

LEGISLATIVE ASSEMBLY

Wednesday 7 November 2001

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

Mr Speaker offered the Prayer.

UNIVERSITIES LEGISLATION AMENDMENT (FINANCIAL AND OTHER POWERS) BILL

HIGHER EDUCATION BILL

Bills introduced and read a first time.

Second Reading

Mr AQUILINA (Riverstone—Minister for Education and Training) [10.00 a.m.]: I move:

That these bills be now read a second time.

The Government is committed to modernising and strengthening the regulatory framework in which the New South Wales higher education sector operates. This legislative package delivers on that commitment. It comprises the Universities Legislation Amendment (Financial and Other Powers) Bill and the Higher Education Bill. The two bills are essential to underpin New South Wales universities' core mission of promoting scholarship and academic excellence. The legislation will also help to secure public investment and public confidence in higher education. These bills are responsive to the needs of the higher education sector and to the people of New South Wales. They are necessary because governments must deal with the demands and tensions now facing the sector in Australia.

The bills recognise not only the value of teaching and research but also the need and capacity for our educational institutions to produce knowledge, and to use it. They reflect the Government's commitment to ensuring that the New South Wales higher education sector is a vital participant in the knowledge economy. The two bills will serve to ensure high standards and quality delivery of higher education in New South Wales and support the development of our universities as strong, effective and vibrant public institutions in the face of significant funding challenges, competition and uncertain times. Our 10 public universities, together with campuses of the national Australian Catholic University, play a crucial role in advancing our economic wellbeing as well as our social wellbeing. Together, they currently enroll some 224,000 students—195,000 local students and 29,000 from overseas.

In addition to our public universities, there are 30 private higher education institutions in New South Wales, catering for a further 20,000 local and overseas higher education students. The bills are complementary in their focus. The Universities Legislation Amendment (Financial and Other Powers) Bill will ensure that New South Wales universities have the necessary powers and controls in place to enable them to prudently undertake commercial activities consistent with their core missions of quality of teaching and research. The Higher Education Bill will align New South Wales legislation with a new national framework for the accreditation and quality assurance of Australian higher education.

Trade in education services was the nation's eighth largest export in 2000. The value of the New South Wales share was in the order of \$1.4 billion, about 40 per cent of the national total. The flow-on effect to the wider Australian economy is immense. The annual value of the economic impact of universities has been estimated recently at around \$10.6 billion of expenditure by universities and their students in the community. These benefits are particularly apparent in regional New South Wales. It is estimated that New South Wales regional universities and their students inject a total of \$817 million of direct expenditure into regional economies each year. When the flow-on economic impacts are taken into account, this expenditure results in value adding of \$1.1 billion in regional New South Wales each year, generating more than 28,000 full-time equivalent jobs.

The passage of the Higher Education Bill will add to the value of international education provided by New South Wales institutions. The implementation of this bill, together with the underpinning national quality

assurance framework, will strengthen the reputation of New South Wales higher education in the international market and will provide assurance to Australian students regarding the standing of the higher education they receive. Over recent years our universities have been subject to cuts in the real value of operating grants and research funding by the Commonwealth Government. Commonwealth Government funding per student has declined by some 6.5 per cent over the past five years. This has led to difficulties in containing expenditure within available funding, greater reliance on overseas and domestic student fees and the pursuit of other commercial ventures.

These factors have made increased engagement in commercial activities a necessity for universities across the country and have created tension between the traditional role and nature of universities and their increasing commercial imperatives. In turn, these trends have given rise to public debate concerning the operations of universities, their exposure to financial risk and their use of public assets. All New South Wales universities have powers to undertake commercial activities. These powers are longstanding. They are crucial to universities' financial viability and their capacity to compete both nationally and internationally. They are central to universities' research and development roles, their links to industry, and to State and regional economic advancement.

Because universities' commercial activities involve significant use of public resources and directly impact on economic and social development, these activities must be undertaken subject to prudent financial management requirements, transparent processes and accountability measures. Greater Commonwealth Government investment in higher education is crucial if Australia is to keep pace with its competitors. While the increasing pressure on the financial capacity of our public universities represents a major threat to the continuing delivery of quality higher education to the people of New South Wales, we in this place can only seek to influence those in Canberra to more adequately finance our universities. What we must do is ensure that the regulatory frameworks governing university operations reduce the risks of any major failures in quality service.

New South Wales leads the nation with the proposals contained in the Universities Legislation Amendment (Financial and Other Powers) Bill. The measures in this bill will serve the needs of modern public universities and State responsibilities for accountability, and protect the public interest. The bill represents the culmination of extensive consultations with universities and the New South Wales Vice-Chancellors Conference. All New South Wales universities have indicated their support for the bill. For example, I was pleased to see a recent letter from the Vice-Chancellor of the University of Western Sydney which applauded several aspects of the bill and acknowledged its ability to balance greater flexibility with accountability.

The Universities Legislation Amendment (Financial and Other Powers) Bill updates and clarifies university powers and more effectively addresses issues of commercial risk and consequent threats to the delivery of universities' core missions. The bill removes universities from the more general Public Authorities (Financial Arrangements) Act 1987, commonly referred to as PAFA, and includes new provisions within university enabling Acts to govern universities' financial arrangements. This makes it possible to tailor requirements to more appropriately reflect the State's role and universities' needs. Consultations began last year in response to concerns raised by New South Wales universities with regard to the impact of the August 2000 amendment to PAFA.

Members will recall that the Public Authorities (Financial Arrangements) Amendment Act 2000 made PAFA the principal source of legal power for public authorities to enter into financial arrangements. PAFA, however, is not appropriate to the contemporary requirements of financial regulation of New South Wales universities. Universities are unique public entities. They are established by State legislation but are reliant on the Commonwealth Government for substantial public funding. They serve essential public purposes and use substantial public assets, namely State property, but remain essentially autonomous in their academic and administrative affairs. Their unique nature requires a custom-designed regulatory regime that reflects some of PAFA's characteristics but allows for a more flexible approach that is consistent with universities' contemporary missions, challenges, and nature.

