles and the safety of school students.

Small businesses, particularly in the Pennant Hills area, face a vexed problem. People from all over north-western Sydney park in the residential streets and commercial areas of Pennant Hills. It has reached the point where commuters park all day in 15- or 30-minute parking areas which have been set aside for small businesses. Despite the best efforts of the few parking patrol officers and police resources devoted to this area, because of the lack of resources parking infringements are becoming more prevalent. Proper policing of 15- and 30-minute parking zones is a matter of commercial and financial life and death to small businesses. It is as simple as that.

Proper policing of parking regulations in and around the vicinity of schools before and after school and during the lunch hour is literally a matter of life and death to students and, by extension, the wider school community. Double and triple parking of cars near schools reduces visibility and can put school students at great risk. In my electorate most schools have been in existence for a long time. Nearly all of them front busy roads which were not built or designed for the volume and speed of traffic they now carry. The enforcement of traffic regulations around schools is a matter of real concern. The Coalition has come to the view that this type of authority is best handled by local government, which is most sensitive to and able to deal with these issues on a local government area basis.

Parking patrol officers have expressed strong concern as to the continuity and future of their employment in the local government area. The bill inserts a new part, entitled "Provisions in connection with

enactment of Local Government Amendment (Enforcement of Parking and Related Offences) Act, Employment of former parking patrol officers", which covers that issue. I have spoken personally to Greg O'Donohue of the Public Service Association who has assured me that the members who are affected—who will become members of the Municipal Employees Union as part of this package—are appropriately catered for from a strict industrial point of view by these provisions. The Coalition accepts that assurance accordingly.

The other key part of the bill relates to the Treasurer entering into arrangements with council as to the allocation of money. The Coalition proposes amendments to this part of the bill. In short, the effect of the amendments will ensure that all councils, with the exception of North Sydney, South Sydney and City of Sydney councils, receive 100 per cent of the revenue. I understand that the councils have an informal arrangement with the Treasurer. However, following talks with the Local Government and Shires Associations, which have the support of every head of local government in the State—with the exception of the head of the council of the City of Sydney, whose local government area has its own arrangements with the Government—we are informed that the councils want the revenue implications, with 100 per cent going to local government, spelt out in legislation. That is a particularly important issue. In a bill of this importance, which is based on an Auditor-General's report and an important policy issue with respect to safety and viability of small businesses, the Parliament should spell out where the money is going.

I believe the State Government has been significantly underspending on traffic safety, parking and related issues. The income it is getting directly from parking fines and related fines, which under this legislation would be transferred to local government, has been going to other purposes. One of the reasons that parking is such an issue is that the Government has not devoted the level of resources to its enforcement that it should have. The only way to ensure that is for Parliament to direct the money to local government, which will have the responsibility of enforcement.

I understand that the proposal put forward by the Government in relation to North Sydney and South Sydney councils is that there be a 50:50 split between the Government and those two local government areas with respect to the share of this revenue in perpetuity. Apparently that is the arrangement that has been entered into between the Government and the Council of the City of Sydney, in respect of which I make no further comment. But the clear wish of the mayor of North Sydney, Genia McCaffery, and the Mayor of South Sydney, Jonathan Fowler, is that this arrangement is to prevail for five years only and after five years all revenue from the transfer of these powers should go to the local councils concerned. The amendments also reflect that. Two goals are achieved through these amendments, which are supported by the head of every local government area in the State with the exception of the Lord Mayor of the city of Sydney, who I am not suggesting is against the proposal but who has entered into his own arrangements. I foreshadow those amendments and indicate that we do not have other problems with the bill.

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

CHILD PROTECTION (OFFENDERS REGISTRATION) AMENDMENT BILL

Bill introduced and read a first time.

Second Reading

Mr WHELAN (Strathfield—Minister for Police) [10.43 a.m.]: I move:

That this bill be now read a second time.

In response to recommendation 111 of the Royal Commission into the New South Wales Police Service paedophile inquiry the Carr Government introduced the Child Protection (Offenders Registration) Act, the first legislation of its kind in Australia.

The Act requires offenders who sexually assault, indecently assault, murder or kidnap a child, or who commit child pornography or child prostitution offences, to inform police of changes to their names, addresses, employment and motor vehicle details for a period of time after their release into the community. This is in recognition of the special risk these offenders may still pose to children after they are released back into the community.

The Act's purpose is to increase, and improve the accuracy of, child sex offender intelligence held by police; assist in the investigation and prosecution of child sex offences committed by recidivist offenders;

provide a deterrent to reoffending; assist in the monitoring and management of child sex offenders in the community; provide child abuse victims and their families with an increased sense of security; and enable child murder and kidnapping offences to be considered for the purposes of employment screening and prohibiting child-related employment.

The Act also contains provisions, which the Government has already commenced, to allow the Commissioner for Children and Young People to compel government agencies to provide her with information relevant to an assessment of whether an offender continues to pose a risk to child safety. This information is used by the commissioner in proceedings before the Industrial Relations Commission or Administrative Decisions Tribunal where serious sex offenders seek to have their ban on working with children lifted. I am advised that these new provisions have, to date, helped the commissioner get the evidence she needed in 53 cases.

After the Act was passed, I established an interagency implementation committee to develop the new systems necessary to support the effective operation of the Act. The committee is chaired by the Minister for Police, and includes members of the Police Service, Attorney General's Department, Office of the Director of Public Prosecutions, Judicial Commission, Law Society of New South Wales, Corrective Services, Department of Juvenile Justice, New South Wales Health, the pre-trial diversion of offenders program, the Ombudsman's Office, Commission for Children and Young People and Privacy New South Wales. I am pleased to advise the House that implementation of the Act is nearing completion. The Police Service has almost fully developed the child protection register, a secure computer system that will contain the information provided under the Act, as well as other intelligence information about offenders against children.

The final technical upgrades are being made and the system is currently being tested by police from the field. The service has established and staffed the child protection register unit within its information and intelligence centre. The Police Service has nearly finalised its standard operating procedures for the administration of the Act and will be able to complete this task upon this bill being passed. Other justice agencies are implementing systems necessary to track relevant offenders against children across the justice system, and to inform offenders of their obligations under the Act. An explanatory pamphlet on the Act has been developed for offenders and their legal representatives, and police and judicial education material is now being prepared.

Mr O'Doherty: Mr Speaker, stranger in the House—stranger danger!

Mr WHELAN: I'm glad he didn't have a knife.

Mr O'Doherty: That's right.

Mr WHELAN: That cannot go without notice, Mr Speaker. Subject to final systems testing being successful, I am advised that it is expected the Act will be fully operational by the end of August. However, the committee responsible for implementing the Act has advised the Government that the Act will be more effectively administered if a number of minor amendments are made. The Government is committed to making these changes before the Act comes into force, and that is the reason I bring this bill before the House today.

I will now detail the specific amendments contained in schedule 1 to the bill. The bill closes two loopholes that may allow a small number of recidivist offenders, or offenders against multiple victims, to benefit from the shorter registration periods provided for one-off offenders. Firstly the bill, in items [1], [2], [12] and [13], will ensure that persons convicted of the offence of persistent sexual abuse of a child under section 66EA of the Crimes Act 1900 are dealt with as recidivist class 1 offenders, being the most serious class of offenders under the Act. This means persons found guilty of such an offence will be required to report to police for 15 years, or the rest of their lives if they have previously been registered for another class 1 offence. This is appropriate as the offence of persistent abuse of a child carries a maximum penalty of 25 years, which is the same penalty for murder and homosexual intercourse with a male under the age of 10, and a greater penalty than for all other offences covered by the Act.

The Government introduced section 66EA in response to the problems raised in the judgment in *S v The Queen*, to enable a conviction where child sex offences against a particular child are established on three or more separate days, but where it is difficult to sufficiently particularise each offending incident. Whilst section 66EA by its very nature involves recidivist behaviour, it may result in a single conviction. The amendments make it clear that persons found guilty of this offence are to be treated as recidivists under the Act.

The Act treats offences arising from the same incident as a single offence, as it is possible that an offender may be charged with multiple offences for the same action. The Act seeks to impose longer registration periods on recidivists, not people who receive multiple charges for a one-off offence against a single victim. However, the implementation committee recommended that the same incident test needs to be more clearly defined to prevent some high-risk offenders from pursuing legal arguments that they should be subject to the lower registration periods of one-off offenders. For example, they may argue that their offences over a period of time stem from some common causal incident, perhaps their own abuse as a child.

The Act creates a system under which a person's registrable person status or registration period is not a matter for determination by the courts. Rather, these matters flow automatically from a finding of guilt, subject to very low sentencing thresholds being met, and the offender's overall registrable offence record. The role of the courts is simply to inform registrable persons of their obligations under the Act, with this being done by the administrative arm of the courts, rather than by the judiciary.

It was never the intention of the Government that lawyers would spend valuable court time arguing the meaning of "arising from the same incident". Accordingly, new section 3 (3) makes the meaning of that term precise and transparent. New section 3 (3) adopts the 24-hour threshold used in distinguishing the separate incidents in the offence of persistent sexual abuse of a child. Offenders who commit offences outside a single period of 24 hours demonstrate clear recidivist behaviour and will not be able to satisfy the same incident test. The test also excludes persons who commit offences against more than one victim, even where those offences were committed at the same time.

It must be recognised that such offenders pose an increased risk to child safety and should be subject to the more stringent reporting periods imposed on multiple offenders. New Section 3 (1) makes it clear that a reference to a good behaviour bond under the Act includes a bond issued to a child, as well as one issued to an adult. Children subject to such bonds are already captured by the Act under the definition of registrable person. The amendment will ensure the Department of Juvenile Justice has a statutory obligation, under section 5 (3) (c) of the Act, to inform children subject to such bonds of their obligations as registrable persons.

New section 3 (1) responds to legal advice from New South Wales Health that persons found to have committed registrable offences, but who are detained as forensic patients by orders made under sections 27 and 39 of the Mental Health (Criminal Procedure) Act 1990, are not technically sentenced for those offences. New section 3 (1) corrects this minor drafting matter by defining such orders as sentences for the purposes of the Act, ensuring that the Act applies to forensic patients in the manner already supported by Parliament. New sections 3 (1) and 5 (3) (d) recognise that some registrable persons with mental health conditions, who are found guilty and detained under the Mental Health (Criminal Procedure) Act, receive orders of detention more akin to a home detention or periodic detention order than an order for full custody.

Whilst this has happened only on rare occasions, it is important that these offenders who are allowed some time in the community immediately after sentencing are treated like other such offenders, not those who are placed in full-time custody. As the Act applies to offences in other jurisdictions, so too must it recognise successful appeals against convictions for registrable offences in other jurisdictions. The Act recognises only New South Wales appeals. New section 3 (1) corrects this.

New section 3 (1) makes a minor amendment to the definition of strict government custody by clarifying the meaning of "at large" in the current definition. Correctional agencies were unsure if the provisions applied to all persons who leave their place of custody, or just those who leave their place of custody and are unsupervised at all such times. The amendment clarifies that supervising authorities—Corrective Services, the Department of Juvenile Justice and New South Wales Health— need notify police only when an offender has unsupervised leave from his or her place of custody. New section 6 (1) extends the circumstances in which supervising authorities must notify police of a change to a registrable person's supervision status.

Currently, the Act requires those bodies to notify police only when an offender leaves custody or is allowed some unsupervised time in the community during his or her period of custody. There is no requirement for supervising authorities to provide information on the completion of a sentence served in the community, such as a community service order, periodic detention order, home detention order, or supervised bond. There is also no requirement for police to be notified of a change to a registrable offender's parole status or completion of their participation in the pre-trial diversion of offenders program. This position was taken because these registrable persons would already be reporting to police.

However, the Police Service believes the provision of this additional information would assist police in verifying information provided by registrable persons. Registrable persons are more likely to change behaviour

patterns and living arrangements following the completion of a sentence or period of parole/license, increasing the likelihood of registration details being altered. A change in supervision status may also increase the likelihood of reoffending. The bill therefore requires supervising authorities to inform police of the above matters.

New section 6 (2) enables supervising authorities to inform offenders of their obligations under the Act as soon as practicable before their release, and as soon as practicable after their release, as is currently the case. As a general rule, supervising authorities will find it easier to serve the notice as part of the release process, rather than after the release when they no longer have the same level of contact with the offender. The amendment will enable notices to be served as part of the release process, simplifying procedures and increasing the likelihood of offenders being made aware of their obligations.

New section 22 is a key provision of the bill. It enables an agency with responsibilities for notifying offenders under the Act to transfer some of those responsibilities to a more appropriate agency. These arrangements would be entered into only with the consent of relevant Ministers, and would be made transparent by recognising them in the regulations. Any such arrangements would still ensure registrable offenders were notified of all their obligations as soon as practicable after sentencing and upon their release. The implementation process has identified a clear need for a more flexible notification system.

For example, lodging the court's notification functions with the registry, rather than judicial officers, makes it difficult for the court to notify offenders who are immediately taken into correctional custody as such offenders do not pass the registry desk. Government agencies are currently negotiating with supervising authorities to take on the notification role in such instances. Negotiations are also being finalised for the Police Service to take on a more active notification role under section 7, rather than just acting as a safety net to catch offenders not notified by the courts or supervising authorities. It is envisaged that all offenders will be served with an additional full notification at the time they first report to a police station.

The regulations would enable notifications to be served by the most appropriate agency, depending on levels of contact with the offender. This will maximise successful notifications and result in administrative savings for government. This flexibility will also allow the legislation to respond to changing contact arrangements justice agencies have with offenders. These amendments will support the effective operation of the Act. The Government believes it is responsible to address issues raised in the implementation process at this stage, rather than wait for the commencement of the Act and then impose system changes when procedures have been finalised.

I would like to take this opportunity to address an issue that is not specifically dealt with in the Act. That is the possibility of courts considering the impact of the Act on offenders in determining sentences. Obviously, it would be of great concern to this Government and all members of the community if legislation designed to protect children resulted in offenders against children being released into the community earlier than is currently the case. As I have previously advised, the role of the courts under the Act is to issue certain notices, with this being done by the court registry rather than judicial officers. There is no judicial discretion in determining whether an offender is a registrable person or in setting the period for which such an offender must report to police. These matters are an administrative by-product of sentencing and the offender's total relevant criminal record.

The Act is quite clear that sentencing determines registration—registration does not determine sentence. Nevertheless, Crown Advocate's advice was sought on whether courts should consider the impact of the Act in determining sentence. The Crown Advocate has advised that he believes it would be inappropriate for the impact of the Act to be considered at sentencing, stating that obligations for certain classes of people to provide information are commonly imposed by statute and contract. He also cites recent decisions of the Court of Criminal Appeal that bail reporting obligations should not be considered in reducing sentences, and notes that the reporting obligations under the Act are less stringent than bail reporting obligations. If the more regular bail reporting obligations of a person who has not yet been convicted are not relevant to sentencing, it is clear that the requirements imposed on a convicted child sex offender are also not relevant.

The Judicial Commission has kindly agreed to publish an article on the Act, which will discuss sentencing issues. I am confident that the courts will apply the law in the proper manner. The Act and this bill reflect the Carr Government's proud child protection record, a record unequalled by any government in the history of Australia. It was this Government that passed the Children and Young Persons (Care and Protection) Act 1998, which ensures all government agencies work together in responding to child abuse. It was this

Government that established the Child Protection Enforcement Agency in the New South Wales Police Service, which has been recognised by the Federal Bureau of Investigation as a world leader in investigating child abuse. It was this Government that introduced the Commission for Children and Young People Act 1998, to screen applicants for child-related employment for offences against children. It was this Government that introduced the Child Protection (Prohibited Employment) Act 1998, making it a criminal offence for persons found guilty of child sex and other offences to seek or remain in child-related employment. The Child Protection (Offenders Registration) Act and this bill build on these important achievements. I commend this bill to the House.

Debate adjourned on motion by Mr O'Doherty.

SYDNEY OLYMPIC PARK AUTHORITY BILL

Second Reading

Debate resumed from 5 June.

Mr O'DOHERTY (Hornsby) [10.59 a.m.]: I lead for the Opposition and indicate to the Government that we will not oppose this bill. However, the Opposition will move an amendment in Committee. The development of Sydney Olympic Park and the Millennium Parklands is a step towards the fulfilment of a vision that first came from the Greiner Government. It was a dual vision. The first part of the vision was to attract to Australia the largest peacetime event in the modern world, that is, the Olympic Games. The second part of the vision was to use the Olympic Games as an opportunity to provide for the large-scale redevelopment of an area of Sydney which, although lying slightly to the east of the centre of the Sydney metropolitan area, had become completely decrepit in many of its functions and aspects.

At the time, redevelopment of the whole Homebush Bay area seemed, to those people who first conceived of the plan, to be something which would have a long-term lasting benefit to the people of Sydney and, indeed, of Australia. That position is partly completed with the Olympics having been staged successfully. Australia did stage the most successful Olympic Games ever. The first part of the Greiner Government's vision has been achieved. The second part of the vision has been partly achieved, but I am sure everyone agrees that there is still a very long way to go. Redevelopment of the Homebush Bay site was viewed by the Greiner Government as being of strategic importance to Sydney and of great economic benefit to western Sydney, to the whole of the Sydney basin and, because of the spin-offs that it creates economically, to all of New South Wales.

Honourable members need only cast their minds back to what the site contained when this plan was conceived by the Greiner Cabinet at that time to realise how far we have come in that short period. Indeed, it tells quite a tremendous story about the ability and the enterprise of New South Wales as a State. It is remarkable what we can do when we get together, and there has been furious activity at the site to achieve what has been achieved so far. The Coalition's concern is that, in planning for and staging the most successful Olympic Games for the world to see, the Government was unable at the same time to make further plans for the ongoing legacy that the Games should leave in the redevelopment of that site and its use to create economic benefit for all of New South Wales.

In saying that, I reflect on the fact that we still have no firm figure from a reliable source as to the full cost of the Olympic Games. The Government claims that the Olympic Games cost \$1.42 billion. That figure comes from this year's budget papers. However, there is no explanation from the Government in the budget papers as to how it arrived at that figure. It is a very nice number; it sits there in the budget papers and jumps off the paper at you. One's immediate response is to say, "Well, look at that. It looks like probably one-third of what the true cost was to the public purse of staging those Games."

I base that estimate on something that David Richmond said soon after the Games concluded. During an interview with Sally Loane on radio 2BL he put the total cost to the private and public sectors of staging the Games at about \$7 billion. Through calculations made on the basis of what we understand the private sector cost to be, the best estimate the Opposition can make at this stage, based on David Richmond's figure, is that the public cost of staging the Games was probably in excess of \$5 billion—and was probably \$5.5 billion. That includes the amount that was spent by agencies not directly related to Olympic construction or Olympic running. I think the Treasurer's figure of \$1.4 billion relates to the Olympic Co-ordination Authority and Olympic Roads and Transport Authority.

It does not relate to the Police Service and departments as diverse as Education, Health and so on which seconded officers to the Olympic effort and paid them overtime in a deal stitched up by the Premier in the week

before the Games. That deal received no publicity at the time. The cost to the agencies of staging the Games is contained in their budgets. The Opposition will continue to pursue that matter because the people of New South Wales are entitled to know how much it cost them to stage the Games. The cost is measured in reduced capital works for schools and hospitals and reduced allocations for police to be on the beat in country areas and in metropolitan areas of New South Wales. The State has borne that cost. While the Opposition does not quibble with the fact that the Games were a great success and a tribute to all those who were engaged in their preparation and execution—we do not quibble with how well we did—nonetheless we feel that the people of New South Wales are entitled to know exactly how much it cost them. As I said, the cost can be measured in capital works not done at local schools.

In this post-Olympic period we are looking to the Government to return some of that money to communities that have gone without for five years. Those communities are not only in Sydney but also in parts of New South Wales that will not see direct benefits from the Olympic Games. Residents in those communities did not have the opportunity, as did Sydney residents, of soaking up the atmosphere, in travelling to the city to take part in what was a tremendous atmosphere during the Games. Communities in the bush are doing it tough, and they are doing it tough additionally because of the money that was not spent on improved works and services in country areas during the Olympic preparation period. The Opposition is concerned that in the post-Olympic period real equity is returned to the people of New South Wales for the money they have forgone in preparing and staging the Games.

Returning to the subject of Homebush Bay, the Opposition is also concerned that what comes out of Sydney Olympic Park quickly returns economic benefit to New South Wales and does not continue to be a drain on public finances. In the current budget for the next financial year the allocation for the Sydney Olympic Park Authority [SOPA]—\$50 million—amounts to \$1 million a week. That \$50 million will not be spent in the Willsend electorate or in the Hornsby electorate because it is being spent at Olympic Park. Once again, the Opposition will not quibble with the expenditure provided that it is accountable, we can see that it is being used appropriately and, most significantly, it is being used in a way that will quickly see a return to the people of New South Wales for the investment of public money in that facility—a facility, I remind honourable members, which has already cost us billions of dollars and which is currently still costing us \$1 million a week in the SOPA budget.

Other figures will be added to the SOPA budget by virtue of this bill, which will be passed by the Parliament today. Under the bill, amongst other agencies, the Bicentennial Park Trust will be absorbed by the Sydney Olympic Park Authority, so the Bicentennial Park Trust budget will be added to the SOPA budget of \$50 million. While I cannot be certain of the figures, on the basis of a briefing we received a couple of weeks ago I understand that that figure is in the order of \$14 million. I understand also that figures in excess of \$20 million from other agencies will be added to the \$50 million core budget of the Sydney Olympic Park Authority. Some of that is capital expenditure.

My understanding, again on the basis of that briefing, is that about \$30 million of the Sydney Olympic Park Authority budget is for capital works which are yet to be determined. Therefore, a large proportion of the SOPA budget is for recurrent expenditure. We need a full accounting of how this public money is being spent. We should ensure that the Government is spending this public money against the idea that, we hope fairly soon in the future, there will be a return to the people of New South Wales, not just a continuing drain, for the money that we have invested in the redevelopment of the area. We will be pursuing those matters with the Government as time proceeds.

The bill creates the Sydney Olympic Park at Homebush Bay. The area includes the Olympic venues and the public domain areas for the Games plus around 450 hectares of open space forming the Millennium Parklands. These include Bicentennial Park and the former Olympic village. Newington Nature Reserve, formerly the Silverwater Nature Reserve, is considered too sensitive an area to be included and it will remain under the care and control of the National Parks and Wildlife Service. This very large area will be controlled by the Sydney Olympic Park Authority established by the bill. It will be a statutory corporation with responsibility for the land. It will also exercise a number of other functions including the economic development and use of Sydney Olympic Park, including the provision of management of infrastructure there. Its responsibilities will include the promotion, management and organisation of activities and facilities for sporting, cultural, educational and other uses.

The responsibilities include the protection and enhancement of the environment and the cultural heritage within Sydney Olympic Park, and in particular within the Millennium Parklands. They include the provision and the operation of public transport in Sydney Olympic Park. They include ongoing arrangements

and liaison with the International Olympic Committee and the Australian Olympic Committee. In other words, the Sydney Olympic Park Authority will become the ongoing contact point for the New South Wales Government on Olympic matters. I certainly hope that there is some allocation in the SOPA budget or from the Olympic Committee—the International Olympic Committee ought to be paying—to pay for Peter Ryan's expenses. Our most highly paid public servant is spending a good deal of our time advising Athens on its Olympic bid. That is all very well, but he should be back here fixing rising crime rates. Those are some of the functions of Sydney Olympic Park and the Sydney Olympic Park Authority provided under the bill.

In terms of governance, clause 55 provides that the Sydney Olympic Park Authority has a board of authority subject to the control and direction of the Minister. Clause 56 provides that the Minister will appoint people who sit on the board, a chairman and at least three other members. This is the area in which the Opposition will move an amendment. We are concerned that there is not enough direction to the Minister as to who ought to be on the board. It is interesting to reflect on the first board that the Minister has announced on 27 May. The chairman, David Richmond, is the former director-general of the Olympic Co-ordination Authority. He is a man with vast experience, to whom New South Wales owes a debt of gratitude for the successful planning of the Games. He then was part of the team responsible for their successful staging.

Herb Elliott, an Olympic great and someone the community holds in great affection, will be a member of the board. The chairwoman of Sydney Water, Gabrielle Kibble, will also be a member of the board. She has longstanding experience in planning, having served Labor and Liberal administrations. The former chief executive of ORTA, Bob Leece, will also be a member of the board. Those people have direct experience in various matters concerning the operation of SOPA. Herb Elliott's Olympic experience will be very important as we continue to liaise and negotiate with the various Olympic authorities that might want to talk to Sydney about its bid. It is important to have an Olympian on the board. It is also important to have on the board someone like Gabrielle Kibble, with planning experience and public sector experience. The experience of Bob Leece in also helping to stage the Games is very valuable.

I do not denigrate the next two people who have been appointed to the board: I am sure they also bring valuable attributes to it. They are Penelope Figgis, the Vice-President of the Australian Conservation Foundation, and Chris Christodolou, the Deputy Assistant Secretary of the New South Wales Labor Council. The appointment of someone from the environment movement and someone from the union movement to the board gives a very interesting insight into the way the Government does business. There are very clear and environmentally sound reasons why someone with environmental experience and concerns should be on the board. The management of the Millennium Parklands is a substantial undertaking by SOPA. I think that clause 57 of the bill provides that SOPA should set up a committee that works with the board specifically for the management of those environmentally sensitive areas.

I state for the record that it was the New South Wales Coalition that determined, when we first bid for the Games, that they should be the green Games. That was one of the many reasons why our bid was so successful. The ongoing environmental legacy of what happens at Homebush Bay was critically important to the original vision of the Greiner Government in bringing the Games to Sydney and placing them at Homebush Bay. So it is important that the board includes people with environmental credentials. In passing I note that there are other concerns within this building about some of the environmental management issues. The Opposition has been speaking with the Nature Conservation Council and others about those concerns. We will have more to say about that here or in another place.

To return to the structure of the board, the question is whether Chris Christodolou will be representing the Labor Council. Whom will he represent? I do not know Chris Christodolou and I do not make any reflection on his expertise. But he is someone from the union movement. We must acknowledge today of all days that the Carr Government's relationship with the union movement is a direct, demonstrable burr in the saddle of appropriate governance of the State of New South Wales. Yesterday there was the extraordinary spectacle of a union blockade. That cannot be supported and would not be supported by any member of this House, nor any right-thinking member of the community. Nonetheless, members were still able to gain access to the building ultimately. A number of Labor caucus members came in with police escorts under extraordinary circumstances. We support them for coming to the Parliament to ensure that democracy was served by their attendance here. But other members of the Labor caucus would not come through the blockade. They chose not to walk through, even with the escort—

Mr ACTING-SPEAKER (Mr Mills): Order! The honourable member for Hornsby has strayed a long way from the Sydney Olympic Park Authority Bill. I remind him that he should confine his remarks to the leave of the bill. He will have an opportunity to debate the issues he is now referring to.

Mr O'DOHERTY: I am referring to the presence on the SOPA board of a member of the Labor Council. As I finish this point I will draw my remarks back to the bill if you will just allow me another minute. Yesterday the union movement had a direct impact on whether some members of this Chamber were able to enter the Chamber. There is still a great deal of tension between the union movement and the Labor Party, which is the majority party in this House and therefore governs the State, as to whether it is able to govern effectively without that kind of duress. That is a very tenuous relationship. To finish my point, it is having a direct impact on the ability of the Cabinet, the Executive arm of government, to govern properly and, even more importantly, on the ability of this House to function.

There are questions about the Labor Party and its relationship with the labour movement. Because of that relationship the Labor Party continues to provide significant roles for members of the labour movement. To have a member of the Labor Council on the board of the Sydney Olympic Park Authority without having someone who represents the direct interests of the private sector is plainly partisan in the worst way, because it leads to the type of situation that occurred yesterday. On that occasion members of the union movement dictated to members of this House whether they would attend the Chamber or not. Yesterday some members chose to put their affiliation with the union movement before their affiliation with their constituents and their responsibility to be in this Chamber at 2.15 p.m. That is why when the make-up of a board is announced by the Treasurer—a board that will be established under the bill that is currently before this Parliament—members of the Opposition are entitled to question why a representative of the Labor Council is a member of the board whereas there is nobody on the board who represents the expertise, interests and experience of the private sector. I will refer to this point later.

The Opposition has spoken both to the businesses represented at Homebush Bay by Roger Perkins, the Chair of the Homebush Bay Business Association, and to the Sydney Chamber of Commerce. The Opposition's concerns are reflected by business people to whom the members of the Opposition have spoken. The whole of New South Wales needs to benefit from the developments at Homebush Bay. The benefit needs to be both to, and led by, the private sector. The economic growth of New South Wales and the resultant increased wellbeing of its citizens are in the hands of the private sector, and that is where advancement will best take place. The Government can spend the \$32 billion that it currently takes out of the community each year in various ways, but that money will go only so far. The Opposition is concerned about some of ways in which that money is being spent. But without the involvement and the direct work of the private sector, this State will not prosper. It is the private sector that ultimately will make the Homebush Bay site work.

There has already been substantial public investment, details of which I have already outlined, but large-scale development of economic activity which will directly benefit New South Wales is in the hands of the private sector. We will see that benefit being generated in concentric circles that are centred on Homebush Bay. There will be immediate benefit when the private sector is allowed to work effectively in the creation of jobs and the development of the Homebush Bay sector. The next ring will be the local government areas around the Homebush Bay site, where a lot of local government activity has already taken place. The businesses and job creation will begin there and move out in waves throughout New South Wales. It is important that those waves reach every area of the State. It will not be the Government that ultimately delivers that benefit: it will be the private sector.

For the reasons I have outlined, the Opposition will move an amendment to require the Treasurer to appoint to the board someone with private sector experience. Let the Government argue why it has appointed to the board a member of the Labor Council but is not prepared to appoint someone from the private sector, which will actually make economic development work. The Premier and the Treasurer yesterday announced the draft master plan for Sydney Olympic Park. A draft master plan is also provided for in the bill. Yesterday's announcement referred to development proposals for up to 20 sites at Sydney Olympic Park. The plan deals with the first sites for which the private sector will be asked to submit development proposals, and I hope it will not be too long before proposals are sought for the other sites.

A call for submissions for development of the site would have reflected better timing if it had been made prior to the staging of the Olympic Games. Almost a year has elapsed since the Olympic Games were held and only now has the Government asked for expressions of interest for the development of significant sites at Sydney Olympic Park. That indicates just how flat-footed the Government is because preparation for the Olympic Games omitted any provision for the legacy of the Games. I remind the House that the legacy of the Olympic Games was always in the minds of members of the Coalition—and the Coalition won the Games for New South Wales and Australia—and was considered by the Coalition to be more important than the staging of the Olympic Games. Without provision for the ongoing benefit for New South Wales after the Olympic Games, the Games could be regarded as nothing more than a big party—a good party, but just a big party. Nobody in New South Wales wants a big party to be the only impact of the Olympic Games.

The draft master plan which was released yesterday is not a well-formed proposal and looks a little like mutton dressed as lamb. Honourable members have not received a full briefing by the Government on these proposals. It would be nice if information packs were circulated. I notice that the Treasurer's adviser is nodding, and I appreciate the acknowledgement of my request. Once again the Government has made grand announcements and only after a request is made will provide information for the benefit of members. At this stage, a bill is being debated in Parliament which includes provision for a draft master plan, but no-one in Parliament House understands the full extent of the proposals. The Government likes to make flashy announcements and proceed by decisions of the Executive rather than by the will of the Parliament.

The comments I make on the draft master plan are based entirely on the Treasurer's press statement which was released yesterday and on press reports that I was able to absorb during what was a fairly hectic period for honourable members yesterday. I note that the Treasurer's statement included the fact that the plans for these sites "... could include three 20-storey residential towers and a 30-storey residential tower". If such development work was proposed for any other part of Sydney there would have been an uproar—and there may still be an uproar—but the bill provides that the Treasurer does not have to take into account any comments made by members of the public when he decides on the master plan. That is a matter that concerns the Opposition. I call on the Government to ensure that a full public consultation process takes place and that comments by members of the public will not be put in a bottom drawer and simply forgotten. I call on the Government to make a substantive response to any comments it receives from members of the public in relation to the draft master plan that will be on display.

I also ask the Government not to rush into approving the master plan. The Government has asked for expressions of interest and should allow that process to take place. I believe that members of the community will be concerned about substantial, high-density and very large residential towers on the Homebush Bay site. That is something that, at the very least, the community should be able to debate. Because the bill provides wide and sweeping powers to the Government and, ultimately, to the Treasurer, that does not justify any government attempting to subvert the will of the people and to subvert any reasonable comments by members of the public in relation to the plan. In passing I mention that although the Minister for Urban Affairs and Planning makes the plan, the Minister who is in charge of SOPA is the Treasurer—an indication that the Government's primary objective for the site would appear to be an economic one. That approach is consistent with comments I made earlier about the need to generate income from the site and to do so quickly.

The Opposition nonetheless indicates that proper consultation and planning processes should not be avoided by fiat of the Government; that it is a bad principle. Accountability of government is a good principle, but a government ruling by fiat is a bad principle. Having placed my concerns about this bill before the House, I have no doubt that other Coalition members both in this House and in another place will also raise their concerns. The Opposition will not oppose the bill but will move an amendment, as I have already indicated, and reserves the right to either move or to support amendments in another place. It is hoped that discussions which are currently taking place will result in some improvement to the process of passing this legislation. In conclusion, I return to the Greiner Government's original concept for the redevelopment of the region of Sydney in which Sydney Olympic Park is located. Information released in 1993 by the Greiner Government about the then pending bid for the Olympic Games illustrates the extent of the vision of the Government at the time. In part that information reads:

The Olympic Village will be in Sydney Olympic Park, perfectly located on the upper reaches of Sydney's beautiful Harbour.

The plan for the Village achieves several parallel goals: providing the best possible accommodation for Olympic athletes; applying the highest environmental standards to the development; and, after the Games, giving Sydney a new suburb of affordable housing.

Better still, the creation of the Olympic Village will not require resumption of land. The area is a large tract of surplus government land, the basis for a visionary urban renewal project right in the geographical heart of Sydney.

Without labouring the point, there is a remarkable difference between what was there then, what is there now and the prospect of what can be achieved if the Government adheres to the vision of the Greiner Government. We are entitled to say—and let us say it in the spirit of working together—that a great deal has been achieved for Sydney and Australia as a result of what has been done at Homebush Bay. Let us ensure that the legacy of the Games continues to benefit the people of New South Wales and Australia.

Debate adjourned on motion by Ms Meagher.

BETTING TAX BILL**Second Reading****Debate resumed from 6 June.**

Mr OAKESHOTT (Port Macquarie) [11.32 a.m.]: The Coalition will not oppose the Betting Tax Bill. However, I will raise some matters relating to Coalition policy at the time of the 1999 election and our disappointment that some betting taxes are not, at the very least, being reduced. Those taxes have a significant impact on the New South Wales bookmaking industry, and that impact has flow-on effects to the public interest in racing in New South Wales. This week one of New South Wales leading bookmakers, Robbie Waterhouse, was allowed to return to the industry. I gather he just scraped through a narrow Thoroughbred Racing Board vote at the beginning of the week, and this legislation will welcome him back. It is disappointing that the turnover tax for New South Wales bookmakers has not been reduced.

For many years now New South Wales bookmakers have said that they simply cannot compete with other States and with organisations such as the TAB. Indeed, today bookmakers are a dying breed. Sadly, a great deal of colour is being lost from the track because of the massive reduction in the number of New South Wales bookmakers as they either leave the industry or choose to do business interstate. That is a sad reflection on Government policy and a sad direction for the New South Wales racing industry to take.

Bookmaking in New South Wales has both tradition and history. Indeed, it is one of the reasons people go to a racetrack for a day out. They enjoy the colour and movement that goes with the putting up of the bookmakers' boards; they enjoy having a punt with the bookmakers. Unfortunately, however, with today's era of computerisation and off-course betting, we are seeing the death of the bookmaker in New South Wales. Whilst ever taxes such as the tax I have referred to are not reduced, or simply fine-tuned or flicked from department to department, there will not be any change in direction from this gradual and sad decline in bookmaking in New South Wales.

The object of the bill is to consolidate New South Wales legislation relating to betting tax. The new Act will impose a betting tax on bookmakers in relation to racing and sports betting events. It will also impose a betting tax on totalisator licensees in relation to commissions taken on, and net earnings from, totalisator betting and approved betting activities on certain racing and sports betting events. The new Act will also make provision for the lodgment of returns and the keeping of records in relation to betting activities. The provisions of the Taxation Administration Act 1996, which makes provision for the administration and enforcement of taxation laws, will be applied to the new Act.

Whilst the Opposition will not oppose changes to the administration of the tax, we will strongly argue from a policy point of view that the turnover tax on bookmakers in New South Wales should be reduced, if not scrapped altogether. Part of the policy that my predecessor took to the last election was a reduction in turnover tax. It was a significant point of difference between the way the Opposition and the Government proposed to deal with the racing industry. Almost two years after the 1999 election, the bookmakers who remain are disappointed that the turnover tax has not been reduced. Stories float around about how Neville Wran was elected on the back of a bookmaker. I suggest to the Government that unless something is done about the turnover tax, the Carr Government might lose office on the backs of the bookmakers in New South Wales—if there are any left in two years time.

The legislation reflects on the changing role of the Department of Gaming and Racing. It is yet another example of the role of the department being farmed out, whether because of High Court decisions or the introduction of central monitoring systems. Regardless of the reason, the functions of the department are being completely disseminated and wound down. The legislation is all about handing over responsibility for the collection of the tax from the Department of Gaming and Racing to Treasury. We have seen examples of legislation such as this before. It is disappointing that the department is in wind-down mode. There have been massive staffing cuts within the department, which we will find out more about tonight at the estimates committee hearing. I hope the Minister will give full and frank details of the staffing allocations within his department.

The TAB, through privatisation, has basically taken over all responsibility for the racing industry. Compliance through the department is now being lost under the guise of the introduction of the central monitoring system. I believe the police will have to take on more responsibility for enforcement, monitoring and

regulation because on-ground staff are simply not in place to undertake that work. As I said earlier, Treasury has taken on a lot of the duty revenue collection activities of the department. These are sad days for the Department of Gaming and Racing. If the department follows the current trend its future will be about as bright as the future of bookmakers in New South Wales, that is, on a slippery downward scale into non-existence.

With regard to sports betting, I hope the Minister and the Government will consider supporting smaller operators as they try to compete against larger sports betting agencies. A licensed sports betting agent in Port Macquarie, Glen Woodbridge, no longer even bothers to take sports bets. It is simply not in his interest to do so: he cannot compete with the larger sports betting agencies. However, the whole point of issuing those licences was to allow for the continued decentralisation of what is supposed to be a good industry, that is, the racing industry.

I hope that members on both sides of the House support the racing industry. I hope they look at it from an industry and employment point of view and not from a gaming, gambling or wagering point of view. I do not know of many industries in New South Wales that are decentralised, clean and green and employ 50,000 people. However, so long as legislation such as this does not acknowledge, support and encourage the development of the racing industry, the industry will be wiped off the map simply because Treasury wants to continue to take what in what is not, in the grand scheme of things, a great deal of money. The turnover tax is regressive and has a significant impact on the industry.

In 1999 the Australian Racing Board [ARB] undertook a fairly lengthy analysis of bookmaking in Australia. The first clear observation and recommendation of that analysis was that the ARB should support the concept of a level playing field for bookmakers in all States and territories. It was also recommended that the bookmakers' taxation platform should be uniform between the States and should be based at the lower end of the scale. That was a clear statement from the ARB. Although the Government will try to argue otherwise, I suggest that New South Wales continues to drag its feet and that bookmakers are leaving the industry. Nothing is being done to support bookmakers and to establish a level playing field on which they can complete.

It is an undeniable fact that the racing industry is in an extraordinary state of flux. A multitude of initiatives and changes has been introduced. In the past few years the principal club has been changed. The TAB has been privatised and various changes have been made to both the Harness Racing (New South Wales) and the Greyhound Racing Authority; the ICAC has gone through them both. These are heady days for the racing industry in general. There is a growing argument over intellectual property rights. The New South Wales Thoroughbred Racing Board and Racing New South Wales have extreme difficulties dealing with the TAB, and an unhealthy relationship has developed between the two.

Mr Face: Point of order: The honourable member has traversed virtually the whole of the racing industry. This bill simply consolidates betting legislation—nothing more, nothing less. Past Speakers and Deputy-Speakers have shown a degree of tolerance when members stray from the debate but the honourable member for Port Macquarie has adopted the practice of bringing all sorts of matters into debate on a bill with a restricted purpose. I ask that he be brought back to the bill, the purpose of which is to consolidate the New South Wales legislation in regard to betting tax. The bill is not about the TAB or the host of matters the member has raised, including ICAC. He can use other forms of the House to raise those matters.

Mr OAKESHOTT: To the point of order: The racing industry, particularly bookmakers, has been decimated for the past decade. It is important in relation to a tax which has a direct impact on bookmakers that I outline the history of those 10 years.

Mr ACTING-SPEAKER (Mr Mills): Order! The Chair is reluctant to make a ruling. However, the Minister is correct when he says that the remarks of the honourable member for Port Macquarie should remain relevant to the bill. If the honourable member continues to draw his arguments into a web of relevance to the bill, he will comply with the standing orders.

Mr OAKESHOTT: Because of its relevance to this legislation I have been outlining changes that have taken place during the past 10 years which have had a direct impact on bookmakers. Those changes include the privatisation of the TAB and the introduction of the temporary casino, sports betting, Sky Channel and a range of other initiatives. It could be argued that each of those matters has had a significant detrimental impact on bookmakers. That can be demonstrated by bookmakers' figures and by the number who are leaving the industry en masse. The Government could reduce or remove the turnover tax, it is as simple as that, but the Minister has once again failed in his arguments with Treasury to get a win for the racing industry. That is another reflection

on the Minister, who is losing badly to Treasury over revenue issues in the racing industry and those losses are having a significant impact on the racing industry. We need some wins for the racing industry, and the reduction or removal of the turnover tax would be a significant win. I challenge the Minister to get rid of, or at least reduce, the turnover tax in the 18 months before 2003 election. If he does not, the Opposition will.

Mr FACE (Charlestown—Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development) [11.46 a.m.], in reply: I thank the honourable member for Port Macquarie for his contribution, which covered a number of wide-ranging issues. As usual, during his contribution he besmirched the Department of Gaming and Racing, about which he is paranoid. The honourable member does not grasp that the department is a regulatory organisation. To clear up wide-ranging problems in the industry for which the honourable member is making a case the bill simply consolidates a number of Acts that I inherited when I became the Minister. In the seven years the Coalition was in government the honourable member's predecessor did nothing about consolidating those Acts, but under my 6½ years stewardship I have been able to do so. The honourable member completely missed the point. The other night he went surreptitiously to an Independent member of the upper House, who moved an amendment that will now cost the industry somewhere between \$250,000 and \$300,000.

Mr O'Farrell: It is against probity.

Mr FACE: No, it is not against probity. There will be probity. There should not be a Commissioner. The amendment that the honourable member's Democrat mate moved is restrictive. I wrote to every club in New South Wales, mainly the country clubs, and they will now have an ongoing burden of between \$250,000 and \$300,000. The honourable member for Port Macquarie is responsible for that. He bleats about country racing but the amendment will cost the country racing authorities an estimated \$60,000 and \$70,000. The people in Forbes and Parkes, where there was a lovely picnic meeting the other day, are not impressed by the honourable member. The amendment will cost them \$300,000.

Mr Oakeshott: Point of order: My point is the same as the one taken by the Minister about relevance. I do not believe his remarks have anything to do with the Betting Tax Bill.

Mr ACTING-SPEAKER (Mr Mills): Order! The Minister is entitled to reply to any matter raised by the honourable member for Port Macquarie in his contribution.

Mr FACE: The honourable member for Port Macquarie went on a Cook's tour of the State, so I feel entitled to say something about the matters he raised. As the weeks go by and letters start rolling in we will learn more of the attitude to his amendment. He could not get his own way in this Chamber, so, like a spoilt little boy, he went to one of the fruit loops in the upper House. The result was that the industry has an ongoing cost of \$300,000 on its hands. So restrictive is the amendment that the appointee must be a retired judge of the District Court or the Supreme Court; if that retired judge is away, another deputy will have to be found, which is another impost; and if that deputy is away for four weeks, which he or she probably would be when on leave, the whole of the industry will be in chaos. No wonder he is becoming known as Boy Blunder.

Bookmakers add colour to the racing industry. Everyone agrees with that, but no-one seems to do very much to encourage them. Some race clubs, if they are sincere about wanting bookmakers to operate at their meetings, might consider removing the stand fees that they impose on bookmakers. Stand fees mean absolutely nothing in the context of running a meeting. Stand fees and all sorts of fees imposed on bookmakers probably mean the difference between whether a bookmaker operates at a meeting or does not. In the context of the proportion of money required to run a meeting, these impositions are minor. The honourable member for Port Macquarie ought to do his home work; he should get around at a few racetracks and start talking to bookmakers. Whilst they would like a tax reduction, quite often they say to me that impositions put on them by clubs, though minor in the context of the overall cost to the club of running a meeting, at the end of the day are a large factor in whether bookmakers field or not.

I repeat that this is simply a bill to consolidate the racing tax. This measure is in line with policy in place to consolidate Treasury matters in various areas. In one way, it helps the Department of Gaming and Racing to get on with its job as a regulatory and compliance body. In the days of the former Coalition Government, these matters were inappropriately placed by the Chief Secretary under the Department of Finance. The Carr Government is addressing these matters and making them more efficient for the taxpayers of New South Wales and, most importantly, the racing industry.

Motion agreed to.

Bill read a second time and passed through remaining stages.

PASSENGER TRANSPORT AMENDMENT (TRANSITWAYS) BILL**Second Reading****Debate resumed from 5 June.**

Mr O'FARRELL (Ku-ring-gai—Deputy Leader of the Opposition) [11.53 a.m.]: I lead for the Opposition on the Passenger Transport Amendment (Transitways) Bill. At the outset I indicate that the Opposition, as a matter of principle, will be opposing the bill. That principle is that the Coalition does not believe that private bus contracts ought to be varied without, in the terms of the Act, a just compromise agreement. Some 70 per cent of this city's bus services are provided by private bus operators. Those private bus operators are regulated by the Passenger Transport Act 1990, which sought to place their operations on a commercial contractual basis and also to introduce a system of accreditation. Under the provisions of the Passenger Transport Act, transregional, or cross-regional—or whatever term one likes to use—bus services can be introduced, indeed have been introduced, which would allow the government to introduce services upon a proposed transitway.