Greater reliance on university Acts requires a number of changes that in part reflect existing PAFA provisions. The bill proposes amending investment provisions in universities enabling Acts so that governing bodies' investment powers would be conferred solely by a university's Act. As a result, a university's governing body would be authorised to invest the funds of its university in any manner approved by the Minister with the concurrence of the Treasurer. Similar provisions to those contained in section 25 of PAFA are proposed to enable universities to appoint or retain approved funds managers. These amendments also address concerns

raised in the New South Wales Auditor-General's report to Parliament for 1999, Volume 2. For example, this bill introduces provisions in universities enabling Acts to limit the powers of controlled entities to those of the parent university.

The way in which universities' functions have been stated in their Acts varies. In large part, this reflects the history of particular institutions. The bill proposes to amend enabling Acts to ensure that a core set of functions is provided for each New South Wales university. The change is to ensure clarity and certainty. The functions reflect contemporary views of what a university's activities will involve. They are not exhaustive. Universities continue to change and any statement of functions must reflect this process of evolution. However, it must also make clear our expectations and avoid confusion.

The proposed amendments make explicit reference to those activities that are at the heart of a university's reason for being: scholarship, learning and research. The bill acknowledges the importance of our regional universities and the needs of regional communities. References in enabling Acts to their regional focus and commitment are retained. In addition to the principal functions, the proposed new provisions set out a range of discretionary functions, which include commercial exploitation or development, for the university's benefit, of any facility, resource or property of the university. Our universities are vital for the State's economic growth. They make major contributions to the State's regional development. Modern universities are expected to exploit the intellectual capital that results from their research, development and teaching programs.

This bill recognises and supports universities' effective engagement in the innovation cycle and the vital links with industry and other research partners. The bill also proposes a new approach to manage the commercial activities of universities. It proposes that universities undertake all commercial activities in a manner consistent with processes and procedures contained in ministerially approved guidelines. The guidelines will provide comprehensive and systematic processes for the development of commercial ventures in such a way as to maximise the benefits and minimise the risks to the university and the wider community. Core elements will include requirements for undertaking feasibility and due diligence assessments, identifying appropriate governance and administrative arrangements, and undertaking risk assessment and risk management measures.

The guidelines must be able to deal with a diverse range of activities. They must be able to identify and set aside those that do not require extensive consideration because they involve no financial risk. But they must be able to deal in varying degrees of detail with those that are commercial and those that involve risk. The guidelines should accord with the notion of a university actively pursuing appropriate commercial activities on the one hand, while recognising the need to protect public funds and public assets on the other. At their core, the guidelines must assist in determining whether an activity is in the overall best interests of the university. They must ensure that commercial activities are conducted within an appropriate corporate structure that will safeguard the university's interests and limit liability.

If necessary, guidelines may be issued to universities. However, the bill proposes that universities may develop their own guidelines for ministerial approval, and to apply their practical and operational knowledge to the task of identifying the level of risk associated with a particular activity or arrangement. Underpinning the operation of these guidelines are the notions of prudent management and internal and external accountability. Consistent with the need to strengthen accountability measures and sound institutional management, the bill proposes that governing bodies of universities maintain a register of commercial activities.

The register will serve as a reference link for universities' governing bodies, the Auditor-General, and the Minister. It is not intended to be a self-contained primary source of detailed information. It is recognised that the governing body of a university may delegate the task of maintaining the register. The very nature of universities' governing bodies may make delegation a necessity. However, the responsibility for developing and implementing guidelines and for maintaining a register remains that of the governing body.

The bill makes provision for the Minister to request a report from the governing body of a university as to any commercial activity of the university. The intention is to ensure that the conduct of universities' commercial activities is subject to ministerial scrutiny, where required. A range of accountability requirements already apply to universities, in particular setting out audit and annual reporting requirements. In addition, the New South Wales Ombudsman has powers to investigate complaints made against universities. To ensure greater transparency, the bill proposes that universities in their annual reports be required to provide details on the implementation of any recommendation made in a report of the Ombudsman or the Auditor-General.

In addition, the Minister may refer a commercial activity to the Auditor-General or the Ombudsman for investigation. Although a number of universities already have legislative authority to undertake activities

outside New South Wales, the powers of others to do so require clarification. The bill recognises the benefits that can come from our universities operating globally as internationally recognised institutions of good repute and standing. It makes explicit provision for the functions of each university to be exercised within or outside the State, including outside Australia.

The Higher Education Bill will repeal the now outmoded Higher Education Act 1988 and replace it with an updated statute. The Higher Education Bill protects the quality of higher education in New South Wales by providing consistent and comprehensive institutional and course approval processes. All Australian governments have recognised that common accreditation and quality assurance processes are essential. In March, 2000, Australian Ministers endorsed five national protocols for higher education approval processes and the establishment of the Australian Universities Quality Agency. The national protocols serve as the blueprint for Australiawide practice. They are designed to ensure that consistent criteria, standards and processes are applied, including the recognition of new universities, the operation of overseas higher education institutions in Australia, the registration of non self-accrediting Australian higher education providers and the accreditation of their courses.

The Australian Universities Quality Agency will audit and monitor the implementation of the national protocols by universities and State and Territory accreditation authorities. The bill implements these nationally agreed arrangements for higher education approval processes in New South Wales. For the benefit of honourable members, I shall now outline the particulars of the bill. The bill provides for the recognition of Australian universities in New South Wales and for the development of systematic and transparent processes through which such recognition can occur. The current Higher Education Act provides for the accreditation of higher education courses conducted by non-university institutions in New South Wales. The new bill will continue those arrangements. Australian universities, because of their nature, governance, and commitment to higher learning and free inquiry, are entrusted with self-accrediting powers. Those powers extend to self-management of Commonwealth requirements covering endorsement of courses for overseas students. The bill will continue those arrangements.

The current Act protects the titles "degree" and "university". The bill will introduce new increased penalties for misusing these titles, up to \$22,000, which will be the highest in Australia. The bill will authorise approval and registration in several new areas, including Australian non-university higher education institutions operating or wishing to operate in New South Wales; overseas universities and other overseas higher education institutions operating in New South Wales; and all classes of higher education institutions operating in New South Wales and enrolling overseas students. The bill will further authorise the charging of fees payable by institutions. Under the national protocols, fees for the registration of institutions and accreditation of courses are to be charged based on substantial cost recovery and comparability with other States and Territories; effective reporting and monitoring of the operations and standards of approved and registered institutions.