It is the contention of the Opposition that this is a deceptive act. It is deceptive, first and foremost, in that at no stage did the Minister, in his second reading speech, even make reference to the Supreme Court decision that led to this legislation being introduced. I make the point that the Minister did make such a reference in his press release and in his briefing of crossbenchers, but *Hansard* contains no reference to that Supreme Court decision. Why is that important? Because, as the honourable member for Liverpool, who is a lawyer, knows, when courts come to interpret legislation they refer to second reading speeches. It is possible that the legislation before the House will be the subject of future Supreme Court action. It is incredibly deceptive of the Minister, first, not to indicate in his second reading speech that this bill simply seeks to overcome a Supreme Court decision that found against the Department of Transport.

Second, this is deceptive legislation because, whilst the Minister has been blowing long and hard about his seven transitways, even a cursory glance at the State's budget papers over the last few years will show that very little is happening in relation to those transitways. With the exception of the stretch of the Liverpool to Parramatta transitway, built in the electorate of the Parliamentary Secretary Assisting the Minister for Transport, very little progress has been made on those transitways. That is a further indication of the Government's lack of seriousness about transitways. We all support increased use of public transport in this city. We all support increased service levels in public transport in this city. But the Minister for Transport is being deceptive when his only claim regarding increased services is to keep announcing, and re-announcing, transitways that are no closer to completion than they were when he first announced them in 1998.

This legislation is deceptive because the Minister expressed in his second reading speech ongoing concern about service levels within the private bus industry. Why is that deceptive? I am happy to state that, as a matter of record, many people in this city are unhappy with the level of service provided by public transport operators. I would have to say that probably, on a per capita basis, there are more people unhappy with the services provided by government-owned State Rail services than are necessarily unhappy with private bus services in this State. There certainly are people who are unhappy with State Transit services in this State. But, clearly, there are some people who are unhappy with private bus services across parts of Sydney where private bus operators provide the only form of transport for the public.

What is extraordinary about the Minister's statements about poor service standards is that he, as Minister for Transport, administers the Passenger Transport Act. That Act sets standards that private bus operators have to meet. If there is a failing, it is a failing of the Minister for Transport. It is no good the Minister for Transport, as he tried to do last year, joining the chorus of dissent from those who are unhappy with public transport when the Minister, though the person responsible, is not prepared to do anything meaningful about raising standards by enforcing those regulations which the Passenger Transport Act give unto him.

The Opposition is concerned that this legislation simply rides roughshod over the rights of those who seek to conduct business in this State without providing for fair compensation. It is true, as I am sure Labor members opposite will attest, that many bus operators in recent years have invested significantly in their businesses in terms of fleet systems, ticketing systems and information systems to try to raise bus standards in their areas. If this legislation is passed and their operations are adversely affected by transitway bus operations, those operators stand to lose money. This legislation does not provide the private bus industry with any degree of certainty for future investment in route services. Without that certainty, there is a certainty: route services across that part of Sydney served by the private bus industry will decline. No-one in this House should be happy with that. This legislation cuts at the core of those commercial businesses.

I am not surprised that the Minister for Transport introduced this legislation. He is the only Minister in the world—apart from the friends in Cuba of the honourable member for Liverpool—who is seeking to nationalise bus services in his own State. I will not revisit decisions made a year or two ago, or the increased cost to taxpayers caused by ministerial decisions to gazump the private bus industry and nationalise a private bus service which operates in two marginal seats. Unless the Minister has the money to nationalise private bus operations in this city, it ill behoves him to introduce legislation which will undermine that industry's capacity to invest in its fleet and in those other ancillary services that are required by citizens across this State.

This legislation should be opposed on those grounds. It should be opposed because it will not deliver improved bus services across this city. It should be opposed because, contrary to what the Minister claimed in his second reading speech, it is not necessary to effect the operation of transitway bus services. In my part of the world the Westbus company services a number of Labor electorates. A number of years ago Westbus introduced transregional services. It actually operates services each way along the M2, which have proved incredibly successful. Those services, which cut across other contract areas, were able to be introduced under the terms of the existing Passenger Transport Act, which is positive proof that this legislation is not required to effect the operation of transitway services.

This legislation is all about covering up incompetence in the Department of Transport. I accept that we now have a new director-general and a new senior executive team in the Department of Transport but, clearly, as the Supreme Court found, the Department of Transport erred in its attempts to make determinations under the Passenger Transport Act. This legislation has been introduced only because the Department of Transport does not seem able to say sorry. This legislation further underscores the fact that Carl Scully, the Minister for Transport, cannot get on with anybody. The great claim that was made was that the Minister had a problem with the former President of the Bus and Coach Association [BCA], Jim Bosnjak, and that once he retired all would be peace and light.

Clearly, this legislation proves that it does not matter who is president of the BCA. It could be the Minister's great friend the honourable member for Fairfield but the Minister would still not get on with that association because he is incapable of sitting down and rationally negotiating his way through these difficulties. I state again that, on the basis of past transregional routes introduced under the Passenger Transport Act, former senior executives of the Department of Transport and former Ministers for Transport established new cross-regional routes in Sydney that have proved incredibly popular. Only this Minister and his department—I am happy to say that the jury is still out on the current operations of that department—proved so incompetent that this legislation was required.

Essentially, they were using a sledgehammer to crack a walnut, and we do not believe that that is appropriate. I conclude simply by restating what I said at the outset of my contribution: This legislation deserves to be opposed because of the principle it offends. When people's business rights are affected there should be compensation. Without that there could be no genuine future investment in the private bus industry in this city. That would place at risk private bus operations and reduce the prospect of services to commuters across Sydney. This is bad legislation.

Mr MOSS (Canterbury—Parliamentary Secretary) [12.04 p.m.]: In speaking in debate on the Passenger Transport Amendment (Transitways) Bill I again sing the praises of this Government in attempting to provide transitways in western Sydney. It is well known that, as a result of Action for Transport 2010, this Government is spending approximately \$800 million to provide a 90-kilometre transitway network in western Sydney. I point out one misconception about this issue. A lot of people tend to think that transitways are being provided only in outer western Sydney, which is not quite right. Transitways have been provided in a number of electorates, including Auburn, Strathfield and Drummoyne, which are hardly outer western areas.

Transitways will be of great benefit to Sydney generally. The local environment plan has already been established for the Liverpool to Parramatta transitway, which necessitated the introduction of this legislation. That transitway, which will cost \$200 million and which is to be completed by 2003, will create 800 jobs. Under the provisions of the Passenger Transport Act 1990 contractors for bus services are exclusive to each contract area and their contracts are renewed every five years. The Supreme Court recently held that the Government could not vary existing exclusive bus contracts along transitway corridors. It said that the introduction of new contractors would result in competition among existing contractors, which I suppose is one way of looking at it. However, I believe that the court erred in this instance as transitways are a totally new concept in public transport.

It should not be forgotten that currently there are five contractors in the Liverpool to Parramatta area and that not all five contractors would have the expertise required to operate bus services under the transitway

proposal. Transitways are not bus routes as we currently know them. For example, there are no excuses for late running on transitways. There are no traffic lights along transitways and they are constructed in a similar way to the way in which freeways are constructed. In order to promote the highest bus levels for transitways it is obviously preferable to tender for services for the whole route rather than award contracts to existing service area contract holders.

Earlier the Deputy Leader of the Opposition made the ridiculous statement that legislation is not required to provide an effective transitway service. If we do not introduce legislation we will have to deal with five contractors along the Liverpool to Parramatta transitway alone, which will certainly disrupt this new service. This legislation will provide for a direct trunk service by one operator between key centres rather than forcing commuters to change buses between contract areas or having different bus operators when travelling between key centres. The legislation will also enable the Government, through a competitive process, to pursue high service standards for the benefit of commuters.

For that reason Government members will not agree to existing contract holders automatically accessing transitways. We will not pay compensation to them as this system of transitways is a completely new concept in public transport. We want to select the best service providers. In short, we want new contracts for a new service. As I said earlier, the Passenger Transport Amendment (Transitways) Bill will enable the Government to overcome the Supreme Court decision and excise transitway corridors from existing contract areas without compensation. That will enable the Government to provide the highest level of service for commuters. Naturally, this bill has my support.

Ms MEAGHER (Cabramatta—Parliamentary Secretary) [12.09 p.m.]: The Government's proposed 90 kilometre transitway network in western Sydney will provide communities living and working in the area with a new and reliable public transport option. By linking key centres such as Liverpool, Wetherill Park, Parramatta, Strathfield, Blacktown and Mungerie Park, the \$800 million transitway network will provide the cross-regional trunk routes and services much needed by workers, students and other commuters. It is intended that commuters will be able to use the transitway network and its stations to directly access key rail stations and employment and commercial centres, without needing to change buses between the limited and exclusive service areas of current private bus providers.

The first major transitway section due for completion in 2003 will link Liverpool and Parramatta via Wetherill Park. The Liverpool to Parramatta transitway will deliver 800 construction and associated jobs to the region and cost an estimated \$200 million. Currently, between Liverpool and Parramatta, five bus companies provide services within the exclusive areas defined by their contracts with the Department of Transport. The transitway is designed to enable commuters to travel directly between Liverpool and Parramatta on one service, without needing to change buses during the journey, as they are currently forced to do. It is expected that during peak times transitway buses will operate every five minutes, with passengers able to access the service at any one of 35 stations along the route.

The Liverpool to Parramatta transitway will serve four hospitals, three TAFEs, 20 schools, eight major shopping centres, 25 sporting facilities and numerous employment and commercial centres, including the Wetherill Park industrial estate which employs around 20,000 people. The transitway is being designed to attract the highest possible levels of patronage so that car dependence is significantly reduced, in keeping with the Government's public transport and environmental objectives. Transitway stations will be covered, safe and accessible, with security cameras and real-time information, and include commuter car parks and kiss-and-ride facilities at key locations. To pursue the highest quality of bus services and environmentally friendly buses the Government has always intended to call tenders for the operation of transitway services. It is only through an open and competitive process that community demands for high-standard bus services can be met.

Under the Passenger Transport Act, introduced in 1990 by the then Minister for Transport, Bruce Baird, and supported by the current Deputy Leader of the Opposition, private bus companies have been provided with an automatic renewal of their exclusive contracts every five years. The automatic contract renewal means that bus companies contracted by the Department of Transport to provide exclusive services in a particular area or region have a preserved monopoly indefinitely. Yet at the time Bruce Baird introduced his Act he referred to the "real threat of competition to those local bus operators not providing the right level and quality of service".

In reality, the automatic contract renewal the former Minister introduced, with the help of the Deputy Leader of the Opposition, provided that the private bus industry was not subject to the kind of serious

supervision and enforcement of service standards that a competitive process can promote. Instead, it is a self-regulatory regime, where the onus is on the bus industry to ensure the standards of service it delivers. The result has been years of poor quality, infrequent, late or non-existent services, with little or no integration between the services of bus companies, and volumes of commuter frustration, inconvenience and complaint. Again and again in this House honourable members have raised the complaints of their constituents about the inadequacy of private bus services.

In 1997 this Government took an important step towards improving service quality by introducing a more competitive process for bus service contracting. In 1997 this Government amended the Passenger Transport Act to link the renewal of bus contracts to the achievement of defined benchmarks for service quality and provision. The Opposition supported this move to make its 1990 Act more beneficial for consumers and the community rather than the monopoly interests of the private bus industry. At the time, the Deputy Leader of the Opposition claimed that the 1990 Act was aimed at ensuring better value for money within public transport. He went on to support the 1997 amendments on the basis that they built on these objectives. I commend his enlightened support for the 1997 amendments, which promoted the interests of the community above those of private bus operators. Unfortunately, he has reversed his position today.

The automatic renewal of private bus contracts has the very real potential of undermining the intent and purpose of the transitway network, its ability to provide high-quality bus services and the wide-ranging consumer and commuter benefits it offers. The Department of Transport recognised this some time ago and sought to use its powers under section 24 of the Passenger Transport Act to vary the contract of a bus operator who had exclusive rights to an area covering the first portion of the Liverpool to Parramatta transitway. Section 24 permits the Department of Transport to seek to vary an exclusive bus contract at the time the contract is due for renewal if the variation is in the public interest, among other things. The department sought the co-operation of the bus operator to excise from its contract only the portion of area required for the Liverpool to Parramatta transitway.

Excising the portions required for the transitway corridor in this particular contract area and others along the Liverpool to Parramatta route would permit the department to call for tenders for the operation of transitway services. Removing only the required transitway corridor from the contracts of current bus operators would not affect their exclusive right to provide services in the rest of their contract areas. Existing contract holders would, of course, be entitled to bid to operate the entire transitway route. As well, they would have the opportunity to integrate their services with the transitway trunk route by feeding commuters into the transitway stations located in their exclusive contract areas.

With western Sydney's population growing faster than almost anywhere in Australia and the Government's \$800 million investment in a new cross-regional public transport option, one would expect that existing bus contract holders would welcome this new commercial opportunity. However, rather than co-operate with the Government to deliver improved bus services in western Sydney, the contract holder commenced legal action against the Government to prevent it excising the required transitway corridor from its contract area and tendering for service provision within it. The Government was confident that the Supreme Court would agree with our view that, under the terms of the Passenger Transport Act, the Government would be able to vary these exclusive contracts to deliver an improved, integrated bus service for the people of Western Sydney.

The Government was confident that the Supreme Court would agree that the Government had the right and duty to seek the best value for money for its \$800 million investment in bus services in Western Sydney. The Government was confident that the Supreme Court would recognise that handing over a contract to each bus company to operate exclusively on that part of the transitway located within its existing contract area would not be the way to achieve direct trunk services between key centres, better value for taxpayers' money and improved levels of service quality. Instead, the Supreme Court has ruled in favour of the bus industry. The court has determined that the Government cannot seek better value for its investment of \$800 million in an improved, integrated public transport service. The court has determined that the Government cannot call for tenders for the provision of transitway services, but can only hand over to existing bus operators exclusive contracts for that part of the transitway located in their contract areas.

If this occurred, it would be a disaster for commuters in western Sydney. It would mean that bus users would probably have to change buses at least five times between Liverpool and Parramatta. It would mean that the Government could not exact from the transitway operator the best levels, quality and frequency of services or the most technologically advanced, environmentally-sensitive buses. It would mean that the Government would be faced with spending \$800 million of public money simply to preserve the monopoly dividends of

private bus companies and their shareholders. The Government is not willing to allow this to happen and is not willing to let down the commuters and the communities of western Sydney by cancelling the transitway project. That is why the Government has introduced the Passenger Transport (Transitways) Bill. The bill seeks to overcome the Supreme Court's view and permit the Government to pursue the development of the transitway network and competitively tendered transitway services. The bill will give the Director-General of Transport the power to— [*Time expired.*]

Mr RICHARDSON (The Hills) [12.19 p.m.]: I am pleased to speak on the Public Transport (Transitways) Bill. Two of the transitways listed in the bill are intended to service my electorate. One is the Blacktown to Castle Hill transitway and the other is the Parramatta to Mungarie Park transitway. Of course, I am in favour of anything that is going to improve public transport in my electorate. My electorate is one of the most poorly served in New South Wales by public transport. Unlike Cabramatta, we do not have a rail line to Castle Hill; nor, despite the Government's 2010 transport action plan, do I see any likelihood of there being a rail service to Castle Hill in my lifetime. That is why I have some serious concerns relating to the transitways that the Government has detailed in its 2010 transport action plan document. If those transitways are to be funded to anything like the same extent as the proposed Epping to Castle Hill rail link, they too will not be built within my lifetime, and that is a matter of real concern to me.

I have written to the Minister for Transport about some ways I believe public transport could be improved in my electorate immediately, regardless of transitways and regardless of this piece of legislation about which Opposition members have some serious reservations. In particular, I have written to the Minister about providing improved bus priority along Old Northern Road and along the M2 motorway. As the Minister has acknowledged on many occasions, there is a very good city express bus service carrying something like 1.2 million passengers a year. That project was commenced under the previous Government and is operated by Westbus. There have been some problems with that service which Westbus, to its credit, has attempted to address, but the biggest problem for Westbus is meeting its schedules.

Why can Westbus not meet its schedules? It cannot meet its schedules because along much of the route its buses are not travelling along a transitway or a dedicated bus lane. Indeed, the buses are simply sitting in the traffic with all the commuter cars and are held up to exactly the same extent. My suggestion was that the breakdown lanes on the M2 could be used as bus-only lanes during peak hours. After some toing and froing of correspondence—and, I might add, after some encouragement from my office—I finally received a response from the Parliamentary Secretary, who said that the Government would not countenance the idea of running buses along the breakdown lanes because of the number of cyclists using the breakdown lanes.

I suppose honourable members would applaud cyclists commuting to work; they are non-polluting and obviously they are improving their health and fitness. However, a bus can carry 50 to 70 passengers. So for the sake of the 25 cyclists who travel along the M2 each way during peak hours, a service carrying 1.2 million passengers a year is being compromised. Most of the complaints I have received lately about The Hills to city express bus service relate to the inability of Westbus to maintain schedules, and that inability is directly related to lack of bus priority along the routes on which the buses travel.

In this bill the Government has the opportunity to do something directly about that problem. It could take on board the idea of providing improved bus priority. It could actively look at the use of the breakdown lanes by buses during peak hours. Yet to date the Government has rejected any suggestion that those improvements might be provided. I add for the benefit of honourable members that on the M2 there are bus-only lanes going as far as Beecroft Road in Epping. Problems arise on the section between Beecroft Road and Epping Road, which includes the M2 tollgates. I ask the Parliamentary Secretary whether she might re-examine this issue because, as I said previously, I am highly sceptical that the transitways detailed in the Government's 2010 transport action plan will be provided in the foreseeable future.

As to the bill before the House, it is fairly clear that the Government was caught napping by the Supreme Court decision in the Oliveri matter. Indeed, there are many precedents for compensation being paid to companies in areas through which cross-regional services operate. For example, Harris Park Transport in my electorate was paid compensation by Westbus for the M2 Hills city express bus service because that service was operating through its contract area. The Government must bear in mind that bus companies are not making millions of dollars a year. Indeed, passenger trends show that with the exception of specialised services, such as the city express bus service I mentioned, a declining number of commuters are using private bus services. In those circumstances, any legislation that provides increased competition for bus companies without providing any degree of compensation may hasten the demise of some of those bus companies.

Opposition members feel very strongly about that situation and deplore it. The Opposition's main concern about the bill is the removal of the principle of compensation. I repeat for the benefit of the Parliamentary Secretary: I would appreciate it if the Government re-examined the matter of bus priority on Old Northern Road and on the M2. If the Government is fair dinkum about bus transitways, which are supposed to provide priority for the buses using them, it would also be equally fair dinkum and equally concerned about providing bus priority where those transitways do not exist.

Mr LYNCH (Liverpool) [12.28 p.m.]: I support this bill. The Liverpool to Parramatta transitway is a critical piece of infrastructure for Western Sydney generally and for the electorate of Liverpool in particular. The scheme is proposed to commence in 2003, it will cost in the vicinity of \$200 million and it will create something like 800 jobs. Those figures alone give an indication of the significance of the project for Western Sydney. In terms of my electorate, it is proposed that the transitway will run from Liverpool station broadly down Hoxton Park Road and then up Banks Road and Rundle Road. It will pass the Liverpool council chamber, Miller TAFE—which is a campus of the South Western Institute of TAFE—James Busby High School and Busby West School. Indeed, part of those school lands will be required for the construction of the transitway. I have spoken previously in this place about my hope that the proceeds from the acquisition of that land will be reinvested to provide a school hall.

There is no doubt that great benefits will flow from the development of the transitway. It will allow people to travel from Liverpool to Parramatta via population centres, industrial centres and education centres. So on all bases great benefits will flow to my constituents. The transitway will effectively be a train on wheels. It will provide quick travel at frequent intervals and move large numbers of people around western Sydney more quickly and easily and with less expense than currently. Because of the savings in travel time there will be environmental advantages as well. Because it is such an important project it is critical that we get all the things to do with it as right as we can. One of the great problems in western Sydney concerns the thoroughly inadequate private bus operations.

No member of this House with an electorate in western Sydney, and taking his or her obligations seriously, will not have had a plethora of complaints about private bus companies. I have had a multitude of complaints about private bus services in my electorate that run or do not run in suburbs such as Warwick Farm and Busby. There are massive complaints about the regularity and safety of the services and whether timetables are adhered to. Although the point seems to have escaped Opposition members, one would have thought it was fairly obvious that we should set up a regime requiring a high standard of services on the transitway. Without this bill being adopted, that cannot be achieved. It is absolutely critical that we get this right.

The reason that it cannot be achieved without this legislation going through stems from the Supreme Court case that has been referred to. I think it is undisputed that the bill stems from the Supreme Court case. In February this year the Supreme Court determined that the Department of Transport would have to renew a current operator's contract without varying it to allow for the transitway. The Supreme Court decided that the current operator had the first right of refusal to operate that section of the transitway that was in that operator's current contractual region. The court also decided that the Department of Transport did not have the power to vary a bus service contract in the public interest. So it was locked in to not being able to do things that are necessary, in the Government's view, to benefit the community.

One of the bases upon which the court found against the department was that it thought that the Government had an ulterior motive in seeking greater financial advantage from a competitive tender process. That is a rather interesting basis for stopping the Department of Transport carrying out the actions proposed. That is what has led to the introduction of the bill. The bill will allow the director-general of the Department of Transport to do a number of things, including designate and excise transitway routes and enter into non-exclusive contracts for the operation of transitway services through a competitive process. It is worth noting that the current regime for bus contracts generally allows exclusive rather than non-exclusive contracts.

The bill will allow the director-general to enter into contracts for up to 10 years and provide transitway operators with the appropriate environment for investment. The current regime allows contracts for only five years. So there is an advantage in the bill for the private bus companies that members on the other side of the House seem so keen to defend. The bill will also allow the director-general to require existing and new operators to be accredited to provide transitway services. It will allow the director-general to regulate to improve service quality, value for money and fare structures. The bill also provides for maximum fines of \$55,000. It will exempt the Government and unsuccessful transitway operators from compensating contract holders where parts of their contract areas are excised for the transitway.

Because the transitway is so important to western Sydney it is critical that this sort of legislation be passed so that the transitway can be established and run properly. In that context the proposition put up by the Opposition, especially the Deputy Leader of the Opposition, is extraordinary. He opened, and I think closed, his comments by saying that the Opposition was opposing the bill on a matter of principle. It is a bit hard to find in his remarks any principle that most people in this House would be prepared to identify with. It seems to me that the principle that the Deputy Leader of the Opposition was upholding was the absolute right of private bus companies to make a profit regardless of the standard of service that they provide.

He gave an absolutely sterling defence of their right to ride roughshod over the rest of the community in the interests of maintaining maximum profit rates. The presentation by the Deputy Leader of the Opposition was very curious and, frankly, disturbing. He opposed the bill as a matter of principle but did not make the principle particularly clear. He then went on to attack the Minister for Transport for being deceptive. He gave this as a reason for opposing the bill. I am sure that the Minister will want to make some comments in response, but I found the claims of deceptiveness by Minister Scully by the Deputy Leader of the Opposition without substance. But even if they were true, none provided a basis to oppose the bill. None went to the core of why the bill is necessary.

So if anyone is being deceptive it is the Deputy Leader of the Opposition for using that claim as a smokescreen rather than providing a reason for opposing the bill. The motivation for the speech of the Deputy Leader of the Opposition was ideology. It had nothing to do with a proper analysis of the bill. His position is clearly that private bus companies must be allowed to run their services with no standards and no restrictions so that they can make as much money as possible and the Government must have no role in regulating them and no role in providing services. The Deputy Leader of the Opposition was critical of the State-owned, State-run rail services but he said nothing critical of private bus companies. His position stems from an excess of ideology and a complete absence of analysis of the situation.

From some of his Cold War rhetoric about nationalising bus companies one would assume that we must privatise all public transport in this State. That is the logical conclusion from what he said and the way in which he said it. Apart from that being an absurd and ridiculous proposition, it also indicates that he is motivated by an ideological position that is shrouded in Cold War rhetoric that has absolutely nothing to do with providing services to the people of New South Wales. The core contradiction that ideologists such as the Deputy Leader of the Opposition always trot involves an opposition to competition. If he is so concerned about the bus companies that might lose some of their roots he should have read the bill a bit more carefully. They are entitled to enter into a competitive tender process and provide services for the transitway. The only thing that is being forced on them is that they have to tender in a competitive environment.

The sorts of comments that the Deputy Leader of the Opposition came out with are usually tied up with the obsession about the private sector and the marketplace: the market is the most effective way to distribute resources. That means that we have to put government services out to competitive tender and we have to let the private sector show that it can do things more efficiently than the public sector. That would be the position he would normally adopt, and that is the conclusion to be drawn from what he normally says. The problem is that he does not follow that logic through when it seems that a private sector company is not going to get what it wants. It seems that he is quite happy for the public sector to have to face competition but not the private sector. He is not interested in private bus companies having to tender to prove that they can provide a better, cheaper, more effective service for the Liverpool to Parramatta transitway. The logical conclusion from his position and from opposition to the bill is that we will be held hostage. Public policy will be completely captured by private bus company monopolies and oligopolies that will be able to hang onto contracts they already have.

Apart from all the political and philosophical reasons why that is nonsense, there is also the fundamental absurdity in all of this. Private bus companies have entered into contracts and now seem to think they are entitled to a windfall because the Government is constructing a transitway. That is a nonsense proposition. If the companies entered into a contract for a particular service and they are now trying to provide a different type of service it is as if they entered into a contract for oranges and are now demanding to get apples. We are talking about two completely different things. As a matter of commonsense it is absurd to oppose the bill as the Deputy Leader of the Opposition has done.

Mr MERTON (Baulkham Hills) [12.39 p.m.]: I join with other members of the Opposition in opposing this legislation. First it must be said that there would not be one member of this House who opposes the concept of bus transitways. The proposed transitways are set out in schedule 4 as Liverpool to Parramatta, Parramatta to Strathfield, St Marys to Penrith, Parramatta to Blacktown, Blacktown to Castle Hill, Blacktown to

Wetherill Park, and Parramatta to Mungerie Park, which is indeed a very impressive list. However, from my observations, it would appear that apart from a small section of the Liverpool to Parramatta transitway, which is a strategic part of that particular route, nothing else has happened. As I recall the budget, no reference was made to any funding for the transitways: Indeed, the Parramatta to Mungerie Park bus transitway, which is absolutely vital to people who live in north-western areas of Sydney, does not even exist in the budget papers.

When the Government announced the proposal to upgrade Windsor Road to four lanes I commended it for its decision, which was a very good one. The Government might have been led screaming to make that decision and there might have been a bit of public pressure, but it made the decision. Since then it would seem that the proposal for the Parramatta to Mungerie Park bus transit lane has disappeared or, as it were, gone from the agenda—although the Government will probably deny that. The Minister for Transport, and Minister for Roads was interviewed on the Owen Delaney show and was asked:

Now the talk is that it will include a dedicated bus transitway, is that on the cards?

Of course, the interviewer was referring to the upgrading of Windsor Road. According to the report I received, Minister Scully replied:

Well that's in addition to the four lanes all the way to Windsor. We'll be providing extra lanes for public transport.

The Minister's comment could be construed to mean that there will in fact be a Parramatta to Mungerie Park bus transitway, and that indication was given as recently as 26 March 2001. I moved a motion in this Chamber seeking advice on when the Parramatta to Mungerie Park bus transitway would be built. I think the Government's response was that it would be built. However, as I said, the project has not appeared in the budget papers. I am very pleased that it has been included in the Passenger Transport Amendment (Transitways) Bill. Schedule 4 to the bill provides some very impressive reading, and other provisions in the bill make impressive reading for the transport-hungry people of Sydney's west who are crying out for improved public transport.

There is no doubt that one of the fundamental problems affecting development of Sydney's west is the lack of sufficient transport facilities. This is an area in which 10 per cent of Australia's population lives. It has the third largest regional economy apart from Melbourne and one other part of Sydney. The area needs public and road transport facilities to overcome its geographical barriers. Sydney's west has a great deal to offer not only to people of New South Wales but also people who live in other parts of Australia. I hope that the transitways referred to in schedule 4 to the bill will be built and will be effective. As I said earlier, the only transitway that appears to have been constructed is the Liverpool to Parramatta transitway, which seems to have been built in only one strategic section.

I have listened to the arguments advanced by Government members in support of this legislation. One must keep in mind the fact that the public transport system, particularly in the western Sydney area, is dependent on private bus operators, apart from the very few rail facilities that operate in the area and a small group's bus operations that were purchased by the Government a short time ago. Private bus operators are the lifeblood of transport services in western Sydney, particularly north-western Sydney. It is true that I have been critical of private bus operators based on complaints by constituents who have experienced problems. If the need arises, I will be similarly critical because, as I have already said, people who live in the north-western areas of Sydney are captives of bus transport operations.

One must also accept that the operation of a bus company requires considerable outlay of investment in capital and company infrastructure. The purchase of new buses in the year 2001 is an expensive undertaking and an immense capital item. By and large, bus companies are run by individuals or family members and shareholders. When those operators purchase a bus, they make a reasonably long-term commitment because of the magnitude of the expense involved. Having made that commitment and having relied upon the contracts they have won under the Passenger Transport Act, they feel entitled to assume that their contract will continue until the time appointed for its renewal. However, under this legislation and as a result of dealings between the Minister and Oliveri's—a bus company in the Liverpool-Fairfield area—the Minister for Transport has sought to impose a new transitway arrangement without paying compensation to bus operators who believed that they were entitled to a franchise, as it were, to operate buses in the western Sydney area and who have spent considerable sums on setting up equipment, machinery and facilities.

Pursuant to this legislation and without paying any compensation, the Minister for Transport has decided that he will encroach upon territory that has been granted to a particular bus company. By way of background, I mention that, quite rightly, that bus company took the Minister to court and, at the end of the day,

was successful. Because the Minister did not particularly like that result, he has responded by introducing this bill. This legislation will allow the Government to virtually take back what has previously been given to bus companies that have successfully tendered for a licence to operate in a particular area under the Passenger Transport Act. By virtue of this legislation, another bus operator can be introduced to the contract area and part of that area can be taken away from the contractor without any compensation being payable.

The Opposition does not believe in that practice: it believes that people who are called upon to make investments in buses and other capital items of an expensive nature, under a set of circumstances that came into existence when they entered into a contract or commitment, should be entitled to preservation of their assets, investments and security. But, no, not under this Government or this Minister. It was decided that new provisions in this bill will mean that effectively the Government can say, "The rules have changed. We are going to have a transitway." No-one would oppose improvements to the transport system by the implementation of transitways but, for reasons that I will explain in a moment, there are problems that will have to be overcome.

As a result of the construction and implementation of a new transitway, a new bus carrier will be introduced into an area of western Sydney. Its introduction will have a follow-on effect because, although transitways are wonderful and have been supported by the Coalition, existing routes and traffic flows will change. The territory that a bus company may regard as its own, pursuant to a contract for which it tendered and in relation to which it passed an accreditation process, will be changed and the viability of that business may be seriously undermined by that change. In those circumstances, the Opposition believes that just as a person whose house is acquired by the Government is entitled to compensation, so, too, should a bus company be entitled to compensation because property—which is the property not yet paid for or is subject to long-term lease commitments—will be lost as a result of the Government's change in the transport pattern.

No-one would oppose a change to the transport pattern: indeed, I actively encouraged the Government to proceed with bus transitways. I am the first to congratulate the Government on these transport initiatives, and I refer to my support for the upgrading of Windsor Road as an example of my attitude. I am only too pleased to lend support to proposals for improved transport facilities but, at the end of the day, I simply state that the Government should not ride roughshod over people who operate private companies and who have invested their time and money in those companies. In some cases the companies are operated by families who have been in business for many years. I ask the Government not to ride roughshod over these people by taking away their rights.

It is very similar to the way in which the Coalition Government in the old days dealt with egg producers. The egg industry surely had to be deregulated, and the Coalition Government duly paid the egg producers compensation. Ultimately they could stay in the business, sell hamburgers, or buy bus runs and things of that nature. But under this legislation the Government is seeking to encroach upon certain proprietary rights that people have tendered for through a process of accreditation and dealings with the Government. However, halfway through that process the Government may well decide to change the rules and not pay any compensation. Buses are expensive capital items, and I do not believe that the Government should have the power to introduce such legislation without being required to pay compensation.

Reason should prevail in these matters. I accept that quite often, because of circumstances, reason cannot prevail, and I am not being overly critical of the Minister in that regard. Earlier the honourable member for The Hills referred to the M2—an outstanding achievement of the former Coalition Government which was opposed by the Labor Party. Bus transitways are being offered on the M2, but there have been many problems, including timing problems, and there will probably continue to be problems. But at the end of the day, it is a very successful transport facility for North and Western Coaches Pty Ltd. A dispute arose between North and Western Coaches Pty Ltd and Glenorie Bus Company Pty Ltd, which held the rights to run buses in part of the area that the M2 passes through. However, the companies resolved their dispute, and the Glenorie Bus Company was paid compensation. Indeed, I understand the bus companies were satisfied with the arrangement.

This legislation is big-brother stuff. People who believe in a fair go for private enterprise find it repugnant that the Government should have the right to move in and take away certain proprietary rights without paying compensation. The people of north-western and western Sydney are totally dependent on public transport, which in most cases is offered by private companies. Private companies have commitments, and they are entitled to plan on a specific state of affairs. As I have said, I have no problems about bus transitways.

However, it is unfair, inequitable and unjust that the Government should be able to change the rules and intrude upon areas in which proprietors of bus companies previously believed they were entitled to operate—

and on which basis they purchased expensive infrastructure and capital equipment—unless the Government is forced to pay compensation to those companies. The Supreme Court saw it that way, and the Opposition sees it that way. We support bus transitways, but we also support the right to fair compensation where property rights have been removed.

Ms MEAGHER (Cabramatta—Parliamentary Secretary), on behalf of Mr Scully [12.53 p.m.], in reply: I wish to address some of the points raised by the Opposition because I find them quite extraordinary. On the one hand, members opposite have declared their support for bus transitways. However, at every step along the way they have tried to impede the construction of those transitways. The Government has undertaken a process of consultation with private bus companies and the Bus and Coach Association in an attempt to negotiate in a co-operative manner with those bodies. If such a consultation process fails, of course it is necessary to revert to this Parliament and legislate so that we are able to construct a high-quality public transport system.

I fail to understand the Opposition's problems with that. The comments of members opposite seem to imply that once a bus contract is allocated, the bus company owns that region and there should be no variation to the type of transport that is offered within that region. In making that assumption members opposite have missed the point. The Government has worked on a new transport model, a critical piece of infrastructure that will improve commuting for the people of western Sydney along these transitway routes. If, for example, the Government were to provide light rail along a similar corridor, would we be required to compensate the private bus operators because the ball game had changed? I believe I can state quite confidently that the answer would be no.

Simply because we are dealing with bus operators, there seems to be a view that there is a need for compensation. That view is rejected. The comments of the honourable member for Ku-ring-gai were quite extraordinary. He has publicly made mischievous comments suggesting that the Government has made very little progress with the construction of the transitway. Yet when we introduce legislation to facilitate the construction of this infrastructure he urges honourable members to oppose the bill. He is trying to have a bet each way. I urge honourable members to reject his comments, and I commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

NATIONAL PARKS AND WILDLIFE (ADJUSTMENT OF AREAS) BILL

In Committee

Consideration of the Legislative Council's amendments.

Schedule of amendments referred to in message of 10 April

No. 1 Page 2, clause 2. Insert after line 7:

- (2) Despite subsection (1), sections 3 and 4 cannot be commenced unless:
 - (a) the report required to be prepared under section 6 (8) has been tabled in each House of Parliament, and
 - (b) the revocations to be effected by the operation of sections 3 and 4 are not disapproved by either House of Parliament within 10 sitting days after the tabling of a copy of the report in that House.
- (3) For the purposes of subsection (2), the revocations are taken not to have been so disapproved by a House of Parliament if that House passes a resolution, before the end of the relevant period of 10 sitting days, that it does not propose to disapprove the revocations.

No. 2 Page 2, clause 5. Insert after line 29:

- (5) This subsection applies to any excised land that is part of Myall Lakes National Park, Brunswick Heads Nature Reserve or Karuah Nature Reserve. The Minister is not to transfer under this section any such excised land, or an interest in any such excised land, for the purposes of upgrading the Pacific Highway unless the Minister first enters into an agreement with the Minister for Roads for the transfer of other land into the national park estate as compensation for the excision of that land (being other land that the first mentioned Minister is satisfied is of equal or greater conservation value in terms of natural and Aboriginal heritage).
- (6) This subsection applies to any excised land that is part of Barren Grounds Nature Reserve. The Minister is not to transfer under this section any such excised land, or an interest in any such excised land, to or for the benefit

of an owner of adjoining land unless the Minister first enters into an agreement with that owner for the transfer of other land into the national park estate as compensation for the excision of that land (being other land that the Minister is satisfied is of equal or greater conservation value in terms of natural and Aboriginal heritage).

(7) This subsection applies to any excised land:

- (a) that is part of Brisbane Water National Park or Mount Warning National Park, or
- (b) that is part of Kororo Nature Reserve, Munghorn Gap Nature Reserve, Wamberal Lagoon Nature Reserve or Wee Jasper Nature Reserve.

The Minister is not to transfer under this section any such excised land, or an interest in any such excised land, unless other land is first transferred into the national park estate as compensation for the excision of that land (being other land that the Minister is satisfied is of equal or greater conservation value in terms of natural and Aboriginal heritage).

(8) For the purposes of this section, the national park estate comprises land reserved or dedicated under the *National Parks and Wildlife Act 1974* or land acquired by the Minister under Part 11 of that Act for the purposes of its reservation or dedication under that Act.

No. 3 Page 2. Insert after line 29:

6 Formal inquiry as to use of land

(1) This section applies to:

- (a) the land described in Schedule 1, other than the land described as part of Morton National Park or Myall Lakes National Park, and
- (b) the land described in Schedule 2, other than the land described as part of Brunswick Heads Nature Reserve or Karuah Nature Reserve.

(2) The Minister must arrange for an inquiry to be conducted to determine the following matters:

- (a) whether any of the land to which this section applies was being used unlawfully immediately before the date of assent to this Act,
- (b) the nature of, and reasons for, any unlawful use of the land,
- (c) the reasons why any unlawful use of the land was not prevented.

(3) The Minister may appoint:

- (a) any body or any person or persons as the Minister considers appropriate to conduct the inquiry, and
- (b) one or more persons to assist the inquiry.

(4) The Minister may, where two or more persons are appointed to conduct the inquiry, appoint one of those persons to preside at any meeting of those persons for the purposes of the inquiry.

(5) A person appointed by the Minister to conduct or assist the inquiry may be paid such remuneration and allowances (if any) as the Minister determines in respect of the person.

(6) Section 312 of the *Protection of the Environment Operations Act 1997* (Procedures at inquiries) and section 313 of that Act (Public nature of inquiries) apply to the inquiry conducted under this section as they do to an inquiry conducted under Part 9.6 of that Act (Formal inquiries).

(7) If the body or person conducting the inquiry finds that any land to which this section applies has been used unlawfully, the body or person must make recommendations as to the following matters:

- (a) whether any such land should be the subject of a revocation under this Act,
- (b) appropriate areas of land to be transferred to the national park estate in compensation for any land recommended to be the subject of revocation (being land that is larger in area, and that the body or person determines is of greater ecological value, than the land the subject of the revocation, and that can form part of the national park or nature reserve the subject of the revocation or, if no land is available at that location, part of an adjacent national park or nature reserve),
- (c) measures to be taken to prevent unlawful use of land that is national park or nature reserve.

(8) The body or person conducting the inquiry is to prepare, within 6 months, a report to the Minister of its findings and recommendations.

(9) The Minister is to:

- (a) cause the report to be tabled in each House of Parliament as soon as possible after receiving it, and
- (b) make the report public, except so far as it contains evidence or matters of a kind protected from public disclosure under section 313 (3) (b) and (4) of the *Protection of the Environment Operations Act 1997*.

No. 4 Page 4, schedule 1, lines 4-21 and 26-29. Omit all words on those lines.

No. 5 Page 5, schedule 1, lines 7-10. Omit all words on those lines.

No. 6 Page 6, schedule 2, lines 4-9, 14-17 and 22-29. Omit all words on those lines.

No. 7 Page 7, schedule 2, lines 1-17. Omit all words on those lines.

Mr WHELAN (Strathfield—Minister for Police) [12.58 p.m.]: I move:

That the Legislative Council's amendments be disagreed to.

I have moved that the Legislative Council's amendments be disagreed to for the following reasons. The Legislative Council amendments have rendered the bill entirely unworkable. In fact, when read as a package, the amendments have the extraordinary effect of requiring the Government to hold an inquiry into nothing. The Legislative Council's first amendment seeks to establish a formal inquiry, with royal commission-like powers, to review all the proposals in the bill except those involving Brunswick Heads and Karuah nature reserves, and Morton and Myall Lakes national parks. The Government opposes this amendment because it would be extremely costly to hold such an inquiry.

An inquiry is also now unnecessary because the National Parks and Wildlife Service has already completed a review of its revocation processes. New procedures will now be adopted to improve the administrative and consultative processes where it may be necessary for future revocations to occur in the public interest. The document describing these new procedures has been provided to the honourable member for Southern Highlands. The service will implement these new procedures upon enactment and commencement of this bill. The Government also moved an amendment in the Legislative Council to codify its commitment to ensure that, in cases where compensatory land is being sought, such land should have equivalent or better conservation values than the land which is to be revoked. Unfortunately, that amendment was caught up by the other amendments and has, as a result, been similarly rendered unworkable. An almost identical amendment will be reintroduced by the Government.

The third set of Legislative Council amendments deleted from the schedules to the bill all of the proposed revocations except those in Brunswick Heads and the Karuah nature reserves, and Morton and Myall Lakes national parks. In adopting those amendments, the Legislative Council resolved to hold an inquiry into nothing—an untenable proposition. However, the Government also opposes the policy behind the amendments. They ignore the practical reality facing the National Parks and Wildlife Service. Should they become law, they would ensure that the service continues to own land over which it has no management responsibility, thereby exposing the service to continued legal liability over those areas. I commend the motion to the Committee. Having said that, I move Government amendment No. 1:

No. 1 Page 2, clause 5. Insert after line 29:

- (5) This subsection applies to any excised land that is part of Myall Lakes National Park, Brunswick Heads Nature Reserve or Karuah Nature Reserve. The Minister is not to transfer under this section any such excised land, or an interest in any such excised land, for the purposes of upgrading the Pacific Highway unless the Minister first enters into an agreement with the Minister for Roads for the transfer of other land into the national park estate as compensation for the excision of that land (being other land that the first mentioned Minister is satisfied is of equal or greater conservation value in terms of natural and cultural heritage).
- (6) This subsection applies to any excised land that is part of Barren Grounds Nature Reserve. The Minister is not to transfer under this section any such excised land, or an interest in any such excised land, to or for the benefit of an owner of adjoining land unless the Minister first enters into an agreement with that owner for the transfer of other land into the national park estate as compensation for the excision of that land (being other land the Minister is satisfied is of equal or greater conservation value in terms of natural and cultural heritage).
- (7) This subsection applies to any excised land:
 - (a) that is part of Blue Mountains National Park, Brisbane Water National Park, Georges River National Park or Mount Warning National Park, or

- (b) that is part of Kororo Nature Reserve, Munghorn Gap Nature Reserve, Wamberal Lagoon Nature Reserve or Wee Jasper Nature Reserve.

The Minister is not to transfer under this section any such excised land, or an interest in any such excised land, unless other land is first transferred into the national park estate as compensation for the excision of that land (being other land the Minister is satisfied is of equal or greater conservation value in terms of natural and cultural heritage).

- (8) For the purposes of this section, the national park estate comprises land reserved or dedicated under the *National Parks and Wildlife Act 1974* or land acquired by the Minister under Part 11 of that Act for the purposes of its reservation or dedication under that Act.

The amendment will codify the commitment already made by the Government. An almost identical amendment was moved by the Government in the Legislative Council. The amendment provides that in cases where compensatory land is appropriate, such land should be of equal or greater conservation value in terms of natural and cultural heritage than the land being revoked. Thus, the amendment will ensure that the revocations for the Pacific Highway upgrades will not occur until agreement is reached between the Minister for the Environment and the Minister for Transport. The Minister must be satisfied that these compensatory lands are of equal or greater conservation value.

In regard to the Barren Grounds Nature Reserve revocation, land will not be transferred to a private interest until the Minister reaches an agreement with the adjoining land-holder in question for the transfer of compensatory land, and the Minister is satisfied that this land is of equal or greater conservation value. For the rest of the proposals where compensation is due, land will not be transferred until compensatory land has been first transferred into the National Park Estate and, once again, the Minister must be satisfied that this land is of equal or greater conservation value to the land being revoked. The amendment will provide an important safeguard and will ensure that the Government's commitment will be honoured. Overall, approximately 134 hectares are to be revoked from the National Park Estate in return for in excess of some 880 hectares of high-conservation value land which is to be added to the reserve system. Details of that land have already been provided to all honourable members. On behalf of the Minister, I commend the amendment to the Committee.

Ms SEATON (Southern Highlands) [1.02 p.m.]: The Government's backdown on this matter is a major victory for the environment, for commonsense and for greater transparency and accountability. The Coalition accepts that there were good reasons why certain lands had to be excised from national parks. I particularly refer to areas near the Pacific Highway. Honourable members who represent electorates near the Pacific Highway strongly advocated that changes had to be made and that the road had to be upgraded and made safer. The major issue of concern about the bill was that the Government's original proposition gave absolutely no guarantee that some of the compensatory parcels of land would be of equal or greater value or that they would be brought into the National Park Estate in any timely fashion, or perhaps even at all.

That concern was reflected in amendments moved in another place by the Hon. Ian Cohen and the Hon. Richard Jones and supported in principle by the Coalition. I accept that the result of the amendments, which were mutually conflicting in some details, made the legislation unworkable. For that reason the Opposition supports the Government's proposition that those amendments should be rejected. The Opposition does so not because it disagrees with the substance or intent of the amendments but because it accepts that together they would make the bill unworkable. The amendments were motivated by a genuine concern about the need to increase transparency and accountability and to achieve good environmental outcomes.

One effect of the amendments has been that the Government has been forced to produce a report which responded to certain questions. I acknowledge receipt of a copy of the report from the Minister on the review of revocation procedures dated June 2001. The review was established to consider not only the current schedule of parks and excisions but to consider what might be done better in the future. We do not want another government to try to what this Government has tried to do. When an excision is necessary it should be done properly so that people are consulted and given proper information on which to make decisions. Compensatory land should be properly assessed so that everyone involved is satisfied that it is of equal or, even better, greater conservation value to the State than the land excised.

I acknowledge the advocacy of the National Parks Association in relation to this matter. The Government should be embarrassed because it has been forced to look more closely at the procedures and to make these changes. I am pleased that the changes have been made because their outcome is productive. I want a guarantee that the recommendations in the report will be implemented in the future and that the Government's commitments will not be eroded. The Opposition will support the Government's amendment. The object of the amendment is to ensure that in three separate groups of national park areas that are the subject of this bill, excisions may not be made unless the Minister first enters into an agreement with the Minister for Roads, or other Ministers, for the transfer of other land into the National Park Estate as compensation for the excised land.

The amendment provides that the agreement must be reached before the land can be excised. That is a welcome step. The amendment simply tries to close a gaping hole in the legislation which I am pleased the Government has been forced to acknowledge and attempt to correct. In relation to any future attempts to adjust national park areas to make way for necessary public sector infrastructure—and that could include schools, roads or any number of other features—the recommendations in the report must be fully adhered to. National parks cannot be regarded merely as open spaces that can be torn up or have pieces chopped off them and added somewhere else to meet the convenience of the government of the day. There has to be a clear and rigorous process that is subject to accountability and transparency. To that extent the Opposition is prepared to accept this amendment, which plugs a gap. However, again I seek a guarantee from the Minister that all of the recommendations in the report will be properly reflected in any future excisions.

Motion agreed to.

Legislative Council's amendments disagreed to.

Government amendment agreed to.

Resolutions reported from Committee and report adopted.

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

PHYSIOTHERAPISTS BILL

Bill introduced and read a first time.

Second Reading

Mr McMANUS (Heathcote—Parliamentary Secretary), on behalf of Mr Knowles [1.10 p.m.]: I move:

That this bill be now read a second time.

I have pleasure in introducing the Physiotherapists Bill. This bill will protect the health and safety of the public of New South Wales by providing for effective regulation that ensures physiotherapists are fit to practise. The bill repeals the Physiotherapists Registration Act 1945 and replaces it with new legislation for the registration of physiotherapists which is appropriately updated so as to strengthen and improve regulation in a similar fashion to improvements that have been made to the regulatory systems for other health professionals, such as medical practitioners.

This bill is the result of an extensive review process that has taken place over the last two years. The review has involved detailed consultation with all relevant stakeholders and, in particular, the physiotherapy profession. The composition of the Physiotherapists Registration Board will be revised by this bill. The board will now comprise 11 members, including physiotherapists elected by physiotherapists and physiotherapists involved in education and recommended by professional associations, an officer of the Department of Health or the public health system, community representatives, and a legal practitioner.

Honourable members will recall that the Chiropractors Bill, which was recently passed by this Chamber, defined and restricted the practice of spinal manipulation, with the practice being restricted to chiropractors, medical practitioners, osteopaths and physiotherapists. The restriction has been placed in the Public Health Act in order to underpin its public health and safety rationale. This bill takes a similar approach to the use of certain electrophysical treatments. The term "electrophysical treatment" refers to the therapeutic application of electric currents to muscles and tissues and is a treatment approach which is in widespread use amongst practitioners in manual therapies. This bill will amend the Public Health Act to restrict the use of prescribed electrophysical treatments to chiropractors, medical practitioners, osteopaths, physiotherapists and podiatrists.

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

registration must be competent to practise. As part of the requirement for competence, clause 15 of the bill provides that the Physiotherapists Registration Board will have the power to conduct an inquiry into a person's competence. If, following an inquiry, the board is not satisfied as to the applicant's competence it will be able to grant registration subject to conditions or refuse to register the applicant. This power to conduct an inquiry will also apply when a person applies to have their registration restored.

The second initiative within the bill to ensure that physiotherapists maintain their competence is the introduction of a more robust annual renewal process. This process will require practitioners to submit annual declarations to the board on renewal of registration. Clause 21 of the bill provides that these declarations will cover criminal convictions and findings, ongoing good character, the refusal by another jurisdiction to register the person, the details of any suspension or cancellation of registration or the imposition of conditions in another jurisdiction or by another health registration board in New South Wales, whether the practitioner is registered with another health registration board in New South Wales, significant physical or mental illness that is likely to affect a physiotherapist's ability to practise, and continuing professional education activities.

In addition to practitioners being required to provide the board with an annual declaration detailing any criminal findings, clauses 22 and 23 of the bill also provide for the board to be notified about practitioners who are the subject of criminal findings. Under these provisions courts will be required to notify the board of practitioners who have been convicted of an offence or made the subject of a criminal finding in respect of a "sex or violence offence". Essentially, a criminal finding is one where an offence has been proven but a conviction has not been recorded. A "sex or violence offence" is an offence involving sexual activity, acts of indecency, child pornography, physical violence or the threat of physical violence. Practitioners will be required to notify the board within seven days if they have been convicted of an offence of a type that courts are required to report, if they have sustained a criminal finding in relation to a "sex or violence offence", or if they are facing criminal proceedings for a "sex or violence offence" where the allegations relate to conduct occurring in the course of practice or involving minors.

The third significant initiative is part 4 of the bill. Part 4 introduces a new disciplinary system. Clauses 25 and 26 provide for a two-tier definition of misconduct based on the definitions in the Nurses Act. The adoption of the two-tier definition, which includes both unsatisfactory professional conduct and professional misconduct, will allow for the board to deal with both serious and less serious complaints in the most appropriate manner. Clause 27 of the bill provides the grounds for a complaint about a practitioner. The grounds for complaint have been drafted to be consistent with the grounds for complaint in the Health Care Complaints Act, the changes in the grounds for refusing a person registration, the introduction of the two-tier definition of misconduct and the introduction of an impaired practitioners system.

The bill introduces a Physiotherapists Tribunal which will deal with complaints that practitioners are guilty of professional misconduct. The tribunal will be chaired by a legal practitioner with at least seven years experience, and include two physiotherapists and a consumer selected by the board. The tribunal will hear the more serious complaints about practitioners and the board will, where appropriate, conduct inquiries into complaints that are less serious.

The bill introduces the Physiotherapy Standards Advisory Committee. The committee will be used by the board as an expeditious and expert mechanism to inquire into complaints about physiotherapy services which the Health Care Complaints Commission does not propose to investigate. Those complaints will generally be those at the lower end of the spectrum of seriousness. The committee Chair will be a physiotherapist nominated by the board and the other two physiotherapists will be selected by the Minister from a panel of practitioners put forward by the board. Due to the importance of complying with the rules of natural justice, board members will not be eligible to be appointed to the committee. Precluding board members from sitting on the committee will ensure that complaints are not considered by the same individuals in different capacities and fora. Members of the committee will be appointed for a fixed term of four years.

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

Honourable members will be aware of the valuable role that the Health Care Complaints Commission performs in investigating complaints about health service providers and in appropriate cases instituting disciplinary action against practitioners. I emphasise that under the new disciplinary provisions the Health Care Complaints Commission will continue to play an important role in the investigation and prosecution of complaints. As part of the board's powers to protect the public it will be able to impose conditions on a practitioner's registration or suspend that registration where it is necessary to do so to protect the life or the physical or mental health of any person. This leads me to part 5 of the bill, which introduces a system for the board to manage impaired practitioners.

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

The bill includes comprehensive appeal mechanisms to ensure that there are appropriate checks and balances in the disciplinary system. When a complaint is heard by the board there is a right to appeal to the tribunal, and for that appeal to be by way of a fresh hearing. There is also avenue for a practitioner to appeal to the tribunal on a point of law. When a complaint is heard by the tribunal there is a right to appeal to the Supreme Court. However such an appeal may only be made on a point of law or in respect of the sanction that is imposed by the tribunal.

In the interests of administrative effectiveness and efficiency the board will have the power to delegate certain of its functions and to establish committees. The establishment of committees will allow the board to co-opt outside expertise from both the physiotherapy profession and other professions for specific matters such as education. The provisions of this bill will help to ensure that the public can continue to have confidence in physiotherapists and to expect the highest standards of competence and conduct from the profession. I would like to take this opportunity to place on the record my thanks to the members of the physiotherapy profession, the Australian Physiotherapy Association and the Physiotherapists Registration Board who have willingly provided their time and assistance to the Department of Health in bringing this legislation to realisation.

I wish also to draw the attention of members to an amendment to the Medical Practice Act which has been requested by the Medical Board and is included in schedule 6 to the bill. Under the existing provisions of the Medical Practice Act the board may suspend practitioners or place conditions on their registration where it is necessary to do so to protect the life of a person or that person's physical or mental health. The amendment has the support of the Health Care Complaints Commission and will be replicated in all other health professional Acts that include impaired practitioner systems modelled on that in the Medical Practice Act. I commend the bill to the House.

Debate adjourned on motion by Mr Stoner.

HERITAGE AMENDMENT BILL

Bill introduced and read a first time.

Second Reading

Dr REFSHAUGE (Marrickville—Deputy Premier, Minister for Urban Affairs and Planning, Minister for Aboriginal Affairs, and Minister for Housing) [1.24 p.m.]: I move:

That this bill be now read a second time.

In 1998 major amendments were introduced to the Heritage Act which were aimed at broadening the concept of heritage and ensuring protection is given before threats and conflicts arise, thereby making the system work better and, most importantly, encouraging broader community involvement in heritage conservation. Pivotal in these initiatives was the establishment of the State Heritage Register, which provided for the first time an opportunity to identify and recognise the diversity and range of heritage experienced and enjoyed by the people of New South Wales. As a consequence, the State Heritage Register now includes places and heritage

collections of historic, Aboriginal and natural significance which better reflect our diverse multicultural environmental heritage. This is evidenced by the listing of a number of significant heritage items such as the Yu Ming Temple at Glebe, the Wing Hing Long Store at Tingha, including its significant movable heritage collection, and the Brewarrina fish traps, a site of great importance to Aboriginal people.

Our cultural and natural heritage enriches the lives of people in both our cities and our rural areas by making these even better places for people to live and work. It helps keep our culture alive and maintains our traditions and practices. It is also a catalyst for new avenues of opportunity, encouraging investment in tourism, training and jobs. Following on from the Government's initiatives in 1998 the new amendments proposed in the Heritage Amendment Bill further refine and improve the Act. Primarily, these proposals focus on providing a more flexible heritage approvals system: one that is more effective in streamlining the approval processes, removing red tape and reducing costs and providing greater certainty for owners and developers.

The proposed amendments cover seven main areas of administration under the Heritage Act. These include providing a more flexible approval process, streamlining the management of archaeology, recognising and protecting historic shipwrecks, improving the way interim heritage orders operate, making the period in which prosecutions under the Heritage Act can be commenced consistent with the processes available under other New South Wales environmental legislation and providing for the making of regulations to recover fees for certain services under the Heritage Act.

The Heritage Act requires the Heritage Council of New South Wales to approve works proposals to places on the State Heritage Register or subject to orders under the Act. Under the existing provisions of the Heritage Act 1977 there is no provision for modifications to existing approvals for items on the State Heritage Register or subject to an order, deferring commencement or permitting partial and conditional approvals or allowing the Heritage Council to consider applications for the demolition of certain buildings or works in places and precincts of heritage significance which are not themselves of heritage significance.

Private owners and public authorities need to prepare a whole new application and obtain an entirely new approval from the Heritage Council or local council to simply change the terms of an approval, often for the most minor revisions to details of sympathetic finishes and materials. The lack of a power to modify approvals is administratively cumbersome for private owners, public authorities and the Heritage Council and results in the expenditure of unnecessary resources and delays once a project is under way.

The introduction of a power to modify the approval will provide a more streamlined process for private and public owners of heritage items. It will provide the Heritage Council and local councils with an administratively convenient way of refining approvals and greatly assist councils and the general community in getting on with the job of heritage conservation without red tape and delays. There is also a need to provide more flexibility in the type of approval issued by the Heritage Council. Currently, the Heritage Council is severely restricted compared to other approval authorities in that it cannot consider partial or in-principle approvals for developments that need to be staged, nor can it provide for deferred commencement.

The current provisions of the Act do not take into account the nature of the development design process. The provision of this flexibility is particularly important for large-scale developments and those undertaken by Crown authorities when the Heritage Council is the sole approval authority because an integrated development application is not required. It will provide scope to work in partnership with the community and local council and work towards an in-principle approval for all or part of the development. It will also mean greater certainty for owners and applicants who need a clearer indication of the feasibility of a project from the Heritage Council's point of view earlier in the planning process.

This bill introduces powers to allow the Heritage Council, where appropriate, to give partial or staged approvals and in-principle approvals where certain aspects of the proposal are subject to later Heritage Council and local council review. This will allow more detailed designs to be produced and assessed at a later stage in the process once the proposal has been shaped. Similar powers are already available to consent authorities under the staged and deferred commencement provisions under the Environmental Planning and Assessment Act 1979.

The Heritage Act provides for the recognition and protection of individual items as well as places and precincts of the State's environmental heritage. A place or precinct on the State Heritage Register or subject to an interim heritage order may contain a number of separate structures or buildings. Some may be of State heritage significance or contribute to the heritage significance of the place. Other buildings or structures in the heritage place may be of little heritage value and do not contribute to the heritage significance of the place.

Some are intrusive and spoil an appreciation of the heritage values we are trying to conserve and appreciate. For example, it may be beneficial to all concerned for an owner to remove a 1970's garage adjoining a federation housing precinct. In such cases, the heritage value of the place or precinct may be enhanced by allowing the demolition of the item that does not contribute to the heritage significance of the place or precinct. However, the Heritage Council of New South Wales currently has no option, except in the cases of public safety, but to refuse an application to demolish such a structure, even if the best heritage advice and the community recommends this course of action.

The bill will enable approval bodies to consider applications for the demolition of individual buildings or works within a place or precinct subject to the Heritage Act provided it can be demonstrated that the removal of such structures will not diminish the overall heritage value of the place or precinct. To that end, the bill provides that demolition of structures that do not contribute to the heritage significance of the place or precinct will be permitted only if there would be no material detrimental effect on the heritage significance of the place or precinct listed on the State Heritage Register or subject to the interim heritage order.

In order to ensure public scrutiny of such decisions, the opportunities for public comment that currently exist under the Act will be extended to applications where the demolition of structures that do not contribute to the heritage significance of a place or precinct is an issue. Let me make it clear that there will be no relaxation on the restriction that prevents Heritage Council or other approval body from agreeing to the demolition of buildings, works, relics and moveable objects that are individually listed on the State Heritage Register or the subject of an interim heritage order.

One of the key initiatives of the 1999 amendments to the Heritage Act was to permit the Heritage Council to make exceptions to the need to get approval via an excavation permit for certain works, activities and locations. The proposed amendment will provide a further opportunity to expand this initiative. I propose to enable the Heritage Council to exempt owners from the need to have an approved excavation permit for developments and excavations when there is a relevant archaeological assessment endorsed by the Heritage Council.

Owners and developers who provide an expert archaeological assessment that has been endorsed by the Heritage Council of New South Wales, and which identifies that there is not any significant archaeology will not have to fill out the paperwork and seek approval for earthworks. This will save time and money and help owners get the job started for new development or essential services like water, electricity and sewage as soon as possible.

The existing controls under the Heritage Act do not adequately protect shipwrecks in State waters from the destructive effects of a minority of people who souvenir small parts and, in doing so, damage the shipwrecks. Using anchors in the vicinity of historic shipwrecks can also lead to shipwrecks literally being torn apart. The cumulative impacts of such activities substantially deplete and damage the wrecks and diminish their potential for archaeological research, tourism and recreation for other divers. Irresponsible actions can also damage shipwrecks as habitats for underwater flora and fauna, including rare and endangered species.

Reflecting on the interest of the people of New South Wales in historic shipwrecks, and the need to improve the way we identify, promote and conserve them underwater, the Heritage Council of New South Wales will maintain a comprehensive Historic Shipwrecks Register. The register will strengthen awareness of historic shipwrecks, publicise their location, promote regional history and encourage recreational diving and tourism when the shipwrecks are accessible. To protect these wrecks for the future, now is the time to make the movement of or damage to historic shipwrecks in State waters an offence. All shipwrecks that took place more than 75 years ago will be protected in this way. It will also be possible to extend this protection to important shipwrecks that are less than 75 years old.

Occasionally, good heritage practice means that archaeological excavation of an historic shipwreck may be desirable or necessary. Under the new provisions, the Heritage Council will be able to authorise this within appropriate stringent conditions. These proposals will mirror the existing provisions to protect historic shipwrecks in territorial waters under Commonwealth legislation. The amended provisions have been carefully drafted so as not to regulate or interfere with responsible recreational diving or other activities when the historic shipwreck is not moved or damaged.

Members of the community sometimes identify items of heritage importance that are under threat of demolition or alteration before they have been assessed and recognised for local or State heritage significance

and protected on the State Heritage Register or local council heritage lists. Under the current system, an interim heritage order is issued under the Heritage Act to provide time to investigate whether an item is of local or State heritage significance and worthy of listing.

A decision to issue an interim heritage order, while providing time for investigation, currently also has the dual effect of invalidating any existing notices or orders that apply to the property. In the event that the item is found to be not of local or State significance, the private owner or public authority, as the case may be, has to start the process that leads to the issue of the notice and order again. This can frustrate essential works on the item or frustrate a development proposal that has already been approved and signed off by the relevant authorities the first time around.

The bill will introduce a more effective approach when the interim heritage order will suspend the operation of the other notices and orders applying to the item only for the period the interim heritage order is in force. If, on further investigation, the item is found not to be of local or State significance the existing orders and notices should prevail with no detrimental effect to the owner of the land or the public authority. If, on the other hand, the item is found to be of local or State heritage significance the item will be appropriately protected by listing on the State Heritage Register or by provisions in a local environmental plan.

In this case the work required or authorised by the notice or order will still require an approval under the Heritage Act before it can be carried out. It is important to note that invalidating notices and orders is not necessary to protect potential heritage items and is generally counterproductive to the applicant. This proposal will enable the conservation objectives of interim heritage orders to still be achieved without the need to invalidate existing orders and notices and reduce the administrative costs of other public authorities and landowners as well.

The Act provides that proceedings for offences against the Act must be commenced within six months of the commission of the offence. This means that offences that are not discovered or are concealed by recalcitrant owners more than six months after they occurred can never be prosecuted. From the Heritage Council's experience, unauthorised works will often not be discovered for some months after they have occurred. This drastically shortens the time available for the Heritage Council to meet and determine whether to prosecute and to adequately prepare and commence proceedings. The bill will amend the Act to permit prosecutions to commence within 12 months of the offence or the discovery of the offence by the Heritage Office. This amendment will make the Heritage Act consistent with other conservation and environment protection legislation in New South Wales.

The bill will also introduce a provision to allow the Heritage Council to charge fees for certain services it provides. This includes reviews of conservation management plans. However, such fees will first need to be provided for in a regulation that will be available for public scrutiny before it is made. The provision rectifies an anomaly in the Heritage Council's power and brings its powers to charge into line with similar Government agencies.

The bill will provide for a more flexible and effective basis for the identification and protection of the diverse environmental heritage of New South Wales. A more people friendly heritage system will recognise the on-the-ground realities of managing our heritage and community resources and remove unnecessary red tape. I commend the bill to the House.

Debate adjourned on motion by Mr Stoner.

LOCAL GOVERNMENT AND ENVIRONMENTAL PLANNING AND ASSESSMENT AMENDMENT (TRANSFER OF FUNCTIONS) BILL

Bill introduced and read a first time.

Second Reading

Dr REFSHAUGE (Marrickville—Deputy Premier, Minister for Urban Affairs and Planning, Minister for Aboriginal Affairs, and Minister for Housing) [1.38 p.m.]: I move:

That this bill be now read a second time.

I am pleased to introduce this bill as it allows for the controls over the use and management of buildings to be brought into one Act. Members of the House will remember the major reforms that were passed in 1997 to bring

together the process for planning and building approvals. This bill continues that process by transferring further building-related functions from the Local Government Act 1993 to the Environmental Planning and Assessment Act 1979, so that a system of approvals and minimum standards for these functions is maintained. When the 1997 reforms came into effect, the Local Government Act 1993 controlled the approval process for the use of a building or structure as a place of public entertainment and the installation of a temporary structure.

These approvals are needed to operate theatres, public halls and cinemas, and to erect temporary structures, such as circus tents or party marquees. As can be expected, the need for the approval ensured that these buildings and/or structures were adequately designed and operated so that there was minimal risk to the community from fires and structural collapse. I am sure that members of the House are aware of recent failures in other countries of these types of buildings and the severe hurt and injury that can be caused. As you would expect, the management of these buildings can be highly technical, involving the prevention of fires and assurance that the structure is adequate, particularly when there are many people in the building. There has been much study of the impacts of fire and how fast it can spread through a poorly-designed and managed building—it is an important science.

At the time of the 1997 reforms the technical expertise for these matters resided with the Department of Local Government. It was therefore appropriate that the approval of these building-related activities remained in the Local Government Act at that time. In 1999 the Government decided to restructure the departments of Local Government and Urban Affairs and Planning to bring together all the technical expertise for the approval, management and use of buildings, including those used for public entertainment. It was a sensible decision and has improved the consistency of the Government's management of these matters. This bill complements the decision to restructure by bringing together the approvals for building into the one Act. There is also a lot of sense about this bill because it makes it easier to understand the rules and requirements needed to erect and use a building. Another benefit of this bill is that it removes some duplication that has existed between the Acts for the approvals needed to install a solid fuel heater.

There are essentially three elements that the bill requires to transfer the functions involved: amendments to the Local Government Act 1993, amendments to the Environmental Planning and Assessment Act 1979, and amendments required to other legislation to recognise the transfer. Schedule 1 to the bill contains the amendments to the Local Government Act 1993. These amendments essentially remove the requirement under section 68 to gain approval for the use of a building as a place of public entertainment, to install a temporary structure on land and to install a domestic oil or solid fuel heater. Included in the amendments is the repeal of the special provision in section 71 of the Act for the use of places of public entertainment by the Crown. Also included in schedule 1 is an amendment to section 92 of the Local Government Act to recognise any accredited designs or processes endorsed under the Environmental Planning and Assessment Act 1979. That Act sets out a process for the endorsement of products which relieve a council from the need to reassess a product when granting an approval. The amendment removes the current duplication that requires accreditation for a product under both.

Schedule 2 contains amendments to the Environmental Planning and Assessment Act 1979 that will allow places of public entertainment, temporary structures and the installation of solid fuel heaters to be managed through the development approval process. The schedule contains amendments to the definition of a building and the introduction of new definitions relating to places of public entertainment. Amendments are made to allow the regulations to cover the ongoing use of places of public entertainment and set appropriate standards. There is also the inclusion of powers to allow for enforcement action for the new function, like issuing orders, which can be issued by councils where buildings do not comply with the relevant standards.

Schedule 2 has a new section 5 to govern how the Crown is to ensure that its theatres and public halls are safe—from the Sydney Opera House to the numerous school halls across the State. New section 116GA will require the Crown to certify that its buildings comply with all the relevant standards where they are used for public entertainment. Those standards will be contained in either an environmental planning instrument, or the regulations. This is similar to the system that currently operates for the Crown when a new building is constructed. Essentially the amendments have been designed to allow the system of environmental planning under the Act to set out the requirements that will need to be met for new proposals to get approvals from councils for public entertainment, temporary structures and installation of solid fuel heaters.

Before the changes start operation a number of State environmental planning policies (SEPPs) will be made to deal with the standards and other regulatory processes involved in these transferred functions. I will ensure that there is sufficient time for councils to understand and prepare for the new processes before they start.

A SEPP will be prepared to require development consent for any new use of a place of public entertainment. The SEPP will include the types of issues that councils will need to look at when considering an application, including the standards that the buildings will need to meet so they can be safely used for public entertainment. Crown buildings used for public entertainment will not be required under the SEPP to get development consent from the council, but the Crown will still be bound by the self-certification procedures I referred to earlier.

A similar approach will be used for temporary structures, although it is likely that some of these structures will be categorised as complying development. This will allow a fast simple approval for the installation of simple structures like party marquees and the like. There maybe some structures, particularly film sets, that do not need any approval provided they meet relevant standards. These minor structures can be classified as exempt development. A SEPP for the installation of solid fuel heaters is not necessary as these are already regulated under the Environmental Planning and Assessment Act as building work. However, councils will be encouraged to review their local environmental plans to ensure that the installation of solid fuel heaters can be exempt development, provided that appropriate standards are met. Transferring the regulation for the installation of heaters will not affect legislation applying to other aspects of heater use. Solid fuel and oil heaters are also regulated by the Environment Protection Authority, both in the design and construction phase under the Protection of the Environment Operations Act 1997, and at the operation stage through pollution controls.

Schedule 2 has a new section 12 that contains the savings and transitional provisions that will govern how existing approvals will continue to operate. These provisions will allow the conditions applying to approvals under the Local Government Act to still apply until July 2003. By this time amendments to the Environmental Planning and Assessment Regulation 2000 will be made to set out the standards and conditions applying to the continuing use of these buildings and structures. However, approvals that expire before July 2003 will not be extended.

Schedule 3 to the bill contains amendments to other Acts. These amendments primarily involve changing references from the old system to the new. As I said earlier, this bill is an entirely sensible series of amendments to transfer functions from one Act to another. The Government has put forward these amendments in recognition that an easier and more comprehensive system to manage our buildings comes from having all the approvals in one Act and managed under one system. I commend the bill to the House.

Debate adjourned on motion by Mr Stoner.

[Madam Acting-Speaker (Ms Beamer) left the chair at 1.46 p.m. The House resumed at 2.15 p.m.]

PARLIAMENT HOUSE SECURITY

Privilege

Mr O'DOHERTY (Hornsby) [2.15 p.m.]: Under Standing Order 101 I raise a matter of privilege suddenly arising. I have prepared a notice of motion under Standing Order 101. Earlier I was in the Chamber, as was the Minister for Police and other members, when a stranger was in the House. Mr Speaker, you were in the chair. Honourable members need to know that somebody walked in through the door on the government side, literally walked behind the Minister while he was speaking, sat approximately where the Minister for Education and Training is now seated, listened to the debate, looked at the Minister, adjusted his coat and walked out. At that time, as I was walking across the Chamber, he literally bumped into me. This person said to me, "This is obviously not the way to the public viewing area, is it?" He then left. I drew your attention to the presence of a stranger in the House. The Minister for Police was clearly disturbed, as all honourable members should be at the presence of somebody who gained access to this Chamber without being detected by anybody. But for the fact that he literally ran over me as he was walking out he may have remained undetected except for the cameras recording the event.

The implications of this are serious. Thankfully, this was not a serious incident, however it was a serious breach. Whatever the intentions of this person in being here, accidental or otherwise, it is a serious breach. The motion I seek to move under Standing Order No. 101 calls on you, Mr Speaker, to provide an immediate investigation of the matter. The House needs to know who it was, how this person came to be in the House, and whether he was, as one rumour that is circulating now suggests, a ministerial staff member and, if that is the case, of which Minister? What steps are being put into place to ensure that this kind of breach does not happen again? The events of yesterday have shown us how fragile and important our democracy is and how important is access by members of this Chamber to the crucible of our democracy, which is right here. I seek to move this motion so you, Mr Speaker, can provide us with an explanation how this occurred and an assurance that it will not happen again.

Mr SPEAKER: Order! I have spoken to some of the attendants. They have told me that the person came and left through the exit behind me and to the right. However, the matter is serious and I have instructed the Clerk to undertake an investigation of the procedures that are in place for the security of members. That investigation is now in progress.

Mr O'DOHERTY: I seek clarification from the Clerk. I have now given notice of a motion of privilege under Standing Order No. 101. Can I ask that that be set down for debate at a later hour today?

Mr Ashton: What is there to debate?

Mr O'DOHERTY: Just look at the standing orders and you will understand.

Mr SPEAKER: Order! The manner in which the issue is dealt with is a matter of interpretation. I believe the process that has been undertaken is reasonable and I will report back to the House when the review has been concluded.

Mr O'DOHERTY: I draw your attention to Standing Order No. 101. I do not want to labour the point. I have given notice of the motion and all you have to do is agree to debate it. The debate will not take long.

Mr Scully: You are not listening, the matter has been dealt with.

Mr O'DOHERTY: The Minister does not think it is a serious matter, but I do. All the House has to do is agree that Mr Speaker needs to investigate it.

Mr SPEAKER: Order! If honourable members are not satisfied with the action I have undertaken, I will set the matter down for debate at another time.

Mr Whelan: No, we do not support it.

Mr SPEAKER: Order! The honourable member is entitled to ask me to do that. I will set the matter down for debate at a later time.

Mr O'DOHERTY: I ask that you set down for debate the notice of motion of privilege that I have given today as an order of the day for a later hour.

Mr SPEAKER: Order! I will set the matter down for debate on another day.

BUSINESS OF THE HOUSE

Days and Hours of Sitting

Precedence of Business: Suspension of Standing and Sessional Orders

Mr WHELAN: I move:

- (1) That the House meet for the despatch of business as follows:

Thursday 21 June 2001 -	10.00 am
Friday 22 June 2001 -	10.00 am
Monday 25 June 2001 -	10.00 am; and

- (2) That standing and sessional orders be suspended to permit Government business to have precedence of general business on the abovementioned days, provided that the routine of business shall not apply on Friday, 22 June 2001.

In essence, that means that tomorrow the House will sit at 10.00 a.m. to deal with government business. On Friday it is proposed to resume the adjourned debate on the Appropriation Bill that has been going on for the past two weeks. There will be a sitting day on Monday. It is unusual for the House to sit on Mondays, but as it is a government business day, question time will be at 2.15 p.m.

Mr HARTCHER (Gosford) [2.21 p.m.]: I thank the Leader of the House for his courtesy in informing me of this suspension of standing orders earlier today. It is an unusual practice. The Coalition parties have always supported the proper sittings of Parliament to deal with parliamentary business. Our objection to the

ongoing cancellation on Thursday's private members' day is on the basis that Parliament should be allocated other days to deal with government business. Private members' days should remain sacrosanct and we should also have government business days. There is no problem with that. Accordingly, we are not going to complain about a Monday sitting. If the Government thinks that is appropriate, we will accept it, even though it causes a degree of inconvenience. Members of the Coalition parties accept the fact that their primary responsibility is to the Parliament. They uphold parliamentary democracy. They do not allow Parliament to be blockaded until 2.00 p.m. and take no action at all—but I will not labour that point. The issue relates to Thursdays. The fact is that Thursday is an important day for private members' statements.

Ms Moore: I'm so pleased to hear you say that.

Mr HARTCHER: I love saying that for the benefit of the honourable member for Bligh. Accordingly, the Coalition parties will not accept the cancellation of private members' business on Thursday. There are a huge number of notices of motions, bills and issues that Opposition members wish to canvass, and there are many issues that Government members would also like to canvass. There is no reason the House should not sit an extra day in the following week, if necessary, to deal with this schedule of business, which has been on the notice paper for a considerable time. Accordingly, I move:

That the motion be amended by the insertion, after the word "days" in paragraph (2) the following words ", except Thursday 21 June 2001,"

Question—That the amendment be agreed to—put

The House divided.

Ayes, 36

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

Noes, 52

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

Pair

Mr Fraser

Mr Nagle

Question resolved in the negative.**Amendment negatived.****Motion agreed to.****VARIATIONS OF PAYMENTS ESTIMATES 2000-01**

Mr Aquilina, by leave, tabled the variations of payments estimates and appropriations for 2000-01 in relation to the Legal Aid Commission and Attorney General's Department, in terms of section 24 of the Public Finance and Audit Act 1893.

POLICE INTEGRITY COMMISSION**Reports**

Mr Speaker announced, pursuant to the Police Integrity Commission Act 1996, the receipt of the following reports:

Report to Parliament—Operation Oslo, dated June 2001
Report to Parliament—Operation Saigon, dated June 2001

Ordered to be printed.**AUDIT OFFICE****Report**

The Clerk announced, pursuant to the Public Finance and Audit Act 1983, the receipt of the Performance Audit Report entitled "Department of Corrective Services—NSW Correctional Industries", dated June 2001.

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**.

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**.

Surry Hills Policing

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

Inner East Sydney Police Resources

Petition praying that there be an immediate increase in police resources in the inner east, that there be an increase in the uniformed police foot patrols to deter crime and that an effective police recruitment drive be developed to properly resource community policing, 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**.

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**.

Manly Police All-terrain Vehicles Trial

Petition praying that the all-terrain vehicles currently being trialled by Manly police be permanently retained, received from **Mr Barr**.

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**.

Chatswood High School

Petition asking the House to support the retention and refurbishment of Chatswood High School, received from **Mr Collins**.

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**.

Vaucluse Electorate School Closures

Petition requesting funding for public schools and opposing the merging of local schools, received from **Mr Debnam**.

Queanbeyan Preschool Services

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

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**.

Thirroul Railway Station

Petition calling on the Minister for Transport, and Minister for Roads to fund easy access facilities at Thirroul railway station, received from **Mr Campbell**.

Kapooka Bridge

Petition praying that capital works funding be made available for the construction of a new Kapooka bridge, received from **Mr Maguire**.

Spit Bridge Opening Times

Petition praying that the House reduce the number of openings of the Spit Bridge on weekends, received from **Mr Barr**.

Tumut Regional Roads Upgrade

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

Yarrahapinni-Stuarts Point Intersection

Petition praying that measures be taken to improve the intersection of Yarrahapinni-Stuarts Point and the Eungai Rail turn-off on the Pacific Highway, received from **Mr Stoner**.

Bus Passenger Safety

Petition requesting that the practice of allowing bus passengers to stand while in transit be discontinued, received from **Mr J. H. Turner**.

Queenscliff Geographical Names Board Classification

Petition praying that the House reinstate Queenscliff as a suburb with the Geographical Names Board, received from **Mr Barr**.

Sydney Water Biosolids Strategy

Petition expressing concern about Sydney Water's proposed biosolids handling and transport strategy and praying that the House rejects the strategy, received from **Mr Barr**.

Hawkesbury-Nepean Catchment Management Trust

Petitions praying that the House reinstate the Hawkesbury-Nepean Catchment Management Trust as soon as possible, received from **Dr Kernohan, Mr Merton, Mr O'Doherty, Mr Rozzoli and Ms Seaton**.

Animal Experimentation

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

John Fisher Park

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

Blue Mountains National Park Fire Management

Petition praying that the boundary of the Blue Mountains National Park in the vicinity of Bowen Mountain remains as it is, in accordance with recommendations of the local Rural Fire Service—the Grose Vale Brigade—and that the management of the fire buffer zone remains within the jurisdiction of the Rural Fire Service, received from **Mr Rozzoli**.

Manly Lagoon Remediation

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

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**.

SELECT COMMITTEE ON SALINITY**Report**

Mr Anderson, on behalf of the Chairman, tabled the report entitled "Visits of Inspection to Deniliquin and Wagga Wagga, 6-7 November 2000; Hunter Region, 21-22 February 2001; and Lower Murray Region, 1-4 May 2001," dated June 2001.

Ordered to be printed.

PUBLIC ACCOUNTS COMMITTEE**Report**

Mr Tripodi, as Chairman, tabled the report entitled "Annual Report 1999-2000", dated June 2001.

Ordered to be printed.

QUESTIONS WITHOUT NOTICE

WORKERS COMPENSATION LEGISLATION

Mrs CHIKAROVSKI: My question is directed to the Premier. With two former members of his Cabinet, the Hon. Ron Dyer, from the right, and the honourable member for Coogee, from the left, repeating this morning that debate on the workers compensation amendments should be delayed for further discussion because the democratic process in the Labor caucus was corrupted, will he ensure the House that he will not use his numbers to ram through the legislation but instead will allow the normal five days to pass before bringing the bill back for debate?

Mr CARR: I commit myself to the principle of full and comprehensive debate on this important matter. Its importance has been confirmed in a statement—

Mr Souris: Here it comes.

Mr CARR: The Leader of the National Party says, "Here it comes."

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

Mr CARR: Why would the Leader of the National Party suspect that I would want to quote the speech he made at Albury? Why is it that he is able to read my mind and say that this was coming? Why did he think this?

Mr SPEAKER: Order! I call the Deputy Leader of the Opposition to order for the second time. I call the honourable member for Lismore to order. The honourable member for Cronulla will resume his seat. I call the Deputy Leader of the Opposition to order for the third time.

Mr CARR: The Leader of the National Party—

Mr SPEAKER: Order! The honourable member for Lismore will remain silent. The Leader of the National Party will remain silent. I call the honourable member for Bega to order. I call the Leader of the National Party to order for the second time.

Mr CARR: The Leader of the National Party must be flushed with pride at the poll reported in the *Bulletin* this morning which shows that, under his leadership, the National Party now rates 3.5 per cent.

Mr Amery: A minority party.

Mr CARR: Yes, it is a minority party, and that percentage is lower than the margin for error.

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

Mr CARR: The Leader of the National Party was lamenting that in Albury no-one came to hear him give his speech. The first excuse he gave to the media was that his speech was given at 9.00 a.m. and no-one could get there—the local match could not be disturbed for people to be there. His other excuse was—

Mrs Chikarovski: Point of order: My point of order is on relevance. Yesterday the Premier told the people of New South Wales that the most significant piece of legislation is the Workers Compensation Legislation Amendment Bill. What we want to know is whether he will allow the House to have five days to properly consult on and consider this piece of legislation. The people of this community are not concerned with the Premier's antics. The young men in the gallery from the Christian Brothers at Lewisham are not concerned with the Premier's antics but want to know whether this House will be able to properly consider the most significant piece of legislation that the Government has managed to bring into this House in the last few weeks.

Mr SPEAKER: Order! I have spoken previously to the Leader of the Opposition about the manner in which she presents her points of order. On this occasion there is no point of order because I was unable to hear one word she said.

Mrs Chikarovski: I am happy to repeat it.

Mr SPEAKER: Order! I have already advised the Leader of the Opposition on how to take a point of order. The Chair is losing patience with the methodology adopted by the Leader of the Opposition when taking points of order. If she attempts to use the same technique when taking points of order in the future, I will invoke the prerogative of the Speaker, as I did on a previous occasion, and decline to hear any further points of order from her.

Mrs Chikarovski: But I have—

Mr SPEAKER: Order! The Leader of the Opposition will resume her seat. The Premier has the call.

Mr CARR: It is no wonder that the *Sydney Morning Herald* on Monday was again rife with speculation about the Liberal leadership.

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

Mr CARR: I must say that I did like it yesterday when the Leader of the Opposition invited the Trotskyist demonstrators to fill the gallery. I saw her as being in her Rosa Luxemburg phase yesterday. I must tell her not to stand too close to any canals. According to Australian Associated Press [AAP], the Leader of the National Party complains that he was forced to begin delivering his address to delegates in a near-empty house, which he blamed on the 9.00 a.m. start. Later, when he was interviewed, he blamed that on the remote location—the remote location being Albury.

Mr O'Doherty: Point of order: My point of order is on relevance. There is nothing at all that is relevant about what the Premier is saying in response to the question that was asked. The question was about WorkCover. We want to know whether the members of the Labor caucus, who expressed their view freely yesterday in the sanctity of the caucus room, will be allowed to have a conscience vote when this matter comes to the Parliament. Mr Speaker, I ask you to bring the Premier back under the standing order concerning relevance.

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

Mr CARR: What was said by the honourable member for Hornsby was not the question at all. The honourable member for Hornsby does not even listen to his leader's questions. The Leader of the National Party got to the nub when he said this:

Faced with a \$2.2 billion accumulated deficit the Government's WorkCover scheme was clearly unsustainable and required urgent surgery to survive.

He went on to say, in the words that I myself have been using:

We will guarantee country business that we will reform the—

[Interruption]

Mr CARR: No, I am not plagiarising; I am quoting directly. This is in quotes. That is not plagiarism. What school is he from? Need I go up to the gallery and beg to sit in his English class, if he does not know the difference between plagiarism and a direct quote? I am paying the Leader of the National Party the compliment of a direct, between-inverted-commas quotation.

Mr Souris: Not very well delivered, however.

Mr CARR: When I address my party meetings, people turn up. They don't turn up to hear you! This morning members opposite did a tutorial on overacting. This is what the Leader of the National Party says in the most excellent part of his speech:

On return to government we will guarantee country business that we will reform the workers compensation legislation so it can generate more jobs by bringing spiralling premium costs under control while ensuring genuine injured workers do not lose their rights to proper compensation and they do not lose from injury.

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

Mr CARR: I welcome this indication of National Party support for the Government's legislation.

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

Mr Souris: Point of order: My point of order relates to relevance. The Premier has called for National Party solidarity. The day he can do it with Australian Labor Party solidarity, we will consider it.

Mr SPEAKER: Order! I call the Leader of the National Party to order for the third time. I remind the honourable member for Bega that he is on three calls to order. I call the honourable member for Epping to order. I place the honourable member for Pittwater on three calls to order. Any member who further disrupts a Minister's answer will be placed immediately on three calls to order.

MOUNT DRYSDALE STATION

Mr BLACK: My question without notice is to the Premier. What is the latest information on initiatives to promote partnerships between graziers and Aboriginal communities in the Western Division?

Mr CARR: I am pleased to inform the House about a landmark act of reconciliation in western New South Wales, which involves farmers and Aboriginal people in a remarkable act that has great symbolic and practical meaning for the State and for the local people and is another measure of our progress in working together towards real and thoroughgoing reconciliation. About 30 kilometres north of Cobar is an area of immense spiritual and cultural importance to the Ngemba and Ngiyaampa Aboriginal people. This country contains a story of Biaime, an ancestor figure who occupies a central place in the creation stories of local Aboriginal people. It is also a property called Mount Drysdale, which runs horses, goats, cattle and sheep.

Shirley Mitchell lives on the property with her husband, Michael. She is a descendant of families who came to the area in the 1880s. The station has been in the same family for more than a century. It is rich in history, ancient and modern, indigenous and non-indigenous. The entire property is listed by the National Trust to preserve its Aboriginal and European heritage. Today I am pleased to inform the House that 500 hectares of Mount Drysdale station has been declared an "Aboriginal place". This ensures protection not only for hundreds of Aboriginal artefacts but for the entire landscape.

Under Section 90 of the National Parks Act, the area cannot be disturbed without the consent of the Director-General of the National Parks and Wildlife Service. It means that a piece of our shared history is now preserved for the benefit of current and future generations. How did this come about? It was not the result of conflict or argument. It was, remarkably, a shared endeavour, a partnership between graziers and Aborigines. Shirley Mitchell describes how her grandmother grew up with local Ngemba children, playing in the bush and swimming in waterholes with them. Shirley says:

When I was a very small child my grandmother would walk us for hours over the property and through the ranges, but she never allowed us to go to Mount Billigoe because Biaime, she said, had rested there.

This was a white European woman talking to her grandchild. Shirley did not go to the sacred Aboriginal place. Even back in those times, she respected it. Shirley went on to say:

Aboriginal people were welcome to come and go as they pleased.

But the local non-indigenous people held back from trespassing that territory. This Aboriginal community survived grazing and mining and maintained their ties with the area. Their creation stories endured. Phil Sullivan, a sites officer with the National Parks and Wildlife Service, is a descendant of the people who originally occupied the area. He describes how Biaimi left physical signs of his presence in an area extending from the Drysdale Range to the Darling River at Brewarrina. For an area to be declared an "Aboriginal place", there must be a detailed investigation. In the case of Mount Drysdale, the archaeological finds were very significant. They included 32 stone paint palettes for grinding ochre for body painting. There were also 264 fireplaces, two wells, an axe quarry, scar trees and other evidence associated with ceremonial places found on dreaming tracks. There is also oral history of two massacres that occurred on the mountain in the 1880s.

Until recently the declaration of "Aboriginal places" in New South Wales occurred at the rate of less than one a year. Aboriginal people nominated areas, but their applications gathered dust. As part of our

Government's continuing commitment to reconciliation, we have revitalised declarations of Aboriginal places. The backlog is being processed; new nominations are coming in. There have been six declarations in the past two years. They include women's areas, men's ceremonial areas, story sites and a massacre site. Another 12 nominations are being investigated. We expect to double the number of declared Aboriginal places in the space of a few years.

The Mount Drysdale story symbolises a feature of Australian history. It shows us that our history has many strands, both indigenous and non-indigenous: the fate and survival of a resilient indigenous people and the achievements of the white colonisers after 1788. These different strands in our history live side by side. In total, with their triumph, their achievement, their happiness, their celebration, their sadness and their tragedy, they are the total of Australian story. They are Australian history. Mount Drysdale is a microcosm of what can be achieved with goodwill from all sides, with people representing these different strands coming together and saying this site is significant to us.

PARLIAMENT HOUSE BLOCKADE

Mr SOURIS: My question is directed to the Premier. Would the Premier explain whether his Churchillian victory fingers from the parliamentary verandah yesterday signified a crushing defeat of the unions, his Australian Labor Party caucus colleagues and the people of New South Wales or was it, as the honourable member for Coogee said this morning, just a brazen display of arrogance?

Mr CARR: Where do they stand on workers compensation? As far back as February 1994 the files yield up a letter—how poignant are the names, how touching this pre-echo of Liberal conflict—from the honourable member for Willoughby, the then Treasurer of New South Wales, to the person who replaced him as Leader of the Opposition, the then Minister for Industrial Relations and Employment. How poignant is the association of these two names, redolent as they are today of the great history of the great Liberal Party of New South Wales.

Mr Amery: Once great.

Mr CARR: A once great party. Should we deny the adjective "great"? How sad! What was the subject of the little letter? I will tell you. Fasten your seat belts, prepare to arrest your tears.

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

Mr CARR: The letter is about the blow-out in the WorkCover deficit. The honourable member for Willoughby said:

The original concern is now being reinforced by an emergence of costs in excess of original estimates. My concern now is that these benefits have brought about changes in culture and climate, that is, in the WorkCover scheme, that will not only have a direct impact on the budget by higher workers compensation costs but may have a flow-on effect to the tail of workers compensation and transport accident claims which currently have outstanding claims in excess of \$1 billion.

That it is a pre-echo of their leadership tussle and the pressures on the scheme. The deficit is blowing out—it is currently \$2.18 billion—and it is borne by the community of New South Wales. If that continues to blow out because government reforms are blocked in the upper House the day will come when that deficit has to be divided up among all employers—large, medium and small—in New South Wales, each of whom will have to pay a share of it. If this reform legislation is blocked by the Coalition in the upper House, every time the deficit goes up by another \$50 or \$100 million I will write to the employers of this State and tell them to take their case to the Coalition and to the upper House because that will be their responsibility. As the honourable member for Willoughby was astute enough in 1994 to warn, that deficit cannot be overlooked; the consequences are too great.

I welcome any opportunity in this House to talk at greater length about that deficit, but if these reforms do not proceed then the day will come when a government has to impose a levy on every employer in New South Wales to pay for the deficit. The day will come when some government in New South Wales takes away common law rights—as Kennett did in Victoria—because of the crisis the scheme will be in. These reforms are designed to prevent that coming about.

COMPANION ANIMALS LEGISLATION

Ms BEAMER: My question without notice is to the Minister for Local Government. What is the latest information on the implementation of the Companion Animals Act?