The bill has particular relevance for local and overseas students who choose to pursue higher education studies in non-university institutions. The bill will ensure that the programs which these students access are of high quality and meet national standards. The bill will also strengthen the university sector in this State; the national protocols include criteria and processes for recognising Australian universities. New South Wales has had a time-honoured policy that no university is created in this State without the consent of the Parliament. The bill will strengthen that policy by providing for consistent and transparent processes to assure the community that required standards are maintained. The substantially increased penalty for misusing the title "university" will fortify this policy.

The national protocols also prescribe requirements for overseas institutions seeking to operate in an Australian jurisdiction, including overseas institutions seeking to use the title "university". The bill will prevent an overseas institution from operating as a university in New South Wales without ministerial consent. The past decade has seen a significant growth in the participation of non-university institutions in higher education provision, in New South Wales and other eastern mainland States. Unlike Australian universities, these institutions are not self-accrediting. The bill will continue arrangements for the accreditation of degree and other higher education courses that non-university institutions propose to conduct. To ensure that non-university institutions are appropriately resourced, financed, and managed before they accept students into accredited programs, the national protocols require institutions to demonstrate their capacity to deliver these programs. The bill provides for registration processes to meet this requirement.

The bill also covers the arrangements, noted in the national protocols, where universities or other higher education institutions franchise programs to other providers. State and Territory authorities have

significant legal responsibilities in approving institutions and courses for overseas students. Arrangements for addressing these responsibilities are also covered by the national protocols. The bill will vest responsibility for approving non-university and overseas institutions in the Director-General of Education and Training.

The self-accrediting powers of Australian universities extend to the self-management of Commonwealth requirements covering endorsement of courses for overseas students. Other provisions of the Higher Education Bill will make explicit provision for sanctions when an institution fails to comply with any relevant terms of the legislation. Aggrieved parties will have access to the Administrative Decisions Tribunal. The detailed implementation of the national protocols will be assisted through powers for making regulations and ministerial guidelines. The bill will also authorise the setting-up and maintenance of an accessible public register for approvals issued under the bill.

These bills will put New South Wales at the forefront in meeting the needs of providing modern higher education. They will provide the regulatory framework to ensure that appropriate standards of accountability, probity and quality in higher education are met. New South Wales universities seek to achieve excellence and responsible enterprise, and the bills provide the framework for the fulfilment of this aspiration. The New South Wales university community has been consulted extensively on both bills and has indicated its support. Other institutions of higher education have also been consulted in relation to the Higher Education Bill and they also have indicated their support. The legislative proposals are essential and I commend them to the House.

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

CEMETERIES LEGISLATION AMENDMENT (UNUSED BURIAL RIGHTS) BILL

Second Reading

Debate resumed from 24 October.

Mr D. L. PAGE (Ballina) [10.31 a.m.]: I lead for the Opposition on the Cemeteries Legislation Amendment (Unused Burial Rights) Bill. The rationale for the bill is the pressure created by increasing population and the lack of suitable available land in cemeteries, particularly in Newcastle and Sydney. On current estimates, burial sites, particularly in those areas, will be exhausted in 20 to 30 years time, but for some cemeteries the situation is even more acute. However, it is estimated that if approximately 30,000 unused burial sites were made available, the problem would be alleviated for a further 10 to 15 years. The legislation addresses the practical problem of the lack of available sites in cemeteries located on Crown land, which are usually managed by trusts, to enable those cemeteries to revoke burial rights for sites that have been unused for 60 years and make them available.

A discussion paper on these issues entitled "Revocation and Reallocation of Rights of Burial to Unused Gravesites" was released in April 1998, and the legislation takes into consideration concerns raised by interested parties at that time. The proposal firstly enables trusts responsible for cemeteries on Crown land to revoke burial rights for grave sites that have never been used and were generated more than 60 years ago. Secondly, it provides a comprehensive search process to locate all rightful owners to determine their continued interest in the sites. Thirdly, it provides for compensation should a claim be made by an owner once the burial rights of a site have been revoked. Either compensation of 50 per cent of the current site rate is to be paid, or the complainant may be offered a replacement site. I will refer to that aspect in more detail later.

I turn to the arguments in favour of the legislation. Firstly, I regard it as a practical solution to a real problem and it is therefore worthy of support. Members may be interested to know that in the 1940s approximately 29 per cent of people chose to be cremated rather than buried but that figure has now increased to approximately 50 per cent. Although, therefore, the number of unused burial sites will increase, there will nonetheless continue to be a demand for burial sites, and the aim of this legislation is to match demand with supply. As I indicated earlier, a certain amount of public consultation occurred following the release of the discussion paper. Although I have received specific comment from a couple of the churches, I believe that most parties are reasonably comfortable with the legislation.

The legislation provides a comprehensive search process over a period of about eight months, to try to locate burial site owners so they can register a continuing interest. It must be borne in mind that the legislation only relates to burial sites that have remained unused for 60 years. However, burial site owners may have assigned the right of burial to another party. Every effort should therefore be made to ensure that the rightful owners of these burial sites, or the people to whom those rights have been assigned, are located.

The bill specifically provides for processes to be put in place for advertising and so on, and that is desirable. However, in the event that contact is not made, a cemetery trust will have the power to revoke burial rights. As I read the legislation, if a person subsequently makes a claim, the cemetery will have the right to either offer an alternative site at the cemetery or, if an alternative site is not available, pay compensation to the value of 50 per cent of the current value of the site.

I now turn to arguments against the bill. First, the bill is somewhat limited in its scope in the sense that it only relates to cemeteries on Crown land. Prima facie, I cannot see any reason why this legislation should not also apply to privately owned cemeteries, or, indeed, to cemeteries that are administered under the Local Government Act. It seems that if we have a problem in relation to the future availability of land for burial sites, we should address the matter on a holistic basis rather than simply concentrate on cemeteries on Crown land. There are many private cemeteries, and quite a few cemeteries operate under the Local Government Act, and for this reason the opportunity could have been taken to expand the scope of the legislation so that it applies to all cemeteries.

Another matter of concern is the principle of compensation. The people who purchased these burial sites paid the full market price. The sites may have been purchased a long time ago and in today's dollars the price paid for them may not be worth very much. Nevertheless, the people who purchased these sites paid the current market price. The argument could be sustained that if they purchased the sites at the full market price, and burial rights will now be taken from them, if they are to be compensated monetarily they ought to be compensated at today's full market price. I believe people would regard that outcome as fair and equitable.