Mr WOODS: As honourable members would recall, the Companion Animals Register commenced operation on 1 July 1999, almost two years ago. The two major elements of the legislation are the permanent identification and lifetime registration of cats and dogs. Before the Act came into effect, the only regulatory regime covering the responsibilities of pet ownership was the Dog Act 1966. The Companion Animals Act has three major aims: to promote responsible pet ownership, thereby protecting the wider community and environment; to reduce the unnecessarily high number of pets euthanased in New South Wales every year; and to reunite missing pets with their owners.

I can inform honourable members that since the register commenced operation on 1 July 1999, the details of close to half a million cats and dogs have been recorded on the register. New records continue to be added to the register at an undiminished rate. I believe that is a good effort and demonstrates the willingness of pet owners to do the right thing. We have a very effective and world-class system. The register is the first of its kind, utilising on-line technology to provide access to authorised users of the register. I acknowledge the efforts of my department in leading this process. In fact, I understand there has been interest in the legislation and the system from interstate and overseas as a model in other jurisdictions. Using the latest in web technology—coupled with very tight security measures—the register can be used by councils and police to effectively track down the owner of a stray pet or an animal which has caused a problem in the community, such as attacking someone.

By scanning the implanted microchip and locating the animal's record on the register, it is possible for a council to return the pet to its owner without having to take it to the pound. As councils independently track down missing pets on the register, it is unclear just how many animals have been reunited with their owners during the past two years, but there has been much anecdotal evidence from councils that they are able to reunite more lost pets with their owners. Ryde council is just one example of a council having been able to significantly reduce the number of animals going to the pound. Pittwater council pound, for example, reports 80 per cent of animals coming into the pound are microchipped and can be returned to the owner.

I will tell the House about one of the successes of the register. A Burmese kitten was lost at Whale Beach in the northern beaches of Sydney. The owner had responsibly microchipped the kitten. When it was lost the owners correctly notified the council. Pittwater council staff recorded on the register that the animal was missing. Several weeks passed with no sign of the missing kitten. A month later, 200 kilometres away, the kitten was found beside the road at Bowral in the Southern Highlands.

Mr SPEAKER: Order! Members listened to the Treasurer in silence when he delivered the Budget Speech in this Chamber. I ask them to extend the same courtesy to the Minister.

Mrs Chikarovski: Point of order: The Opposition would like to know from the Minister when the movie is coming out.

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

Mr WOODS: That was very funny! When the kitten was scanned by a vet, it was found to have a microchip. A check of the register identified that it was a kitten that had been notified as missing from Sydney, and it was back with the original owner almost the same day as the day it was found. When the new registration system was introduced, it was thought more people would dump their animals, particularly those who did not want the responsibility of owning a pet.

Mr SPEAKER: Order! The honourable member for Blacktown and the honourable member for Hawkesbury will remain silent.

Mr WOODS: The available evidence strongly indicates the contrary and that the number of animals being euthanased has in fact decreased.

Mr SPEAKER: Order! The honourable member for Willoughby will cease interjecting.

Mr WOODS: The RSPCA's 1999-2000 annual report showed that the total number of animals euthanased by New South Wales RSPCA shelters decreased by nearly 30 per cent. A spokesperson from the New South Wales RSPCA was quoted in the *Sydney Morning Herald* as saying that "microchipping has helped

reunite more dogs with their owners." This information, together with the increasing numbers of animals being microchipped and registered, shows that the statewide community education campaign, supported by many local and ongoing council community education programs, is being effective. The system, being the first of its kind, inevitably meant that there were some teething problems in the early days. The inclusion of a web-based registration system has proved to be a complex task. It was always expected that the register would be a dynamic system subject to continuous improvement.

Experience with the system and feedback from councils and other users enabled the department to identify a range of improvements to the system. These were prepared last year and tested with councils before their implementation. Feedback from councils has indicated that the changes have met the users' needs from the system. Opposition members might not be interested, but their constituents certainly are interested because they have registered their dogs and cats in the hope that if those pets are lost they will be returned to them—and they are being returned. A companion animals register user group has been established to provide feedback in relation to the register. The user group is currently discussing proposed future enhancements for the next update of the register.

A number of councils are to be commended for their initiatives in relation to animal management and control. Some councils are also supporting Councils Unite for Pets, a group of committed individuals from councils across the greater metropolitan, Blue Mountains and Wollongong areas who work together on companion animals issues and every year host a highly popular stand at the Sydney Pet and Animal Expo. Finally, I would add that the Companion Animals Advisory Board is working hard on many issues relating to the implementation of the Act. As indicated in the debate on amendments to the Act a fortnight ago, a comprehensive review of the operation of the legislation is at the top of the agenda. In addition, mandatory standards for the care of dogs and cats in pounds are being developed with New South Wales Agriculture.

SPIT BRIDGE OPENING TIMES

Mr BARR: I ask a question without notice of the Minister for Transport, and Minister for Roads. When oh when—

Mr SPEAKER: Order! The Chair cannot hear the question. If members on the Opposition front bench ceased interjecting all members would be able to hear the question. I ask the honourable member for Manly to repeat his question.

Mr BARR: When oh when is he going to sensibly rationalise the opening times of the Spit Bridge, particularly on weekends?

Mr SCULLY: It is a difficult balance between water traffic and road traffic. I get a lot of requests from the boating community to increase the number of opening times. Whenever that occurs, there are complaints from those who are represented by a number of people on the other side of the House, including motorists travelling on the bridge. I am happy to have a look at the issue and get back to the honourable member.

Mr SPEAKER: Order! I call the honourable member for Epping to order for the second time. I remind the leader of the National Party that he is on three calls to order.

RURAL AND REGIONAL ATHLETES AND SPORTING SHOOTERS

Mr MARTIN: My question without notice is to the Minister for Sport and Recreation. What is the latest information on Government support for rural and regional athletes and sporting shooters?

Mr WATKINS: I thank the honourable member for his question.

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

Mr WATKINS: This Government is continuing to support sport in rural and country areas of this State. Today I am able to advise the House that more than \$700,000 has been allocated to junior sportspeople and sporting shooters right across New South Wales. The money will help young athletes and responsible shooters excel in their chosen sports. Honourable members, especially those representing electorates outside Sydney, will recall that the extremely successful Country Athletes Scheme was established by the honourable member for Parramatta. Today I am pleased to advise that the Carr Government's commitment to development

of junior sport in country New South Wales is greater than ever. This year the level of financial assistance to junior talented athletes has been increased by 25 per cent, to \$200,000. The Country Athletes Scheme provides talented country athletes with the same developmental opportunities as are available to city athletes. The scheme is available to junior athletes living more than 80 kilometres from the General Post Office.

Mr Hazzard: Point of order: Mr Speaker, in view of your direction to the Leader of the Opposition and other members in the past few weeks to address the Chair and not to turn away from the Chair, I ask you to direct the Minister accordingly.

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

Mr Hazzard: How could that not be a point of order when you so directed Opposition members?

Mr SPEAKER: Order! I remind the honourable member for Wakehurst that he is on three calls to order.

Mr WATKINS: The Country Athletes Scheme is administered by the Department of Sport and Recreation. Input is sought also from the Sports Advisory Council. Junior athletes receive grants of up to \$1,000 for travel and accommodation expenses associated with training and competing in their chosen sports. This year, 276 athletes in sports as diverse as archery, basketball, surfing and table tennis will benefit from the scheme. I would encourage members from both sides representing country electorates to make sure that their applications are in for next year's round of grants. I am also pleased to announce today the recipients of grants under this year's Shooting Facility Development Program.

The Carr Government has a proud record in providing better shooting facilities across the State. This program was established in November 1998. It aims to provide safer and better facilities for shooters across New South Wales. It is meeting a clear demand across the State from the many thousands of responsible shooting club members who want better facilities for their sport. Today I can inform the House that for 2000-01 I have approved 16 grants totalling \$517,726. Projects funded by the grants range from the installation of targets, to covering shooting bays, to building shooting ventures, to upgrading fences, and to providing access for people with disabilities.

The overwhelming majority of the funds have gone to clubs based in rural and regional parts of the State. This is a further demonstration of this Government's clear commitment to improve sporting facilities right across the State. I should also remind the House that next year's budget will provide for an extension of this extremely successful program. Another \$1 million will be allocated to the program over the next two years. I would like to thank members of the ministerial advisory committee on shooting clubs, in particular, non-government members from the shooting fraternity. Again this year the Hon. John Tingle deserves a special mention for his ongoing and tireless work in his assessment of the finalisation of these grants.

PARLIAMENT HOUSE BLOCKADE

Mr TINK: My question without notice is directed to the Premier. Why did the Premier ignore police advice yesterday that to protect the public his Cabinet Ministers and backbenchers should enter Parliament House through the Hospital Road back entrance rather than provoke violence by coming through the Macquarie Street entrance?

Mr CARR: I am not aware of any such advice.

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

Mr Tink: Mr Speaker—

Mr SPEAKER: Order! I will not give the honourable member for Epping the call. I have already warned him about that type of behaviour.

SMALL BUSINESSES BANK FEES

Mr TRIPODI: My question without notice is directed to the Minister for Small Business. How are bank fees affecting small businesses?

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

Ms NORI: I thank the honourable member for his question because it gives me an opportunity to draw the attention of the House to a recent issues paper prepared by the University of New South Wales on the banking sector, which shows that small businesses around this country are paying around \$1.4 billion a year in bank fees. If we accept, as does the Australian Bureau of Statistics and Research, that there are about 1,100,000 small businesses nationally, that averages out at about \$1,400 per business per year. What is even more worrying is the fact that that same study found that the rate is increasing at more than 15 per cent a year—something that should worry all honourable members.

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

Ms NORI: This is at time when one in four bank branches have closed. Since 1996 banks have shed hundreds of jobs.

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

Ms NORI: According to the survey, the level of small business satisfaction with banks has fallen. Can we blame small businesses? This issues paper, which was prepared by the financial services consumer policy centre of the University of New South Wales, will form the basis of a submission that I will be taking to the small business ministerial council later this month.

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

Ms NORI: Clearly, the banking industry ought to be concerned about another factor identified by this study, that is, that only 36 per cent of small businesses are satisfied that they receive value for money in the service they receive for the fees that they pay. According to this issues paper, most recent data shows that small businesses paid about \$1.015 billion in direct bank fees and charges and an estimated \$375 million in merchant fees. The paper also found that the big banks have tended to exploit the relative weakness and lack of choice of small business by levying a higher merchant fee on smaller businesses.

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

Ms NORI: This merchant fee is used for clearing and processing the proceeds of credit cards and electronic payments. I was concerned to read about the level and complexity of the fees that some of the larger banks are forcing small businesses to pay and also to comprehend.

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

Ms NORI: According to this paper, included in the fees and charges are a number of fees and charges that are not generally publicised by the banks. For example, a business name search fee of between \$35 and \$50 must be paid by small businesses in advance of opening a new bank account. Members of the general public have grown used to the requirement that they have to provide 100 points worth of identification. They all understand the reasons for that, but they do not have to pay a charge. One bank's newly issued booklet on small business fees and charges is 45 pages long and lists over 260 individual fees and charges. This paper also reveals that the four big banks pay no interest on many of their accounts and some banks pay interest only on accounts with balances exceeding \$5,000, and then only on an amount above \$5,000. I have placed this issue on the agenda of the small business ministerial council.

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

Ms NORI: I am pleased that there is a bipartisan approach to this matter. The matter will be dealt with at the next ministerial council. Even if Opposition members do not care about what is going on in this area at least a few Liberal Party leaders are left in this country who do. This meeting is the first step in a process that will lead to a fairer outcome for small business.

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

Ms NORI: One issue prompted me to have this general topic put on the agenda of the ministerial council. On 13 February this year the Commonwealth Bank announced a net operating profit of more than

\$1.1 billion after tax for the half year ended 31 December 2000. That result, which includes the Colonial group for the full period, represents an increase of more than 8 per cent over the previous comparable period. At the same time, the chief executive officer of the Commonwealth Bank highlighted the group's commitment to enhancing its customer service. But in this environment of increased profits and stated intentions—

Mr SPEAKER: Order! I have asked the Leader of the Opposition on six occasions to cease interjecting. Not one of the interjections had anything to do with the question before the House. I ask the Leader of the Opposition to show a little leadership in terms of decorum.

[Interruption]

Mr SPEAKER: Order! I repeat that I have asked the Leader of the Opposition on six occasions during answers to cease interjecting.

Ms NORI: In this environment of increased profits and stated intentions to enhance customer service, the bank imposed new and excessive charges on its small business customers. From 2 April this year all cash deposits and withdrawals above \$3,000 have attracted a minimum charge of around \$7.50. Would honourable members like to pay for that kind of transaction? Of course they would not, and nor should they have to do so. While a cash-handling charge is also imposed by other banks such as the ANZ and the National Australia Bank, these fees are for amounts over \$5,000.

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

Ms NORI: The major banks are exploiting their market power while continuing to plead for even greater consolidation of ownership in their industry. The community has been assured that only 10 per cent of the Commonwealth Bank's small business customer base will be affected, but it is clear that the new charge will particularly affect small businesses such as retailers and newsagents that largely deal in cash. Of course, this additional charge comes at a time when these same small businesses are already struggling with the endlessly changing complications of the new tax system. The Commonwealth Bank indicated that it intended to introduce a new service whereby customers could place their deposits in an envelope, thus avoiding the fee.

I ask honourable members to listen to this. Even that service will attract a small fee. In that case a customer would have to pay \$45 for a packet of 25 deposit envelopes. Transactions conducted outside normal banking hours could attract a fee of up to \$30. The irony of that is that small business will be penalised for banking too much. Small businesses have recognised that all that will do is create an incentive for some small businesses to retain cash on their property. Of course, all honourable members understand that it would increase their exposure to robbery. No doubt there is a valid debate about just how much social responsibility rests with the banks. I am sympathetic to the view that bank depositors and shareholders are deserving of the best management of their funds.

However, I do not believe that these trends in bank charges reflect the true operation of the market. It is time that the Australian Competition and Consumer Commission and the Commonwealth Government took a hard look at how layer upon layer of fees and charges are affecting small business. It is time for the banks to acknowledge the importance of the small business sector to a growing economy. Small business cannot be expected to remain strong and profitable while banks help themselves to extravagant profits at the expense of those who put their own money at risk every day of their business lives.

PARLIAMENT HOUSE BLOCKADE

Mr ARMSTRONG: My question is directed to the Premier. Why did he order police to break through the picket line around Parliament House yesterday when, during the waterfront dispute, he gave instructions that under no circumstances should the police be used to break the picket line blockading the wharves, despite the fact that a Supreme Court injunction was being ignored daily by members of the maritime union?

Mr SPEAKER: Order! I remind members that a number of them, including the honourable member for Gosford, are on three calls to order.

Mr CARR: I am very happy to answer the question. First of all, it was not a picket yesterday; it was a blockade of Parliament. There was no scab labour, there was no strike, it was not a picket.

Mr SPEAKER: Order! The honourable member for Murrumbidgee and the honourable member for Wakehurst are close to being escorted from the Chamber by the Serjeant-at-Arms.

Mr CARR: It was a blockade of the people's Parliament. It was an attempt to exclude from Parliament, the people's Parliament, democratically elected members. The second point of correction is that during the waterfront dispute of 1997 or 1998 I gave no instructions to the police about how they were to handle the affair. As I explained in this House and in the media on a number of occasions, the waterfront dispute was handled no differently by the New South Wales police than it was by the police in Victoria, which has a Liberal government. Victoria did not use the police to crash through the pickets in the waterfront dispute, and the police did not do it here. It was not a result of directions by me to the police—as I said on numerous occasions in this House, from memory, but certainly in the media during the dispute. Yesterday I gave no instructions to the police.

Mr ARMSTRONG: I wish to ask a supplementary question. In view of the Premier's answer in which he stated it was not a picket yesterday, how does he explain the definition of "picket" in the *Macquarie Dictionary*, which states clearly:

a person or a body of persons stationed by a trade union or the like in front of a place of work and attempting to dissuade or prevent workers from entering the building during a strike

Mr SPEAKER: Order! The Premier needs no assistance from members of the Government.

Mr CARR: The honourable member said "a strike". One, there was no strike.

Mr SPEAKER: Order! The honourable member for Lachlan has asked a supplementary question. Members will listen to the reply in silence.

Mr CARR: Two, members of Parliament were being blocked from entering Parliament; they were being turned away.

Mr SPEAKER: Order! If members continue to interject I will ask the Serjeant-at-Arms to remove them from the Chamber.

Mr Armstrong: Point of order: If there was no strike yesterday, why was this place not fully staffed? It is a simple as that.

Mr SPEAKER: Order! There is no point of order. I place the honourable member for Hornsby on three calls to order.

Mr CARR: Members of Parliament were not on strike; they were being stopped from entering Parliament. It is a terrible reflection on the Liberal Party and the National Party that they condone that behaviour.

Mrs Chikarovski: Point of order: The comments of the Premier are outrageous, but that is not my point of order. I ask the Premier whether he can explain—

[Interruption]

Mr CARR: I have concluded my answer.

Questions without notice concluded.

PARLIAMENT HOUSE BLOCKADE

Personal Explanation

Mr HARTCHER, by leave: I wish to make a personal explanation. In answer to a question the Premier said the Liberal Party had condoned the conduct and the blockade of Parliament yesterday. As a member of the Liberal Party I am greatly offended by the remark. I reject it entirely. On behalf of every member of the Liberal Party and National Party I reject the Premier's comments and ask that he withdraw and apologise.

BUSINESS OF THE HOUSE**Motion of No Confidence: Suspension of Standing and Sessional Orders****Motion by Mr Whelan agreed to:**

That standing and sessional orders be suspended to permit consideration forthwith of the notice of motion standing in the name of the member for Gosford relating to no confidence in the Speaker.

SPEAKER OF THE LEGISLATIVE ASSEMBLY**Motion of No Confidence**

Mr HARTCHER (Gosford) [3.37 p.m.]: I move:

That the Speaker no longer has the confidence of this House.

Yesterday we saw a disgraceful blockade of New South Wales Parliament. That conduct was illegal. It was condoned by the Government for eight hours—from 6 o'clock to 2 o'clock. It was rejected by the Opposition from 6 o'clock on, and when the Leader of the Opposition arrived at Parliament she made it clear that the New South Wales Coalition had never condoned that conduct. But the blockade of Parliament was made all the worse by your conduct as Speaker of this House when the House resumed at 2.15 p.m.. By resolution carried on Thursday of the previous week, the House was scheduled to sit at 2.15 p.m. yesterday. Under standing orders the time could be brought forward but it could not be put back to a later time; it had to sit. At 2.15 p.m. the bells rang and a quorum of the House was present. Under the Constitution Act 20 members constitute a quorum. Some 33 members of the Coalition parties and five members of the crossbench were present—a total of 38 members. The House assembled at its scheduled time, according to resolution. A quorum was present, ready to conduct business. You appeared and read the prayer. *Hansard* inadequately records what happened. *Hansard* simply states:

Mr Speaker offered the prayer.

Mr SPEAKER: Order! The House will adjourn until the ringing of one long bell.

Mr SPEAKER: Order! I do not wish to interrupt the honourable member for Gosford. However, he is reading from the *Hansard* proof. The corrected *Hansard* now reads:

Mr SPEAKER: Order! I have advice from the Leader of the House that some members are having difficulty attending the Parliament. I shall now leave the chair until the ringing of one long bell.

That is on the tape.

Mr HARTCHER: That is exactly what I was about to say. I apologise to Hansard for any reflection upon them. That was clearly inadequate based on the audio tape. Mr Speaker, you read out that statement as advised by the Leader of the Government. First, you did not allow the House to test that statement. You simply acted upon the advice you received from the Leader of the Government. You are not the servant of the Leader of the Government. He does not go to your chambers prior to the House assembling and tell you what to do when you take the chair. That is a fairly simple, self-evident point with which one would think everyone in New South Wales was familiar. But we are not, because that is exactly what you did. You took the direction of the Leader of the Government as to how to behave in the House.

Mr Speaker, when you took office in 1995 you stood at the foot of that chair and asserted that you would protect the rights and privileges not of the Government but of the House, as have other Speakers in the past. You sit there not as a servant of the Government or the Leader of the Government but of the House. The House was assembled and ready to conduct business but you left the chair at the request of the Leader of the Government in the House. The Minister for Police is not the leader of the House; he does not represent the House. He is the Leader of Government business in the House. From time to time you may use the shorthand form "Leader of the House". However, it is not an officially condoned office, and it is not the Minister's title. He is the Leader of Government business in the House, in the same way as I am the leader of Opposition business in the House.

The Minister is simply doing the job of the Government, not the job of the House. Mr Speaker, he had no right to tell you what to do and you had no right to act at his direction. You used the convention of this House

to leave the chair, which is your right as Speaker. That is not a right as set out in the standing orders; it is a convention of the House. For many years the House has allowed that convention to continue to allow for extraordinary circumstances, that is, when for some reason the House cannot assemble to conduct its lawful business. There was no such excuse yesterday.

Coalition members crossed the picket line in Hospital Road. For their own reasons Labor Party members refused to cross the picket line. It was their choice to stay away. At 2.00 p.m. we had the great scene of the Premier, who had slunk through the tunnel like a coward earlier in the day, and we had the great scene of the Minister for Police leading the troops up Macquarie Street. At 2.15 p.m. they were in this building not to transact business but because of internal fights in the Labor Party about what was to be done with the workers compensation legislation. They were getting ready for a caucus meeting at 3.00 p.m.

There was no reason for the House not to sit. It was not as though there was a bushfire outside the building that prevented members from getting access. Members could and did get access to Parliament House, but they did not want to enter the Chamber because they did not have a prepared position on the workers compensation legislation. That was the reason for their own internal party dispute, their own internal party dynamics. It had nothing to do with the ordinary operation of a scheduled sitting of the Legislative Assembly. Mr Speaker, you were aware of that, but notwithstanding that you acted at the behest of the leader of Government business to call off the sitting of the House until caucus had concluded its deliberations.

This House does not sit according to the whim of caucus; this House sits according to the constitution of New South Wales. Mr Speaker, you had a duty to the House under the Constitution and under the standing orders, but you tore that up yesterday, in the same way as members opposite tore up their responsibility to the left wing of the Labor Party. The honourable member for East Hills was one of 43 Labor members who signed a pledge. We will watch how he votes on the workers compensation legislation. All the members of the Labor left, including the honourable member for Murray-Darling, the honourable member for Tweed and the honourable member for Miranda, signed a pledge that they would uphold the Labor Council. Yet they are now slinking in their little holes unable to say whether they will vote for the legislation. But that is a side issue.

Mr Speaker, the real issue is your conduct. Your conduct yesterday was a betrayal of everything you said when you stood on those steps and of the responsibilities of Speakers in all Parliaments in Australia or under the Westminster system, that is, to uphold the rule of law in this House. It is not the rule of the leader of Government business or of caucus; it is the rule of the House. You betrayed that, and this House no longer has confidence in you.

Mr WHELAN (Strathfield—Minister for Police) [3.45 p.m.]: At the outset I advise the House that I know nothing about a secret passage or tunnel.

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

Mr WHELAN: I have no knowledge of a secret passage designed or built by Henry Parkes that allegedly enabled members to enter the Parliament. My statement on that is much more significant and genuine than the inept, attempted criticism by the honourable member for Gosford of the Speaker in this House. What was acknowledged early was actually what happened. I understand that the audio part of the videotape will be transcribed and that the parliamentary record will show that at 2.15 p.m. after you offered the prayer you said:

I shall leave the chair until the ringing of one long bell. I have advice from the Leader of the House that some members are having difficulty attending the Parliament.

With that you then left the chair. Mr Speaker, I confirm to the House—you know this because it is exactly what I told you—that some members were having difficulty entering the Chamber. I can indicate to the House that my advice was that certain Opposition members were prevented from entering the Chamber.

Mr O'Doherty: Untrue!

Mr WHELAN: I am very happy—

Mr O'Doherty: Table your advice.

Mr WHELAN: I am very happy, if you want me to—

Mr Oakeshott: We were all here.

Mr WHELAN: That is a separate point. I was advised that some members were not permitted to enter the House. I have no knowledge of whether Opposition members were excluded from the Chamber, but I have specific knowledge that a number of Labor members were not permitted to enter the Chamber because they were members of the Government.

Mr SPEAKER: Order! I place the honourable member for Port Macquarie on three calls to order.

Mr WHELAN: I had personal knowledge of that. To suggest that members were deliberately excluded because they belong to a certain political party or share a particular view on a matter that the subject of debate in the Parliament is wrong. Going from the sublime to the ridiculous, Mr Speaker, how many times has the Opposition or I asked you to call off a division because the lifts are not working? Why do we do that? It is a simple issue. We do that simply because members have not been able to get to the Chamber to debate an issue or to be represented.

Mr Armstrong: Point of order: For the benefit of honourable members, there is a big difference between a physical difficulty in attending the House and a political difficulty.

Mr SPEAKER: What is the point of order?

Mr Armstrong: Yesterday the difficulty was a political difficulty. It was not a physical difficulty such as, for example, the lifts not working.

Mr SPEAKER: Order! There is no point of order. The Minister may proceed.

Mr WHELAN: I am not sure with whom Opposition members are attempting to score political points. It is not anyone who saw television last night, who read the newspapers this morning and who supports parliamentary democracy. This is the honourable member for Gosford's idea of having a good time, being as disruptive and as petty as is possible. If he could have Parliament blockaded every day, he probably would do that. I imagine that members of the Liberal Party were very excited when he came up with this scheme in the party room.

Mr Speaker, it is clear that the honourable member for Gosford and others regard the honourable member for Gosford as a future leader. He is the Opposition's main strategist. He attempts to attack the Government, and he does so by way of an attack on the Speaker. He has tried that on many, many occasions and on those many occasions I have repeated that the Speaker is a very easy target in this Parliament. The Speaker cannot defend himself; he cannot leave the chair. By definition his important role in this Chamber is that he is not a member of the Government, he does not sit in Cabinet and he does not vote in the House.

Mr Hazzard: Point of order: Standing Order 82 indicates that to launch an attack on the honourable member for Gosford, the Minister for Police must move a substantive motion. The honourable member for Gosford is not the one who skulked in through the rat's entrance as the Minister for Police did yesterday with all his people. The Minister for Police has now spent the last three minutes attacking the honourable member for Gosford. I ask you to bring the Minister for Police back to the discussion, which is, of course, a motion censuring your inappropriate actions yesterday in adjourning the House when you knew that all the rats had skulked in. The Minister for Police knew that the rats were here too, and he actually directed the Speaker to adjourn.

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

Mr WHELAN: I suppose that if the definition of "skulking into Parliament" is walking from Governor Macquarie Tower with your parliamentary colleagues—

Mr Hartcher: With a police escort.

Mr WHELAN: —with a police escort, through a blockade of people who were preventing Labor members of Parliament from coming into Parliament and who would prevent me as the honourable member for Strathfield and other honourable members from doing our constitutional duty and fulfilling their obligations as members of Parliament—if the honourable member for Wakehurst had watched television last night he would have seen exactly what sort of skulking it was—I assure him that I would do the same again because that is what I was elected to do. By doing what every honourable member should do, I merely illustrated the very difference between Labor members and members of the Opposition.

Do the honourable member for Wakehurst and other members of the Opposition know what they are doing? They are glorifying the protest that took place yesterday. They are glorying in it and they absolutely support it. Today the Premier was right: The Opposition's agenda is to support all those Trotskyites who were outside Parliament yesterday; they support the principle that excludes members of Parliament coming in to vote. That is an absolute fact. Interestingly, Speaker Rozzoli is revered in this House as a great Speaker. I suggest that he was a great Speaker. A little bit of research into what happened on 14 December 1993 at 9.39 a.m. shows that Mr West was then Leader of the House and he sought leave to suspend so much of standing and sessional orders as would preclude Government business taking precedence of all other business. *Hansard* shows that the Speaker said:

Mr SPEAKER: Order! Before taking questions, in fairness to all concerned and because few Ministers are present in the Chamber, I suggest that I should leave the Chair for approximately a quarter of an hour, until the ringing of one long bell.

One wonders why! Those Ministers were absent; they were probably having morning tea.

Mr O'Farrell: Did you object to that?

Mr WHELAN: I did object. But the honourable member would appreciate that there is ample precedent.

Mr Hartcher: What did you say? Answer the question!

Mr WHELAN: If the honourable member wants to know what I said, he can look it up in *Hansard*. I am tired of educating members of the Opposition. The fact of the matter is that the action the Speaker took yesterday is action that a Speaker should take. It is quite proper that I provide advice when members are prevented from attending the House. Yesterday there was a clear case of members of one party, in this instance the parliamentary Labor Party, being deliberately excluded from entering Parliament and doing their constitutional duties.

The gravity of the position confronting the Labor members yesterday was that they could get into Parliament only with the police escort. I can tell the House that I got into Parliament at 1.58 p.m. As I said, question time normally begins at 2.15 p.m. A number of members who were in the Chamber indicated to me that not all of the members of the Labor Party came through with me and that members were being prevented from coming into Parliament. I was also advised during that morning that some members of the Opposition, and at that stage it was only members of the Opposition, were prevented from coming into Parliament and were turned away.

Mr O'Farrell: Untrue.

Mr WHELAN: This is what I was advised.

Mr SPEAKER: Order! If the Deputy Leader of the Opposition wants to be heard he will have an opportunity to make a contribution to the debate.

Mr WHELAN: My understanding was that the members who were excluded were all from the Government, or some were from the Government and some were from the Opposition. The fact of the matter is that some members were excluded. As far as I am concerned the Speaker acted in a proper manner. Mr Speaker, if you had not adjourned, you would have been derelict in your duty to the House and to all of the constituents of those members were locked outside in Macquarie Street and were not able to get in to represent their constituents. Mr Speaker, if you had begun the sitting of the House you would have done so to the exclusion of those members.

Mr Hazzard: Point of order. The Minister for Police is misleading the House because he actually knew—

Mr SPEAKER: What is the point of order?

Mr Hazzard: —where all the Labor members were. They had already had two meetings of caucus when they in Governor Macquarie Tower.

Mr SPEAKER: Order! There is no point of order. The honourable member for Wakehurst will resume his seat.

Mr Hazzard: One was at breakfast—

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

Mr Hazzard: —and one was at lunch.

Mr SPEAKER: Order! The honourable member for Wakehurst will resume his seat. On three occasions I have asked the honourable member for Wakehurst to resume his seat. I place him on three calls to order. If he does not abide by the standing orders for the remainder of this debate, I will ask the Serjeant-at-Arms to remove him.

Mr WHELAN: I want to say something generally about the issue of motions of no confidence in the Speaker. When members of the Opposition are unable to criticise the Government on policy issues—any Opposition member with any intestinal fortitude who was serious about the issue would have moved a vote of no confidence in the Minister for Industrial Relations or his representative, or in the Government generally in relation to this issue—instead, they personalise the decisions made in this Chamber and attempt to attack the Speaker. That has happened on a number of occasions. A number of motions of dissent—all invalid—have been moved against you, Mr Speaker. This motion is a prime example of that.

I will repeat what I said a minute ago before I was interrupted. Mr Speaker, if you had not left the chair, I put it to you that you would have denied those members of Parliament—in this case it appears that they were all Government members—their rightful constitutional role in representing their constituents in this Chamber. Mr Speaker, you acted with great probity, you acted properly and I hope that if a similar event happens again you will act in exactly the same manner.

Mr O'DOHERTY (Hornsby) [3.58 p.m.]: Mr Speaker—

Mr THOMPSON (Rockdale) [3.58 p.m.]: I move:

That the question be now put.

[Interruption]

Mr SPEAKER: Order! The honourable member for Hornsby will resume his seat. Hansard is not recording his remarks.

Mr O'Doherty: No, but the people in the gallery are listening.

Mr SPEAKER: No, they are not.

Mr O'Doherty: They are listening, Mr Speaker, and they know the truth of it. The left wing chose not to come into Parliament.

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

The House divided.

Ayes, 51

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

Noes, 35

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

Pair

Mr Nagle

Mr Fraser

Question resolved in the affirmative.**Question—That the motion be agreed to—proposed.**

Mr HARTCHER (Gosford) [4.06 p.m.], in reply: During question time the Premier said the Government would not allow parliamentary democracy in this House to be held to ransom. What an excellent example of parliamentary democracy we have just seen! When the honourable member for Hornsby sought to speak on an important motion about whether the House should have confidence in the Speaker, he was gagged by the Government. That is an example of the Premier's commitment to parliamentary democracy. He was prepared to stand on the stairs of this Parliament and wave at the demonstrators and members of the Labor Party, making the Churchillian "V" for victory sign, but he is not prepared to allow members of this House to speak when they come into the Chamber.

The motion relates to confidence in the Speaker, whether he acts on behalf of the House or on behalf of the leader of Government business in the House. The leader of Government business has not answered the fundamental question as to why members of the Government were not here yesterday at the scheduled sitting time of 2.15 p.m. to participate in the business of the House when there was a quorum present and ready to conduct business. Members of the Government were not here, and because of that the leader of Government business was allowed to instruct the Speaker to leave the chair and, therefore, not permit the House to function properly.

The House did not function because the Government was not ready. The reason the Government was not ready had nothing to do with the picket; it had everything to do with the Government's failure to resolve the problem of workers compensation in this State. The Government is badly divided and did not know how to proceed. The Premier was waiting to enforce his will at a caucus meeting, and that meeting was not scheduled until 3.00 p.m. Rather than expose itself to a difficult period in the House, the Government instructed the Speaker not to sit. The Premier lost control of the Government, and the Speaker acted not on behalf of the House but on behalf of the Government.

The Speaker should be mindful of the great words of the Speaker in the days of Charles I. The King's troops invaded the House of Commons and the king asked the Speaker where the members were who had insulted his wife. The Speaker replied in those immortal words, "I have not eyes that I might see or tongue that I might speak, save as this House is pleased to direct me." The Speaker of this House, unfortunately, has rephrased that to read, "save as the leader of Government business is pleased to direct me". That is the shame, and that is the reason this motion has been moved. It is always said in politics that there is nothing personal in the moving of such a motion; it has everything to do with principle. The principle in question is this: Does the House control the Speaker, does the Speaker act as the servant of the House, as was set out in the immortal words I have referred to, or does the leader of Government business direct the House?

Yesterday the Government was in disarray. The Government was unable to resolve the problem of how to proceed with workers compensation legislation. Many Government members were frightened to cross the

picket line. It was not until 2 o'clock that they managed to soak up the courage and get enough police to get them through the picket line into Parliament House. Yet, that still allowed members of the Labor Party 15 minutes to assemble here at 2.15 p.m. They did not exercise that duty—it is not a right; it is their duty according to the resolution of the House—to assemble at 2.15 p.m. purely for their own internal reasons. The Australian Labor Party is in disarray with a caucus vote of 46 to 22. Where were they? The honourable member for Wollongong is quoted in today's *Illawarra Mercury* as voting for the workers compensation legislation. The honourable member for Wollongong and the honourable member for Illawarra from the left wing of Labor Party voted for the legislation.

Mr Campbell: Point of order: I want this corrected. The honourable member for Gosford pointed to me and referred to me as the honourable member for Wollongong. I am in fact the honourable member for Keira.

Mr SPEAKER: Order! I ask the Serjeant-at-Arms to remove the honourable member for Murrumbidgee until the end of the debate.

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

Mr HARTCHER: How interesting it is, because it was a member opposite who leaked the information to the *Illawarra Mercury* about the honourable member for Illawarra and the honourable member for Wollongong. We all know who that member was who gave the information to the *Illawarra Mercury*, who told that newspaper how you voted in caucus, how you betrayed your pledge to the Labor Council, how you ratted on the left wing. Two left-wing rats! The honourable member for Illawarra, the honourable member for Wollongong and the honourable member for Swansea betrayed the left wing of the Labor Party.

Ms Saliba: Point of order: I made no pledge to anybody. The honourable member for Gosford should get his facts straight.

Mr HARTCHER: May *Hansard* be corrected: I am referring to the honourable member for Keira, not the honourable member for Wollongong. The honourable member for Keira was the mayor of Wollongong. I regret insulting the honourable member for Wollongong because he was loyal to his pledge to the left wing. He is no rat. He is a loyal left winger. He is not a left-wing rat. The Premier made extraordinary comments about Trotskyites. There is only one true Trotskyite in this House and that is the honourable member for Liverpool. The honourable member does not deny that. We recall the events in Mexico City in 1940—what great days! I will return to the subject because the honourable member for Liverpool is looking at me provocatively.

The Opposition moved this motion today because Mr Speaker acted not on behalf of the House but on behalf of the Government. It is a serious motion and it has been presented to the House. The numbers in the House may be against the motion but the Opposition will continue to maintain that the Speaker in this House, while he may be a member of a political party—and he is always a member of a political party—when occupying the chair must act as a servant of this House and not at the behest of the Leader of Government Business. He is not Leader of the House, he is the leader of Government business in the House just as I am shadow leader of Opposition business in the House. The information conveyed in the Premier's speech was not correct because at 2 o'clock he was here. Mr Speaker did not take the chair until 2.20 p.m. Members of the Labor Party were here. The House could have conducted its business but the reason it did not was because the Government was not sure it had a majority. The Government was frightened at that vital moment that it may not have been able to withstand a motion of no confidence.

The left-wing members said they had to come back into the House to withstand a possible motion of no confidence in the Government when they wanted the picket line lifted yesterday afternoon. That is what they were scared of. The honourable member for Coogee was not present during question time when the Premier talked about how everybody supports workers compensation legislation. This morning on radio the honourable member for Coogee appropriately described the Premier as arrogant. If I had the time I would move a motion and commend the honourable member for Coogee and the honourable member for Blacktown, who are two fine members who stand up for their constituents and for the people who elected them and who honour their word and their pledge.

Mr Speaker, you failed this House yesterday because you did not act independently but at the behest of the leader of Government business. That is the reason the Opposition has moved this motion of no confidence in you today. Every Speaker acts on behalf of the House. When they take that chair they become a servant of the

House, not of the Government. Every honourable member of this House is entitled to believe that they will receive fair and impartial treatment from the Speaker who will at all times act not only within the standing orders of this House but within the spirit and conventions that permeate the Westminster system. Among those conventions is the concept that the Speaker is beholden to no-one in that chair and that the decisions of the Speaker are made for the benefit of the House and the people of New South Wales, not for the benefit of a cowardly craven Government hiding from workers who are members of the Construction, Forestry, Mining and Energy Union and other unions outside the House.

Question—That the motion be agreed to—put.

The House divided.

Ayes, 29

Mr Armstrong	Dr Kernohan	Mrs Skinner
Mr Brogden	Mr Kerr	Mr Slack-Smith
Mr Collins	Mr Maguire	Mr Souris
Mr Debnam	Mr Merton	Mr Tink
Mr George	Mr O'Doherty	Mr J. H. Turner
Mr Glachan	Mr O'Farrell	Mr R. W. Turner
Mr Hartcher	Mr Oakeshott	Mr Webb
Mr Hazzard	Mr Richardson	<i>Tellers,</i>
Ms Hodgkinson	Mr Rozzoli	Mr R. H. L. Smith
Mr Humpherson	Ms Seaton	Mr Stoner

Noes, 56

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

Question resolved in the negative.

Motion negatived.

CONSIDERATION OF URGENT MOTIONS

Equine Industry

Mr WOODS (Clarence—Minister for Local Government, Minister for Regional Development, and Minister for Rural Affairs) [4.25 p.m.]: The motion of which I gave notice is urgent because the equine industry is the third-largest industry in New South Wales. We should consider this matter today because people should be aware of the Federal Government's recent lack of support for the industry. We should urgently debate this matter for the sake of the 50,000 employees in the equine industry. This matter is of immense importance and urgency to my portfolio constituency and to the people of rural and regional New South Wales as well as to my electorate of Clarence.

Workers Compensation Legislation

Mr HARTCHER (Gosford) [4.26 p.m.]: My motion urges that all members of the Government be given a conscience vote on the workers compensation legislation so that they may properly reflect the views of their electorates. This legislation has been very controversial in many areas of New South Wales. Many media reports, especially those in local newspapers, carried the stated position of many members of the Government parties. I refer especially to this morning's edition of the *Illawarra Mercury* on whether six Government members would support or oppose the Premier's proposed workers compensation legislation. More significantly, of course, some 43 members of the Government parties signed a pledge that they would support the Labor Council amendments, yet the Labor Council has stated that its amendments have not been incorporated in the bill.

It is important that those Government members, if they are to be given proper opportunity to represent the views that they have expressed publicly through the media, be given the opportunity to demonstrate the genuineness and bona fides of their beliefs by exercising a free vote in Parliament. Yesterday some 17 members went outside the Parliament to pledge their support for the Labor Council picket and meet with picketers. Members such as Mr Primrose, Mr Dyer and Ms Saffin from the Legislative Council, and from this House the honourable member for Tweed Heads, the honourable member for Blacktown, the honourable member for Wollongong, the honourable member for Swansea, the honourable member for Liverpool, the honourable member for East Hills, the honourable member for Lake Macquarie, the honourable member for South Coast and the honourable member for Wallsend all indicated publicly that they supported the Labor Council's position.

They were among the 22 members who are reported to have voted against the Premier in the ALP caucus yesterday. However, they are now claiming that they are bound, by the Labor Party caucus and Labor Party solidarity, to vote according to the majority decision of caucus. I do not think it is appropriate that the Premier should deny those members their right of full and free expression. This is an important issue. It is an issue upon which they have taken a public stand. It is an issue that has been well reported in the media. It is an issue on which they have given public pledges to their Labor Party branches and to their trade unions.

Every honourable member should have an opportunity to stand up in this House and state the true position on behalf of his or her electorate. If or when a division is called each honourable member should have the right to vote according to his or her conscience. That right is held by Independent members and by Coalition members in this Chamber. Every Coalition member in this Chamber has the right, if he or she so determines, to exercise a conscience vote on a particular issue. On an issue as important as workers compensation, this Parliament should ensure that Government members have that same fundamental right—the right to vote according to their conscience.

Every honourable member believes in voting according to his or her conscience. Every honourable member respects that right and, on an issue such as this, every honourable member should be free to exercise his or her conscience vote. I note that the honourable member for Wallsend is now in the chair. He was one of the honourable members to whom I referred earlier who went outside yesterday to pledge his support to the picket, to the Labor Council and to the trade union movement. He should be prepared to vote according to his publicly stated pledge in this Parliament.

Mr Woods: Point of order: The honourable member for Gosford cannot be arguing urgency if he is not prepared to put forward his own point of view on this issue.

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

Mr HARTCHER: This matter is urgent. While Opposition members realise the importance of the equine industry in this State—and with an appropriate amendment we might support the Minister's motion—a far more urgent and pressing matter is the workers compensation legislation. Yesterday this House was subjected to a picket without precedent in New South Wales—a picket denounced by the Premier as an attack upon parliamentary democracy and a picket endorsed by the honourable member for Coogee and by many other honourable members. When that legislation comes before this House it is far more important that it is the subject of a full and free vote. Accordingly, Government members should be allowed to exercise their free vote. It is fair, appropriate and democratic for every Government member to stand up in this Chamber, to state what he or she believes in, and to vote according to that belief.

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

EQUINE INDUSTRY**Urgent Motion**

Mr WOODS (Clarence—Minister for Local Government, Minister for Regional Development, and Minister for Rural Affairs) [4.32 p.m.]: I move:

That this House:

- (1) notes the importance of the equine industry, which supports 50,000 workers in the State—particularly those in rural and regional New South Wales; and
- (2) acknowledges the support of the State Government to this important industry.

The honourable member for Lachlan, the former Leader of the National Party, just informed me that there may well be more than 50,000 workers in the equine industry. I am willing to go along with that view. I know that many people are involved in the equine industry. All over this State, from north to south and from east to west, the people of New South Wales are renowned for their love of all things to do with the equine industry. It is the third largest industry in this State. The State Government has particularly noticed the opportunities available in this growing industry for rural and regional areas. I was involved in the industry for many years as a bookmaker and as a racehorse owner and I know first-hand the contribution that the equine industry has made to the social and economic fabric of country New South Wales.

The equine industry provides jobs for more than 50,000 people across the State. The Federal Government is continuing to show its disdain for country communities by putting those jobs at risk. The Federal Government's online gambling bill initially included a ban on wagering over the Internet. As a former bookmaker and racehorse owner I can tell honourable members that I was astounded about that fact. That is not to say that I or members of the State Government support gambling on the Internet. No-one really wants to bring Las Vegas into his or her living room. To sacrifice country jobs by stopping people from using the Internet to place a bet, using the same phone line that they would use to call PhoneTAB, is nothing less than irresponsible.

Mr Oakeshott: Point of order: Yesterday the Federal Government exempted wagering from its Interactive Gambling Bill.

Mr ACTING-SPEAKER (Mr Mills): Order! I ask the honourable member for Port Macquarie which standing order is being breached. He is attempting to take part in the debate.

Mr Oakeshott: I am advised that it is Standing Order 73. This matter is no longer an issue as yesterday the Federal Government House exempted wagering from its Interactive Gambling Bill. Therefore the Minister's comments are irrelevant.

Mr ACTING-SPEAKER: Order! No point of order is involved. For the information of the honourable member, Standing Order 85 relates to relevance. I am sure that the Leader of the National Party would verify that.

Mr WOODS: I point out for the benefit of the honourable member for Port Macquarie that just before he took a point of order I said that the Federal Government's online gambling bill initially included a ban on wagering over the Internet. The Federal Government was prepared to sacrifice country jobs by stopping people from using the Internet to place a bet, using the same phone line that they would use to call PhoneTAB. That is nothing less than irresponsible. Thankfully, though, the racing industry of Australia applied the necessary pressure and forced the Federal Government to back down and thus save thousands of country jobs in the process.

Mr Oakeshott: Congratulate it.

Mr WOODS: I congratulate the Federal Government on its enormous backflip—a backflip of enormous proportions. By contrast, the Carr Government has been a proud supporter of the racing industry in country New South Wales. In 1999-2000 the New South Wales Government put nearly \$33 million into country race clubs. We are also continuing to support the equine industry with improvements to infrastructure and training facilities in country areas. One example is funding for an equine industry development officer in Goulburn. In March last year I announced a \$50,000 allocation for the employment of such an officer for two years.

Mrs Debbie Rodden was appointed to work with the Goulburn Equine Industry Association to promote every available opportunity in this growing industry. Goulburn, as a gateway to south-eastern Australia, is strategically placed to become a major racing centre with its proximity to Sydney, Wollongong and Canberra. I visited Goulburn as part of a State Government investment tour. Part of the trip involved a visit to the track and to the stables of Mr Kim Callagan. It would be a great understatement to say that I was impressed by the \$10 million upgrade of the racecourse and the training facilities. Private investors on the trip were also greatly impressed. As I have always said, Goulburn has a first-class racing centre and it can further improve its first-rate facilities.

Mr George: So has Grafton.