There are mitigating arguments about why compensation should be 50 per cent of the current site rate or something less than 100 per cent, but there is no strong logic as to why it should be 50 per cent as opposed to 40 per cent or 60 per cent. If a person or a family paid the full market price 60 years ago and monetary compensation is to be paid, they should be compensated at today's full market price. It should be remembered that we are speaking about sites that at today's market value could be worth \$2,000 or \$3,000. The Opposition intends to move an amendment in the upper House in relation to that concern.

The Catholic Cemeteries Board expressed concern that monetary compensation would need to be shown as a contingent liability on its balance sheet once a site is revoked, and there is some logic to that argument. If the board revokes several thousand burial sites, there is the potential for claims to be made, and under normal accounting principles that should be reflected as a contingent liability on the balance sheet. The Catholic Cemeteries Board is concerned that this measure will impact negatively on its operations, particularly on the way in which lenders, bankers and the like perceive its solvency. Perhaps the bill can be amended so that a liability is not listed in the books until compensation is paid. For instance, if a cemetery has to pay \$3,000 compensation, the liability could be recognised at that point, rather be shown as a contingent liability that, in reality, might never be drawn upon but which, nevertheless, has an impact on the balance sheet.

The bill could be amended to provide that liability occurs only when it is paid. In practical terms the cemetery would pay \$3,000 in compensation but would have sold the site for about the same amount, so in the economic equation there would not be a substantial difference. The board is concerned about the 50 per cent or 100 per cent contingent liability. In my view the compensation should be 100 per cent, because the buyer paid 100 per cent of the cost of the site, and the contingent liability problem could be eliminated by having the bill provide that the liability is invoked only if the compensation is paid.

The Opposition consulted a number of interested parties on the bill. The RSL New South Wales Branch is comfortable with the legislation. Originally, it was proposed to revoke burial rights if they remain unused for more than 50 years, but that has been extended to 60 years following representations from the RSL. Legacy was also consulted. I received a letter from the Catholic Cemeteries Board, which I have made available to the Minister's office and I hope that in his reply the Minister will deal with the issues raised in the letter. Both the Catholic Cemeteries Board and the Anglican Church Diocese of Sydney referred to compensation and the wording of new section 24A. An attachment to the letter of the Catholic Cemeteries Board, sent to the Department of Land and Water Conservation, states:

[2] Section 24A Compensation for Revocation of Exclusive Rights of Burial

This is the only section which deals with this subject but, by Sub-Section 1, it only(?) "*applies to the revocation of exclusive rights of burial by the body of trustees for a cemetery in which there are alternative burial places that are uncommitted*". By this we assume that an obligation to make compensation will exist only where a given cemetery has uncommitted burial space at any given time and that no rights to buy that kind of compensation arise in a cemetery where there are not alternative burial spaces that are uncommitted. This should be clarified.

I received a letter dated 31 October from Mr Mark Payne, Diocesan Secretary of the Anglican Church Dioceses of Sydney, which stated:

Dear Mr Page,

Thank you for sending us a copy of the explanatory note, bill and minister's second reading speech.

We have no comment to make in relation to the policy of the bill.

However, I note that in the bill compensation for revocation of an exclusive right of burial will only be available if, at that time of the revocation, there are alternative burial places available. Where no such alternative burial places are available, my reading of the bill is that monetary compensation will not be available. My initial thought is to question why the right to monetary compensation appears to be tied to whether there are available alternative burial places.

Subsection (2) of new section 24A is unclear in that it provides an either-or situation and there is not necessarily a connection. If a burial site is available, it will be offered; but if a site is not available, compensation can be made. Subsection (1) could be interpreted to provide that compensation would not be made if an alternative burial site is not available, and that is what the Catholic and Anglican churches are concerned about. As I understood the second reading speech, the trustees have two post-revocation options: first, if a burial site is available, a person can be offered that burial site; and, second, if a site is not available or a person is not happy with the available site, compensation can be paid.

However, the Catholic and Anglican churches suggest that the compensation is linked with the availability of a burial site and I ask the Minister to clarify that matter in his reply. The Catholic Cemeteries Board said it is essential that there be no right of appeal from the compensation decision made by the trust. It seeks to eliminate the right of people to appeal that decision. Generally, I would not support that position because it is not the function of Parliament to legislate against people having the right to challenge in court a decision made about compensation. That would be a dangerous precedent—not that I advocate the unbridled right for lawyers and litigation. Nevertheless, I raise that matter on behalf of the Catholic Cemeteries Board.

The Opposition basically supports the bill with three reservations. The first is that the bill should encompass all cemeteries. Second, in the interests of fairness, as the buyer paid 100 per cent of the cost of the site, compensation should be 100 per cent rather than 50 per cent. Third, any liability should not come into play until compensation is actually paid. The Opposition will move amendments in the upper House covering those last two matters. I recognise that the bill is limited to cemeteries on Crown land, but, unless it can be argued otherwise, supply and demand problems will also arise in privately owned cemeteries and those administered by local government. With those reservations, which I hope the Minister and other speakers will address, the Opposition supports the legislation.

Mr PRICE (Maitland) [10.50 a.m.]: I support the Cemeteries Legislation Amendment (Unused Burial Rights) Bill on the basis of my experience with the Sandgate Cemetery at Newcastle, whose trust was reformed when I was the honourable member for Waratah. Sandgate Cemetery is a large cemetery that has been in existence for many years. In fact, it was the relocation site of the cemetery that was in the centre of the city many years ago. Times have changed since the Necropolis and Crown Lands Act, to which this bill refers, when families purchased plots, frequently through religious bodies, and set up trusts for their maintenance. But times do change and it has been demonstrated that forward planning for family funerals does not always fulfil a family's expectations.

The first task of the Chairman of the Sandgate Cemetery, Mr Adrian Quain, on its restructure was to negotiate with all religions that had allocated plots within the cemetery. In many cases with the Uniting Church in Australia—which combined the Congregational, Presbyterian and Methodist churches—family trusts were set up within the trusteeship of the original churches. By virtue of legislation, a change of practice and a combining of those religions the trustees were cancelled in practical terms but not necessarily in legal terms. That in some way addresses some of the comments of the honourable member for Ballina. To a degree the new board at Sandgate Cemetery dealt with that matter very successfully.