Mr WOODS: The honourable member for Lismore referred to Grafton. There is no better racing centre in New South Wales, or in Australia for that matter, than Grafton. Traditionally and historically it hosts the biggest racing carnival in country Australia—the July Racing Carnival. Only a few years ago Kensai won the Grafton Cup and went on to win the Melbourne Cup in the same year. The training and racing facilities that are available in Goulburn are even better than many of those that are available in Sydney. These upgrades will be an important catalyst for further development in the local racing and equine industry.

In March this year members of Country Labor also had an opportunity to see the upgrade and to meet with Ms Rodden while on the Country Labor community tour of the south-east. From all reports she has been doing a magnificent job and she should be congratulated on the work that she is doing, along with the Goulburn Equine Industry Association, in developing the industry in the south-east. Goulburn's horse industry attracts over 10,000 people a year to the area—10,000 people who might stay overnight and visit shops and restaurants. The employment and business opportunities that flow from that are massive. Currently, more than 100 horses are trained at the Goulburn facility. We expect that number to increase to over 350 in the next few years. That will create some 40 direct jobs for the Goulburn area, which is great news.

Again, that does not include the flow-on effects that this will create for that town. Goulburn has continued to develop its reputation as a centre of excellence in the equine industry and the State Government is pleased to work in partnership with it. The Snowy River area has historically been the home of legendary mountain horsemen and horsewomen. The State Government is continuing to support the equine industry in the Snowy area, helping it to keep that legend alive. Goulburn is not the only country area that is benefiting from the State Government's support.

Late last year the Department of State and Regional Development provided funding to the Jindabyne Equestrian Resort. Improvements to infrastructure will allow horses to get altitude training. Amongst other things, this will help to improve their overall performance on the racetrack, something all owners will appreciate. This is one of the key differences between the State Government and the Opposition. The Carr Labor Government recognises the potential of rural and regional areas. It has a vision for the development of country New South Wales. It is willing to work hard to fill the gaps where the market is not working. The National Party does little else but bicker with the Liberal Party and talks down country New South Wales, as we saw last weekend at the annual State conference in Albury. The Federal member for New England, Stuart St Clair, got his name in the papers for all the wrong reasons. In an address to the conference he said, in relation to country towns:

If you are going to hang around and wait for governments to come and rescue you, you will die, and so you should.

Comments such as that are an example of the reason country people are looking for a new voice to represent their interests. We on this side of Parliament believe we have a knowledge of the role of government. It is an active role and an interventionist role, and country people have found that voice in Country Labor. The Nationals are disillusioned with their own leaders and they will not listen to them speak.

The Leader of the National Party in this Chamber complained that he addressed an almost empty conference room. It must be the same feeling he gets when he addresses his party room. The Premier does not have a problem. He received a rousing reception from a packed room at the Country Labor conference at Huskisson on the South Coast only a month ago. In excess of 400 people were at that conference—all Country Labor people, all listening. But like rats leaving a sinking ship, the Nationals conference was attended by 200 fewer delegates than attended the year before. It is a shame for all of us that the National Party is falling apart in that way. Notably absent was Wal Murray, former Deputy Premier and former leader of what was once a great party. Many have asked, "Where's Wally?"

Mr Oakeshott: Point of order: Under Standing Order 85, which relates to relevance, I ask you to call the Minister back to the urgency motion.

Mr ACTING-SPEAKER (Mr Mills): Order! There is no point of order. The Minister is in the process of concluding his contribution.

Mr WOODS: They are even ashamed of the word "country". When asked how angry he was the honourable member Coffs Harbour said— [*Time expired.*]

Mr OAKESHOTT (Port Macquarie) [4.42 p.m.]: I move:

That the motion be amended by leaving out paragraph (2) with a view to inserting instead the following paragraphs:

- (2) calls on the State Government to support this important industry by reducing turnover tax on bookmakers, by encouraging an incentive scheme for owners, and by supporting Racing New South Wales and the Thoroughbred Racing Board in achieving an equity stake in the TAB; and
- (3) congratulates the State National and Liberal parties for assisting the Federal Government in this week's decision to separate wagering from the Interactive Gaming Bill 2000.

I note that this urgency motion has received precedence over something the Premier has been describing as a threat to democracy. Everyone in this place supports the equine industry, there is no question of that. For every Tie the Knot or Sunline there are thousands of syndicates of men and women in regional and rural New South Wales having a go and backing the sport they love. It is a significant industry; it employs more than 50,000 people, many of whom are based in regional and rural New South Wales. It is a decentralised industry and a clean and green industry. Not looking at it from the gaming or racing point of view but from an industry point of view, one cannot beat those three things—it is a major employer, it is decentralised and it is clean and green. It is everything Parliament wants from an industry, and that is why it is a vital industry and desperately needs support from all levels of government.

On that front, the State National and Liberal parties have been very pleased to see the Federal Government's decision to separate wagering from its Interactive Gaming Bill. It was caught up unnecessarily. Both the Leader of the National Party and I have spoken on Sky Channel on several occasions about this issue, and have taken the lead of the Albury conference that the Minister was so keen to mention. A unanimous motion was passed in support of the racing industry and the separation of wagering from the Interactive Gaming Bill. I am pleased that this week the Government listened to the concerns of the racing industry, the Australian Racing Board, the Thoroughbred Racing Board in New South Wales and everyone involved in the industry and has taken action on behalf of everyone who supports racing in regional and rural New South Wales.

With regard to the Minister's comments about the National Party not listening and not being interested in regional and rural racing, I make a point that was made by the Hon. Bob Rowland Smith, a predecessor of mine in the National Party and a life member of the Australian Jockey Club. He received a life membership for his support of regional and rural racing and, in particular, for turning Bathurst, Scone and Goulburn into major regional and rural racing centres. That demonstrates the commitment of the National Party and the Coalition to regional and rural racing in this State.

The State Government faces some important challenges. The Minister for Regional Development claimed that he was an old bookie. I put it to the Minister for Gaming and Racing today that one of the major impediments to bookmaking in New South Wales—and we all love the bookie as part of the colour and tradition of the track—is turnover tax and the Government's continued reluctance to reduce, if not scrap, that tax. I mentioned before that according to mythology Wran got into government on the back of the bookie. If this Government does not want to lose office on the back of the bookie it must listen to the concerns of the bookmaking industry and reduce or scrap altogether that regressive turnover tax, which is driving many bookmakers out of the industry. It is sad to see bookmakers leaving the industry and entering politics, achieving some alternative career or going interstate and doing business in a more friendly environment.

Two years ago the Australian Racing Board undertook an analysis of bookmaking. The key recommendation of that analysis was that there had to be uniform taxation for the bookmaking industry, and that had to be at the lower end of the spectrum. Unfortunately, once again New South Wales is dragging its feet. It is not allowing bookmakers to do business competitively and is forcing them to leave the industry or go interstate. Victoria has some exciting incentive schemes for owners, and New South Wales is envious of the scale on which it is encouraging breeding and training. The Government should take the bit between its teeth and support the owners, who are an important part of the racing industry. Breeders who win in Victoria get increased prize money. This is not available in New South Wales.

Likewise, Queensland is doing some exciting things so far as breeding and training is concerned. It is becoming increasingly difficult to own a horse in New South Wales, particularly when owners look north or

south and see the exciting things that are taking place, which are not taking place in New South Wales. The Government should take up the challenge and provide a practical initiative to support the racing industry. Racing New South Wales and the TRB should have an equity stake in the TAB. There is growing concern in New South Wales that the TAB is becoming a giant squid that is taking over the Department of Gaming and Racing and a whole section of government work, whether it is racing, poker machines or central monitoring. The TAB is now responsible for all of that.

Since the TAB was privatised problems with intellectual property issues have been increasing. There has been a split between the interests of the TAB, the profits it is trying to make, and the interests of the public—supporting a large, decentralised, clean and green industry that employs many people. At present there is a split between the interests of the TRB and Racing New South Wales and the profit-motive interests of the TAB. That situation must be improved; it must be corrected.

If the Government does not address the problem soon the victim of all this will be country racing. Only one month ago TAB representatives were on the airwaves saying that the racing industry must be rationalised, the number of clubs in regional areas must be wound back and the number of non-TAB meetings must be reduced. The TAB wants to get more quality races for its product, which is its Sky Channel product. There is merit in that argument, but it should not be at the expense of country racing. There is a public interest to protect country racing in New South Wales, and that is why I am pleased that the Minister has put these words on paper.

I throw the challenge back to the Minister for Regional Development: If he is serious about this motion he will support, together with the Minister for Gaming and Racing, the TRB and Racing New South Wales getting an equity stake in the TAB. The Government must address that serious challenge. It would mean an enormous amount if we got both groups back on one path working for the public interests of racing, not necessarily for the profit motives of the TAB.

I am pleased that this motion has come before the House. However, the challenge for the Minister and for the Government is to reduce the turnover tax on bookmakers. Bookmakers are awaiting the Government's decision on turnover tax, and encourage the Government to implement an incentive scheme for owners in New South Wales. Many owners are also awaiting the decision, at the same time as supporting Racing New South Wales and the TRB achieving an equity stake in the TAB. There are three simple, clear and achievable goals that will be a test of the strength of the Government's support for racing in New South Wales. If those goals are not achieved, once again it is simply words in this House. [*Time expired.*]

Mr PRICE (Maitland) [4.52 p.m.]: I support the motion before the House. Unlike the honourable member for Port Macquarie, I do not intend to talk about gaming and racing issues but about the substance of the motion, that is, the progress of the equine industry. The Minister waxed eloquently on the virtues and value of the industry, and I can only support those comments. The Government, and particularly the Minister for Gaming and Racing, is a great supporter of the equine industry in regional and rural New South Wales. The industry supports jobs of all types. Many, many jobs are created, and continue to be created, in the industry in the Hunter region as a result of growth in the industry. I refer not only to those directly employed in the equine industry but also to those employed in associated and support industries.

The Government, through the stewardship of the Minister for Regional Development and the Minister for Gaming and Racing, has become a key player in fostering growth in this important industry. The Hunter Valley is officially recognised as the horse capital of Australia. My advice is that there are more horses in the Hunter than there are in England and Ireland combined, which is a startling proposal when one considers that those two countries are supposed to be the home of horse racing and breeding.

The Hunter is also the focal point for Australia's thoroughbred breeding industry, with local and international investment in stud farms and horses that was estimated in 1995 at well over \$355 million. It is also the home of a number of industries that have gravitated to the area because of need. I refer in particular to veterinary industries. The State Government substantially supported the relocation of one veterinary industry from Sydney to Rutherford Industrial Park. I am referring to the veterinary science industry, which caters to the equine industry locally as well as overseas.

One issue to which I wish to refer is horse racing. The Minister told the House that the cup meeting in Grafton is terrific for that area. During the Olympics the only cup meeting that was held free and clear was the Newcastle Cup meeting at the Newcastle Australian Jockey Club field. Interestingly, the Newcastle Racing Club has requested approval to hold the cup meeting again on a non-racing day. That request is supported by the

punters, the journalists concerned and the industry generally. The cup meeting last year was a great success, and I look forward to the Minister giving his approval to ensure that the same success is achieved this year.

A huge amount has been invested in aspects of the equine industry from various other international standard facilities. For instance, we have polo, equestrian, dressage and one-day events. Events in rodeo, endurance riding, show jumping, riding for the disabled and team yarding occur throughout the year up and down the Hunter. Scone, in the upper Hunter, is home to the Hunter Equine Centre. The centre will incorporate a diverse range of equine facilities and activities, including a world-class racing track, a new TAFE college that offers equine and related courses, and the new Hunter Valley Equine Research Centre. The centre will be completed this year and is designed to establish an internationally recognised centre of excellence for equine research, providing the crucial elements of research, education and training. This will complement the expertise in equine veterinary services that is already available in the Hunter.

Everyone in the equine industry knows that Scone has the best veterinary service in Australia or, for that matter, possibly in the world. The equine centre will also offer a wide range of equine activities over the whole year, and is developing into a first-class complex to rival Kentucky. The establishment of the centre also offers a broad range of business opportunities, and aims to advance the Hunter Valley as a major player in the rapidly developing Asian horse industry, not only for the horses but for all the products and services that go with them.

The State Government, through the department and the Hunter Economic Development Corporation, has played a strong facilitation role over the years in the establishment of the centre. We provided recent funding towards a study for stage five of the complex—stage five of a total of 12 stages planned for the complex. As the Minister said, the Federal Government would rather see country towns and regions die than provide strategic intervention and assistance to help regional communities flourish. In contrast, this Government is keen to provide assistance to local communities so that they can diversify and build on the growth industries. *[Time expired.]*

Mr ARMSTRONG (Lachlan) [4.57 p.m.]: I support the amendment moved by my colleague the honourable member for Port Macquarie. The Minister moved a motion relating to the equine industry. However, both the Minister and his colleague the honourable member for Maitland failed to mention the largest sector of the equine industry. Indeed, they totally ignored harness racing. Harness racing is an old and popular sport in this State. It is a major employer in almost all country towns throughout New South Wales. Indeed, it is a sport that asks for little but provides much for many country communities. It has always been deemed to be a battler sport, but it is a sport of great glamour. I am extremely proud to have worked well with the New South Wales Harness Racing Authority over a long period, particularly the current chief executive officer and the chairman, who do a marvellous job.

I turn now to some other major horse industries in New South Wales. Both Government speakers totally ignored the biggest horse ownership in New South Wales and, indeed, in Australia, that is, the Australian Stock Horse Society. The honourable member for Maitland spoke about Scone and ran through a long list of achievements, but he ignored the Australian Stock Horse Society. That society is the biggest horse society in Australia, with more than 9,000 members and more horses registered than any other horse society in the world. Indeed, last year, in the year of the Olympic Games, the society staged the longest continuous horse ride ever in the history of the world from Broome to Sydney.

Another group that has been totally ignored by speakers on the Government side during the debate are the pony clubs which are unique to Australia. They were first created in New South Wales and people such as Jean Garvan from Condong was one of the founding mothers, if you like, of pony clubs where top sports people and top riders had their beginnings. Two of the world's current great horse-riding families are the Hoyes from Culcairn—Andrew Hoyes won a gold medal at the Sydney Olympic Games and at the previous Olympic Games—and the Ryans. Matt Ryan and his brother are very well known.

Mr Price: They are from Maitland.

Mr ARMSTRONG: They may well be from Maitland but I know that they came from Gloucester originally. The bottom line is that Government members have totally ignored the organisations and people to whom I have referred. To provide members opposite with some idea of the importance of the equine industry to New South Wales, I point out that during the fires that occurred in 1993-94, more than 8,500 horses were moved from the North Shore of Sydney. That figure will give honourable members some idea of the number of horses

in the metropolitan area. The other point I wish to make relates to campdrafting. Recently the Roads and Traffic Authority wrote to me and indicated that there are more than 6,000 campdrafters on the roads throughout New South Wales every weekend. Campdrafting is now the most popular recreational sport for horse men and women in New South Wales.

The other group of people who have been ignored by Government members are the endurance riders. What about the Tom Quilty? That is truly Australian. The preferred breed for endurance horses are Arab horses, and Australia has some of the best bloodlines. We are fortunate that Arab horses are now not only dominating Australia but stallions are also being sold from Australia back to Arabia as we know it. In Bathurst approximately four years ago, a \$2 million horse was sold back to Arabia, the birthplace not only of Arab horses but also of thoroughbred horses. I call upon the Government to support the amendment moved by the honourable member for Port Macquarie and to recognise campdrafting as a sport.

I call upon the Minister for Regional Development to persuade his Government to refrain from ignoring the largest horse participant sport in New South Wales, namely, campdrafting, and have it recognised as an official sport. Repeated applications from the Australian Stock Horse Society, the Australian Endurance Riders Association [AERA] and the Australian Bushman's Carnival [ABC] for recognition of the popular sport of campdrafting as an official sport have been turned down. Campdrafting is a major contributor to the economy of many country towns and is a major employer. Campdrafting is a sport that attracts a lot of international activity.

Mr Price: It is not a major employer.

Mr ARMSTRONG: Yes it is. I will argue any time that campdrafting is a major employer. The only reason that Americans such as Rhodes are coming to Australia at this stage is to give people training skills. A large amount of employment is generated for saddlers and harness makers; and, properly counted, campdrafting exceeds the rest. [*Time expired.*]

Mr BARTLETT (Port Stephens) [5.02 p.m.]: Mr Acting-Speaker—

Mr George: I didn't know you had a horse.

Mr BARTLETT: The honourable member for Lismore will learn something during this debate. I am pleased to support the motion for urgent consideration moved by the Minister for Regional Development which seeks recognition that the equine industry is the third largest industry in New South Wales, acknowledgement of the importance of the equine industry in many regional economies throughout New South Wales, and support for the industry by the State Government. I first became aware of the importance of the horse industry in the Hunter region when I was an observer at the setting up of the Newcastle airport board. When the board commenced its operations, some of the transportation between Newcastle, the Hunter and New Zealand concerned the transfer of a large number of horses to airports in New Zealand and to different racecourses.

Transportation services for horses predated the passenger services that were established between Newcastle and Auckland when the Newcastle Knights were playing, and between Newcastle and Christchurch, which concentrates on passenger services. Transportation of horses brought an added focus to the regional economy. When one considers the activities in the Hunter, one is struck by the enormous amount of money that is involved. The honourable member for Maitland referred earlier in the debate to the fact that there are more horses in the Hunter than in England, Scotland and Wales, which is just incredible. Hearing other members who preceded me in this debate refer to what is taking place in their electorates, it becomes fairly obvious that the equine industry is huge. It has already been said that 50,000 people earn their living in the equine industry, which is the State's third largest industry. That fact would not be well known throughout New South Wales.

As recently as last Saturday the *Sydney Morning Herald* reported that a Sydney horse trainer was considering moving from Sydney and purchasing property just outside Raymond Terrace, at a place called Motto Farm. One of the advantages that Newcastle airport was considered to have over Sydney airport was that, by bringing horses into Newcastle, the strain was taken off Sydney airport and there was ready access to all regional transport routes along the F3 to the north and to the Hunter Valley from Newcastle. The advantage to the horse owner who will set up his business at Motto Farm is that he will have handy transport links and road links to the north, to inland areas and into Sydney. The property will be conveniently located. The group is believed to have a budget of over \$100 million. At present in the Hunter, tens of millions of dollars are wrapped up in studs that are driving the economic importance of the equine industry. The group plans to build a complex for thoroughbreds and trotters.

I mention in passing that the new Stockton Bight conservation zone, which was the subject of recent debate in Parliament, was excluded from national parks and made a State recreation area because it is used on a daily basis by people associated with the harness racing industry to train their trotters. They train up and down the length of the beach each morning and their activities have become an important part of the local scenery. When the whales are swimming by, the horses are trotting along the beach. Stockton Bight is an interesting place in the morning. Many of the Opposition's assertions are not denied, but the trotters form an important part of the milieu of Stockton Beach. Because of those activities the area was not included in the national parks area; if it had been included, the horse trainers who use the beach would have been excluded.

When the complex is created at Raymond Terrace, it is believed that more than 280 horses will be catered for on a property that will contain approximately 220 hectares after amalgamation of adjoining properties. The group is considering the construction of two training tracks for use by the thoroughbreds and trotters. Taking into account this development, the developments that have been created by the Minister for Regional Development in the Tweed district through the establishment of the Australian Racing Institute's twin campuses in 1999, and the developments in the Goulburn area which attract approximately 10,000 tourists a year—and tourism plays a huge part in the Port Stephens economy—the synergy that the equine industry brings to New South Wales can be readily appreciated. [*Time expired.*]

Mr WOODS (Clarence—Minister for Local Government, Minister for Regional Development, and Minister for Rural Affairs) [5.07 p.m.], in reply: The New South Wales Government and Country Labor are working, and will continue to work, to promote country areas as good places in which to live and in which to do business, including the promotion of new opportunities that are presented by industries such as the equine industry. When I refer to the equine industry, I include the broad range of all aspects of that industry. As part of this Government's commitment to the equine industry taxes have been cut for the racing industry by \$350 million. That has assisted in protecting the jobs of 50,000 people who are employed in the racing section of the equine industry throughout the State. Unfortunately, the training industry does not receive the same level of support from the Howard Government. Instead of supporting this State's third largest industry by the provision of taxation assistance, the Federal Government has slapped on it a goods and services tax [GST].

Introduction of the GST has produced an increase in the cost of everything, from charges at the gate and entry fees to the meat pie and beer that the punters have for lunch. The Federal Government has imposed an unfair handicap on the country equine industry. It seems that the Federal Government is unable to recognise the industry's opportunities for increasing employment. The horse and racing industries also provide employment opportunities for young country people. I was pleased to announce that, as part of this year's budget, a \$455,000 TAFE horse-training facility will be built in Grafton. In addition, the State Government has funded projects throughout country New South Wales to promote and develop the potential of the equine industry.

The State Government has funded projects all over country New South Wales to promote and develop the potential of the equine industry. In Tamworth, for example, we have funded a business plan for the establishment of a national equine centre. That plan, which was funded under the Development of Regional Resources program of the Department of State and Regional Development, has been undertaken in partnership with the community of Tamworth and the Tamworth Pastoral and Agricultural Association.

The State Government has also funded a similar project with the Wagga Wagga City Council. An equine company, Equex Wacon, which is based in Wagga Wagga, has received funding for a feasibility study into the development of new equine facilities in the area. That project has the potential to bring with it a range of other sporting facilities that will build on the town's ability to host major sporting events. These sporting and equine events bring visitors to country towns, and with those visitors come new businesses and employment opportunities. The potential of this industry is great. It is already at a high level, and the potential for further growth is significant. The Government will continue to encourage the further establishment and development of strong and growing industries, such as the equine industry, in country New South Wales.

Mr George: You forgot Bonalbo.

Mr Oakeshott: Support the amendment.

Mr WOODS: Programs such as the Development of Regional Resources program, as well as the Regional Business Development scheme, assist country communities and country businesses to take advantage of new economic opportunities. I note the interjections of the honourable member for Lismore and the honourable member for Port Macquarie. In this, as in so many aspects of country life, National Party members have a blinkered view. In fact, they seem to have real difficulty with the word "country".

Mr George: Point of order: My point of order, under Standing Order 85, relates to relevance. I was simply bringing home to the Minister his support for the Bonalbo project in conjunction with the Northern Rivers area consultative committee.

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

Mr WOODS: The Liberal Party recently tried to form the Country Liberals. The Leader of the Opposition said, "There is no such thing as Country Liberals." We look at the National Party in the same way. We look at what the honourable member for Coffs Harbour said when he was asked why he was angry about the web site. He said, "I think it is an embarrassment to us all." In other words, the word "country" is an embarrassment to National Party members. That argument is backed up strongly by certain members of the National Party trying to put "country" into their name, a proposal that was rejected outright. Is it any wonder that when the Leader of the National Party goes down to Albury and tries to make a speech, no-one goes along to listen to him?

Mr Oakeshott: Point of order—

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

Mr WOODS: Support for the National Party is at its lowest level ever, and no wonder. As demonstrated in recent polls, its support is now less than 3.5 per cent.

Mr Oakeshott: Point of order: The point of order I raised 20 seconds ago under Standing Order 85 related to relevance.

Mr ACTING-SPEAKER (Mr Mills): Order! The honourable member for Port Macquarie continues to enter the debate by claiming that his points of order relate to relevance. I suggest that he study his own use of language in relation to the meaning of the word "relevant." He is using these points of order to interrupt the debate. I do not accept the point of order.

Amendment negatived.

Motion agreed to.

Pursuant to sessional orders business interrupted.

PRIVATE MEMBERS' STATEMENTS

TWEED ELECTORATE VOLUNTEERS

Mr NEWELL (Tweed) [5.15 p.m.]: We all know that Australians have a long and proud tradition of volunteering to help those in need of a hand. In the International Year of Volunteers I pay tribute to all the Tweed residents who so generously donate their time and energy as volunteers. In the electorate of Tweed there are many volunteers. Perhaps because of the high proportion of senior citizens, there may be a greater number of people in Tweed involved in volunteering than in other parts of New South Wales. Last week I met with a group of volunteers, the Twin Towns Friends Association. That group of 90 volunteers provides a service for lonely, frail, aged people who live in their own homes. Often the residents have retired to the Tweed, leaving behind their families and friends. When they become ill or perhaps lose their spouses, they find themselves alone. Everyone needs company to be a social human being. Without that special human connection, our physical and mental health can suffer.

The Twin Towns Friends Association, which is co-ordinated by Doreen Walsh, visits some 130 people in the northern part of my electorate. The association also visits people in the southern parts of Queensland, and around Coolangatta and Currumbin. The group provides an invaluable service. One of the elderly people the group visits told her doctor that she loved coming to visit him because he held her hand while in conversation, and that the only other human contact she had was with the delivery man when his hand touched hers as he placed the change in it.

The association provides dedicated volunteers who go into the homes of the lonely and isolated and provide a shoulder to lean on. The group also helps people to become more social by encouraging them to join

activity groups. The activities open doors to new friendships for these people. It is anticipated that our community will have an increased need for the support of volunteer groups. Like any volunteer service, the friends program requires the ongoing devotion of its volunteers, for without them there is no Twin Towns Friends Association.

Last week I attended a morning tea organised by Doreen Walsh. Perhaps not all the 90 volunteers she has on her books were able to attend the morning tea. However, in expressing her gratitude to the volunteers Doreen was able to present to those who attended certificates of appreciation for the good work they do and for the time they give, often incurring expense to themselves. In many cases the volunteers take people on shopping trips, visits to the doctor and things of that nature, but generally they provide friendship on a volunteer basis.

While the friends group is supported by its volunteers, another group in our community gives freely of its members' time, but those members have been forced into their role by circumstances beyond their control. This week I met with that group, the Tweed Carers Support Group. The meeting was organised by Mary Guest, the service co-ordinator of the Far North Coast Carer Respite Centre. These people care for their husbands, family members or friends who have suffered debilitating injuries or disease that leaves them in need of constant or part-time care to survive from day to day.

Listening to their stories made me realise how lucky so many of us are. But it also made me stop and think about the great sacrifices made by many in our community. One lady who cares for her husband has to catheterise him four times a day, and during the night must get up and change the bed linen as the catheter bags tend to break. Another woman and her husband are caring for their daughter, who requires constant day and night care. These people are caring for their daughter with devotion and love, and I know it is not an easy job. Nor is their life like the lives of most of us, because the demands on their time eat into any social life they may have. In many cases, any social life is almost completely eliminated.

Hearing these people's stories can be heartbreaking, but I am encouraged by them. The volunteers in my community are many and the work they do is invaluable. I acknowledge that for many it is not easy, and I will work with them as the member for Tweed to help make their role easier. On behalf of the residents of Tweed I thank all the Tweed volunteers for their selfless work, and I pay tribute to the work that they do to make our society a much richer place.

Mr MARKHAM (Wollongong—Parliamentary Secretary) [5.20 p.m.]: It is pleasing to hear the honourable member for Tweed acknowledge the great work done by volunteers in his electorate. I have no doubt that all honourable members could relate similar stories because without volunteers many of the services provided for people throughout this country would not be available. I remember the recent annual fundraising event, the world's biggest morning tea, for the Cancer Council of New South Wales. In my electorate Jim and Judy Giddey from Blackell Street, Wollongong, held a morning tea for the Cancer Council and raised a considerable amount of money. Volunteers do an incredible job in assisting with the provision of services and raising funds for worthy causes. The honourable member for Tweed has raised a relevant issue, especially as this is the International Year of Volunteers.

PENNANT HILLS HIGH SCHOOL FIRE

Mr TINK (Epping) [5.21 p.m.]: In the early morning of Monday 11 June Pennant Hills High School was devastated by a major fire which destroyed approximately one-third of the school and caused millions of dollars worth of damage. Two nights earlier, on Friday 8 June, a fire destroyed a demountable. On 8 June fire also destroyed a building at Roselea school, which is not far away. Since 11 June extraordinary efforts have been made by the school community to get the school back to normal. Twenty-four demountable classrooms, staff rooms and administration rooms have been placed on the site. All of the school with the exception of year 7 students, who are currently at Muirfield High School, recommenced ordinary operations at the site this week. I understand that year 7 students will return next week.

Last Friday I was privileged to attend a year 11 assembly. I was extremely impressed by the staff, their leadership and the general up-beat approach of the students, notwithstanding their significant loss. I particularly thank the Hornsby District School Superintendent, Mr Denis Osborne, for his efforts. I thank the principal, Mr Geoff Wing, who had only been at the school for five weeks, for his work and for his extraordinary leadership. I also thank Nila Lewis, a long-term Deputy Principal at the school, who has played a crucial role in holding things together. I understand that last night year 12 students, their parents and representatives from the Board of Studies met and discussed how to assess the work which went towards the Higher School Certificate and was lost in some of the rooms completely gutted by fire, particularly the woodworking room, the industrial art room and the design and technology areas.

I understand that assurances have been given that teachers who know the students and who kept their portfolios away from the buildings that were destroyed may possibly be able to assess the work of the students based on those portfolios. They will then be able to move forward. Having said that, I am assured by the district superintendent that if any unusual trends appear in the results of the Higher School Certificate due allowance will be made. In relation to the rebuilding of the school, I understand that on Friday a meeting will be held with architects. Various concept plans will be put forward when it is finally known to what extent buildings at the school need to be wholly or partially demolished.

As I indicated this morning in debate on another matter, school infrastructure is of enormous value and its replacement cost underscores that value. Pennant Hills High School will have to find in the vicinity of \$4 million to replace the damaged infrastructure. Ensuring that such damage does not occur in the first place is critical. It is therefore of concern to me that since 1997 school security contracts have been weakened. On average, response times to schools are 15 to 25 minutes. Last year the Government spent \$5 million to \$6 million on school security but lost more than \$20 million because of fire or vandalism. Back-to-base monitoring systems are out of date, even though they are only a few years old, and they cost \$4 million to install.

In relation to schools in my area, in the past I have raised in this House the fact that security guards have not rung the police about break-ins but have simply left notes for staff to find the following day. I trust that those matters have been addressed and will continue to be addressed, because we cannot afford to lose school infrastructure. Since the current Government downgraded Pennant Hills police station to a shopfront, armed hold-ups and school vandalism have got worse and worse and will continue to do so. This matter needs to be urgently addressed.

DEATH OF Mr GEORGE HENRY NORTH

Mr MARTIN (Bathurst) [5.26 p.m.]: Today I pay tribute to the late George Henry North. Tragically, George was killed in a head-on accident at Mount Lambie on Sunday evening 11 June during the Queen's Birthday long weekend whilst travelling to Bathurst to assist with the driver reviver program. Another volunteer of the Portland unit of the State Emergency Service [SES], Kevin Theobald, was injured in this horrific accident. George joined the Portland unit of the SES as a volunteer member on 9 March 1994, just after his retirement from work. George was always an active and dedicated volunteer who was well liked and respected by everyone. Despite his 74 years of age, George not only took an active role serving in the SES in the Portland, Wallerawang and Lithgow areas, he also took part in major SES relief operations outside the Central West.

Those operations included the Bathurst floods in 1998, the Sydney hailstorm in 1999 and the Dubbo storm clean-up in January. George also took part in the Olympic test marathon and the Olympic torch relay when it passed through the Bathurst and Lithgow areas in September last year. George was one of the driving forces behind the construction of the new local headquarters of the Portland SES. He spent many hours working on the building, which was officially opened by the Minister for Emergency Services in May 1997. Over the years George also took an active role and had a great interest in the driver reviver station at Bathurst, which was operated by volunteers on long weekends and public holidays in an attempt to reduce the death toll on our roads. That is the irony, because it was while taking part in that activity that he made the ultimate sacrifice any volunteer can make: He gave his life for others. It is an irony also that this tragedy occurred in 2001, the International Year of Volunteers.

George was a friendly, honest, down-to-earth person who had a good nature and for whom no task was too difficult. He made many close friends in the Portland, Wallerawang and Lithgow communities, not to mention those that he made throughout the Central West Division of the State Emergency Service. He will be sadly missed by all who knew him. His SES comrades organised the funeral service at the Portland depot. Moving tributes were paid by his daughter Rochelle; his grandson Matthew; his mate Smithy; Dieter Gescke, Director of Operations, SES; and Craig Ronan, the Divisional Controller for the Central West SES. The common theme in the eulogies was George's humble nature and his great commitment to his community. He also had a great love for the natural environment. Upon retirement George went straight into the SES and worked diligently for the organisation.

The circumstances surrounding the accident are currently being investigated by police. On the available evidence it would appear that the driver of the other vehicle had been pulled up by the police at Blayney some hours earlier and booked for driving with the prescribed concentration of alcohol in his blood. At that time another driver took over the driving of the vehicle.

There had been numerous reports to police of the vehicle being driven erratically. The police were taking action to intercept the vehicle when it crossed to the wrong side of the road, causing the tragic accident in which George Henry North lost his life. I hope that the police investigation will reveal some way of allowing police to stop such a vehicle from proceeding. Apparently a legal problem prevented police from breath testing a person who was not the driver of the other vehicle. The investigation has not been completed, but it would be a great injustice if the loss of the life of George Henry North, who was so dedicated to road safety and was travelling at midnight to man the driver reviver station at Bathurst, was due to a reckless and wanton act by irresponsible people.

I know that his family, who are now dealing with this tragedy, hope that out of the investigation will come something that makes our roads safer for all of us, because that is the sort of concept to which George Henry North was dedicated. At a time when most retired people would sit back and take it easy, George was out there working for the community by putting in the hard yards through the SES and otherwise, not only in his own community but throughout the State. I hope something constructive comes from the police investigation and that George Henry North will leave a legacy that will make our roads safer for all.

Mr DEBUS (Blue Mountains—Attorney General, Minister for the Environment, Minister for Emergency Services, and Minister Assisting the Premier on the Arts) [5.31 p.m.]: As Minister for Emergency Services I take this opportunity to speak briefly in support of the remarks made by the honourable member for Bathurst on the life of George Henry North. I endorse also what was said at the funeral service for George North by the senior officer of the SES, Dieter Gescke, and the Divisional Controller in the Central West Division, Craig Ronan.

It is an attractive characteristic of the SES that it continues to find ways to give those beyond retirement age effective and important roles in the various activities of that organisation. None could have been said to be more effective than that of Mr North, who was engaged in a great many of the major SES operations in the Central West Division and in the clean-up following the storm that occurred in Dubbo in January this year. Mr North was also involved in works following the Sydney hailstorm, the Olympic test marathon and the Olympic torch relay, in which the SES carried out important supervisory activities. I want to say in particular that I believe George's name should be added to those now inscribed on the memorial to SES and other emergency service volunteers which was unveiled some weeks ago by the Governor at Mrs Macquarie's Chair. There are on that memorial almost 60 names of volunteers who have died in the service. It is in sad circumstances that I say today that I believe George Henry North's name should be added to that list.

PORT MACQUARIE UNIVERSITY PRESENCE

Mr OAKESHOTT (Port Macquarie) [5.33 p.m.]: This evening I would like to introduce a new term to life on the mid North Coast, which has several work for the dole programs. I would add the term "study for a job". More and more evidence is becoming available that on the mid North Coast, in New South Wales and in Australia there is a direct correlation between the extent of education and long-term unemployment, and that the bar is getting higher and higher for those trying to make the leap from school to a working life. The Government and the Opposition need to ensure that that leap is secure, to ensure the availability for young people of employment outcomes in preferred fields.

In that respect there is a glaring omission for those on the mid North Coast of a university presence in Port Macquarie. All levels of government can do a lot for the mid North Coast by assisting in the establishment of a significant university presence in Port Macquarie and, through that, providing employment opportunities not only for many school leavers but for people of all ages who are having trouble finding work, particularly the long-term unemployed. The provision of education opportunities will, as the evidence is showing, provide employment outcomes that are of benefit to everyone in our local community. We are a substantial way down the path of trying to establish a substantial university presence in Port Macquarie. The local community enthusiastically received the recent Federal budget announcement of extra funding to be made available to enable regional universities to expand their operations.

We have had several meetings with the Federal member, Mr Mark Vaile. It is pleasing that there have been meetings with the New South Wales Minister for Education and Training, Mr Aquilina, including a meeting this afternoon between the general manager of Hastings council and the Minister in which the general manager sought State Government support to try to develop this university presence. I know the New South Wales Government has stated its commitment to regional development and acknowledged the significant positive impacts that such a university would have on the further development of the mid North Coast. Today I

make the House aware that significant assistance is being sought from the New South Wales Government for the planning and the annual provision and dedication of at least 400 equivalent full-time student units to Port Macquarie.

The arguments on the need for this university presence are compelling. The local community previously has advised both State and Federal Ministers of the lost-opportunity cost to the area of the lack of a tangible university presence. For instance, Port Macquarie is the only site with a population exceeding 30,000 that does not have a university presence of any significance. There is a significantly lower university participation rate recorded right across the mid North Coast, with some rates being only one-fifth of the New South Wales average. This means that each year 2.5 per cent, or 4,250 residents, of the entire mid North Coast are currently missing out on further education opportunities, at considerable loss-opportunity cost to the area, including the brain drain from the mid North Coast to metropolitan areas as people attend universities, and seek employment, in metropolitan areas.

It is well known that Port Macquarie is the fastest growing area in New South Wales. Its growth rate is approximately three times the New South Wales average. As well, there is a fair commitment by the local community, including all three levels of government, to the development of a self-help approach to the economic development of the area. As know-how, information and cleverness are becoming key drivers in the global economy, a crucial link in the process is a local university able to offer on-ground programs that build upon existing Hastings strengths. I call on the Minister for Education and Training to throw the full weight of his support behind this campaign to get 400 equivalent full-time places for a university campus in Port Macquarie. It would provide significant local benefits not only from an educational point of view but from an employment point of view. As we all know, the mid North Coast and the North Coast struggle with long-term unemployment issues. This one initiative would provide significant benefits in tackling that issue.

Mr MARKHAM (Wollongong—Parliamentary Secretary) [5.38 p.m.]: The honourable member for Port Macquarie has raised an important issue. Education is the key to the success of this country into the future, and universities are a key to that success. I happen to be a member of Wollongong University Council. For two successive years that university has won the award of university of the year. Although Wollongong has had a steel, iron, coal and heavy engineering economy, what the Wollongong University has done in recent years has taken the place of many of the smaller operations that have been part of our economic base. In excess of 1,000 people are employed at that university and 11,000 students attend the university, which has a real economic worth in Wollongong. I say to the honourable member: Good luck. I hope that he achieves what he is seeking to achieve. He really must get the Federal Government to make a commitment to further education. I hope that he can convince the Federal member to allocate the money that is required to achieve the aims outlined by him this afternoon.

GRAYS POINT PUBLIC SCHOOL

Mr COLLIER (Miranda) [5.40 p.m.]: It is with pleasure that I speak tonight about Grays Point Public School in my electorate. Grays Point Public School, which is located in the beautiful Royal National Park in Sutherland shire, is known widely as "Our School in the Park" for that reason. I have visited Grays Point Public School on numerous occasions and each time I was impressed by what I saw and heard. Grays Point Public School a truly caring, quality educational environment, is committed to developing each child to his or her full potential in all areas of the curriculum. All students are nurtured in a safe, supportive, educational setting and they are actively encouraged to strive for excellence in all their endeavours. That commitment is reflected in the outstanding reputation of Grays Point Public School—a growing and well-deserved reputation that has seen the number of pupils at the school increase by 25 per cent in the past three years.

Grays Point Public School is public education at its best. It is a school with strong leadership in its principal, Mr Adrian Mort; a school with talented, enthusiastic and committed teachers and staff; a school with active and committed parents and grandparents; and a school which enjoys exceptionally strong community support. All these features of this wonderful school find their tangible expression in the magnificent covered outdoor learning area [COLA] which I had the privilege of opening at that school on 25 May. The COLA is a project that was driven by an innovative principal, backed by dynamic teachers and staff, and supported wholeheartedly by the Grays Point community. The COLA provides shade and shelter for pupils during play periods and it is an outdoor classroom and a place for school assemblies and functions. I am sure that Grays Point will make full use of the COLA as the school celebrates its fiftieth anniversary next year.

The COLA was built by the school and the community for the school and the community. It is important that this wonderfully close-knit community of Grays Point has access to the COLA for events like

carols by candlelight and the famous Oktoberfest. The schools motto, "Nulli secundus" means second to none. Clearly, this COLA is second to none. The official opening ceremony for the COLA, its planning, its organisation and its conduct from beginning to end were also nulli secundus. On arrival I was met by school captains Josh Millard and Maddi Elliott in their magnificent school blazers. I was escorted to the stage under the COLA in that beautiful park setting. I sat with the principal, Mr Mort, district superintendent, Julie Houghton, parents and citizens president, Karen Langham, past president, Lisa Wright and school council president, Beate Steller, all of whom were instrumental in getting the COLA built.

Principals from local high schools and primary schools were also there to mark the occasion, along with parents, grandparents, teachers and staff. Right in front of me under the one structure were the 362 pupils of Grays Point Public School, all resplendent in their striking school uniforms, all well behaved, all enthusiastic and all keenly interested in the official ceremony. We had music and dance items, unveiled a commemorative plaque and moved a vote of thanks to parents and volunteers. It was a first-class ceremony from beginning to end. I congratulate all those involved in that ceremony. Put simply, as far as school ceremonies go, this was as good as it gets. The construction of the COLA was a partnership—a partnership between the school, the community and the State Government.

The State Government contributed \$20,000 and the school contributed \$20,000 towards the construction of the COLA. While my mathematics told me that \$20,000 and \$20,000 make \$40,000, on looking around my eyes told me that the cost of the COLA was much more than that. Something did not quite add up. The equation really only made sense when I took into account all the time and effort and all the materials given so freely, willingly and unselfishly by the school community. What mattered was not so much the mathematics or how much the COLA cost. What mattered was what it represented—a partnership, working together and a strong sense of community at Grays Point. Grays Point Public School is a school of achievement. The COLA is just one achievement in a whole catalogue of achievements for that school. I expect that there will be many more to come. I say to Grays Point Public School, Grays Point Parents and Citizens Association, Grays Point school council and Grays Point community: Congratulations and well done. Grays Point Public School is a school which I am proud to have in my electorate of Miranda.

ELDERSLIE HIGH SCHOOL

Dr KERNOHAN (Camden) [5.45 p.m.]: I speak on behalf of the staff and students at Elderslie High School. Currently, there are 1,050 students at Elderslie High School, a school that was opened in 1981. At that time it was the biggest and best high school complex in Camden. As a result of the construction of Camden High School, it is now the oldest. After 21 years, certain things are happening to the buildings and the school is finding it difficult to maintain a standard that is acceptable to high school students. The school has had ongoing problems with maintenance contractors and with the Public Works Department attending to maintenance issues within the school. Last year the school spent \$67,000 on maintenance—on building, equipment and grounds—in an effort to maintain a reasonable standard at the facility. Although that was well in excess of 7 per cent of global funds, none of it was recouped from the Department of Education and Training.

In spite of every effort the school is still experiencing problems. For example, there is severe termite damage in the library, which is affecting both the male and female toilet entrances. There are permanently leaking gutters. There is damage to carpets, walls and internal building frames as a result of water damage. There is an office with no carpet and the occupational health and safety hazard of rising concrete dust is ever present. There are numerous trip hazards in many parts at the school, in particular on major walkways. There is broken brickwork, path subsidence and cracked walls, all of which have been neglected for many years. The school cannot find the money to fix these problems. There is an additional problem—that of the proposed new urban release area, the Elderslie infill.

The department has written to members of the Elderslie Residents Group informing them that secondary students will be accommodated at the adjacent Elderslie High School. The school is experiencing difficulties maintaining itself to an appropriate standard for present students, let alone additional students. Staff and parents are becoming increasingly vocal about the dilapidated state of the school. But there is another problem. Everybody in Camden who has anything to do with Elderslie High School has a copy of a letter written by the Premier late in 1995 when he was Leader of the Opposition, promising that a stage facility would be built in Elderslie High School hall—another broken promise which is aggravating the situation and generating the feeling that Elderslie High School is not being looked after by the Government.

Recently within the Camden electorate—and I include in that my sections of Campbelltown—there have been major break-ins in schools. The new Camden High School was broken into and thefts occurred and

that was even before students took up residence. Elderslie High School also needs approximately \$30,000 to provide sensor lights and fencing to try to improve security at that school and to prevent vandalism and theft. There has been a lot of growth in Camden and a number of new schools were built, which were an absolute necessity because of that population growth. This Government has to look after old schools and ensure that they are kept in a condition that is suitable and up to the general standards of schools in New South Wales. I ask the Minister for Education and Training to look into this matter, to ensure that Elderslie High School has enough funds for maintenance, and to ensure that it is able to keep its school buildings in a good condition.

Mr MARKHAM (Wollongong—Parliamentary Secretary) [5.50 p.m.]: I have listened to what the honourable member for Camden has had to say and it sounds as though the school is in a sorry state. The honourable member is lucky the Parliamentary Secretary for Education has also heard what she had to say and I have no doubt he will take it up with the Minister tomorrow.

NATIONAL DISABILITIES TEN PIN BOWLING CHAMPIONSHIPS

Mr STEWART (Bankstown—Parliamentary Secretary) [5.50 p.m.]: This evening I proudly talk about an event that occurred in Bankstown during the past week, beginning on Saturday 9 June. That is the National Disabilities Ten Pin Bowling Championships, which were held at the Bankstown Bowling Centre. Bankstown was very proud to host these championships. They are very sought after and to have them in Bankstown is prestigious and brought about 500 or 600 people into Bankstown—about 400 competitors plus the people who come with the competitors, and the carers. Those people were able to stay in Bankstown and enjoy Bankstown's hospitality for the past week. There were no problems with their stay in Bankstown and they enjoyed the hospitality of the Bankstown people. Many of them stayed at the Travelodge Motel on top of the Bankstown District Sports Club. Others stayed at the Bankstown International Motel. I launched the championships on Saturday 9 June.

Mr George: Did you get a strike?

Mr STEWART: They asked me to put down a bowl and I did not disgrace myself. I did not hit the gutter. I think I got an eight, which is not too bad. These people came from all States, except Western Australia, as well as every Territory. All of them had fantastic stories to tell about what they experienced in Bankstown—the hospitality, the multicultural feel that Bankstown has, the great food and the great club atmosphere. Bankstown has been a fantastic ambassador by hosting these championships.

I particularly commend the Bankstown Bowling Centre for the way it conducted the championships, in particular Kerin McNamara, the manager of the Bankstown AMF Bowling Centre, who applied for the championships to be held at Bankstown just on two years ago. I recall writing a reference to support that application. At that time Kerin thought it might have gone to another more prestigious city, but Bankstown is as prestigious as they come as far as we are concerned. I know Kerin put in a great deal of effort, as did her staff, to make sure that these championships were the best ever conducted.

I also mention Keith Carter, the promotions and publicity officer for the Bankstown AMF Bowling Centre. He really promoted this event among the community. The Revesby Workers Club partly sponsored it. Bankstown City Council was involved intrinsically all along, and Kevin Hill, the present mayor, and Ian Stromborg, the past mayor, were instrumental in attracting these championships to Bankstown. I also want to mention Roselands Sports and Aquatic Club. Jenny Bombaderry and Mary Greig from that club have been extremely efficient in making sure that bowling is available for people who are disabled as well as promoting sport generally to the community and not just to elite segments. McDonald's Family Restaurants also helped out with sponsorship, as did the local *Bankstown Canterbury Torch* newspaper. I would also like to mention Don Atkinson, the Treasurer, and Barry Cole, the President of the National Disabilities Council, which was instrumental in organising the tournament.

It is important to note that ten pin bowling is a sport in which disabled athletes compete according to ability rather than disability. Instead of athletes being graded as amputees or as visually impaired, they are given a grading according to ability and can compete against people who are not disabled in any way, shape or form. It is a unique opportunity for people with disabilities to compete with everybody, and that is to be commended. Bankstown Bowling Centre is a fantastic bowling centre, one that is growing in prestige, with increasing opportunities for locals to attend. Following these championships many young bowlers will come into the sport. My 11-year-old son is one of those. I am sure that people with disabilities will be attracted to this sport that has equity and real opportunities for them to participate in the community.

RURAL SCHOOLS CLERICAL ASSISTANTS

Mr GEORGE (Lismore) [5.55 p.m.]: This evening I raise a problem relating to small schools in my electorate. I appreciate the Parliamentary Secretary Assisting the Minister for Education and Training taking the time to listen to me. Small schools in country electorates, especially little schools like Jiggi Public School—a lovely school that I want to highlight—are often focal points for local communities. They provide a wide range of curriculum activities to satisfy a variety of interests, needs and obligations. One of the anomalies that adversely influences the functioning of these schools—and honourable members in other electorates also have this problem—is the loss of a full-time senior school clerical assistant when school student enrolment drops below 51. This means that schools with 51 students have a full-time senior school assistant but that position is only available for two days per week at schools with 50 students. I realise there are boundaries or cut-off points but when a small school drops back from 51 to 50 students it loses three days a week clerical assistance.

For small rural schools a full-time senior school assistant is vital. I want the House to consider the workload of these people. They are expected to maintain financial records, sort daily mail, collect money and commission notes, arrange casual replacement staff for teachers on sick leave or attending in-service courses, and answer phone calls throughout the day, even at lunchtime when phone calls can be inconvenient for teachers on playground duty—as they often are in small schools. The senior school assistants also help to administer the library, give assistance with photocopying and filing, locating information and records. They do word processing, producing newsletters, permission notes and letters to parents. They order school supplies and equipment, maintain school equipment and do the school banking.

Senior school assistants complete, fax and post departmental information and returns, deal with delivery people, maintenance personnel, parent inquiries and new enrolments, administer first aid treatment for students while teachers are in class, administer prescribed medicines daily to students with ailments such as attention deficit disorder and asthma, notify parents of injury or illness to children, assist with emergency procedures, such as flood evacuation, and record Australian Broadcasting Corporation educational television programs for use in class programs. Without the clerical assistant this is left to teachers, and it is impossible for teachers to be able to handle all this extra work.

There have been occasions when a potentially serious illness has occurred. For instance, recently at the Jiggi school a student had a reaction to a tick. If the Minister for Agriculture was present, he would challenge me about this, but it did occur and no parent or emergency contact was available. The child, six years of age, required ambulance transportation to Lismore hospital, half an hour away. The child was quite distressed but relieved when told that the senior school assistant would accompany her in the ambulance. Jiggi being a relatively isolated school, the people there are always alert for strangers. A fairly recent attempted abduction of one of the students has meant a heightened level of awareness of student welfare and safety by all school staff.

With a full-time senior school assistant in the office library area, it was relatively easy for this school to monitor children going to the toilet or visitors coming and going. For three days each week that monitoring is not effective. Teachers are focused on their teaching. They would be pleased if we would consider the changed circumstances that now exist at Jiggi school. The school has 46 students and the principal is working full time covering all the other jobs of a schoolteacher. I wonder whether there is some way that this school could be judged on a pro rata basis, rather than going from a school with 51 students and a full-time senior school assistant to a school with 50 students and a senior school assistant working only two days a week.

Mr MARKHAM (Wollongong—Parliamentary Secretary) [6.00 p.m.]: I heard what the honourable member for Lismore said. Earlier he indicated to me that he had raised this issue with the Minister for Education and Training. The Minister has sent his apologies; he is unable to be here to respond to the honourable member. I will be passing to the Minister for Education and Training four contributions on education issues that have been made tonight. Tonight must be the night to debate education matters. I will ensure that the Minister is made aware of the honourable member's concerns.

Mrs TRAN AND HIH INSURANCE

Mr LYNCH (Liverpool) [6.00 p.m.]: I address the House on a very serious matter concerning a constituent of mine and the trauma she has undergone as a result of the collapse of HIH. The aim of raising the case in this forum is to request that the Minister investigate whether assistance under the rescue package can be expedited. I note the State Government announcement that it would cover all home warranty claims against HIH policies, and this particular case is certainly within that category. Mrs Tran is a constituent of mine. She and her

husband decided to build their dream home in the Liverpool area. There are many housing estates in and near my electorate, and home warranty claims are a significant issue in my electorate. As happens on occasion, there were difficulties with the building work, some of which turned out to be quite unsatisfactory.

A particularly significant part of the inadequate building work was electrical work. That sort of work has to be completed before the house is habitable. As would normally occur, a claim was lodged with the insurance cover in November of last year. This was effectively a claim against HIH Casualty and General Insurance Ltd as underwriter of the New South Wales Home Warranty Insurance scheme and the builders. After lodging the claim, quotations and the like were provided. Subsequently, earlier this year Mrs Tran received a letter from David Grow, a building consultant with MCS (NSW) Pty Ltd, who assessed the claim at \$27,408. Deeds of release were enclosed with the letter, and they were subsequently executed on 8 March 2001 by the owner. That is, the home warranty claim was settled. The amount was agreed.

All that should have happened is that the owners should have been paid the money. Mrs Tran was reasonably relaxed at this stage. She expected the money to be paid. The family had been keen to move into the house as soon as possible. Moreover, they had to; they could not afford to pay rent as well as maintain the house. They had to move into the house because they had no financial alternative. However, to allow this to occur, the building work had to be done because without that the house was unliveable. They could not move in without the work being done, especially the electrical work.

Accordingly, Mrs Tran borrowed money for the work to be done before receiving the money from the claim. That money was borrowed, the work was done and Mrs Tran and her children moved into the house. Of course, because the HIH collapse intervened, no money has subsequently been paid to Mrs Tran as a result of the claim. The people from whom Mrs Tran borrowed the money are now demanding payment. This is causing acute stress and distress to Mrs Tran. When Mrs Tran first spoke to me she described the people from whom she borrowed the money as friends of the family. However, their behaviour since has been anything but friendly. When she spoke to my office she described their behaviour as waiting at her home every afternoon demanding payment. Her children were becoming afraid.

Mrs Tran has become increasingly concerned, distressed and frightened. On 15 June she contacted my office once more. She told my office that petrol had been poured on her house the previous night. She feared that if the money was not repaid shortly, then next time the petrol would be lit. As a result of what has been said to her, she also fears for the safety of her children if the money is not repaid to the people from whom she borrowed it. Mrs Tran reported these incidents to the police on 15 June. However, she has not been prepared to name the people who loaned her the money or who made the threats to her. She said that if she reveals their identity to me, the police or anyone else she has been told that her children will be hurt. A series of issues arise out of this case.

However, whatever other issues it raises, it also raises very squarely the necessity of expediting payment to Mrs Tran of the moneys owed to her by HIH, which I had understood would have been made by the rescue package that was announced. My inquiries have suggested that for some reason Mrs Tran's case is not sufficiently urgent to merit immediate payment. I have raised the matter in this way in this place to ensure that everyone concerned is thoroughly disabused of the notion that this is not an urgent case. Whatever categorisation of cases is occurring, frankly, Mrs Tran's case should be at the top. It is a matter of the gravest urgency and in my view this case should be accorded the highest priority.

MOSMAN CRIME

Mrs SKINNER (North Shore) [6.05 p.m.]: I raise a matter of great concern relating to criminal activity in Mosman in my electorate of North Shore. This matter came to my attention when I opened my copy of the *Mosman Daily* of 7 June to find on the front page a story entitled "Balaclava attacks: Home invasion terror". I have since spoken to a number of people about this matter. My alarm has grown since first reading the article, particularly when I discovered that these invasions and attacks have been occurring for nine months and the police have been withholding this information from local people. As the editorial in the *Mosman Daily* states:

Why didn't police warn us?

The editorial refers to the hints, rumours and innuendo that have apparently been going on, but there has been no confirmation from the police. To ensure that honourable members understand the seriousness of this matter, the police have now confirmed that a man or men plan these attacks. They stake out a house to observe the comings and goings of vulnerable women. They enter houses when the women are at home. They have used violence,

they have forced women to strip and they have taken jewellery, cash and so on. As I said, these attacks have been occurring for nine months. The editorial states:

Rumour in the community has been rife and one reader rang to say she had heard of the attacks from other parents in a local school playground.

The editorial further states:

Calls to both Harbourside police and the police media unit by this newspaper produced no information about these rumoured attacks, no confirmation (or denial?) ...

This is extremely alarming when police have since tried to explain that they did not let the local newspaper know about the attacks because investigations were taking place. The police provide information to the *Mosman Daily*, which is one of the best suburban newspapers in New South Wales, especially in the metropolitan area. The newspaper runs a regular column on criminal activity based on information provided by the police. If the police can provide information about less serious matters I do not understand why they did not provide information about this activity.

I am concerned that the community has been lulled into a false sense of security. The community has been lulled into believing that criminal activity in the area is not as great as it used to be. Since reading this story and speaking to locals and the police, I have gone to the New South Wales Bureau of Crime Statistics and Research, and discovered that on the latest available figures theft involving break and enter of a house has increased by 37 per cent since the Carr Government came to office. In 2000 there were 453 crimes of this nature in the Mosman local government area, compared with 331 in 1995 and 375 in 1999. That shows that crimes of this nature increased by 20 per cent in only one year. I seek an assurance from the Government that the community will be warned when such activity is taking place in the area. I seek an assurance from the Minister for Police that Neighbourhood Watch, which is an active and strong body that meets in the Mosman area, is given information and told that it is serial activity, not a one-off incident, so that it can assist in providing advice to the local community.

I seek an assurance that the Government will examine the resurrection of the Mosman police station as a proper police station. At the moment it is an office with one person manning the phones. Highway patrol officers park their cars there, which gives the impression that police officers are active, but the reality is that the cars are for highway patrol work. Highway patrol officers do not deal with the types of offences to which I have referred. These are serious issues. During Mosman's past experience with the granny murders a fabulous relationship developed between local residents and local police officers. I ask this Government to ensure that confidence in the Police Service is restored to that level by dealing with criminal activities of the types I have mentioned.

NORTHERN TABLELANDS ELECTORATE COMMUNITY AND SPORTS FUNDING

Mr TORBAY (Northern Tablelands) [6.10 p.m.]: I acknowledge and thank the Minister for Sport and Recreation, who was good enough to visit my electorate last Saturday to present a number of cheques for several worthwhile projects that have been under way in my electorate of Northern Tablelands. I acknowledge in particular the Minister's attendance on a Saturday: As every parent knows, there are many commitments associated with Saturdays, but it was good of him to come to my electorate at my invitation and present the cheques. The communities of Guyra, Inverell and Armidale were very pleased to see him.

The Minister attended the Guyra community first, where he presented a cheque for \$100,000 to the Guyra cover-up committee. This small community's committee has worked for eight years to raise more than \$60,000 for the purpose of covering the local swimming pool. I acknowledge that the Mayor of Guyra Shire Council, Councillor Robyn Jackson, and the very hardworking general manager, Geoff Brooks, and Councillor Shane Davidson, introduced me to the cover-up committee when members of that committee felt that all was lost and that sufficient funds would not be obtained. Before I was elected as the member for Northern Tablelands previous applications were unsuccessful. Because the Minister looked favourably on this application, the committee is now able to implement the project, which is worth \$220,000.

I reiterate that the community has worked for eight years to obtain sufficient funds to provide a cover over the swimming pool. I acknowledge the contribution made by committee members Vicki Reeves, Trish Reeves, Phillip Devlin, Graeme Shiels, Karen Oehlers, and Bob Furze and commend them for their management efforts. The Guyra community was very pleased to receive the cheque. The Minister was also able to present \$55,000 to the Inverell Touch Football Association at the ceremony. I can inform the House that 1,200 active

members of the Inverell Touch Football Association were represented by Debbie Meppin and Anthony Michaels. Members of the association were very appreciative that the Minister was able to attend and to present the association with a cheque for \$55,000. The money was needed to install lights on six grounds for touch football groups in the Inverell community. The receipt of those funds was very gratefully appreciated.

The Minister also had the opportunity to visit the Armidale City Gymnastics Club. A delegation which included the Minister was very warmly welcomed by Wally and Carole O'Hara—two community members who set up the group in 1991 with the intention of teaching students and young people to compete successfully in State and regional competitions in the future. The club is certainly achieving that objective. There was a presentation by the club for the Minister and other members of the delegation. It is very clear that the club requires new premises. The Minister had what I consider to be a very productive meeting with the group. The club had already raised \$20,000 and had obtained a loan for \$30,000 but was seeking capital assistance not only from the State Government but also from the local council.

I was pleased that the Armidale Dumaresq Mayor, Councillor Brian Chetwynd, was also in attendance. Hopefully all those groups will be brought together to present a very strong submission to the Minister to seek new premises for that tremendous club which, with a whole range of community volunteers, is doing a tremendous job. I thank the Minister for his assistance. I look forward to the application of the Armidale City Gymnastics Club receiving favourable consideration by the Department of Sport and Recreation.

Mr MARKHAM (Wollongong—Parliamentary Secretary) [6.14 p.m.]: There are no two ways about it: the honourable member for Northern Tablelands is a hard worker. The fact that he was able to obtain funds from the Minister for Sport and Recreation for a project that has been on the drawing board for eight years when the Minister visited his electorate spells out pretty clearly that the honourable member has undertaken some very solid work in his electorate over the last couple of years. I congratulate the honourable member for Northern Tablelands.

[Mr Deputy-Speaker left the chair at 6.15 p.m. The House resumed at 7.30 p.m.]

BUSINESS OF THE HOUSE

Order of Business: Suspension of Standing and Sessional Orders

Motion by Mr Whelan agreed to:

That standing and sessional orders be suspended to postpone consideration of the no confidence motion in the Minister for Land and Water Conservation until consideration of Government Business Notices of Motions and Government Business Orders of the Day Nos. 13 and 17.

INDUSTRIAL RELATIONS AMENDMENT (CASUAL EMPLOYEES PARENTAL LEAVE) BILL

Bill introduced and read a first time.

Second Reading

Ms MEAGHER (Cabramatta—Parliamentary Secretary), on behalf of Mr Yeadon [7.33 p.m.]: I move:

That this bill be now read a second time.

The Industrial Relations Amendment (Casual Employees Parental Leave) Bill will amend the Industrial Relations Act 1996 to allow casual employees to have access to one year's unpaid parental leave subject to a 12-month qualifying period. Since the introduction of the Act in 1996 this Government has sought to identify any anomalies that may exist with its practical application. We have sought to improve the Act where and when appropriate. Essentially we have made this Act a tool which all industrial participants can use to serve legitimate workplace interests and achieve harmonious workplace relations. The Act itself was built on a platform of consultation and inclusiveness—a platform that reflects this Government's continuing goal of workplace justice and fairness. It fosters an industrial system that meets the need for efficiency and productiveness in employment arrangements. This amendment changes the eligibility period for regular casuals to have access to parental leave from two years to one year.

Last year this Government introduced an amendment to the Act that recognised and enshrined casual employees' rights to access parental leave—an entitlement that is available to permanent employees. Provisions

were made to allow casual employees who were employed by the same employer for a period of 24 months on a regular and systematic basis and had a reasonable expectation of ongoing employment to access 12 months of unpaid parental leave. It is well documented that the number of casual employees in the work force has risen over the last several years. It is this Government's intention that employment status alone should not be the single defining criterion that grants some workers a certain entitlement, while denying others a benefit that many of us take for granted, such as maternity leave and parental leave. The simple label of the employment status does not take into account the length and nature of the employment relationship.

On 31 May this year the Australian Industrial Relations Commission [AIRC] handed down the decision in favour of the Australian Council of Trade Unions [ACTU] application to provide parental leave to casuals who have worked on a regular and systematic basis for 12 months or more. Data from the Australian Bureau of Statistics used as evidence in the recent AIRC decision shows there have been significant shifts in the profile of the casual work force. For example, more than two-thirds of self-identified casuals work regular hours; 40.6 per cent have a guaranteed minimum number of hours; more than one-half have been in their jobs for more than one year; 13.6 per cent have been in their jobs for five years or more; almost three-quarters expect to be in the same job in 12 months time; and some 39.1 per cent report that their earnings have not varied.

Often the only difference between a permanent and a casual employee is access to entitlements such as sick leave and parental leave. Loadings paid to compensate casual workers for the absence of sick and other paid leave do not reflect the lack of entitlement associated with maternity and parental leave. The decision last year to amend the Act to provide casuals with parental leave was to be reviewed after 12 months. That period has now elapsed. There now exists even greater broad-based support across the community, employer groups and State governments for a 12-month standard eligibility requirement. In response to the growing expectation that the right of return to the job after the birth of a child should be a basic standard, the State governments of Victoria and Queensland have made a commitment to extend parental leave to casuals after 12 months of regular and systematic service. Tasmania has taken an award-based response to achieve the same goal.

Both Victoria and Queensland provided the AIRC with submissions in support of the ACTU's claim to give regular casual workers parental leave, while the Federal Government gave in principle support for giving casual employees a fairer go, during the recent test case hearings before the AIRC. Employer organisations—the Australian Industry Group, the Australian Chamber of Commerce and Industry and the Australian Hotels Association—reached an agreed position with the ACTU on the principle of allowing casual employees to have access to parental leave after 12 months of regular and systematic employment. The extension of parental leave entitlements to long-term casual employees will benefit the growing number of employees who can only obtain casual employment.

In many cases, this form of employment may offer some immediate flexibility to accommodate family responsibilities, but with the longer-term impact of reduced access to family-friendly entitlements. The amendment also recognises the broader goal of this Government in assisting workers with family responsibilities. This amendment will ensure that all employees who have worked for the same employer for 12 months will have access to the same entitlement. It is this balance of entitlements that the Government is seeking to achieve. The amendment is not about altering the status of employees but, rather, ensuring that employees' entitlements are commensurate with their service and expectation of ongoing employment. I commend the bill to the House.

Debate adjourned on motion by Mr O'Doherty.

INSURANCE (POLICYHOLDERS PROTECTION) LEGISLATION AMENDMENT BILL

Bill introduced and read a first time.

Second Reading

Mr WATKINS (Ryde—Minister for Fair Trading, Minister for Corrective Services, and Minister for Sport and Recreation), on behalf of Mr Aquilina [7.39 p.m.]: I move:

That this bill be now read a second time.

On 21 May the Treasurer announced that the Government would establish a Policyholders Protection Fund [PPF] and would introduce legislation to impose an insurance protection tax. He said that initially the Policyholders Protection Fund would be used to meet claims under compulsory third party motor vehicle

insurance and home owner warranty insurance policies issued by the HIH group of companies. However, in the event of the insolvency of another insurer in the future, the fund could be used to meet claims under the same classes of policy issued by that insurer. On 29 May, cognate with the budget, the Treasurer introduced the Insurance Protection Tax Bill into Parliament. The bill imposes a tax on the total annual premium income of insurers operating in New South Wales. The tax will raise up to \$69 million annually, to be paid by insurers in proportion to their share of premium income earned in the State.

The Government does not relish the role it is playing. It was forced to take this action because of the failure of the national regulator of insurers, the Australian Prudential Regulation Authority [APRA], to adequately supervise the operations of the HIH group of companies. Some commentators have suggested that the Government should not take the action it has. It has been suggested that, by stepping in with the fund and the tax, the Government will send the wrong message to industry, namely, that if a company fails, the Government will tax its competitors to fund compensation for the failed company's clients. It is suggested that by taking this course the Government will encourage companies, particularly insurance companies, to act imprudently, safe in the knowledge that the Government will pick up the pieces.

As a general rule, when normal commercial activity is involved, the Government agrees that governments, the public and competitors should not be expected to intervene and pick up the pieces of a corporate collapse. People who engage in such businesses should do so in the full knowledge and expectation that they can gain or lose. However, the collapse of the HIH group of companies does not fall within this general rule. Insurance, along with banking, is subject to prudential supervision and regulation by the Commonwealth Government. Business would be much harder to conduct if people were not able to have confidence in the integrity and safety of these institutions. Consequently, when there is a failure of the prudential supervision framework, as there was in this case, governments must respond quickly and effectively.

As well as providing that insurers will each contribute to the insurance protection tax revenue in proportion to their share of business in New South Wales, the Insurance Protection Tax Bill provides that insurers cannot recover the tax directly from policyholders. This is in part in recognition of the fact that, with the demise of the HIH group of insurance companies, the remaining insurers will have an opportunity to increase their share of the market. It also recognises that the insurance industry must accept its share of the burden imposed on the community by the failure of the regulatory system. There are two final points I would like to make about the insurance protection tax before turning to this bill. First, while the bill prohibits the tax from being directly passed on to policyholders, the Government recognises that insurers may seek to indirectly recover some component of the tax from policyholders. Second, the Treasurer acknowledges that the tax is not the ideal solution to the problem. The Government is keen to work with the industry to find the best solution. It stands ready to amend or even repeal the tax in the event that any practical alternatives are proposed by the insurance industry.

The Insurance (Policyholders Protection) Legislation Amendment Bill establishes the administrative framework for the Policyholders Protection Fund. The fund will be used to provide compensation to beneficiaries of home warranty insurance. Initially it will apply to policies issued by the HIH group. The Treasurer can extend it to cover policies issued by other insurers who become insolvent. The funds raised by the insurance protection tax will be appropriated into the Policyholders Protection Fund, a special deposit account. In addition to the tax revenue, the fund will receive money advanced from the Consolidated Fund to meet the claims from compulsory third party and home owner warranty insurance claims. The Government has contributed \$50 million up front to start paying claims. In addition, it will loan money to the fund while the tax is insufficient to meet claims on the fund.

These loans will be repaid to the Consolidated Fund when revenue from the tax catches up with claims on the fund. The Government will not be able to have any revenue from the insurance protection tax repaid from the Policyholders Protection Fund to the Consolidated Fund. This is designed to ensure that the revenue from the insurance protection tax can only be used for the purpose of compensating compulsory third party policyholders and beneficiaries under home owner warranty insurance policies issued by insurers declared insolvent by the Government. A framework already exists in the Nominal Defendant Scheme administered by the Motor Accidents Authority to provide compensation to holders of compulsory third party motor vehicle insurance policies if the Government declares an insurer insolvent.

This bill ensures that the Nominal Defendant Scheme will receive money from the Policyholders Protection Fund to pay compensation in relation to policies issued by the HIH group, or by any other insurers the Treasurer includes in the fund. Currently there is no suitable framework for this sort of a fund to apply to

home warranty insurance. The bill creates this framework. It establishes the Building Insurers Guarantee Corporation and the Building Insurers Guarantee Fund, to be administered by the Department of Fair Trading. Consumers who were beneficiaries under HIH policies issued in accordance with the Home Building Act 1989 will be indemnified by the State to the extent that the consumer would have been entitled to recover under the policy. Builders and developers will be prevented from claiming on the State indemnity.

One area of uncertainty that has arisen following the HIH collapse relates to the ability of builders, who hold unexpired annual HIH policies of insurance, to continue to issue certificates of insurance under those policies. Anecdotal evidence suggests that there may be builders who have mistakenly issued certificates under annual policies after 15 March 2001 and, in particular, 22 May 2001, which was the date on which the Minister for Fair Trading formally withdrew HIH's approval to offer home warranty insurance. In these circumstances the Government is concerned that, through no fault of their own, both builders and consumers are potentially exposed to adverse consequences in trying to rely on such certificates. Therefore, as a safety net, this bill will both validate the use of those certificates and ensure that consumers who wish to make a claim under them have somewhere to turn for compensation. As I am sure honourable members will appreciate, this measure is designed to protect builders and consumers who may have entered into residential building contracts, in good faith, during this period of great uncertainty.

Accordingly, the bill provides that, when a certificate of insurance has been issued under an unexpired HIH annual policy after 15 March 2001 and on or before the date of introduction of this bill, that insurance will be treated as meeting the requirements of the Home Building Act and any subsequent insurance claim will fall within the Government's rescue package. In addition, the bill clearly states that any certificate of insurance that is issued under an unexpired HIH annual policy after the introduction of this bill will not meet the requirements of the Home Building Act. Accordingly, any subsequent insurance claim under that certificate will not fall within the Government's rescue package. In the absence of the Government's rescue package, claimants under home warranty insurance policies would have a claim against the provisional liquidator. The bill provides that, in return for providing the indemnity, the Government will receive from claimants an assignment of their rights to claim against the provisional liquidator. Funds recovered from these assignments will be used to reduce the cost to Government and the insurance industry of the rescue package.

The Building Insurers Guarantee Corporation will also have the right to seek recovery against builders responsible for defective work and to claim against bank guarantees lodged by builders. Funds recovered from these sources will also be used to minimise the net cost of the rescue package. The rights of recovery to be given to the Building Insurers Guarantee Corporation are similar to the rights of recovery already possessed by the Motor Accidents Authority. The bill provides for a means of compensation for New South Wales consumers who would otherwise have limited avenues for seeking compensation in the winding up of the HIH group. By giving certainty to home building insurance arrangements, the bill also provides a solution for the home building industry in New South Wales, which has suffered in the wake of the collapse of the HIH group. I commend the bill to the House.

Debate adjourned on motion by Mr O'Doherty.

SYDNEY OLYMPIC PARK AUTHORITY BILL

Second Reading

Debate resumed from an earlier hour.

Ms SEATON (Southern Highlands) [7.51 p.m.]: In speaking to the Sydney Olympic Park Authority Bill I acknowledge that the honourable member for Hornsby has already clearly outlined the Opposition's position on the bill and spoken about many features of it. The Opposition will not oppose the bill. However, a number of its aspects that are still being discussed by me and others lead me to reserve the right of the Opposition, perhaps in another place, to consider possible amendments. I want to acknowledge the concerns of many Sydney residents and conservation advocates about this bill. The first is the ongoing management of the significant conservation areas in the Olympic precinct which are subject to this bill.

Honourable members will be very much aware of the great contribution made by the Greiner Government, the architect of the Sydney Olympic 2000 bid, to the restoration of the Homebush Bay area, its wetlands and parklands, and the historic adoption by the Greiner Government of the Green Games framework. That framework led to unprecedented gains in environmental outcomes and fundamentally changed the way in

which we assess the environmental value of residential and non-residential designs and planning overall. We have a long way to go; I do not think anyone pretends it is otherwise. But, through the work of people such as Bob Symington and others in the Green Games Watch Team, and individuals in the private sector—and I acknowledge particularly the work of Maria Atkinson, environment manager for the Lend Lease Corporation—great gains have been made in the use of renewable energy, effluent reuse, thermal building design and other features now being taken up by urban designers as normal features of design. If it had not been for the Greiner Government's commitment to the whole of the Green Games framework, many design features that we now take for granted, indeed expect to see in designs, simply would not exist.

There is, however, a great deal of disappointment in some quarters that the Carr Government has not only placed real obstacles in the way of the Green Games outcomes but is failing to encourage the continuation of the adoption of those ecologically sustainable development [ESD] features in new development, particularly in urban areas of Sydney. Two examples of the way in which the Carr Government placed obstacles in the way of those Green Games outcomes are well known. The first is the decision by the former member for Campbelltown to agree to the use of non ozone friendly refrigerants in major Olympic facilities. That has the potential, in about 10 years time, to saddle taxpayers with the cost of retrofitting refrigeration technologies. Further, we have lost the opportunity to contribute positively to our environment as a result of that decision. That was a short-term decision. Some money was saved in the short term, but ultimately the taxpayers of New South Wales will be burdened with a lot more costs for retrofitting to remedy problems.

Another pertinent example is the loss of the remnant threatened species, particularly Cumberland Plains woodland species, in the construction of the Criterion Track near Bankstown. Whilst the Government was lobbied by community and environment groups from the Bankstown area, notwithstanding the threatened species there, and despite the lip-service that the Premier pays to the need to retain the Cumberland Plains woodland and to retain remnant vegetation in Sydney's urban areas, the Government proceeds basically to chop down those remnant-dedicated areas and to build the Criterion Track. Worse than that, the Government has failed to put any significant effort into pushing for the further adoption of those important ecologically sustainable development principles which we learned, and in some cases perfected, during the Olympic Games construction period to broaden developments. The Government should be leading on those ESD principles. Though the Government has control and virtual ownership of the design and construction of school and TAFE buildings around the State, it is missing out daily on opportunities to lead the way on the implementation of ESD principles.

Recently I visited brand new classrooms at Appin Public School. They are similar to the classrooms at Bargo Public School. Departmental representatives told me that they were proud of the new classrooms at the Appin Public School; they were state-of-the-art in Department of School Education design, with ventilation at the apex of the ceiling and all sorts of so-called environmentally friendly features. However, the Appin Public School parents and citizens association was so disappointed with the performance of those classrooms in coping with temperatures during the summer that the association had to continue with its fundraising to buy airconditioners to put into those brand new classrooms, the design of which clearly took no account of local climatic conditions and completely missed the opportunity to implement world's best practice in classroom design.

Contrast that with some school buildings that I saw in the same year at the Rudolf Steiner School in Bowral. Those were designed with thermal mass walls. They are easy to keep warm in winter, easy to keep cool in summer, and are quiet. They provide a particularly enjoyable environment for children. Their design is very different. The buildings are based on curves, rather than the off-the-shelf rectangular variety that the Department of School Education seems to be so keen on. The Steiner school buildings cost no more than the Department of School Education versions. The Government, if it is serious about implementing ESD principles, should look carefully at what is happening in the private sector, what is happening outside the Department of Public Works and Services, and be a bit more imaginative and adopt some of those ideas. Given the size of the capital works budget in this State, we have the opportunity to experiment a bit more, to think outside the envelope and implement some of those ideas across the public works spectrum.

The Government's failure to exhibit any evidence of being proactive and demonstrating leadership in implementing ecologically sustainable development principles gives rise to concerns that are being expressed about this bill from a number of quarters. A look at the map of the proposed Sydney Olympic Park Authority area shows that less than half of that area is occupied by the Olympic site, with all of its main Olympic buildings, and that the rest of the site is occupied by the Millennium Park and the nature reserve that will continue to be under the management of the National Parks and Wildlife Service. If this legislation is adopted

we are concerned that there could be an incremental erosion of essential parkland and open space areas. Whenever this Government sees an open space its eyes light up and the dollar signs flash.

Mr O'Doherty: Just as it did with Berowra Valley.

Ms SEATON: The honourable member for Hornsby referred to Berowra Valley. We need only to look at the conservatorium. The Government saw some open space called the Domain and the Royal Botanic Gardens and it said, "Whacko, here is a bit of open space, we will take some of that open space and enlarge the conservatorium. It is only open space and we could do without that extra bit." Other examples include Callan Park, which the Government has its eye on. After all, it is open space and it is available for sale. The Government is planning to sell off that open space. Another example is Hunters Hill High School. A number of schools that have been the subject of so many emotional community meetings are very much in the firing line. Another good example is the Prince Henry Hospital site.

When I look at the aerial photograph of the proposed boundary of the Sydney Olympic Park Authority I see that two-thirds of the area is open space. The track record of the Carr Government suggests that it regards that space as open for development. I have listened carefully to the views of people who have been canvassing ways in which to give greater protection to the environmental and conservation values inherent in those parks. We must enhance those values, ensure that we protect them, ensure that there is no incremental erosion of them and ensure that we get the best possible economic outcome for the area that falls within the boundary of the current master plan.

That area must be developed in such a way as to ensure that it is used by a critical mass of people, whether in a residential capacity or in a visitor capacity. We must ensure that it generates the revenue that is needed to maintain it and we must ensure that any of the parklands to which its budget relates are properly looked after. The Opposition will not oppose the bill. However, it reserves the right to further consult with those who are raising important points of environmental concern. If the Opposition believes that any improvements can be made to the legislation we will raise those issues in another place.

Motion agreed to.

Bill read a second time.

In Committee

Clauses 1 to 55 agreed to.

Clause 56

Mr O'DOHERTY (Hornsby) [8.04 p.m.]: I move Opposition amendment No. 1:

No. 1 Page 24, clause 56. Insert after line 9:

(3) The Minister must ensure that at least one member of the Board is appointed from the private sector.

I outlined the Opposition's reasons for moving this amendment when I spoke in the debate on the second reading of the bill. The private sector must be engaged to the maximum extent possible and its expertise must be sought co-operatively to make this area work so that it starts to generate an economic, environmental, social, and cultural return for the people of New South Wales. The Opposition believes that the board will be enhanced by the addition of a person directly appointed from the private sector. We noted our concerns about the make-up of the board as announced by the Treasurer a few weeks ago. I am pleased to indicate that the Government has said that it will accept this amendment.

Ms MEAGHER (Cabramatta—Parliamentary Secretary) [8.06 p.m.]: The Government has no objection to this amendment, but I point out that private sector expertise already exists on the elected board of the Sydney Olympic Park Authority. Mr Herb Elliott has spent a lifetime in the private sector. Mr Robert Leece, who has also been appointed to the board, has spent a significant part of his professional employment as a key executive in the private sector, particularly in the construction industry. Mr Leece's success in the private sector brought him to the notice of the Government and, subsequently, to the notice of the Olympic Co-ordination Authority. Honourable members are well aware of Mr Leece's contribution to the staging of the Games and they should know that he has now returned to the private sector. Ms Penny Figgis, another member of the board, is also from the private sector. However, if the Opposition is prepared to discount the private sector expertise of those board members, we will let it have its way. The Government agrees to the amendment.

Mr O'DOHERTY (Hornsby) [8.07 p.m.]: Unfortunately, the rather ungracious contribution of the Parliamentary Secretary forces me to again speak in debate on this amendment. I remind honourable members of what I said earlier today. The Opposition has no quibble with the expertise of members on the board. The Parliamentary Secretary was not in the Chamber at the time, so she would not have heard my earlier statement.

Ms Meagher: But I listen to you all the time.

Mr O'DOHERTY: You were not here, so just be quiet.

Ms Meagher: I listen to you always.

Mr O'DOHERTY: Just be quiet.

The CHAIRMAN: Order! The Parliamentary Secretary and the honourable member for Hornsby will direct their remarks through the Chair.

Mr O'DOHERTY: The Opposition has no quibble with the individuals who have been appointed to the board. I can understand why people like Herb Elliott have been appointed to the board. He is there because of his Olympic expertise. Gabrielle Kibble is a member of the board because of her expertise in the public sector and, in particular, because of her expertise in matters related to planning. Robert Leece is a member of the board because of his contribution to the Olympic effort. The Opposition has no quibble with those people. However, it is hard for Opposition members to understand why someone from the Labor Council has been appointed when the Government did not provide specifically that someone would be appointed to represent private sector interests. As I said earlier, we have to make this work for the people of New South Wales. I thank the Parliamentary Secretary for indicating that the Government will accept the Opposition's amendment.

Amendment agreed to.

Clause 56 as amended agreed to.

Clauses 57 to 84 agreed to.

Schedules 1 to 8 agreed to.

Bill reported from Committee with an amendment and passed through remaining stages.

STATUTE LAW (MISCELLANEOUS PROVISIONS) BILL

Bill introduced and read a first time.

Second Reading

Mr CRITTENDEN (Wyong—Parliamentary Secretary), on behalf of Mr Carr [8.10 p.m.]: I move:

That this bill be now read a second time.

The Statute Law (Miscellaneous Provisions) Bill continues the well-established statute law revision program that is recognised by all members as a cost-effective and efficient method for dealing with amendments of the kind included in the bill. The form of the bill is similar to that of previous bills in the statute law revision program. Schedule 1 contains policy changes of a minor and non-controversial nature that the Minister responsible for the legislation to be amended considers to be too inconsequential to warrant the introduction of a separate amending bill. The schedule contains amendments to 22 Acts. I will mention some of them to give honourable members an indication of the kind of amendments that are included in the schedule.

The bill amends the Art Gallery of New South Wales Act 1980 to increase the number of trustees of the Art Gallery of New South Wales Trust from nine to 11. The bill amends the Environmental Planning and Assessment Act 1979 to make it clear that a Crown applicant for development consent is not able to apply to the consent authority for a review of a determination of the development application when that determination was made in accordance with the written approval of the Minister. The bill also amends the Act so as to ensure that a notice of a right to appeal against an order requiring a person to do or refrain from doing certain things specified in the table to section 121B of the Act is consistent with the actual right of appeal conferred by the Act in that only the person on whom the order is served has such a right.

The bill amends the Freedom of Information Act 1989. Currently, the Act defines "public authority" and "public office" as including bodies and offices established for a public purpose by or under the provisions of a legislative instrument. The proposed amendments will extend the meanings of "public authority" and "public office" to include bodies such as the Supreme Court of New South Wales and offices that were established by royal charter and continued by or under such an instrument. However, the amendments will not extend the operation of the Act to the judicial functions of any court or tribunal. The bill also amends the Harness Racing New South Wales Act 1977 to restore words omitted in the restatement of the existing rule-making functions by the Harness Racing New South Wales Amendment Act 1998. The restoration removes any possible argument based on section 27 (2) of the Act that no rules can be made under the Act despite the extensive powers to make rules conferred by the Act.

The bill also makes a number of minor amendments to the Protection of the Environment Operations Act 1997. I will mention some of them. The Act is amended so as to enable a notice requiring a person to furnish records, information and reports in connection with any matter relating to a regulatory authority's responsibilities and functions under the Act to be served on a person even if the person is, or the matter occurs or is located, outside New South Wales, provided that the matter affects the environment of New South Wales. The Act is also amended so as to enable a person to appeal against a decision by a regulatory authority—such as the Environment Protection Authority—to attach new conditions to, or to vary any existing conditions of, a revocation, suspension or surrender of a licence.

The Ombudsman Act 1974 is amended so as to facilitate the carrying out of the Ombudsman's functions under the Act. In particular, the proposed amendments will enable the Ombudsman to accept oral complaints if the Ombudsman considers it appropriate to do so. Currently, complaints to the Ombudsman must be in writing. Other amendments to the Ombudsman Act 1974 will enable the Ombudsman to notify orally, in appropriate cases, a person who complained about a public authority of the Ombudsman's refusal to conciliate, to investigate or to continue to investigate the complaint. The proposed amendments will also enable the Ombudsman to disclose to a public authority information obtained by the Ombudsman in discharging functions under the Act with respect to a complaint against or relating to the public authority.

Amendments to the Radiation Control Act 1990 will enable the annual report of the Radiation Advisory Council to be made publicly available by the Clerks of the Parliament even if a House of Parliament is not sitting when the Minister seeks to table the report. The Residential Tenancies Act 1987 is also amended. Currently, that Act provides for the abatement of rent and a right by either party to a residential tenancy agreement to terminate that agreement where the agreement is frustrated—for example, the premises the subject of the agreement, are destroyed or rendered partly or wholly uninhabitable. The proposed amendments will enable either party to apply to the Residential Tribunal for a determination of the reduced amount of rent payable if the agreement is not terminated. The proposed amendments to the Residential Tenancies Act 1987 will also enable a tenant under a residential tenancy agreement to apply to the residential tribunal for a refund of overpaid rent on the basis that a rent increase was not notified in the manner required by the Act.

The Sydney Water Act 1994 is amended so as to make it clear that a contract relating to service availability and drainage charges is a customer contract under the Act. Accordingly, provisions such as section 61 of the Act—which provides that a successor in title to certain land is liable for any unpaid contract charges relating to the land—will apply to such contracts. The Water Management Act 2000 is also amended in a number of respects. I will now mention some of those amendments. Section 97 (2) of the Act currently provides that a drainage work approval is not to be granted unless the Minister is satisfied that adequate arrangements are in force to ensure that minimal harm will be done to any water source, or its dependent ecosystems, as a consequence of the construction or use of the proposed drainage work.

The Act contains a similar provision with respect to flood works. Section 97 (2) is amended so it applies to all water management works. Other amendments to the Water Management Act 2000 will ensure that the Minister, who has the control and management of certain water supply works, has the same protections with respect to the taking of water from such works as are provided to other bodies that control and manage such works. The proposed amendments will also enable any person, and not just a land-holder to whom a direction is given under part 1 of chapter 7 of the Act—for example, a direction to stop work where an unlawful activity is occurring—to appeal to the Land and Environment Court against the Minister's decision to give the direction.

The last schedule 1 amendment that I will mention is the amendment to the Technical and Further Education Commission Act 1990. That Act is amended so as to enable the TAFE Commission to exercise its functions under the Act outside New South Wales. Schedule 2 deals with matters of pure statute law revision

consisting of minor technical changes to legislation that Parliamentary Counsel considers are appropriate for inclusion in the bill. Examples of amendments in schedule 2 are those arising out of the enactment of other legislation and those updating references to the names of bodies and offices. Schedule 3 makes a number of amendments to facilitate the implementation of standard generalised markup language [SGML] by Parliamentary Counsel's office, which is responsible for the compilation and maintenance of the New South Wales legislation database. The new system will improve the portability and accessibility of legislative data. Formatting features of current legislation that are incompatible with the proposed system are to be removed.

Schedule 4 repeals a number of Acts and provisions in Acts. The Institute of Rural Studies Act 1973 and four Appropriation Acts, which are no longer of practical utility, and over 25 Statute Law (Miscellaneous Provisions) Acts are repealed. The schedule also repeals amending Acts enacted in 1999 or earlier that contain no substantive provisions that need to be retained. The Acts that were amended by the Acts or provisions being repealed are up to date on the legislation database maintained by Parliamentary Counsel's office and are available electronically. Schedule 5 contains provisions dealing with the effect of amendments on amending provisions, savings clauses for the repealed Acts and a power to make regulations for savings and transitional matters, if necessary.

The various amendments are explained in detail in explanatory notes set out beneath the amendments to each of the Acts concerned. Rather than repeat the information contained in those notes, I invite honourable members to examine the various amendments and accompanying explanatory material and, if any concern or need for clarification arises, to approach me regarding the matter. If necessary, I will arrange for government officers to provide additional information on the matters raised. If any particular matter of concern cannot be resolved and is likely to delay the passage of the bill, the Government is prepared to consider withdrawing the matter from the bill. I commend the bill to the House.

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

AGRICULTURAL AND VETERINARY CHEMICALS (NEW SOUTH WALES) AMENDMENT BILL

CO-OPERATIVE SCHEMES (ADMINISTRATIVE ACTIONS) BILL

Bills introduced and read a first time.

Second Reading

Mr AMERY (Mount Druitt—Minister for Agriculture, and Minister for Land and Water Conservation) [8.21 p.m.]: I move:

That these bills be now read a second time.

The bills I am putting forward today are cognate with the Commonwealth Agricultural and Veterinary Chemicals Legislation Amendment Bill, which was introduced into the Senate on 3 April 2001. These bills are introduced to ensure that the important roles of Commonwealth authorities and officers within the National Registration Scheme for Agricultural and Veterinary Chemicals are not put at risk because of the High Court's recent decision in *The Queen v Hughes*. The National Registration Authority for Agricultural and Veterinary Chemicals, known as the NRA, operates a national system that evaluates, registers and regulates agricultural and veterinary chemicals, which is known as the National Registration Scheme.

The national registration authority, in partnership with the States and Territories, is the primary regulatory agency in relation to the importation, manufacture and supply of agricultural and veterinary chemicals in Australia. The decision in the Hughes case casts doubt on the capacity of Commonwealth authorities and officers to exercise powers and functions conferred on them by State legislation in situations when a power or function is coupled with a duty and there is no clear Federal head of power to support that duty. In turn, this casts doubt on the existing Commonwealth-State National Registration Scheme relationship, including the functions of the Commonwealth Director of Public Prosecutions, the Commonwealth Administrative Appeals Tribunal and the Commonwealth inspectors and analysts appointed under Commonwealth laws.

In order to remedy this problem, the Parliamentary Counsel's committee has drafted the two bills I am introducing today. The bills have been drafted on a uniform basis for enactment throughout Australia. They address the implications of Hughes for the National Registration Scheme and gaps in the co-operative legislative

scheme relating to the conferral of functions on Commonwealth authorities and officers. I will deal with each bill separately. The Agricultural and Veterinary Chemicals (New South Wales) Amendment Bill addresses the implications of Hughes for the National Registration Scheme. This bill amends the Agricultural and Veterinary Chemicals (New South Wales) Act 1994 by making changes to the National Registration Scheme in order to place it on a more secure constitutional footing. It does this in two ways. Firstly, it does so by validating administrative actions done or omitted to be done by Commonwealth authorities or officers. These actions may have been invalid due to gaps in the National Registration Scheme legislation. This issue has arisen independently of the decision in Hughes.

Secondly, the bill ensures that administrative action taken or omitted to be done in the future by Commonwealth authorities or officers in pursuance of the National Registration Scheme has a constitutionally sound footing. The Agricultural and Veterinary Chemicals (New South Wales) Amendment Bill could be described as solving the non-Hughes problems within the National Registration Scheme, whereas the Co-operative Schemes (Administrative Actions) Bill is targeted at solving the Hughes problems within the National Registration Scheme. The Co-operative Schemes (Administrative Actions) Bill addresses the gaps in the co-operative legislative scheme relating to the conferral of functions on Commonwealth authorities and officers. The bill has been drafted so that past validation for previous administrative action not linked to a Commonwealth head of power under the Constitution may be extended by proclamation.

This will benefit not only the National Registration Scheme but also authorities such as the National Crime Authority. The bill places the National Registration Scheme on a more secure constitutional footing by ensuring that no duty, function or power is conferred on a Commonwealth authority or officers which is beyond the legislative power of the State. In conjunction with the cognate Commonwealth Agricultural and Veterinary Chemicals Legislation Amendment Bill, the Agricultural and Veterinary Chemicals (New South Wales) Amendment Bill and the Co-operative Schemes (Administrative Actions) Bill will secure the constitutional basis of the National Registration Scheme and the conferral of functions and powers upon which the National Registration Scheme is dependent. With those comments, I commend the bills to the House.

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

CORPORATIONS (ANCILLARY PROVISIONS) BILL

CORPORATIONS (CONSEQUENTIAL AMENDMENTS) BILL

CORPORATIONS (ADMINISTRATIVE ACTIONS) BILL

Bills introduced and read a first time.