The Catholic Church, the principal user of the site, was basically the only religion that took a serious interest before Sandgate was reformed. Pressure on the site has also been reduced because there have been changes in the religious practices of the Roman Catholic Church and many families are now quite happy with cremations. Many old sites can be recovered quite reasonably as an inquiry will show, as has been found at Newcastle, that many families are no long traceable. In some cases, the record of fees paid for those sites have also been lost. I would imagine that would be true with a number of the Crown cemeteries in New South Wales. The need for burial plots has increased by virtue quite often of the religious practices of a number of ethnic groups within the community.

A lawn cemetery has been established at Sandgate alongside the traditional cemetery, a mausoleum has been built to principally serve the Italian community. Many of the relinquished church trusteeships over vacant land within the cemetery were taken over by other churches, such as the Greek Orthodox Church, that require fairly significant sites for the burial of members of their religious communities. The sites are still valuable in terms of community demand, though the volume of demand has decreased. Certainly, the task ahead is significant for the various trusts to trace the legal owners of sites.

Whilst I know that the comments of the honourable member for Ballina were based on his correspondence from the Anglican and Roman Catholic churches, I suspect that in practical terms, because of the exhaustive searches that will be conducted, there will be very few disputes. As I understand it, people who have a legal claim on abandoned sites are almost untraceable. I was surprised by my inquiry that the same applies to some columbariums. The new trust redeveloped Sandgate Cemetery under one of the former Federal Government work programs, under which people who did fencing, concreting or landscaping at the site received a qualification on completion. In fact, a number of the service clubs became involved and sponsored several sections of the cemetery. For example they provided a very elaborate entry gate, they repaved access ways for the hearses, they restored various buildings and they restored a quiet calm to the site and made it a place for reflection where people can go to remember those who had passed away.

Essentially, the bill will free up those sites that are under a cloud. In my opinion there will not be a great deal of conflict within the community as the churches are basically just trying to provide for the odd exception. I am sure the proposed regulations will cover any contingency raised by the Opposition. This bill is a step in the right direction. It is certainly important legislation in terms of freeing up land that is currently underused. Because of surrounding development it is generally difficult to expand cemeteries. Sandgate Cemetery could only expand into the wetlands: we do not want a coffin floating to the surface at the end of a service during a heavy rainstorm—which once happened. It is important to proceed along this track. I am sure the regulations will cover any concerns that the Opposition has about this legislation. I support the intentions of the Minister and I commend the bill to the House.

Mrs PERRY (Auburn) [10.58 a.m.]: I support the bill, which provides for the revocation of unused burial rights at Crown cemeteries in New South Wales. As has been indicated by members of the Opposition and my colleague the honourable member for Maitland, the proposal is to amend relevant legislation, that is, the Necropolis and Crown Lands Act 1901, to authorise Crown cemeteries to revoke exclusive rights of burial granted more than 60 years ago that have never been used. The bill takes account of the fact that available burial sites are just about exhausted. Burial capacity in the eight Crown cemeteries in Sydney, including Rookwood, which is in my electorate, and Sandgate Cemetery at Newcastle, to which the honourable member for Maitland referred—which comes under the control of the Minister for Land and Water Conservation—is reaching a critical stage of exhaustion.

At Rookwood the Joint Committee of Necropolis Trustees' statistics show that cremations accounted for 29 per cent of interments in 1941. The number of cremations then increased steadily until 1963 when they constituted 50 per cent of interments. This trend may point to an increase in the number of graves reserved and unused due to the growing popularity of cremations. I have local knowledge of Rookwood cemetery and, like the honourable member for Maitland, I know of many people from non-English-speaking backgrounds who prefer burial in cemetery plots and vaults to cremation. I do not have the statistics with me, but I suspect that demand for plots and vaults at Rookwood has increased. In light of that increased demand—I believe the legislation addresses that problem—I am concerned that space limitations have forced up prices. My family recently paid more than \$5,000 for a burial plot, which is quite expensive.

While the statistics point to the increasing popularity of cremations, it is still incumbent on the Government to continue to assist Crown cemetery trusts and to ensure that burials can take place for as long as possible into the future. The most practical way of meeting demand in the short to medium term is by reviewing unused burial sites to ascertain whether there is any real possibility of their being used. If this is not the case, trusts should have the power to revoke exclusive burial rights and to reallocate and resell the sites to meet immediate demand. The revocation of unused burial rights and the resale of sites also assists cemetery trusts in meeting their financial obligations to contributing to cemetery maintenance and improving cemeteries. This does not mean that cemetery trusts will be able to realise surplus profits from the resale of burial sites that were sold more than 60 years ago.

Surplus funds are not an issue as Crown land cemetery trusts, unlike private concerns, are non-profit organisations. This income would be allocated for management purposes and, in effect, returned to the cemetery

and used to fund maintenance, beautification and general operational activities. As Opposition members have said, the funeral industry and Crown cemetery trusts, in particular, have indicated their strong support for the revocation of unused burial rights that were granted more than 60 years ago and the resale of those plots. I note that some difficulties have been raised, but I am sure the Minister will address them. As the honourable member for Ballina pointed out, this strong support is evident in written responses to the discussion paper "Re-allocation of Rights of Burial to Unused Gravesites", which canvassed various issues and was circulated to stakeholders. In the meantime, the proposal has received other forms of support, including personal representations to the Minister.

The legislation clearly sets out the methodology to be used in this context. Trusts must undertake to revoke unused burial rights, and new section 24A sets out the level of compensation payable should a previous owner come forward after revocation action has been completed. I believe it is a fair compensation system. Compensation may take the form of a payment of 50 per cent of the fee for a burial site or a replacement site may be offered. The legislation also requires that, before further action is taken, there must be a comprehensive search for any heirs or assignees. Many of my constituents would prefer to have burial plots, and religious considerations are often involved in their decisions. I would support any moves to extend the life of cemeteries, and this proposal will do that by at least five to 10 years. I commend the bill to the House and support the Minister in his endeavours.

Mr AMERY (Mount Druitt—Minister for Agriculture, and Minister for Land and Water Conservation) [11.04 a.m.], in reply: I am pleased to respond to the comments of the shadow Minister for Land and Water Conservation, the honourable member for Ballina, who led for the Opposition in this debate, and the honourable member for Maitland, whose electorate includes the Sandgate Cemetery, which is of great interest to him and his constituents. I congratulate the honourable member for Auburn on her contribution this morning. It is the first time she has spoken in this place about legislation for which I am responsible. I congratulate her on her election to Parliament and on her inaugural speech. She has demonstrated today that she will be extremely active in responding to legislation that affects her constituents. I apologise to the honourable member for Ballina for missing the first part of his contribution—although I followed some of it on the monitor—as I was tied up in a meeting in my office.