Second Reading

Mr DEBUS (Blue Mountains—Attorney General, Minister for the Environment, Minister for Emergency Services, and Minister Assisting the Premier on the Arts) [8.28 p.m.]: I move:

That these bills be now read a second time.

The bills before the House are part of a package of corporations bills complementing the Corporations (Commonwealth Powers) Act 2001. Honourable members will recall that the Corporations (Commonwealth Powers) Act 2001 was enacted earlier this year. That legislation provided for the referral of Corporations Law and the Australian Securities and Investments Commission [ASIC] law to the Commonwealth Parliament. I am proud to record here that New South Wales was the first jurisdiction to enact the referral bill, enabling the bill to be introduced into the Commonwealth Parliament shortly after.

The new arrangements rely, firstly, on the reference of corporations matters to the Commonwealth Parliament by the Parliaments of the States; secondly, on the enactment by the Commonwealth Parliament of a new Corporations Act and a new Australian Securities and Investments Commission Act; and, thirdly, on the enactment by all the States of supporting legislation to make provision for transitional arrangements, contained in the Corporations (Ancillary Provisions) Bill, consequential amendments contained in the Corporations (Consequential Amendments) Bill and the validation, following the doubts raised in *The Queen v Hughes*, of certain actions taken by ASIC and its officers, or by other Commonwealth authorities or officers, under the Corporations Law, which is dealt with by the Corporations (Administrative Actions) Bill.

The bills before the House complete the amendments to New South Wales legislation that are necessary to ensure that the status quo is not disrupted after the referral, and that a smooth transition takes place. The first

of the bills is the Corporations (Ancillary Provisions) Bill 2001. Members will appreciate that a number of consequential and transitional amendments to our State legislation are required before the new national corporations scheme can commence. The effect of this bill is twofold. First, the bill updates references in New South Wales legislation from the old Corporations Law regime to the proposed new Commonwealth Corporations Act. Second, the proposed new Commonwealth Corporations Act states that it is not intended to cover the field in the area of corporations.

This means that any indirect inconsistencies between the Commonwealth Act and any New South Wales Act do not necessarily result in the invalidity of the New South Wales provisions. However, as a result of the referral of corporations power, any direct inconsistencies between New South Wales legislation and the Commonwealth Act will result in invalidity due to the operation of section 109 of the Commonwealth Constitution, which provides that the Commonwealth provision is to prevail. In order to protect these New South Wales provisions, some legislation needs to be amended to insert declarations that the Corporations Act is not to apply.

I now turn to the Corporations (Consequential Amendments) Bill. This bill amends over 160 Acts and regulations that contain references to the Corporations Law, or to a previous Corporations Law scheme, or that otherwise need amendment because of the change from a State-based to a Commonwealth-based system of corporations law. This wide-ranging amendment of the statute book is being made so that the new arrangements for a national corporations law are more readily understood as they apply to the text of State Acts. The alternative, and less satisfactory, approach would have been to rely on interpretation provisions of a general nature without direct amendment of individual Acts.

The schedules to the Bill make amendments that fall into distinct categories, namely, amendment of provisions referring to the Corporations Law, or any part of it, so that they refer in future to the Corporations Act of the Commonwealth, or the relevant part of it; correction of references to particular provisions of the Corporations Law so that they are read in future as references to the correct provisions of the Corporations Act, and this includes amendments consequential on the Corporate Law Economic Reform Program Act 1999 [CLERP]; similar amendment and correction in relation to existing references to the Companies (New South Wales) Code and other Code Acts; in accordance with Part 1.1a of the proposed Corporations Act of the Commonwealth, dealing with the interaction between Commonwealth legislation and State provisions, provisions to continue certain existing exemptions, exceptions and exclusions from the operation of the Corporations Law that apply under State law; the re-enactment of provisions in Acts that apply particular provisions of the Corporations Law as if they were part of those Acts, so that the provisions continue to apply as State law; and other miscellaneous adjustments necessary for the new corporations scheme.

The schedule does not amend every reference in the statute book to the Corporations Law or its predecessors. The Corporations (Ancillary Provisions) Bill contains a safety net translation for references that are not directly amended. This means that unamended references to the Corporations Law will be read as including a reference to the new Corporations Act, unless the context requires otherwise. However, there are some references to the Corporations Law that have been identified as continuing to be correct as they currently read, whether because they are historically correct or for any other reason, and these will be preserved by regulations to be made under the Corporations (Ancillary Provisions) Bill.

I now turn to the Corporations (Administrative Actions) Bill 2001. The object of this bill is to give validity to certain potentially invalid administrative actions taken before the commencement of the proposed Commonwealth Corporations Act 2001 by Commonwealth authorities or officers acting under powers or functions conferred on them by laws of the State relating to corporations. Section 51 (xx) of the Commonwealth Constitution gives the Commonwealth Parliament limited powers to regulate corporations. That provision empowers the Commonwealth Parliament to legislate with respect to "foreign corporations, and trading or financial corporations formed within the limits of the Commonwealth."

The Commonwealth Parliament also has other legislative powers under the Commonwealth Constitution that assist it to regulate corporate activities, such as the interstate trade and commerce power, section 51 (i), and the postal, telegraphic, telephonic, and other like services power, section 51 (v). However, the High Court has held that the Commonwealth's constitutional powers do not extend to regulating aspects of a number of important commercial areas, such as the incorporation of companies, certain activities of non-financial and non-trading corporations, and certain activities of unincorporated bodies that engage in commerce. By contrast, the States have broad powers to regulate corporations and corporate activities, subject to the Commonwealth Constitution.

As a result of the restrictions on the powers of the Commonwealth Parliament, a national scheme of corporate regulation requires co-operation among the Commonwealth and the States and Territories. Several different schemes of co-operation have been implemented at different times since 1961. The current scheme commenced on 1 January 1991. Under that scheme, the substantive law of corporate regulation, known as the Corporations Law, is contained in an Act of the Commonwealth enacted for the Australian Capital Territory and the Jervis Bay Territory, the Capital Territory. Laws of each State and the Northern Territory apply the Corporations Law of the Capital Territory, as in force for the time being, as a law of the State or Northern Territory. The effect of this arrangement is that, although the Corporations Law operates as a single national law, it actually applies in each State and the Northern Territory as a law of that State or Territory and not as a law of the Commonwealth.

The Corporations Law is administered by a Commonwealth body, the Australian Securities and Investments Commission [ASIC] established by the Australian Securities and Investments Commission Act 1989 of the Commonwealth, the ASIC Act. Each State and the Northern Territory has passed legislation applying relevant provisions of the ASIC Act as a law of that jurisdiction, known as the ASC or ASIC law. Legislation of each State and the Northern Territory confers functions relating to the administration and enforcement of the Corporations Law on ASIC, the Commonwealth Director of Public Prosecutions and the Australian Federal Police. These bodies are responsible for the investigation and prosecution of offences under the Corporations Law.

In *The Queen v Hughes* (2000) 171 ALR 155, the High Court indicated that, where a State gave a Commonwealth authority or officer a power to undertake a function under State law together with a duty to exercise the function, there must be a clear nexus between the exercise of the function and one or more of the legislative powers of the Commonwealth set out in the Commonwealth Constitution. If this view prevails, then the Commonwealth would not be able to authorise its authorities or officers to undertake a function under State law involving the performance of a duty, particularly a function having the potential to adversely affect the rights of individuals, unless the function could be supported by a head of Commonwealth legislative power.

Although the court found that the particular exercise of the prosecution function by the Commonwealth Director of Public Prosecutions in question in *Hughes* was valid, it made no finding about the validity of the conferral of the prosecution function generally, or of other functions under the corporations law scheme. The decision in *Hughes* may have implications for the validity of a range of administrative actions undertaken by Commonwealth authorities and officers under the corporations law scheme and the previous co-operative scheme. A number of Commonwealth authorities have functions and powers under the current scheme, including ASIC and the Commonwealth Director of Public Prosecutions. Commonwealth authorities, most notably the National Companies and Securities Commission [NCSC] had functions and powers under the previous scheme. Much of the work of the NCSC was carried out by State and Territory authorities as delegates of the NCSC, and the bill applies to actions of those delegates on the basis that the actions of a delegate are treated as actions of the principal.

Since the commencement of the Corporations Law, Commonwealth authorities including ASIC and the Commonwealth Director of Public Prosecutions have continued to carry out functions under the previous scheme. Many or all actions by these Commonwealth authorities are likely to be valid because they could be supported by the Commonwealth's legislative powers. However, the validity of each action can only be determined on a case-by-case basis, having regard to the particular circumstances of each action. The bill provides that every invalid administrative action taken under the current or previous scheme has, and is deemed always to have had, the same force and effect as it would have had if it had been taken at the relevant time by a duly authorised State authority or officer of the State.

The bill applies to administrative actions taken before the commencement of the proposed corporations legislation. The validity of future actions by Commonwealth authorities and officers will be assured by the reference of matters to the Commonwealth Parliament by the Corporations (Commonwealth Powers) Act 2001, which each State is proposing to enact, and by transitional amendments to the current scheme being included in the Corporations (Consequential Amendments) Bill. This package of reforms to the Corporations Laws will ensure that our national system of corporate regulations is placed on a sound constitutional footing and reinforces Australia's reputation as a dynamic commercial centre in the Asia-Pacific region. I commend the bills to the House.

Debate adjourned on motion by Mr Maguire.

WASTE AVOIDANCE AND RESOURCE RECOVERY BILL

Bill introduced and read a first time.

Second Reading

Mr DEBUS (Blue Mountains—Attorney General, Minister for the Environment, Minister for Emergency Services, and Minister Assisting the Premier on the Arts) [8.42 p.m.]: I move:

That this bill be now read a second time.

Immediately after I introduce this bill I will move the second reading of the Waste Recycling and Processing Bill. These two bills represent the most extensive examination ever into waste management in New South Wales. When the Carr Labor Government came to office in 1995, it did so determined to provide the community with sustainable solutions to the many environmental issues associated with waste and to offer a blueprint for action. The centrepiece of the Government's landmark reforms—the Waste Minimisation and Management Act 1995—was enacted little more than eight months after the Government took office.

Five years on, it is timely to consider what we set out to achieve and what needs to happen next. We need to keep developing solutions to the complex problems associated with waste. The Government's goals remain clear. We want to see a continuous decline in waste generation. We want the recovery of resources from waste to be optimised. We want to manage, in the most environmentally responsible manner, the ever-shrinking waste left after recovering those resources. Our aspirations are a reflection of the community's feelings in regard to these matters. Good progress has been made over the past five years against each of these goals. However, since the introduction of the Waste Act we have been able to examine emerging practices, both elsewhere in Australia and internationally. We can now see how to improve our approach so that outcomes are achieved more quickly and efficiently.

The Government has consulted widely and often in the process of developing these proposals. As part of my formal review of the Waste Act I called for public comment. Ninety-eight submissions were received; most groups with an interest in waste matters were represented in these submissions. Secondly, the Government undertook a review of the Waste Act as required by the National Competition Policy agreement. Again, this review included a public submission process. Thirdly, I commissioned the independent inquiry into alternative waste technologies and practices. This Inquiry—an Australian first—was conducted by an expert panel comprising Tony Wright, Cathy Zoi and Dr Gary Smith. It sought and received input from a wide range of interest groups, including industry and the environment movement.

Finally, since taking responsibility for the environment portfolio in 1999 I have personally consulted with many groups with interests in waste management. From this I have developed a clear understanding of their views and the areas that would benefit from further reform. I think it is fair to say that the community as a whole has a very real concern about waste and its management. We live in a time when people's consumption patterns are changing. People are less and less sure about how to manage the impacts those patterns are having. We see tension between individuals' aspirations to deal better with waste and their day-to-day practice.

The main goal of waste policy is now very different from that of 30 years ago when the old Waste Disposal Act set up the Waste Service's forerunner, the Waste Management Authority. Today we do not take waste for granted, nor focus on disposal. Our job today is to support alternatives to the unsustainable use of materials, while ensuring that the treatment of residual wastes delivers the best environmental outcomes. The Carr Government has been actively responding to these drivers by taking steps to transform waste management in New South Wales. Before our 1995 legislation, waste policy in New South Wales was concerned only with disposal. At that time, the laws mapped out a future for New South Wales that involved more and larger tips proliferating across the landscape. The 1995 Waste Act, for the first time, provided a coherent framework for action on waste minimisation and, again for the first time, applied to the whole State.

Five years of effort have brought results. I would like to draw the attention of the House to some of these achievements. They provide the building blocks for the Government's current actions. As I indicated, the process began with the Waste Act. The Act achieved several things. It established a set of principles and goals in relation to waste management; established a framework for clarifying the roles and responsibilities of State and local government, the manufacturing industry and the waste industry; and created a flexible and environmentally focused system for waste regulation. The essential features of the Waste Act were that it established a bold 60 per cent waste reduction target; created a means for gathering advice on statewide policies and priorities; set up

the first-ever mechanism for regional waste planning and management ensured adequate resources for waste initiatives across the State; and created a statutory basis for industry waste reduction.

We introduced this reforming legislation little more than six months after taking office. This is in stark contrast to the 5½ years it took the Coalition to produce its somewhat ironically titled policy, *No time to Waste*. This is a policy that the Coalition did little to implement in the two years between its release and the 1995 election, despite the urgency suggested by the title. I am sad to say that little has been heard from the Coalition since. Over the last five years we ensured that the process of minimising waste became a reality, by establishing the Community Waste Reduction Grants Scheme; developing action plans for green waste and construction and demolition waste; developing the three industry waste reduction plans, one each for the dairy, tyre and beverage industries; developing the first regional waste plans; establishing mandatory waste recycling and purchasing plans and actions for New South Wales public sector agencies—an Australian first—and undertaking a three-year statewide education program dealing with waste avoidance and green waste reduction.

We have made significant gains. Last year, compared with 1990 levels, we were disposing of about 25 per cent less waste for every dollar's worth of economic activity in this State. I understand that industry studies suggest that New South Wales diversion rate for recyclables is higher than the national average. We intend to improve on this trend. In tandem with reducing wastes, we have overhauled the environmental management of residual wastes by: developing waste regulations and waste assessment guidelines; developing guidelines for effective landfill management; introducing a new scheme for tracking hazardous and industrial wastes; participating in the development and implementation of the National Environment Protection Measure for the Interstate Movement of Controlled Wastes; ensuring a proper disposal mechanism for non-hazardous industrial wastes; and introducing a new Act to expand New South Wales anti-littering laws. That is an impressive list of achievements in a relatively short span of time.

The independent inquiry into alternative waste management technologies and practices—the Wright inquiry—provided an excellent blueprint on how to secure even more sustainable waste management. The report defines a new framework that calls for continued efforts to avoid waste and to see, where possible, better integrated systems to use wastes as resources in ways that maximise their value. I have spoken elsewhere about the very broad support that this inquiry's recommendations have received since it was released in June last year. We are now at the stage to launch the next phase of the Carr Government's waste reforms. The package of reforms, in my review, picks up on the essential findings of the Wright inquiry. This includes strong focus on avoiding waste; further cleaner production initiatives; improved data on resource recovery; better ways to assess waste technology; more integrated collection systems for important materials such as office paper, cardboard, organics and wood; improved recycling in public areas; and a waste levy that provides a strong economic incentive to reduce waste disposal.

In essence, the reforms in my report, and reflected in the current bill before the House, seek to ensure that: the organisations that play roles in waste issues are properly structured and equipped to make an effective contribution to waste reduction and resource conservation; the best tools are available for delivering reductions in key waste areas and from industry sectors; we provide industry with every incentive to invest in modern, clean technologies for dealing with recovered waste; and we regulate the waste industry to ensure the best environmental outcomes at lower cost to the industry and to the community of the State.

These reforms are also about getting better value for public money. Through its agreement to direct 55 per cent of waste levies to the Waste Fund, the Government is providing more than \$40 million per year for waste programs. These reforms will create a much more efficient system, freeing up several million dollars per year for innovative waste and resource management programs. Waste is a complex issue and its effective management requires a sophisticated approach. Comments from stakeholders in the 98 submissions to the review of the Waste Act, and subsequent consultation, suggest that the proposals outlined in this report will ensure that we continue to build such an approach in New South Wales.

I will now take honourable members through the bill, point to the highlights, and explain the Government's thinking behind them. The bill replaces regional waste boards with a single State agency, Resource New South Wales, to provide and support statewide, regional and local waste programs. It replaces the State Waste Advisory Council with the independently chaired Resource New South Wales Board. The role of Resource New South Wales in relation to waste is intended to be similar to that of the Sustainable Energy Development Authority [SEDA] on energy issues.

Five years ago consensus was that regional waste planning and management provided a good organising principle for our waste problems. It was a view put forward by the Opposition in its *No time to Waste* policy. It was a view echoed in the Government's waste policy proposals. In debating the 1995 Waste

Bill, the then shadow environment spokesperson noted her support for regional approaches. Most interested parties agree that the Government's regional waste board model was a reasonable starting point and that the nine boards, individually and collectively, have embarked on some useful initiatives. Equally, there are many concerns that this effort has not been as co-ordinated as originally desired.

Mr ACTING-SPEAKER (Mr Mills): Order! The honourable member for Southern Highlands will cease interjecting. Her level of interjection is such that she might be regarded as making her contribution to the debate on the bill.

Mr DEBUS: A range of factors is adversely affecting the operations of the boards. Effective frameworks for collaboration and co-operation across regions have not been developed. A clear message coming from those involved in waste management is that the boards do not uniformly possess sufficient expertise in the full range of required areas. The power, functions and responsibilities of waste boards are too open to interpretation. Role confusion is one major factor affecting success. Many have claimed that the boards have not been cost effective and that there is much program duplication. Others considered that, as local government determines board directorships, the boards are not sufficiently representative of industry and the community. Finally, the Auditor-General also expressed concern about aspects of the existing system. Underlying these issues is a significant structural anomaly. The boards are State Government entities, but their membership is limited to local council nominees. Accountabilities are confused.

In summary, these factors combine to create a situation where the necessary leadership cannot be provided by the boards. The State Waste Advisory Council has struggled to provide leadership in terms of guidance, strategy or quality advice. Concern about the council's performance has been widely expressed. A deliberative forum on a matter as complex as waste is considered important. However, it is clear that the majority of those groups interested in waste do not want the council to continue in its current form. Two central factors have contributed to this situation.

First, the current arrangement where the Council does not have an independent chair has had little legitimacy with environmental or local government groups. Secondly, the council is structured as a representative forum rather than an expert body. It is therefore not set up to deal adequately with the full range of waste issues. The new institutional arrangements will provide clarity about roles. The new agency will be focused on a strategy for waste reduction and the delivery of programs to implement it. The Environment Protection Authority will continue its role in policy and regulation on waste. A corporatised waste service will be a publicly owned leader in the provision of waste and resource recovery services. Resource New South Wales will be a statutory authority subject to the control and direction of the Minister for the Environment. Its head office will be based in western Sydney, with regional offices in Newcastle and Wollongong. In recognition of the need to better cater for rural communities, a small number of staff will also be housed in government offices in other regional centres. It will be funded through allocations from the Waste Fund.

The functions of Resource New South Wales are proposed as follows: to develop, co-ordinate and evaluate the implementation of strategies and programs for the statewide achievement of government policy objectives in: resource conservation and waste reduction, including municipal, commercial and industrial, and construction and demolition waste; resource conservation and waste reduction and management in relation to identified regions, industry sectors or material types; market development for recovered resources and recycled materials; community education and awareness in relation to resource efficiency and waste reduction and management; programs for preventing and controlling litter and illegal dumping; and information dissemination.

Further tasks are: to assist local communities to reuse resources rather than throw them away; to assist in developing co-ordinated waste management services, including system and contract reform, such as integrated contracts for waste and recycling services and system co-ordination; to research and develop waste reduction and resource conservation infrastructure, technologies and systems and provide financial assistance for such endeavours; to develop and support programs to train and educate those involved in resource conservation, waste management and litter control; and to monitor, report on and evaluate the regional implementation of statewide policies and strategies.

The Resource New South Wales Board will replace the State Waste Advisory Council. The board will comprise 10 people, including an independent chair, Resource New South Wales's chief executive and experts from the following areas: resource conservation and environmental protection; community interests; local government; waste management industry; industry; rural and regional interests; financial and risk management; and urban planning and infrastructure. I will invite a range of groups to nominate board members. The board

will advise Resource New South Wales on the preparation and implementation of its plans, programs and activities. The functions of Resource New South Wales and its board complement the role of the Environment Protection Authority [EPA] in providing environmental regulation and policy advice.

The Government will recoup its investment in the waste boards by transferring important and successful programs to Resource New South Wales. It will also expedite actions arising from the Independent Inquiry into Alternative Waste Technologies and Practices. One of the notable successes of the Western Sydney Waste Board, in co-operation with councils and the EPA, has been the Regional Illegal Dumping Squad. Resource New South Wales will be required, as a priority, to extend this initiative to the rest of Sydney, the Central Coast, the Hunter and the Illawarra. Other board programs that will continue include: Waste Not Development Control Plans; Waste Makes No Cents alliance program; Waste Wise public place and special events program; local government waste reduction and purchasing policy; and the household hazardous waste collection strategy.

As noted, Resource New South Wales will have statewide responsibilities, with regional offices in Wollongong and Newcastle. Staff will also be located in country areas. As well as its broader functions affecting rural areas, Resource New South Wales will devote considerable resources towards facilitating better recycling and waste management in regional and rural areas. The board of Resource New South Wales will include an expert in rural interests. Rural groups will continue to be supported to deliver regional programs. In line with the current arrangements, rural and regional groups will be able to tailor their waste reduction initiatives according to specific area needs. The outcome will be better waste management and services in rural New South Wales, with better protection of the environment.

An early priority of Resource New South Wales will be to determine the funding support required to continue existing rural initiatives and to develop new ones. Resource New South Wales will appoint a rural waste programs co-ordinator to undertake these tasks. I should also inform the House that the Government will commit unprecedented funding to rural and regional areas. Waste and resource management needs do not stop at the end of a particular geographic boundary. Through our consultations with rural and regional groups, we have come to realise that some of the most successful waste reduction programs have been set up by formal and informal groupings of councils. I know, for instance, that the Netwaste group of councils is held in very high regard.

The new agency will also need to determine priorities for supporting local council programs throughout New South Wales. Once funding criteria are developed, direct support will be given to councils for: waste service improvements, including contract reform; waste education; improved public place recycling; and cleaner production partnerships with small and medium-sized businesses. Resource New South Wales will take over as quickly as is practicable. A start-up date of 1 October 2001 is contemplated. The legislation sets out arrangements for the transfer of Waste Board staff who may join the new organisation. In making the transition to the new agency, I have put in place arrangements to minimise disruption to current board staff and programs.

The Government has had a two-part approach to industry's waste. First, the Government has strongly advocated cleaner production both through regulatory and educative actions. We have run a successful partnership program with small and medium industries, for example, smash repairers, spray painters, printers and small foundries. This program has brought both environmental and financial improvements and enjoys strong industry support. A total of \$5.5 million will be made available to the EPA to expand our successful cleaner production partnership program to encourage greater waste avoidance in these sectors.

The second approach has been through negotiated industry waste reduction plans. The planning process has not been entirely successful. Industry admits it has not achieved all its targets in the dairy plan, and three years in the tyre plan shows little sign of reaching its targets. The beer and soft drink plan runs to 2003, but progress to date in achieving its targets and commitments has been much slower than anticipated. The major problems with the current planning approach are that: it does not provide a transparent process for determining the circumstances in which mandatory approaches may be considered; it does not provide comfort to industries that are doing the right thing that they will not be captured under a mandatory approach; and it thwarts government action where industry is not meeting plan commitments. Taken together, these problems have resulted in a plan process that cannot readily meet its original objectives.

The bill therefore replaces the current industry waste reduction plans with new arrangements that take up successful international experience with extended producer responsibility. The guiding principle is that the Government will not intervene where industries are doing the right thing to reduce problem wastes, but can act

decisively where they are not. The Government will only act if specified criteria in the bill are satisfied. This allows industry to undertake self-initiated, flexible and cost-effective approaches—unfettered by government regulation.

On the other hand, it assures those who want action by industry that the Government has the necessary power to act decisively where industry is dragging the chain. The emphasis should be on managing problem wastes, for example, large volumes, high toxicity, or where there is a clearly established environmental benefit from greater recovery of material in a particular waste stream. The scheme must include more transparent decision making. I am advised that successful schemes adopting the concepts of product stewardship and extended producer responsibility operate extensively in the United States of America, Japan, Canada and western Europe. Therefore, the specific new arrangements for industry waste reduction in the bill are: to define extended producer responsibility and product stewardship; to set out the heads of consideration for the circumstances in which the Minister may introduce mandatory schemes; and to modify the existing regulation-making powers as mechanisms to require such extended producer responsibility scheme, where industries are not delivering.

The bill sets clear parameters for the introduction of a mandatory scheme. They are: whether the product category or substance poses problems in terms of either volume or toxicity; whether there is a national scheme in place that adequately addresses the issue; whether there is an effective voluntary initiative in place that can achieve the desired outcomes; whether there is evidence of clear environmental benefit from recovering the resource; whether analysis shows positive economic benefits arising from the proposed mandatory scheme; and whether legal impediments stop the State acting unilaterally.

These considerations will determine whether a mandatory approach is required for a substance, product, group of products, or an industry. The bill provides for regulations to bring about this mandatory process. There will also be provision for regulations to implement nationally agreed schemes for extended producer responsibility and product stewardship. The requirements of the Subordinate Legislation Act also ensure that a rigorous analysis of impacts will occur before mandating a scheme for producer responsibility. They also, of course, provide the Parliament with an opportunity to review any scheme proposed in regulation.

To help industry plan for schemes in its sector, the new legislation will require the Environment Protection Authority [EPA] to publish from time to time a statement of priorities for industry waste reduction. The EPA and Resource New South Wales will jointly prepare the statement in consultation with interest groups. Replacement of the existing provisions for industry waste reduction with the new scheme will have an impact on existing industry waste reduction plans. The dairy plan is completed. Industry's efforts associated with the beer and soft drink plan have been useful in what they have been able to achieve, though the plan is behind its targets. The plan now forms part of the industry's action plan under the National Packaging Covenant.

The bill contains the plan that gives effect to the National Environment Protection Measure on Used Packaging Materials until that measure expires. The used tyre plan will cease to have legal force. The EPA has advised me that this plan has not gone well. Processes are under way for a possible national approach on used tyres. I have asked the EPA to meet with the Tyre Council as a matter of priority to resolve any issues that arise either from the Commonwealth's actions or from the repeal of these provisions. The new institutional and industry waste arrangements form the major elements of the bill.

I now wish to point out the objects of the bill. These are particularly important in this instance because, while assisting in explaining the purpose of the bill they also reflect the important principles that the Government is pursuing. Waste avoidance remains at the heart of the Government's policy. We are presently seeing a shift away from the notion of waste with its associated disposal problems towards the notion of resource recovery. The idea of recovery implies reprocessing, reuse and recycling. The name of the bill implies both the concepts of avoidance and recovery. The objects of the Act support these ideas.

The Government came to office with a promise to mandate a waste reduction target. The objects of the Waste Act 1995 set a 60 per cent reduction target for waste disposal by 2000 compared to a 1990 base line, measured in kilograms per person. That single numerical target has become increasingly problematic for a number of reasons. First, available waste data was inaccurate back in 1995. New classifications meant that some things that had been counted as waste, or that are now counted as waste, like clean fill, were not included in the original base line measurement. The target cannot take account of fluctuating economic activity which is actually the single largest factor in disposal rates. It used a performance measure that is now widely discredited and it cannot provide useful information on reductions in individual wastes.

Section 91 of the Waste Act required that I consider new targets after the year 2000. I have undertaken that task and I propose a new approach. Rather than a numerical target, the objects of this bill include goals to encourage the most efficient use of resources to provide for the continual reduction in waste generation, and to minimise the consumption of natural materials and the final disposal of waste. Non-statutory targets and indicators will support those goals. The targets and indicators will be reviewed regularly in the light of emerging influences, for example, changing levels of economic activity and priority materials. They will also be set for wastes when there is good, useable data so that progress can be measured in a meaningful way and reliable reports can be prepared.

An expert committee reporting to the Resource New South Wales board will advise on proposed targets. These arrangements will give the community confidence in reported results and provide a solid foundation for the development of appropriate waste reduction policies and initiatives. The waste hierarchy in the objects of the 1995 legislation encourages the community to avoid waste as the highest priority. If waste cannot be avoided it should be reused or recycled. Only as a last resort should waste be landfilled. This hierarchy acts as a highly visible and simple shorthand depiction of waste goals. It encourages waste reduction and higher order reuse of materials rather than end-of-pipe disposal. Industry and the community broadly recognise and generally accept its value. Government finds it a useful tool for considering proposed waste initiatives.

The hierarchy's weakness is that it is a rigid and linear tool for judging waste management options. Its inflexibility makes no allowance for individual circumstances, for example, by implying that reuse is always preferable to recycling. Such inflexibility discourages proper assessment of all environmental and financial benefits and costs, and is inconsistent with ecologically sustainable development. To improve the call to action that the hierarchy provides the objects of the bill introduce the concept of efficient use of recovered resources along with the principles of improved environmental outcomes and ecologically sustainable development.

The modified hierarchy overcomes the inflexibility of the present model by broadening the second category to include new and emerging technologies. The order becomes: avoidance as first priority, resource recovery as second priority; and disposal last. Resource recovery captures waste reuse, reprocessing, recycling and energy recovery but does not set priorities amongst them. Priority will depend on other analytical tools, including cost-benefit and life cycle analyses.

The bill retains the provisions of the Waste Planning and Management Fund but upgrades them to take account of changed institutional arrangements. The fund will be able to allocate its resources to statewide environmental regulation and enforcement efforts related to waste. The bill repeals section 87 (5) of the Protection of the Environment Operations Act 1997 as it restricts competition. This section requires a public authority that holds an EPA licence to supervise operators of putrescible landfills to set the operators' disposal fees. The rest of section 87 remains. Public authority control of putrescible landfill ensures that they operate in accordance with New South Wales environmental policies and enjoy a high degree of public confidence. This is the overriding concern for at least the medium future.

Some concern has been expressed, however, that the amended section 87 may be considered anticompetitive. Clause 6 of schedule 2 to the bill therefore protects section 87 of the Act from part 4 of the Commonwealth's Trade Practices Act 1974 and the New South Wales Competition Code. The bill provides such protection until 1 July 2003. Two changes in the bill will assist in the improved environmental regulation of waste and in the administration of the waste levy. First, the bill extends the existing regulation-making power under the Protection of the Environment Operations Act to regulate and prohibit the treatment and disposal of waste when required. This provides the community with the assurance that hazardous or highly toxic waste will be treated safely.

Second, the bill also amends the Act to allow the EPA to waive payment of the waste levy in limited circumstances. I have set out before the House the detail of the bill and the logic that informs it. If honourable members wish to gain a full appreciation of the reforms, I recommend that they read my report to Parliament to see the full package of reforms that support the bill. In conclusion, I remind the House that the present Government introduced waste reforms in 1995 at the forefront of waste reduction and management. I am determined to build on those successes with the passage of this bill, which provides us with the potential to further drive waste avoidance, to treat waste, wherever possible, as a resource and to ensure that we have available all the necessary environmental protection tools. I commend the bill to the House.

Debate adjourned on motion by Mr Maguire.

BUSINESS OF THE HOUSE**Bills: Suspension of Standing and Sessional Orders****Motion by Mr Debus agreed to:**

That standing and sessional orders be suspended to permit the introduction and passage up to and including the Minister's second reading speech on the Western Sydney Regional Park (Revocation for Western Sydney Orbital) Bill and the Waste Recycling and Processing Corporation Bill, notice of which was given this day for tomorrow.

WESTERN SYDNEY REGIONAL PARK (REVOCATION FOR WESTERN SYDNEY ORBITAL) BILL**Bill introduced and read a first time.****Second Reading**

Ms MEAGHER (Cabramatta—Parliamentary Secretary), on behalf of Mr Scully [9.20 p.m.]: I move:

That this bill be now read a second time.

The purpose of this bill is to revoke the reservation of approximately 18.2 hectares of land within the 580 hectare Western Sydney Regional Park and vest its ownership in the Minister for Urban Affairs and Planning. This land is required for the Western Sydney Orbital project. The Western Sydney Orbital is a vital project for the economic development of western Sydney. It will cost about \$1.25 billion and provide \$2 billion in benefits to road users. It will reduce traffic on existing routes and enhancing amenity for those who living along those routes. The need for the land being required for the Western Sydney Orbital has been known since 1994, well prior to the establishment of the regional park in 1998.

In 1996 the Roads and Traffic Authority reached agreement with the Department of Urban Affairs and Planning for the RTA to acquire land for the project and entered into a contract to purchase part of the relevant land. In 1997 the relevant land was transferred to the National Parks and Wildlife Service and became part of the park. It was always recognised that when the boundary of the Western Sydney Orbital was finalised, the land would revert to the Department of Urban Affairs and Planning and become available for the project. Alternative options to using land within the park were examined but were found to have more adverse consequences than the adopted route. The adverse consequences were either financial or involved acquiring numbers of residential properties.

The revocation will not impact on the viability of the park as a regional recreational facility. The environmental assessment of the project discloses no significant impact resulting from the excision of the land from the park. Indeed, the representations made following exhibition of the environmental impact statement did not raise the revocation as an issue. The RTA will pay the Department of Urban Affairs and Planning \$3 million compensation for the transfer of the relevant land. Those funds will be used to meet the statutory obligations of the Sydney Region Development Fund, including the purchase of remaining private land within special use and open space corridors. The Government has decided that any of the revoked land surplus to the project will be returned to the National Parks and Wildlife Service. I commend the bill to the House.

Debate adjourned on motion by Mr R. W. Turner.**WASTE RECYCLING AND PROCESSING CORPORATION 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) [9.24 p.m.]: I move:

That this bill be now read a second time.

The bill dissolves the Waste Recycling and Processing Service of New South Wales. It establishes the Waste Recycling and Processing Corporation as a statutory State-owned corporation within the context of the State

Owned Corporations Act 1989. The corporation will exercise certain functions relating to waste and secondary resources. The bill is the second element of the Government's reform package. Earlier I introduced the Waste Avoidance and Resource Recovery Bill, which sets the future direction for managing waste and resource recovery. Corporatising Waste Service New South Wales completes the picture. Let me outline to honourable members why the Government seeks to have the Waste Service New South Wales structured as statutory State-owned corporation.

The Government's reform agenda seeks to ensure that we encourage the development of a waste industry that is modern and innovative. The waste management system we overhauled was a mess. Private landfills were poorly run. Country landfills were not regulated. Illegal dumping was rife. Waste transport was given scant attention. Tracking of hazardous wastes was, at best, haphazard. This has changed. The regulatory initiatives I outlined with respect to the previous bill are one of the success stories of the first wave of reforms. However the waste industry, both globally and in Australia, is going through rapid change. Major trends include industry rationalisation with large multinational firms entering the market; increasing vertical integration, that is owning firms on waste collection, transport, reuse and disposal; and rapid investment in alternative technologies, for example, waste-to-energy facilities. It was against this shifting landscape that the Government took a long, hard look at the present and future roles of Waste Service of New South Wales.

The Waste Recycling and Processing Service, which trades as Waste Service New South Wales, operates as a government trading enterprise. Its present functions are to establish and operate specified waste facilities and to undertake commercial activities relating to the handling, treatment, processing, recycling or disposal of waste. Core business lines are the operation of seven putrescible waste transfer stations, five putrescible and one non-putrescible landfills; the operation of two material recovery facilities; and the operation of the Lidcombe Liquid Waste Treatment Plant. Minor services include green waste processing and operating four landfill gas-powered electricity generators.

As noted, the competitive landscape faced by Waste Service is changing rapidly. While its core activities of solid waste operations are producing sound financial returns, unless all aspects of its operations are properly positioned within the industry, it may no longer be in a position to operate as effectively as it should. Action is already in place to face these challenges. Over the past 12 months, Waste Service has implemented a complete organisational restructure and a comprehensive review of the operation and profitability of each business line. These measures have gone a long way towards re-positioning the organisation to operate in a commercial environment and to refocus the business in the face of increasing pressure from competitors.

The question is whether operating as a government trading enterprise [GTE] remains the appropriate corporate structure for Waste Service. Such enterprises are generally regarded as the first stage of progression from operating as a government department to operating as a commercial entity. The Government had two questions to weigh up. Should Waste Service remain in a form that ties it more closely to non-commercial objectives? Alternatively, should the Government restructure it to allow greater commercial responsiveness but maintaining all the necessary checks and balances? Given the changes we see in the industry, it proved critical that the organisation had more commercial latitude so that it could go in directions that allow it to retain a pivotal role in realising the Government's waste objectives. Moreover, our analysis showed no material market failure in the five business lines of the Waste Service that required it to remain a government trading enterprise.

Corporatisation allows for five outcomes. First, it allows for clear commercial objectives. This bill is the final step in untying the Waste Service's historic mix of commercial, social, advisory and regulatory functions. Second, it allows the appropriate government overview to ensure that it achieves the desired environmental outcomes. Third, it creates appropriate managerial autonomy, with an independent board that blends industry and management expertise. Fourth, it allows for effective performance monitoring. Finally, it provides for more effective rewards and sanctions, in line with usual business practice. In summary, the corporation will have the necessary commercial freedoms but the bill provides for ministerial directions for any non-commercial activities, public policy and public interest purposes.

The statutory State-owned corporation provides the suitable structure for the Waste Service. Such a structure is in keeping with the Government's approach to corporatising other utilities: maintaining public ownership and control while allowing for an appropriate commercial focus on operations. Common to all such corporations, the Treasurer and the Special Minister of State will be the shareholders. The Minister for the Environment will be the portfolio Minister. The bill repeals the Waste Recycling and Processing Service Act 1970 and establishes a statutory State-owned corporation consistent with the relevant provisions of the State Owned Corporations Act 1989.

The bill replicates the common objectives set out in the State Owned Corporations Act and adds several objectives: to provide and manage efficient, safe and reliable waste facilities, secondary resource facilities and

related facilities; to be an efficient and responsible provider of waste management services, secondary resource recovery services and related services; and to minimise any adverse health and environmental impacts of its activities and services relating to waste management and secondary resource recovery. The functions of the corporation reflect the range of activities undertaken by contemporary waste management companies: to operate waste and secondary resource facilities; to conduct businesses and provide services; to provide management services; to research, develop and implement alternative technologies for managing waste—a matter that is already being vigorously pursued; and to undertake ancillary or related activities.

I draw to the attention of honourable members the emphasis given to allowing the corporation to become fully involved in secondary resource activities and alternative waste technologies. This is in keeping with the Government's desire to foster activities in that area, as I mentioned at the outset. The corporation's board may comprise between four and 10 members. A panel nominated by the portfolio Minister and the Labor Council of New South Wales will appoint one member; the shareholders will appoint the remainder. The chief executive officer may be a director. I am pleased to advise the House that recently appointed directors of the Waste Service will become the directors of the new corporation. These are Mr Graham Cook as chairperson, Ms Africa Zanella, Mr Ralph Garland, Ms Helen Westwood and Mr Alex Sanchez. The Government has one further appointment to make before corporatisation. The Labor Council representative will be appointed afterwards.

The employment arrangements for the chief executive officer are consistent with the Statutory Corporations Act. The provisions for transferring staff from the Waste Service to the new statutory State-owned corporation will be consistent with those for establishing other such corporations. Waste Service New South Wales has completed a major corporate restructure, and the Government does not anticipate significant staffing issues with the establishment of the corporation. Any industrial issues relating to corporatisation can be managed within the Waste Service's current industrial relations framework.

The Act retains the current situation, that is, any waste received by a waste facility of the corporation is the property of the corporation. This recognises the waste ownership established by the Local Government Act and the Waste Recycling and Processing Service Act. I have outlined the Government's program for rolling out reform of waste management in New South Wales. These reforms are occurring against rising community expectations for waste to be reduced. Waste technologies and practices are changing. The waste industry is growing and becoming competitive, and the Government wants the Waste Service to remain an important player. That can only happen if it is properly positioned to respond effectively to the situation in which it now finds itself. The bill allows for that response, and I commend it to the House.

Debate adjourned on motion by Mr Maguire.

LONG SERVICE LEAVE LEGISLATION AMENDMENT BILL

Second Reading

Mr HARTCHER (Gosford) [9.37 p.m.]: Long service leave is a great tradition in New South Wales, having been introduced in the 1950s to ensure that people were acknowledged for working for an employer for a long time. Not only could employees receive the benefit of annual leave, which in those days was only two weeks a year—it was subsequently increased to three weeks and then to four weeks—but after a period they could also receive the equivalent of the sabbatical leave provided to people in white collar employment and in academia. The original proposal many years ago was that employees would be entitled to 12 weeks long service leave after 15 years service. The qualifying period was subsequently reduced to 10 years service. It was then proposed that people should be entitled to long service leave on a pro rata basis. In other words, if people left their employment for whatever reason before they qualified for long service leave they would receive a certain allowance, depending on the number of years they had served.

For example, a person who had worked for the same employer for eight years but did not qualify for the full 12 weeks long service leave could receive a benefit in the form of a sabbatical as a financial contribution for those eight years of service. This bill, which was introduced in the Legislative Council, is a further amendment to that process. It is aimed at ensuring that young people also receive the benefit of a long service leave entitlement. The Coalition has no objection to this bill. It accepts that people should receive benefits through their employment. Those benefits include matters often determined by industrial awards, certified agreements or individual contracts. Traditionally, some benefits have been determined by statute.

Those matters include public holidays—although, of course, awards cover holidays—and they also include paternity and maternity leave. Long service leave is one of the accoutrements of employment which flow by operation of statute rather than by the operation of any individual agreement or award. The agreements or awards may improve upon the benefits granted by the statute but they cannot be less than the benefits granted by the statute.

Employees in New South Wales have the benefit of the statutory entitlements scheme which ensures that they will receive not only the benefit of long service leave but also, if they were to leave the employment prior to the qualifying date, a pro rata entitlement. The object of the bill is to ensure that young people obtain the benefit of this legislation without having to wait what was previously a five-year qualifying period, stipulating that at least five years of service had to be service as an adult. In stating that the Opposition has no objection to this legislation, I point out that the Government cannot simply pass legislation which imposes a cost upon employment without taking into account the actual impact of that cost on employment. That point was made only too dramatically over the past two days in relation to the issue of workers compensation.

As a statutory scheme workers compensation imposes a cost upon employment. When governments amend, change or vary a scheme in any way, they have to take into account the fact that those changes will impose a cost upon the employer. Sooner or later, those costs add up, and that is the case with long service leave changes. Increased costs make employment onerous. Employers therefore seek to reduce the number of jobs they have to offer because that is the only way of containing costs. As a result jobs are reduced, and the possibility of people obtaining jobs is also reduced, in the overall State economy and those who are seeking employment suffer.

To benefit the many, disadvantage is imposed upon the few; but it must be remembered that those few are, nonetheless, human beings who seek the dignity of employment and seek to lead worthwhile lives through employment. They should not have their chances of gaining employment diminished because of ever-increasing costs that are imposed by government. Governments, especially Labor Governments, fail to acknowledge those factors and seem to believe that by implementing statutory schemes, benefits can be given to employees without a reckoning of the costs that have to be borne by employers and, therefore, the impact of those on the economy of the State. The Opposition is concerned that legislation of this type should be introduced only after it has been properly costed and evaluated.

The cost implications of legislation of this type should be written into the second reading speech, but there was none on this occasion. The second reading speech dealt with the purely technical matters of the bill and did not address the overall issue of cost any more than the second reading speech in relation to the Workers Compensation Legislation Amendment Bill (No. 2) dealt with cost savings. Honourable members were told that the workers compensation bill was wonderful and that it would save millions and millions of dollars, yet there was no figure set out in the second reading speech and there was no mechanism to show how the savings were to be estimated or even calculated. A similar situation obtains in relation to this legislation.

Accordingly, the Coalition does not object to this legislation, which amends not only the Long Service Leave Act but also various related acts such as the Teaching Services Act. However, members of the Coalition place on record their concern about the ongoing cost impost upon business. We urge the Government to take that factor into account now rather than be dragged screaming to the negotiation table, which has been the case over the past 48 hours on issues such as workers compensation.

Debate adjourned on motion by Mr McManus.

BUSINESS OF THE HOUSE

Bills: Suspension of Standing and Sessional Orders

Motion by Mr Whelan agreed to:

That standing and sessional orders be suspended to permit resumption of the adjourned debate on the Appropriation Bill and cognate bills forthwith.

APPROPRIATION BILL

APPROPRIATION (PARLIAMENT) BILL

APPROPRIATION (SPECIAL OFFICES) BILL

INSURANCE PROTECTION TAX BILL

STATE REVENUE LEGISLATION FURTHER AMENDMENT BILL

Second Reading

Debate resumed from 8 June.

Mr HUNTER (Lake Macquarie) [9.45 p.m.]: Tonight I wish to speak in support of the Carr Government's latest budget, which was handed down a few weeks ago. The budget has certainly given a boost to many projects in the Lake Macquarie electorate. One of the major features of the State budget was the allocation

of \$2.2 million towards the clean-up of Lake Macquarie. I referred in this House only a week ago to the restoration and rehabilitation program that is being undertaken in Lake Macquarie, which is costing around \$13 million. The budget also includes an allocation of \$90 million to continue the building of the new Millennium trains, which are being constructed in the Lake Macquarie electorate at the old Cardiff railway workshop. That project is providing employment for many people, not only those who live in the Lake Macquarie electorate but also those who live in the Hunter region. The project has been welcomed by people who live in the Hunter region.

Funding has also been allocated for planning for a new railway station and transport interchange at Glendale. When completed, that station will service the north Lake Macquarie residential areas as well as the Glendale shopping centre, the regional athletics centre, Cardiff industrial estate and the Cardiff railway workshops, which I mentioned earlier, where the Millennium trains are currently under construction. This year's rail budget includes \$2 million for planning for the construction of 40 new intercity carriages for the CityRail network. Many of those carriages will serve the Lake Macquarie electorate on the Newcastle-to-Sydney line. The first carriages will enter into service in 2005, an addition that will be welcomed by the people who live in the Lake Macquarie electorate.

The budget allocated \$1 million to complete planning for the \$25 million duplication of the Five Islands Road, which is also known as MR217 and which runs between the Booragul and Speers Point roundabouts. It is a major upgrade and will result in duplication of the road and two bridges across the Five Islands wetland areas. The Roads and Traffic Authority have worked closely with me and the local community, including the local Landcare group, to ensure that all concerns were addressed, including the Teralba Communities concerns about access to the shopping centre. The environmental impact study is under way and is about to be exhibited. Approval will be sought from the Lake Macquarie City Council and it is hoped that work will begin on the project before the end of the coming financial year.