I picked up the gist of his contribution, which was generally supportive of the principles of the legislation. It is about trying to extend the operating life—I hope that is the appropriate term—of our cemeteries, particularly Rookwood and Sandgate, which have been singled out in this morning's debate. However, as the honourable member for Auburn pointed out, there are eight Crown cemeteries in Sydney. The honourable member for Ballina said we are running out of space in most cemeteries, not just in Crown cemeteries. That is true. If it were not for private cemeteries in Sydney in particular, burial space would be at crisis levels. The establishment of several private cemeteries has taken the pressure off Crown cemeteries that were the mainstay of Sydney's burial needs for many decades. The honourable member suggested that we should also consider the plight of private cemeteries. They were created more recently and thus have longer operating lives. They are run as businesses and maintained to a high standard, as any honourable member who has visited them will attest.

I do not disagree with the honourable member's comments: the Government may have to consider the availability of space in private cemeteries in the future. However, their incorporation in this legislation would require a review process. That would delay the bill's implementation and therefore put more pressure on public cemeteries, whose plight this bill is attempting to address. I assure the honourable member for Ballina that we are not indifferent to his concerns about private cemeteries—in fact, we probably should conduct an audit of them. However, as they are more recent creations the pressure on them is not as great as that on Crown cemeteries. I shall direct my departmental officers not merely to keep a watching brief but to report to me about the problems confronting private cemeteries.

It is a different picture in rural areas as land mass is not the problem it is in metropolitan areas or regions such as the Hunter or in Wollongong. Most rural cemeteries, which are usually owned and run by local councils, have ample space and are able to expand as necessary. On my trips around country New South Wales I have visited many cemeteries where a number of my friends are buried and I have noticed that some have been extended by local councils in order to meet increasing demands for space. I will consider this issue further and ensure that my department communicates with the Cemeteries and Crematoria Association of New South Wales to discuss whether legislation should be introduced to address the needs of private cemeteries.

I refer now to the market value of cemetery plots, which I suppose is always difficult to determine. All the honourable members who contributed to the debate on this bill and members of the cemeteries trusts are

concerned about what might happen when rare cases are addressed. The honourable member for Maitland said earlier that many discussions had been held and many representations had been made to the Government about what might be a rare case. Let me refer to a hypothetical case. A family might have an interest in a cemetery plot that was purchased 60 or more years ago. What if someone from that family came forward a couple of years down the track, after an appropriate period of advertising, with a record that was found in a family chest that proved that a great-grandfather or a great-grandmother prepurchased a grave site in the 1920s or after the First World War?

What would we do with such an application, and how would we address that person's right to such a grave site? At present the legislation provides for the reuse of such a grave site. The legislation makes provision for the trust to say to that person, "We will offer you another plot in that cemetery." That is clearly spelled out in the legislation. I am certain that many of those who are aggrieved would take up that option. What would happen if, 30 or more years down the track, no cemetery plots were left? What would we do in such a rare case? The legislation provides—and this provision has obviously provoked members of the Opposition to comment on it—that the compensation to be paid to that person should be 50 per cent of the value of the grave site at that time. That provision has been included in the legislation to ensure that aggrieved persons are compensated for the real value of the land.

In most cases cemetery trusts—which, in the main, are comprised of church groups—would have gone through a considerable amount of expense in advertising and putting up notices. Some people have estimated the cost of advertising at around \$1,000 per plot. At the moment I am talking about a cemetery plot with an average price of \$2,000, which is not a lot of money. I dealt with another important issue in my second reading speech. People buying a cemetery plot today would not be paying what was paid 40 or 60 years ago. Built into the cost of a cemetery plot are costs for the ongoing beautification and maintenance of a cemetery area. So those costs and the costs of advertising must be deducted from the amount of compensation that is to be paid.

I am aware of the dilemma that was referred to earlier by the honourable member for Ballina. He said that many years ago people paid the full price for their cemetery plot. I indicated in my second reading speech that many decades ago that full price could have been anything from \$1.50 to \$50, and that perhaps people should be paid the full price now. However, we are not comparing cheese and cheese or chalk and chalk. Today the cost of a cemetery plot incorporates many other charges which did not apply when a person bought a plot many decades ago. So the Government has accepted the 50 per cent compensation proposal. As the honourable member for Ballina said earlier, cemetery trusts or church groups are concerned about carrying such a liability. If 100 per cent compensation is to be paid for a piece of land, which basically has a lesser true value, cemetery trusts are concerned about their contingent liabilities and their accounting practices.

The Government believes that this proposal affords a good balance. Opposition members signalled the possibility of moving an amendment to the legislation in the other House. Before they move such an amendment they should discuss with various church groups what level of compensation should be paid. Church groups have differing views about that issue. They agree that those who are responsible for accounting are worried about the liabilities that will be incurred and they are worried about carrying an unfunded or unknown liability. I understand that Opposition members have already discussed this issue with my staff and with officers from my department. However, I ask them to discuss it also with cemetery trusts to get a true picture of where they stand on this issue.

I state again that we are talking about something that might not occur. If it does occur it will occur only on rare occasions. I do not think many people will be aggrieved. This legislation has in place provisions which will deal adequately with any isolated cases. I addressed another important issue in my second reading speech. I do not believe that there will be too many gold diggers, or too many people who try to find a pot of gold as a result of this process. As I said earlier, the average price of a cemetery plot is about \$2,000. The honourable member for Ballina asked for clarification in relation to another issue. After many years someone might find that the cemetery plot owned by his or her ancestors has been taken up and no cemetery plots are left. Again I am talking about a rare case many years down the track. What sort of process would be followed?

The honourable member for Ballina asked: If there were no cemetery plot, would that negate the option of compensation? Representatives of the Catholic Church wrote to the Government and said that if all cemetery plots had been reused and no cemetery plots were available, they should not have to supply another cemetery plot or pay compensation. I suppose this legislation is open to interpretation. It is the view of the Government that if all cemetery plots were used and no other plots were available, the owners of any of the reused plots should be entitled to compensation. That is the wish of the Government. It might require a rejigging of the legislation or some additional statements to be made by me to clarify that issue. I will ask the legal people in my department to address that point.