As I said earlier, this project involves a \$25 million upgrade of the road, and that is something that the people who live on the western side of Lake Macquarie know is greatly needed. There only has to be one small accident for the road to be blocked and for the main link to the Newcastle city area to be severed. An amount of \$900,000 has been set aside in the budget to construct a new fire station for the Wangi Wangi township. I live in Wangi and I am personally aware that the old fire station certainly needs to be upgraded. The community is also aware of the need and that is why the Government is looking for a new location for the fire station so that the area from Rathmines to Wangi can be better served. The current fire station is located in the township of Wangi at one end of the fire zone. A more central site has now been identified. When completed, the new station will have cost approximately \$1.2 million. Hopefully, construction of the new station will be completed during the next financial year, providing a boost to the local township of Wangi Wangi and adjoining suburbs..

The budget also contains an allocation of \$200,000 for planning and acquisition of a site for a new fire station at west Wallsend. I thank the Minister for Emergency Services for visiting my electorate prior to the most recent State election and for meeting with fire crews from west Wallsend, Toronto and Wangi Wangi to discuss their needs and for giving a commitment that, if elected, the Labor Government would ensure that construction of new fire stations would proceed. The new Toronto fire station is almost complete, a \$1.2 million project that was funded in the previous two budgets. Wangi Wangi fire station is being funded this year, and also we are moving forward with the west Wallsend project. These are much-welcomed improvements for those townships.

From the Budget Morisset will gain funding in the amount of \$200,000 for further traffic and pedestrian safety improvements in the town's main street. The Roads and Traffic Authority has informed me that it is looking at installing traffic signals in the main street. Certainly consultation will be undertaken with the local community. We are trying to ensure that there is continued good traffic flow through the township and that pedestrian safety also is put at the forefront to protect people who shop in the main street of the town, which forms part of main road 217 and has major traffic movements.

Funding has been included in the education budget to establish a special school for year 5 to year 10 Lake Macquarie students who have behavioural difficulties. This is one of 11 special schools that will be established across the State under a funding package of \$11.4 million to assist students with behavioural difficulties to overcome their problems and remain engaged in education. The Minister for Education and Training said the statewide package will expand upon the highly successful Lomandra School and Plumpton House School programs in Sydney. These two special schools have been highly successful in assisting students with behavioural difficulties. As a result of this success, the department will establish the new school And at this

stage it is envisaged that the school will be established in the Toronto area. This important initiative reflects the Government's commitment to ensuring all students have the opportunity to reach their full academic potential.

I will be working with the local district superintendent of education, Liz Rushton, and the local community to identify the best site in the Lake Macquarie district for the establishment of this alternative school. I would like to congratulate the Minister for Education and Training on taking on board my representations on behalf of the members of the Lake Macquarie community, who have identified the need for this school. There was a gap and some students were missing out on a proper education. This initiative will ensure that students with behavioural difficulties have access to a higher level of support than they have had at any time previously in our local area.

The education budget for 2001/02 is a record \$7.6 billion, including record capital works funding, the latest technology for classrooms, new vocational training programs and innovative behaviour initiatives, to which I have already referred. Some 2,300 tradespeople will be sent out to renovate and renew our old schools across the State. I am looking forward to some of these upgrades taking place in the Lake Macquarie electorate, and will be very pleased to hear the Minister for Education and Training's proposals for schools such as Biddabah Public School, Cooranbong Public School, Morisset High School and a number of other schools in the Lake Macquarie electorate which are in need of improvements.

As I have said, technology will be boosted in this budget. More than \$137 million will be spent to fund various technology initiatives, including the computers in schools program, which will progressively replace 90,000 computers and add another 25,000 computers into classrooms. An expanded Internet service will phase in individual email addresses for teachers and students. These e-learning accounts will give students unprecedented access to information and resources from school or home, a move that will ultimately revolutionise how students learn. An allocation of \$10 million will be used over the next two years to train teachers to use the new technology in the classroom. Some \$21.5 million over four years will fund individual school-to-work plans for students in years 9 to 12 to help them plan their study and career paths.

Other key budget initiatives include \$464.5 million over four years to further expand the State literacy and numeracy plan, and, as I referred to, funding for new solutions and support for students with disruptive behaviour. Overall, this is very good funding for the education sector which will be greatly appreciated by the residents of the Lake Macquarie electorate. The Department of Sport and Recreation will spend \$490,000 over the next financial year to replace ageing accommodation units at the Myuna Bay Sport and Recreation Centre. The work that is done with young students who attend the centre is extremely commendable. I thank the Minister for Sport and Recreation for that ongoing funding for stage four of the upgrade of the accommodation units. I hope to see the Minister at the centre some time during the next 12 months to officially open all four of the new units that have been built over the past few years.

The State health budget has been allocated record funding, with recurrent health spending reaching an all-time high of \$7.77 billion, and in addition \$529.2 million in capital spending has been allocated for the rebuilding of hospitals and investment in information technology. I should like to quote from an article appearing on the front page of the 6 June edition of the *Lake Macquarie News* under the heading "Budget millions for lake". The article reads:

Work on the \$28 million upgrade of Belmont Hospital will begin next year...

It is part of a \$234 million health capital works program for the Hunter over the next seven years.

It is expected the upgrade will be one of the first projects undertaken as part of the Newcastle Strategy redevelopment.

The works will include a new emergency department, refurbished wards, operating theatres, extended inpatient facilities and more outpatient, perioperative and rehabilitation services.

The work will increase the number of patient beds from 84 to 120.

And, as previously reported a detoxification service will be relocated from Wallsend to Belmont and a new unit built.

Construction starts on the emergency department in May next year and other works will be progressively started and finished over the next few years.

The article goes on to list a number of the projects that have gained funding in Lake Macquarie, including \$90 million for the Millennium trains, \$23.2 million for the continued construction of the West Charlestown bypass, and so on. That is a very positive response from the *Lake Macquarie News* to the funds allocated for the Lake Macquarie area.

Funding in the amount of \$7 million has been allocated to the police budget to fit first response police cars with mobile data terminals [MDTs]. I was very pleased to attend the Lake Macquarie command last Friday to meet with the local area commander and be shown one of the mobile data terminals in a police car. The local police certainly welcome this new technology initiative. Police cars will now become mobile police stations. This allocation of funds in the budget is an important step in the plan to transform, through technology, operational cars into virtual police stations that give officers instant access to police intelligence anywhere at any time.

Apart from instant information access, officers in cars equipped with this latest technology will be able to enter data directly via their MDTs. This will free up computer use at police stations and help with smooth changes of shifts. As explained to me by the Lake Macquarie patrol commander, when police attend an incident, rather than returning to their police stations to enter information via the computer at the station they will be able to park their cars at a known local hot spot where there may be crime problems. If it is a two-man car, one of the officers will carry out a police beat in the area, while the other officer will enter the information through the terminal into the main police computer. This will ensure a greater police presence in the local areas of Lake Macquarie. I welcome the initiative and thank the Minister for Police for the funding. Police officers in the Lake Macquarie patrol are very pleased that these units are being installed in their police vehicles over the next 12 months.

This year's State budget saw the biggest capital works budget ever, with some \$22 billion allocated towards capital works. During the next budget period, as I said, the total capital investment program will be \$22.2 billion, an increase of \$3.1 billion on the \$19.1 billion spent in the previous year's budget, and, I might add, that included \$1.2 billion spent on the Olympics. This program will sustain some 85,000 jobs in New South Wales. . New schools, hospitals, roads and other essential infrastructure in the general government sector will see spending of \$2,625 million. The Treasurer was pleased to point out that 31 new schools will be built and \$70 million will be provided for upgrades to at least 1,000 public schools at a cost of \$1.12 billion during four years, \$400 million more than the previous capital program. There will be a new four-year capital program for health, with a guaranteed investment of \$1,982 million. This is an increase of \$340 million on the previous four-year program. An amount of \$965 million in capital expenditure on roads, in a \$2,288 million will be spent on road building and maintenance programs.

An additional \$60 million during the budget period will be provided for country water and sewerage systems in small towns, something that the Lake Macquarie electorate has benefited from in past years. I know that in the southern part of Lake Macquarie at Wyee Point a new sewage system is being installed. I am sure country towns will welcome this allocation of \$60 million during the next few years. The Treasurer was pleased to announce that there would be tax cuts in this State budget and said that some \$421 million a year in tax cuts would deliver huge benefits to families and businesses. As well as these tax cuts there will only be one tax increase, that is, the recently announced insurance protection tax of \$69 million a year. Of course, honourable members know that that is being put in place to deal with the HIH problem.

The Treasurer pointed out that the debits tax would be abolished from 1 January 2002, 3½ years earlier than planned under the national tax reform arrangements, at a cost of \$315 million in the first year. A suspension of the electricity distributors levy, including the transmission operators levy, will take effect from 1 July at a cost of \$100 million a year. The abolition of stamp duty on instruments relating to superannuation will take effect from 1 July at a cost of \$1 million a year. There is also a lifting of the tax-free threshold for stamp duty on leases from \$3,000 to \$20,000, and the abolition of lease duty on franchise agreements from 1 July at a cost of \$3 million a year. There will also be a lifting of the tax-free threshold for stamp duty on hiring arrangements from \$6,000 to \$14,000 for ordinary goods hired from 1 July, a cost in the budget of \$2 million a year.

When honourable members look at all the initiatives, the tax cuts and the massive allocation towards capital works contained in the budget we can all agree that it certainly is a very worthy budget.. The people of the Lake Macquarie electorate will certainly welcome the initiatives in the budget for the Lake Macquarie area. Once again I thank the Treasurer and the Ministers involved for the funding that is coming to the Lake Macquarie electorate. I commend the budget to the House.

Mr RICHARDSON (The Hills) [10.03 p.m.]: I was interested to hear that the interpretation of the budget by the honourable member for Lake Macquarie is very different from mine. In his speech the Treasurer made much of his projected \$368 million surplus. Indeed, reading Budget Paper No. 2 could lead one to believe that the Government is peopled by fiscal geniuses. Nothing could be further from the truth. The fact is that the surplus has been achieved by this Government, being the highest taxing Government in Australia, and the

highest taxing New South Wales Government in history. Mr Egan talks about the \$237 million in tax cuts he is implementing this financial year—I heard the honourable member for Lake Macquarie mention those—including the abolition of the regressive bank debits tax from 1 January 1 2002, yet they pale into insignificance alongside the massive increases in taxes he has introduced in previous years.

Do honourable members remember 1997? In that one year the Treasurer introduced an electricity distributors' levy, increased the rate of land tax from 1.65 per cent to 1.8 per cent, introduced the tax on the family home, increased poker machines taxes to 30 per cent for clubs making a profit of more than a million dollars, doubled the rate of general insurance duty to 5 per cent, introduced the bed tax, increased the health insurance levy from \$1.26 to \$1.66 a week per family, and doubled the parking space levy from \$200 to \$400. Not bad for one year! From those new tax measures alone he raked in more than \$450 million. That did not include the general creep that has been going on for years in State revenue raising, nor the infamous Howard and Costello tax package from the previous year when the Treasurer increased stamp duty on motor vehicles from 2.5 to 3.0 per cent, included employer superannuation contributions in the payroll tax base—another tax on a tax—and raised the land tax rate from 1.5 to 1.65 per cent.

In fact, the total land tax take is up from \$580 million in 1995-96—this Government's first budget—to \$965 million this financial year. In many instances the brunt of the increase is being borne not by wealthy corporations but by self-funded retirees, many of them my constituents, who cannot pass on the increases to their tenants and who are unable to sell their property or properties because of capital gains tax implications. The current rate of land tax of 1.7 per cent is still 0.2 per cent higher than it was when Labor came to power. The amount of payroll tax collected is up from \$2.88 billion when Labor was first elected to \$4.29 billion in this year's budget, and the rate of 6 per cent is 2 per cent more than the Treasurer promised in 1995 to cut it to by 2000.

Last year, the Government had a windfall increase in revenues of \$700 million, all of it taken from the pockets of New South Wales taxpayers. The Treasurer talks about the Government's largesse in providing money from the previous year's surplus to assist the victims of the HIH collapse, completely ignoring the fact that the Government is obliged, as the nominal defendant, to pick up the tab for compulsory insurance in the motor vehicle third party areas, and the \$20 to \$30 million a year he is already ripping off New South Wales families by adding stamp duty to the GST, and in many cases the fire levy. The stamp duty should be calculated on the base premium. Calculating it on the grossed up figure of premium, plus fire levy, plus GST is totally dishonest. It is contrary to the guidelines issued by the Commonwealth. I have estimated that this tax on a tax is costing families in my electorate \$26 each.

There is also a new tax, the insurance protection tax, to help fund the Government's liabilities. This is a further tax on a tax. It will raise \$69 million this year. Added to the \$25 million double tax windfall the total is \$94 million a year, continuing for the foreseeable future. So the Government's much lauded HIH bailout is largely self-funding and, as the *Sydney Morning Herald* pointed out on 30 May, it will actually add to the budget surplus for this year and the next few years. In fact, this Government has made an art form of dressing up taxes as something else. For example, the recreational fishing licence will cost up to 20¢ in the dollar to collect, making it grossly inefficient—the average cost of raising taxes is just 0.56¢ in the dollar—and will raise between \$6 and \$30million in a year. Most of the money will be used to buy out commercial fishing licences.

The revenue from the licences went into Consolidated Revenue and the revenue used to buy them out should come from the same pot of money. Instead, people who have been able to dangle a line in saltwater all their lives will now be required to fork out, and it is their money that will be used to buy out the commercial licences. Then there are fines, mainly for traffic offences. The budget estimates that the take from motorists has risen \$72 million from a budget estimate of \$226 million to \$298 million, and it is budgeting for an incredible \$335 million this year, or 61 per cent more than it budgeted for last year! Do not tell me this is about saving lives. Those 50 new fixed speed cameras the Government is installing will be more profitable than 95 per cent of Australian public companies.

The Government boasts about this year's \$2.625 billion capital works program yet it was precisely because of its failure to spend during 2000-01 that the Australian economy went into reverse at the end of last year. In fact, capital works spending last year was cut by 8 per cent and, as a consequence, the construction industry slumped by 40 percent in this State in the December quarter, and the New South Wales economy as a whole contracted by 3.6 per cent, dragging the whole country to the brink of recession. When things are booming in New South Wales the Premier is quick to take credit but when things turn sour it is always someone else's fault. That is a most unfortunate character trait. The Treasurer makes much of the number of people who

will be treated in our public hospital system this year, including more than 1.8 million in emergency departments. I will tell honourable members about my own experience in an emergency department the week before the budget was brought down. I contracted septicaemia, which is a life-threatening condition. I rang Hornsby hospital at 4.30 in the morning.

Mr McManus: They saved you.

Mr RICHARDSON: The Parliamentary Secretary has not heard my story. I was shivering and running a temperature. I rang the hospital and I was told to come in, which I did. I was put on an intravenous [IV] antibiotic drip and I was discharged at about 10.30 that morning. However, the problem was not fixed, and by the following Tuesday when I travelled to Lismore on a Public Bodies Review Committee trip I was not feeling very well. I had a splitting headache and was feeling most uncomfortable by lunchtime. By the time I took the plane back to Sydney I was running a temperature again. My wife took me back to Hornsby hospital and by the time I got there I was running a temperature of 39.5 degrees Celsius—or 104 degrees on the old scale—and my temperature did not come down for more than 24 hours. I was put back on an IV drip in the sub-acute emergency department of Hornsby hospital. That was an experience that I commend to every honourable member: everyone should learn what the public hospital system in this State is all about.

Mr McManus: Why did you leave in the first place?

Mr RICHARDSON: I was discharged by the doctors. As I lay in my hospital bed I watched many people being wheeled in and out of the ward. I stayed there overnight and was to stay for a further night. Patients were discharging themselves from the sub-acute emergency department of Hornsby hospital because they could not stand it any longer. One fellow who came in with a peptic ulcer said he had only two hours sleep and that he felt worse in the morning than he did when he was admitted. He discharged himself. Senior citizens were lying in the corridors. Why? Because this Government has grossly underfunded the public hospital system in this State—I discussed this matter with Hornsby hospital subsequently—and because it has closed beds and whole wards in that hospital. There is nowhere to put the patients who come to the emergency department.

That is an absolute disgrace. I was eventually transferred by ambulance from Hornsby hospital to The Hills private hospital. The Government is driving patients away from the public hospital system and into the private hospital system by closing wards and promoting elective surgery over and above genuine life-saving emergency procedures. That is absolutely appalling. Hornsby hospital is one of two hospitals that serve my electorate, the other being Westmead hospital. There is welcome capital works funding for Westmead in the budget—and not before time. Doctors at that hospital have spoken to me about the need for such funding for some years.

I turn now to Public Transport capital works funding. Public Transport in my area is pretty restricted. We know what happened to the much-vaunted Parramatta to Chatswood rail link: it was reduced to Epping to Chatswood. I should have a talk to the honourable member for Blacktown about that: that is another issue about which he seems to be at odds with the Government at the moment. Some \$145 million has been allocated in the budget to the Epping to Chatswood rail line, which will conveniently bypass The Hills district.

There is absolutely nothing in the budget for the Epping to Castle Hill rail link. I think it is mythical. I certainly do not expect to see that rail link in my lifetime—and I do not expect my children to see it either. The budget allocates \$13 million for planning bus transitways, two of which—we debated this issue earlier today—are intended to serve my electorate in 2009 and 2010. However, I have a sneaking suspicion that they will receive as much attention from this Government as the Epping to Castle Hill rail link.

We have learned that there are 12 fewer police in the Police Service than there were at the last election. It is small wonder that crime is on the rise. In her budget speech the Leader of the Opposition pointed out that assaults have risen by 56.7 per cent since Labor was elected, sexual assaults are up by 54 per cent, and break and enters have increased by 31 per cent. In the Baulkham Hills shire in my electorate the incidence of robbery without a weapon has doubled in the past year, the number of burglaries has increased by 42 per cent, stealing from a person has increased 100 per cent, and car theft is up by 20 per cent. Recently a car was stolen from a home in Castle Hill at gunpoint—I am sure that you read about that incident, Madam Acting Speaker.

Virtually every school in my electorate has been burgled. Thieves took \$5,000 from the safe at Glenhaven School, including \$4,000 of parents and citizens association money—the proceeds of the uniform shop—of which only \$1,500 was insured. Yet we have the spectacle of the Minister for Education and Training

coming into this Chamber and boasting about his \$45 million school security system. That system is so flawed—even he has admitted it—that professional thieves have worked out how to bypass it. They certainly did that at Glenhaven School.

Pennant Hills High School—it is situated just outside my electorate but has many students from my area—was virtually destroyed just over a week ago when 12 classrooms were burnt down. When previously one classroom was burnt the department employed a security guard. I do not know where he was—perhaps he was asleep or wandering around another part of the school—when somebody broke in and burnt down another 12 classrooms.

These are problems in my electorate but they are symptomatic of the problems throughout New South Wales. How has the Government responded to these problems? It has effectively closed Pennant Hills police station in my electorate. People can no longer go there to report crimes or talk to police officers about policing matters—I am sure that you recognise the pattern, Madam Acting Speaker. People must now telephone the police assistance line or 000—and we have heard about the problems people having ringing those numbers. The Government has left the people of The Hills, and of New South Wales as a whole, virtually defenceless.

While schools in my electorate continue to prosper—there are excellent, enthusiastic students and fine parent bodies—we see in the budget that the number of students in State secondary schools will continue to decrease by a further 3,000 to 302,780 next year against a backdrop of continually increasing enrolments in private schools. That is an indictment of the Government. It has nothing to do with Federal Government resourcing and everything to do with parents' poor perceptions of what the public education system has to offer. It is so poor that the Teachers Federation and parents and citizens associations have got together and found \$500,000 to conduct their own inquiry into public education in this State. That is an absolutely unprecedented move. As someone who was educated at a State school, I think this is an appalling state of affairs.

The Government must address this problem and ensure that every child has access to the same quality of education no matter where he or she lives in New South Wales and no matter what his or her parents' economic circumstances. We must allow our children to realise their full potential. Yet while the Government clings to the rhetoric of class warfare and fails to address issues such as discipline and quality—not equality—of learning outcomes, parents will continue to opt with their feet and their wallets. Where are the surveys that have been conducted of parents who have opted out? Where is the evidence that the Government is taking steps to address their concerns and the drift to private schools?

Having said that, there are undeniably some goodies in the budget for my electorate for which my constituents and I are grateful. They include \$47 million for Windsor Road as part of the \$323 million package announced by the Government. While \$47 million will be spent largely on Old Windsor Road next year, it is certainly a welcome improvement on the \$13.5 million that was allocated last year. Some \$4 million has been allocated for the new, much-needed Kellyville High School. As honourable members are probably aware, my electorate is the most populous in the State. There is an enormous amount of growth in Kellyville, and schools are desperately needed.

An allocation of \$2.4 million is made for Cherrybrook High School. Unfortunately, the completion date for those essential works has been put back until 2002-03—shades of the County Drive exercise, which I will come to in a moment. An allocation of \$1.9 million is made for a new assembly hall, canteen and library at the West Pennant Hills Public School, which is one of the three oldest schools in this State. It is one of the original public schools in New South Wales, and it celebrated its sesquicentenary last year. I have been lobbying for these funds for the past eight years, since I was first elected. The principal and the school community were over the moon when I rang to tell them the good news.

There is \$1.8 million to finish work on the intersection of County Drive and Castle Hill Road. This is something of a sore point. Almost five years ago, in September 1996, local residents, Hornsby councillors and I knocked down the great wall of Cherrybrook to highlight the need to fund County Drive. That issue was aired on television and in the *Daily Telegraph*. The Government committed to providing the funds to finish the intersection, but here we are, nearly five years later, and the intersection is still not completed. I had a look at that work last week and I can tell the House that it will not be finished by the end of this year. I can see absolutely no way that that will happen. Indeed, I talked to the workers there, and they also could not see any way it would happen.

The budget provides nothing for New Line Road, which is in desperate need of widening. It is a very dangerous road; there have been deaths along it. If for no other reason, funding should be provided because of

its high accident rate. There is nothing in the budget for Showground Road in Castle Hill, and nothing for the Hastings Road and Old Northern Road intersection. Also, there is nothing for the eastern ring road around the Castle Hill town centre. I was, however, pleased to learn that the Government has just acquired a property at Glenhaven to which the Castle Hill fire station is to be relocated, at a cost of \$860,000.

Mr McManus: We have done something right! Unbelievable!

Mr RICHARDSON: Not a lot. The relocation will mean that the whole of Cherrybrook will be within 10 minutes of the fire station. Currently it can take about 20 minutes for fire engines to reach a fire, and that is far too long. Overall, this is a budget that taxes much and delivers little in the way of basic services to the people of New South Wales. This budget represents the worst of all possible worlds: the Carr Government is the highest taxing State government in Australia, and the highest taxing government in the history of New South Wales. As I have said, the Government is delivering very little in the way of public education. People are voting with their feet. The budget delivers very little in the way of basic hospital services, and very little in the way of public transport services. Crime is out of control in this State. I repeat that, overall, this is a budget that delivers very little for the people of New South Wales.

Mr W. D. SMITH (South Coast) [10.24 p.m.]: I will comment but briefly on the contribution of the honourable member for The Hills. He is an excellent thespian; I have not seen such a performance for some time. He should be on stage. I have great pride and pleasure in speaking to the 2001-02 budget. This is my third State budget speech, and I have to say that I am no less enthusiastic about this budget than I was about the first budget to which I spoke, in 1999, because the Carr Labor Government continues to manage the finances of New South Wales responsibly and intelligently. The Government continues to consider the long-term impacts of monetary decisions and maintains visionary values in all areas of policy, which are so well appreciated by our communities across the State. It is indeed an honour to be a member of a Government that does more than talk about commitments, that actually listens and acts practically on the concerns of our people and families and on the demands of our communities. The Government can be congratulated on this budget and on demonstrating to the electorate its confidence in its ability to stand as one of the best fiscal managers in the world.

I would like first to consider the budget allocations for country and regional New South Wales. Given the recent success of the Country Labor Conference, which was convened on the South Coast, and the significance of the issues and concerns raised over that weekend, country and regional matters are highly deserving of considerable attention. I am delighted that the Carr Government has stood by its commitment to families in country New South Wales and ensured that regional areas are given their fair share of attention and support. I am very proud that we are the first government in New South Wales to produce a separate budget paper for rural and regional areas. And, what is more, that has come as a result of Country Labor's diligent efforts to ensure a fair go for the country.

May I remind the House that 42 per cent of New South Wales residents live outside Sydney. Almost half of the population of this State is spread across country New South Wales. I thank the Government for providing 48 per cent of the State's public works and road maintenance expenditure to the 42 per cent of non-Sydney residents—evidence that this Government is not Sydney-centric. Also, the 28 per cent of the State's residents living outside Sydney, Newcastle, Wollongong and the Central Coast will benefit from 34 per cent of the State's public works and road maintenance expenditure—again, evidence of this Government's acknowledgment of the importance of rural and regional New South Wales. Country families are being heard, and they are seeing results from the Carr Labor Government. As well as providing funding for roads, education and health, the budget is providing a record allocation of \$875 million for the Agriculture and Land and Water Conservation portfolios, an increase of \$49 million on last year's funding.

This year's record budget of more than \$7,630 million for education, an increase of more than \$1,840 million, is testament to the Carr Government's commitment to the "knowledge nation", to the need to ensure that all young people have fair access to education and training, and that schools are given the credit and attention they deserve in providing education to our students. I thank the Government for this very welcome commitment. The Schools Improvement Plan is also extremely welcome, with an allocation of \$1.1 billion over the next four years. Health, of course, is another budget area that attracts much attention. Through this budget, the Government has demonstrated a compassionate perception of health issues and has been able to implement a very reasonable and responsible program for communities across the State. With an increase of \$506 million over last year's allocation, the Health budget allocation of \$8,302 million is massive, and welcome. Thank you for this attention to public health.

Roads and transport never fail to stir interest at any time. There is always as much demand for improvements to transport services as there is for roads—and, in between, new technologies are attracting

considerable attention on all sides. I acknowledge supersonic rail, for instance, and solar-powered sailing vessels. How we reconcile the practical development of technology with the day-to-day management of roads and transport, especially given the huge expense, is certainly a challenge. Given the travelling distances between cities and States, we have no alternative but to concentrate on improving road networks, access to services, and improvements to those services.

Given the travelling distance between roads, cities and States, we have no alternative other than to concentrate on improvements to road networks and access and improvements to services. The transport arrangements in Sydney during the 2000 Olympics, for buses and trains and on the roads, were handled superbly. This Government proved to the world that it is more than capable of managing a huge tide of people through transport services. Since that experience, the Government has made the efficiency of our transport network and improvements to our roads a number one priority. I thank the Government for allocating an extra \$296 million to the rail system during 2000-01 and for the increase in rail funding of \$1 billion over the next four years. Roads also win with \$2,289 million for this year's roads program, compared to \$2,200 million in last year's budget.

I appreciate greatly the increases in funding for community and disability services. Again, issues in these areas have raised emotional concern from our communities. I am pleased that the Government is again increasing funding allocations for these important services. It is important to note that the allocation in the 1994-95 budget, the last budget brought down by the Coalition, for the community, aged and disability portfolio was \$981 million. Today the allocation is more than \$1,791 million, almost double the amount in the Coalition's last budget. I am very pleased to welcome the \$318 million for home and community care, an increase of 9 per cent, as well as an increase of \$30 million to \$390 million for disability services. That is an acknowledgement of the vulnerability and specific needs not only of those with a disability but of their carers as well.

Action on the drug problem is highly appreciated. The extension of the adult Drug Court trial at a cost of \$14.3 million is welcomed. The availability of a variety of options is essential for our communities across the State to make inroads into this area. Any family that has not been affected in some way, shape or form by drug use or abuse is very fortunate. I now turn to my electorate of South Coast. Many honourable members on both sides of the House have come to know my region well since my election in 1999. The Carr Labor Government has aided this recognition and made a commitment to the needs of my community. The recent country conference highlighted the interest in the South Coast and proved beyond doubt that we are moving ahead rapidly in terms of jobs, infrastructure, investment, roads and development. Once again we are benefiting in a major way from allocations in this budget. My communities are very appreciative of the Government's support, attention and, I might add, affection as Ministers visit my electorate and get to know personally my constituents.

Confidence in business and development is improving dramatically. Honourable members would be aware of a number of success stories over the past 12 months in my electorate. Some of those success stories include: the Solar Sailor enterprise; Brands Shoalhaven, which promotes Shoalhaven-made products; the Nowra Green Waste Power Plant, Ocean and Earth surf gear; and Jervis Bay Adventure Tours new boat, *Sea Change*. Then there is Probiotec, an amazing enterprise, which uses shark cartilage to manufacture pain relief products. The contracts for construction of the Department of Local Government building in Nowra have been signed. We are looking forward to the opening in 2003.

Numerous aspects of the budget are relevant to the South Coast. I am delighted with the allocation of \$36.7 million for capital works and services. That funding, which will sustain about 551 jobs, provides \$8.6 million for roads, \$1 million for education and \$2.78 million for public housing. Funding for roads is one of the biggest issues for the South Coast, as it is, I am sure, for all rural and regional electorates. The Princes Highway is the major artery carrying traffic through all of the South Coast, the Illawarra and the far South Coast. Significant roadworks have been carried out on the Princes Highway over the past two years. I have seen the extent of improvements all along the Princes Highway. The communities who have been pressing for decades for attention to their section of the highway can see that they are being heard and that the work is getting done.

In Shoalhaven and the South Coast I am very pleased with the allocation of \$1 million for improvements to the Princes Highway at south Nowra, a controversial section of road. The exits and entrances of the many businesses situated on that road cause all sorts of traffic problems. I am also pleased with the \$1 million allocation for the widening of Condie's Creek Bridge. A \$100,000 allocation has been made available for an overtaking lane on the Princes Highway at Milton-Ulladulla. An allocation of \$1.6 million has been granted for Main Road 92. The Bomaderry to Moss Vale Road, over Cambewarra Mountain, has been allocated

\$1 million for widening works. Those works are most welcome because of the steepness of the road, its winding nature, the many hairpin bends and occasional rock falls. A roundabout will soon be constructed at the intersection of Albatross Road and Berry Street. An allocation of \$100,000 has been made in this budget for that project. At present that intersection presents difficulties to drivers, particularly at knock-off time when workers from HMAS *Albatross* make their way home.

Community services is another area which has heavy demands placed on its resources. In the South Coast region, the demands come from people of all ages in various situations, such as the elderly, the disabled, families in crisis, young people and children. The Department of Community Services does a very good job to help many in our community with problems. I am pleased that we were given two or more much-needed child protection workers in Nowra. I am also very pleased to see that we have gained extra support in this year's budget, with \$35 million for child and family services. I thank the Government for the support. Also, the overall increase in the budget for community services will help the South Coast region. I am pleased that we will benefit from increases in home and community care funding, with a boost of more than \$10.5 million. This takes the New South Wales total contribution to \$127.4 million, boosting the program to \$317.9 million.

The South Coast has done very well again with health services, and I am delighted to see such support from the Government. It has a clear understanding of the health and medical concerns in the region. I realise the South Coast is one of many regions which has high demands placed on its health and medical services due to the high proportion of elderly residents and young families. I am pleased to say that in this year's budget the Illawarra Area Health Service recurrent funding allocation has reached an all-time high of \$246 million, including extra funding of \$17 million, or 7.5 per cent. The Government's guarantee to provide three-year forward planning also continues, with annual budgets now guaranteed until 2003-04.

The new funding means an increase in health services for the people on the South Coast. These include additional resources for rehabilitation, extended care services at Shoalhaven Hospital and the establishment of an oncology outreach service to Shoalhaven. The increased health services will also include: the enhancement of clinical haematology services, including the establishment of an outreach service to Shoalhaven; enhancements in orthopaedic services in the Shoalhaven, which is also very welcome; and significant enhancements in the delivery of child and adolescent mental health services across the region. In addition, \$12 million has been allocated this year for work on the \$28 million Shoalhaven Hospital redevelopment. I thank the Government for this support. The redevelopment of Shoalhaven Hospital will place our medical and health services, with modern practices and technologies, among the best in the State.

I am very proud that our hospital systems are moving with the times. The demands on health services seem to be ever-increasing. The Government should be praised for its efforts to support an extremely complicated entity. Public housing is another area with ever-increasing demands. I am sure that many members face a constant demand for help from constituents who need housing. It happens to be one of the most difficult issues we have to deal with. I thank the Government for its support for public housing on the South Coast in this budget. We have been given a boost in accommodation with 27 public housing units set for construction. This housing budget includes funding of \$1.25 million for 19 new units of public housing in Nowra and \$1.5 million for eight units for Aboriginal people. As part of the Department of Housing of the South Eastern Region 2001-02 program, maintenance works will be increased. I thank the Government for providing the south-eastern region with \$17.57 million for improvements to public housing and renewing communities.

It may be of interest to honourable members that the east Nowra public tenants community is interested in establishing a community garden. The site has been selected and the Department of Housing is organising meetings for tenants to start planning. Under this budget we will see the completion and commencement of 37 new homes for people in need in the South Coast area, which represents a \$3.326 million investment. Extra homes will be leased for government-subsidised housing. One of the most exciting announcements in the budget for the South Coast region has been the \$1.5 million allocation for the establishment of a marine centre near Jervis Bay. The main focus of that centre will be marine research. The establishment of the centre will be in collaboration with Wollongong University.

This project will provide several benefits for the South Coast. It will give undergraduates and researchers access to a diverse marine environment to study ecosystems. It will look at the best ways of managing and establishing aquaculture in marine areas. It will attract visitors as a tourist site and result in more high-level job prospects. It will place the South Coast as an area of excellence in learning, science and conservation. Government departments will work closely with the centre. New South Wales Fisheries, the National Parks and Wildlife Service and the Marine Parks Authority are among those departments to be housed

in the building. I am extremely happy about this centre. I believe that the prospects for the South Coast are immense.

I thank the Government for its strong support for this project. I hope that the Commonwealth Government can work in partnership with the State and with Wollongong University to give financial support to this \$5 million project. The South Coast region has done well under this budget in the areas of education and training. Two of the most welcome aspects for education in the region have been the funding announcements for East Nowra Public School hall and Nowra Public School hall. When the Premier announced in March that East Nowra Public School would have its school hall the response from the principal, teachers and parents was overwhelming.

Many disadvantaged children attend this school. The school struggles and at times there is a belief that it does not get the positive attention that it deserves. When the announcement was made about the hall members of the school community were thrilled. I was also absolutely delighted. The Government has allocated \$83,000 to begin the \$1.5 million school hall project. An amount of \$923,000 has been allocated for the completion of Nowra Public School hall.

I thank the Government for its support and interest in education on the South Coast. In addition, \$45,000 has been allocated to commence a \$435,000 access centre at Vincentia for TAFE students. They will have access to local teaching and learning facilities without having to travel to the institute's larger South Coast campuses. In conclusion, I commend the Premier and the Treasurer for the sentiments they expressed in relation to the people of New South Wales. Once again this Government has given the people of New South Wales a responsible budget. Once again this Government has shown that it cares about those issues that are most important to our communities. I commend the bill to the House.

Mr ROZZOLI (Hawkesbury) [10.43 p.m.]: It is with regret that I cannot compliment the previous speaker on his thespian powers, nor can I compliment him on his sense of logic when addressing budgetary matters. This budget is based on a number of fallacies. This budget is based on quicksand. We see in the budget papers a number of shining examples of progress in the capital works area, but we know from past experience that most of that work will gradually disappear and be swallowed up by the sands of time.

The fallacy that is underscored in this budget is a trap into which this Government falls all the time, that is, that spending more money or appearing to allocate more money in the budget actually means that it is doing something. Announcements are made that so much money will be spent on such and such a project and that that is good. Twelve months later, when we review what has been done, we find that a lot of that money was not spent. When we look at what has happened on the ground, even if the money has been spent somewhere along the line, it does not materialise into benefits for the community.

This budget is strong on capital works but weak on caring. It is a budget which one may say in a somewhat cavalier fashion might even be worthy of a conservative government because it is capital-works based. It puts a lot of money into the hands of developers and construction companies, and into the big end of town, but it does very little for social justice or for the poor or disadvantaged. I am not saying that conservative budgets are necessarily like that, but it is a criticism that is often levelled at conservative budgets. That criticism can be levelled directly at this budget. I will address a few things later as an illustration of that.

The overall impression that one gains from reading the commentators on this budget is that it is a budget of missed opportunity. This Government, in comparison with previous governments, has more money at its disposal now than at any time since it came to office. It has been a period during which it has been blessed with buoyant revenue. In a sense, I am glad that it has been in a period of buoyant revenue. However, one would like to think that some material benefits accrued to the community as a result of that buoyant revenue.

Earlier today when we debated the subsequent use of the Olympic site at Homebush there was speculation about the cost of the Olympic Games and how it was impossible to measure that cost. We know that much of the money that was spent on the Olympic Games disappeared into this quicksand, which seems to be a *bête noir* of this Government. The money is there and will purportedly be spent on something, but no material benefit is to be seen by the community.

Mr McManus: The Olympics were of no benefit?

Mr ROZZOLI: To respond to the interjection of the Parliamentary Secretary, the benefit was not there in measure of the amount of money that was spent on the Olympic Games. There was not the return that there should have been. We could have done what was done for less money than was spent. There was enormous waste in many of the operations that surrounded the Olympic Games.

Mr McManus: No-one else has ever said that.

Mr ROZZOLI: I disagree with that statement. Many people have said that. In fact, it is a commonly held belief in the community. This Government has failed to listen to the community. It never listens to the community. This Government will not listen to the community on workers compensation issues. It turns its back on the community when it comes to workers compensation issues. I look forward to challenging it on that issue when that legislation is debated during the next few days. The public, in addition to its distrust of Olympic expenditure figures and the benefit that that was available to the community, does not trust those who have been given the carriage of our budgets.

I am not necessarily criticising politicians, Ministers or even the Treasurer, although I do not have a particular affection for the Treasurer. Any Treasurer bases much of his rhetoric and his strategy on the advice that he is given by the little gnomes in Treasury—those people with stainless steel hearts and iced water running through their veins who look only at the monetary bottom line of everything and not at the social justice equation.

We look at actuaries, accountants and business managers across the scene today and the evidence we see of their ability to manage economies and business mechanisms leaves us feeling that they really do not know what they are doing. Their advice on the valid expenditure of money that will give us a good return on that expenditure does not add up. All the columns of figures in budget papers delivered with glossy rhetoric leaves us with no confidence that they mean anything. So much of the current legislation that the Government introduces into this Parliament demonstrates its complete lack of understanding of business management—whether it is the fault of the Government or those who advise it—and how to achieve cost-effective results from expenditure.

As I have given the Government a fairly heavy serve on its general strategy, I will now turn to two or three items in the budget that apply to the Hawkesbury electorate. I draw the attention of honourable members to the money allocated to Windsor Road, money extracted from the Government with almost ancient dental techniques to do the right thing by the community that the road services. We are grateful for the money the Government has announced over the next five years, and we are grateful for the relatively small amount of money in this year's budget, which we hope is the forerunner of additional expenditure as the programs gather momentum. We sincerely hope that the Government will stick to its promise to deliver on that \$323 million over the next five years.

It gives me a lot of pleasure to see an allocation in the budget for the reconstruction of the Rouse Hill Public School, which is desperately in need of rebuilding. It is a demountable school that, for various reasons, will be relocated. The school has very good educational quality outcomes, but it deserves to have permanent classrooms and the features of a modern school. The schools in the Hawkesbury electorate are generally in pretty good condition because they have had a very good member for many years who has looked after their interests through a series of governments. But I draw the attention of the House to the parlous conditions that exist at Galston Public School and East Kurrajong Public School, both of which are demountable schools. It would be reassuring to know that plans for those schools were in the pipeline to a much greater extent than they appear to be at the moment.

A curious item of budget expenditure—\$40 million-odd—relates to the new South Windsor Women's Prison. Many people in my community do not support the building of a prison, but not for the normal reasons that people oppose prisons in their area, such as security. They believe that the \$40 million earmarked for the prison may be better spent on initiatives to deal with issues that lead women into crime, and subsequently into

prison. This matter was considered by an upper House committee investigating the burgeoning prison population. The committee recommended that before the Government committed itself to the expense of building a new prison it should thoroughly investigate the best way to spend such an amount of money. I raised this matter in the House recently in a private members' statement. The Minister at the table at the time, the Hon. Faye Lo Po', indicated that she would look into it because the matter had been brought to her attention as the local member for Penrith.

There is a real question mark as to whether building a new women's prison in South Windsor is a reasonable and a valid way to spend \$40 million-odd, and that endorses my earlier comments about whether this Government really understands efficacy in terms of cost expenditure relative to benefit outcomes. This budget completely fails the vulnerable in our community. Despite some additional money for the Department of Community Services the budget does not provide basic funding for many urgently needed services that fall within the DOCS area. DOCS officers are absolutely snowed under with work. They are incapable of meeting the challenges before them, not because they are not dedicated, not because they are not conscientious and not because they are not trained, but simply because there are not enough hours in the day for the limited number of workers to do the job they have to do. It is not an easy job. In most cases it is very stressful.

The burn-out rate in DOCS is quite high. DOCS officers need resources to support them if they are to support people in crisis. Some weeks ago a summit on homelessness was held at Parliament House. I am proud to say that it was organised by a member of the Labor Party, the Hon. Janelle Saffin, MLC, a member of the Greens, Ian Cohen, MLC, and me. It was a non-partisan, non-political event that brought together 180 delegates who were experts in the field of homelessness, not only people who deliver services to the homeless, but homeless people themselves—people who live on the streets, some of whom live within a few hundred metres of Parliament House. Without exception, they drew attention to the absolute paucity of resources delivered by government, both Federal and State—I will not exonerate Federal Government from responsibility—in areas of absolute need.

This Government, through the Governor General, Sir William Deane, launched a policy on homelessness. I am sure that Sir William Deane launched the policy with all due respect for its subject matter, thinking that he was launching something meaningful and useful, but which contributes almost nothing to resolving the problem of homelessness. Homelessness is a growing problem in our community. It is now entrapping families. When I was first involved with homelessness more than 25 years ago the average homeless person was a derelict old drunk male who had spent a lot of money getting where he was. But the scene of homelessness has changed dramatically. The age has dropped from an average of 50 to 28, because many of the homeless are now 17, 18 or 19. The number of women caught in the homelessness trap has increased dramatically in that time.

The number of families now caught in the homelessness trap is increasing rapidly. One of the big factors that came out of the summit as a cause of homelessness is gambling. There has been an absolute breakout in problems generated by the proliferation of gambling opportunities in this State. There is an absolute crying need for resources to be put at the cutting edge of social issues. This Government—apart from ensuring that the finance that was in place before remains, with perhaps a little bit added here and there to catch up with general inflation and cost overruns—has provided very little in the budget to tackle social issues problems.

There was certainly no emphasis whatsoever in the Treasurer's Budget Speech on social issues. He was obsessed with capital works, like the good capitalist he actually is, and he denied the existence of massive social justice issues. He abrogated his responsibility for social justice issues. Despite all the statements about money being spent on law and order, we are not getting results on the ground. The recent outbreak of robberies and so forth in the Hawkesbury area is alarming. We were doing quite well in Hawkesbury in keeping most of our crime statistics under control, but in recent times they seem to have broken out alarmingly.

Education is in a very sorry state of affairs. Only today I answered an email from a concerned citizen who advised me that the TAFE at Ultimo was going to lose another 64 or 67 positions, and these are in critical areas of delivery of classroom facilities for students. Despite what the Government says about putting more money into education, the outcomes on the ground are failing all the time. The Teachers Federation is putting \$1 million of its own funds into a public education inquiry to do the work that the Government should be doing

to investigate shortfalls in education and the reason for the steady drift from public sector education to private sector education. The Teachers Federation and the Federation of Parents and Citizens Associations are rightly very concerned about this drift. They are so concerned about the Government's lack of action in this area they are putting \$1 million of their own money into an inquiry to be headed by Tony Vinson—a very independent chairperson—to try to come up with solutions to a problem the Government is failing to address.

The Government talks about increases in the budget for public sector housing. The number of housing units to be built out of this budget allocation is pitiful when one looks at the almost 100,000 people currently on the public housing list. One of the saddest things I have to face—and I suppose every member of Parliament has to face—is the people who come in and say, "I have put in an application for public housing and I have been told I will have to wait five years, seven years or 10 years." For someone who is 56 or 57 that is a long while to wait, and it is an absolute disgrace to have to tell a young person with a couple of children who may not be in the best of health that they have to wait five or six years for public housing. This budget completely fails to address social justice issues, and it is a disgrace for a Labor Government.

Debate adjourned on motion by Mr Whelan.

LONG SERVICE LEAVE LEGISLATION AMENDMENT BILL

Second Reading

Debate resumed from an earlier hour.

Mr WHELAN (Strathfield—Minister for Police) [11.03 p.m.]: Having pre-audience under Standing Order 71 (1), I move:

That this bill be now read a second time.

For the record, I indicate to the House that I made an error and inadvertently permitted the honourable member for Gosford to speak on the second reading tonight. I accept responsibility for that. The honourable member for Gosford replied after I gave the advice to the primary Minister's speech—namely, the Minister in charge of the bill in the upper House. I need to correct the record and I offer my apologies to the House and to the honourable member. The bill was introduced in the other place on 11 April and the second reading speech appears on pages 13515 and 13516 of *Hansard*. The bill is in the same form as introduced in the other place, and I commend the bill to the House. It is important to understand that the honourable member for Gosford spoke to the bill that was introduced in the Legislative Council and to the Minister's speech in that House. I omitted to indicate to the Legislative Assembly that the Government was adopting the Minister's speech in this Chamber, and I apologise.

Mr SPEAKER: Order! The question is, That this bill be now read a second time.

Mr Rozzoli: Point of order: You are putting the question that the bill be now read a second time, but has the debate concluded? We can accept the Minister's explanation and insert it in the record as the Minister's speech, but members on my side of the House may well wish to enter the debate.

Mr Whelan: I thought Mr Speaker said that the question is, that the bill be now read a second time.

Mr Rozzoli: Yes, and if we agree to that we close the debate.

Mr SPEAKER: No, you can speak in the debate.

Mr Rozzoli: I do not necessarily want to speak in the debate, but you are cutting off the opportunity for members to speak later on the bill.

Mr Whelan: The honourable member for Gosford has already spoken.

Mr Rozzoli: Yes, but other members may wish to speak. Can we leave the debate open?

Mr SPEAKER: You would then have to move that the debate be adjourned.

Mr Whelan: The point made by the honourable member for Hawkesbury is accurate. Therefore, I ask him to move that the debate be adjourned.

Debate adjourned on motion by Mr Rozzoli.

House adjourned at 11.07 p.m.