In the event that no cemetery plots are left, church trusts will have to pay some form of compensation to aggrieved parties. If my interpretation of the legislation is at variance with the interpretation placed on the legislation by the Catholic Church, the legislation must be changed. Relevant provisions in the legislation will be changed if that is what is required. I refer again to contingent liabilities, an issue about which members of the Opposition sought some clarification. I am quite happy to negotiate with Opposition members before this bill is debated in the Legislative Council. I will ask my legal people to examine the liability clause to which the shadow Minister referred today. We might be able to change that clause by way of an amendment and we might accept the Opposition's amendment to that clause. However, I want to be sure about the legal consequences of such an amendment.

Another issue was raised by the Catholic Church. If there was open-ended compensation in the early stages of drafting this bill, that unknown liability has to be carried. That would lead, in effect, to the bankrupting of many of these trusts. The Government tried to find a benchmark in civil law to effect a closure of this issue. How can we ensure that trusts do not carry these liabilities for decades? I understand that there is a clause in civil law which limits that liability to six years. We found the necessary benchmark and included it in this legislation. Trusts will be required to carry such a liability for only six years. The Opposition sought clarification in relation to that issue. As I said earlier, I am happy to negotiate with Opposition members before the bill is debated in the upper House. My counterpart in the Legislative Council could make any necessary statement if this legislation is required to be changed.

The concerns raised by the Catholic Cemetery Trust and other trusts are a mixed bag. On the one hand, the trusts are concerned about liabilities but, on the other hand, they are concerned about compensation. It is a double-edged sword. I assure the House that their concerns relate to rare cases. The original proposal, following studies and investigations, was that burial rights remain in force for 50 years. Many of my Cabinet colleagues raised concerns about the possibility of complaints from people who had bought cemetery plots just after the Second World War. The proposal was altered at Cabinet level to extend burial rights to 60 years. We believe the extra 10 years will eliminate as far as possible the problem that anyone may be aggrieved.

I will ask my office staff to negotiate with the honourable member for Ballina about his concerns relating to contingent liabilities, with a view to correcting this issue in the Legislative Council. I thank all honourable members who have made contributions to the second reading debate: the honourable member for Ballina, the honourable member for Maitland and the honourable member for Auburn, who has made one of her early contributions in this House on legislation that has a major impact in her electorate. Rookwood Cemetery, perhaps one of the largest cemeteries in the Southern Hemisphere, is within the electorate of Auburn. Many of the honourable member's constituents have raised issues about the management of the site. Their concerns relate to burial access for family members and the maintenance and upkeep of this historic facility. Once again, I thank honourable members for their positive contributions. I commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

CONSUMER, TRADER AND TENANCY TRIBUNAL BILL

In Committee

Consideration of the Legislative Council's amendments.

Schedule of amendments referred to in message of 23 October

No. 1 Page 3, clause 4, line 11. After "Tribunal", insert ", and includes any alternative dispute resolution procedures under Part 5".

No. 2 Page 5, clause 8. Insert after line 12:

- (3) In determining any such qualifications or skills, the Minister is to have regard to the following:
 - (a) whether the person has the ability to exercise sound and fair judgment and to make objective and independent decisions based on the merits of the case,
 - (b) whether the person has the ability to command the respect of the parties in proceedings,
 - (c) whether the person has relevant expertise in one or more of the areas of the jurisdiction of the Tribunal,
 - (d) whether the person has an understanding of, and is committed to, the alternative dispute resolution procedures under Part 5.

No. 3 Page 17, clause 30. Insert after line 22:

- (3) Before making any order under subsection (2) against a party, the Tribunal is to have regard to the following:
 - (a) the extent to which the party is familiar with the procedures of the Tribunal,
 - (b) the party's capacity to understand, and act on, a direction of the Tribunal,
 - (c) whether the party suffers from a disability,
 - (d) whether the party is acting deliberately in failing to comply with the Tribunal's directions.

No. 4 Page 26, clause 49, line 24. After "proceedings.", insert "The notice must indicate that any party may, within 14 days of receiving notice of the decision, request the Tribunal to provide a statement of reasons for its decision.".

No. 5 Page 26, clause 49, lines 25 and 26. Omit "the time and in the manner prescribed by the regulations, request the Tribunal". Insert instead "14 days of receiving notice of the decision, request the Tribunal, in the manner prescribed by the regulations,".

No. 6 Page 37, clause 68, lines 1 to 3. Omit all words on those lines. Insert instead:

- (5) The Chairperson is not to grant the application unless:
 - (a) each other party in the completed proceedings has:
 - (i) been notified and given a copy of the application, and
 - (ii) been given an opportunity to respond in writing to the application within the time prescribed by the regulations, and
 - (b) the Chairperson has taken into consideration any such response.
- (6) Subsection (5) does not apply in relation to such classes of applications as may be prescribed by the regulations.

No. 7 Page 37, clause 68, lines 8 and 9. Omit "solely on the basis of the matters specified in the application and".

Legislative Council's amendments agreed to on motion by Mr Watkins.

Resolution reported from Committee and report adopted.

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

CRIMES (ADMINISTRATION OF SENTENCES) AMENDMENT BILL

In Committee

Clauses 1 to 3 agreed to.

Schedule 1

Mr HUMPHERSON (Davidson) [11.25 a.m.], by leave: I move Opposition amendments Nos 1 and 2 in globo:

No. 1 Page 7, schedule 1 [12]. Insert after line 10:

- (7) The Parole Board may make a direction under subclause (1):
 - (a) on its own motion, or
 - (b) on the application of a party to the proceedings, or
 - (c) if the proceedings relate to the consideration of the release of a serious offender on parole, on the application of a victim of the serious offender.
- (8) If the Parole Board refuses to make a direction on an application by a victim under subclause (7), the Parole Board must give reasons in writing to the victim for the refusal.

No. 2 Page 7, schedule 1 [12], line 11. Omit "(1) or".

As I indicated in my contribution to the second reading debate, the purpose of these amendments is to empower victims in instances where a serious offender is due for release. The victims will be able to apply to the Parole

Board for the offender to appear in person rather than by audiovisual link. The Parole Board would be obligated to explain or give reasons for refusing such an application. I have had constructive dialogue with the office of the Minister for Corrective Services, and his staff have been helpful in finetuning the amendments. I have been informed by the Minister's office that the Government will accept the amendments. The Opposition is appreciative of the Minister's support. We believe that these amendments provide a reasonable way to empower victims in a balanced fashion. In particular, they will allay the concerns of victims and at least give them the opportunity to seek to have a serious offender who is applying for release appear in person rather than through audiovisual link.

Mr WATKINS (Ryde—Minister for Fair Trading, Minister for Corrective Services, and Minister for Sport and Recreation) [11.26 a.m.]: My office has been working with the honourable member for Davidson to bring these amendments into line with the Government's commitment to provide victims with a greater say in the criminal justice system. The Government supports the Opposition's amendments.

Amendments agreed to.

Mr WATKINS (Ryde—Minister for Fair Trading, Minister for Corrective Services, and Minister for Sport and Recreation) [11.27 a.m.], by leave: I move Government amendments Nos 1 and 2 in globo:

No. 1 Page 7, schedule 1 [12]. Insert after line 22:

- (10) For the avoidance of doubt, this clause operates despite any other provision of this Act that requires or entitles a person to be present at any proceedings of the Parole Board and, in particular, applies despite section 147.

No. 2 Page 9, schedule 1 [13]. Insert after line 9:

- (10) For the avoidance of doubt, this clause operates despite any other provision of this Act that requires or entitles a person to be present at any proceedings of the Review Council and, in particular, applies despite section 21.

Following the introduction of the bill the Chairperson of the Serious Offenders Review Council alerted me to a potential ambiguity that may arise between amendments in the bill and certain provisions of the Crimes (Administration of Sentences) Act 1999. Section 21 (3) of the Act provides:

If the inmate so wishes, the Review Council must allow the inmate to be present, and to be heard, at the hearing.

Similarly, under section 147 (1) of the Act, a serious offender is entitled to be present at hearings before the Parole Board. The Government proposes an amendment that will remove any doubt as to whether a person should be present during hearings before the Parole Board or the Serious Offenders Review Council, or whether a person should appear by audiovisual link or be heard by audio link. The amendment in schedule 1 will ensure that a person in custody must appear before the Parole Board or the Serious Offenders Review Council by audiovisual link unless directed to appear physically, while any other person may be directed to give evidence or make a submission to the Parole Board or the Serious Offenders Review Council by audio link or audiovisual link.

Mr HUMPHERSON (Davidson) [11.28 a.m.]: The Opposition concurs with removing any ambiguity and understands that the amendments are consistent with the intent of the bill, as the Minister outlined in his second reading speech.

Amendments agreed to.

Schedule 1 as amended agreed to.

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

MOTOR TRADE LEGISLATION AMENDMENT BILL

Second Reading

Debate resumed from 24 October.

Mr STONER (Oxley) [11.30 a.m.]: I lead for the Opposition on the Motor Trade Legislation Amendment Bill, which seeks to amend the Motor Dealers Act 1974 and the Motor Vehicle Repairs Act 1980.

The introduction of the bill is quite timely, given that neither of those Acts has been comprehensively updated for 20 years. The bill represents a comprehensive reform of State legislation governing the motor trades industry in New South Wales. It reflects the outcomes from the national competition policy motor trade review and also some fairly wide consultation that has been undertaken by the Government through the production of a discussion paper which has been sent to the various industry associations and bodies, who seem to have had a fairly significant input to the bill.

As the Coalition understands it, the bill deals with three main areas—consumer protection, the improvement of administration and the removal of red tape, and crime prevention in the motor trades industry. Firstly, in relation to consumer protection, the bill introduces a 24-hour cooling-off period for new and used car sales. The Opposition does not oppose this, because in certain cases consumers can feel pressured or do not have sufficient time to absorb the often complex contracts, and they may make unwise purchases of new or used motor vehicles. There is provision in the bill for consumers to waive this cooling-off period by signing an appropriate form. In certain circumstances it will remove some unnecessary red tape where a clear decision has been made to purchase. The bill provides that a consumer who decides during the 24-hour cooling-off period to cancel the contract or the decision to purchase the vehicle will pay \$250 or 2 per cent of the purchase price, whichever is less. The Opposition also appreciates the Government's intention to review these provisions after 12 months of operation.

Also in the area of consumer protection are provisions relating to so-called lemons. We have probably all heard of or know constituents or have seen on current affairs programs consumers who have bought new cars with so many defects that they keep taking them back to the dealers insisting that they be replaced. All too frequently the dealers or the car manufacturers seem very reluctant to replace the vehicles. This is a source of great stress and concern for many constituents. The Opposition also welcomes provisions in the bill to use the newly established Consumer, Trader and Tenancy Tribunal to hear disputes about so-called lemons.

The bill also widens the scope under which consumers can claim against the Motor Dealers Compensation Fund. When consumers are significantly out of pocket they need some reassurance that they can take the matter to a third party, an independent body, and that some funding will be available from the industry itself to make necessary reparation. Also part of the reforms in this legislation are requirements that vehicles have disclosure notices attached to them if they have been affected by floodwater. During the recent flooding in Kempsey I was aware of a number of dealerships as well as private vehicles that were certainly inundated with floodwater and the mud that comes with it. While one can clean up vehicles, all too often there are long-term problems with the electronics, and most modern vehicles have sophisticated electronic and computer systems in their engines. Consumers will be protected by the requirement in the legislation for dealers to put notices on vehicles affected by floodwater.

Similarly, where vehicles have been written off by insurance companies after having been involved in an accident but are able to be repaired to the degree necessary to be sold by a dealer disclosure notices are required. That will give consumers an indication of the history of the vehicles. I would certainly like to have both eyes open if the vehicle I was interested in had at some stage been written off. The vehicle may have sustained substantial substructure damage. To improve the administration of the motor trades industry by the Department of Fair Trading and other relevant bodies there is a proposal for the reduction of red tape, particularly in the updating and simplifying of categories of licences for motor dealers and repairers.

Previously two sets of regulations existed for repairers of vehicles and dealers or sellers of vehicles. At times these conflicted, and dealers can also be repairers, so there will now be one set of regulations. This will be welcomed by the industry. The agency overseeing this area, the Motor Vehicle Repair Industry Council, will be replaced by a new authority, the Motor Vehicle Repair Industry Authority, which will undertake the day-to-day administration of the industry. Car theft and rebirthing of motor vehicles is certainly an issue in this State. These crimes are costing the State, consumers and the insurance industry a very substantial amount of money, so any legislative strategy in this regard will be appreciated.

The bill introduces new provisions that will prevent persons who have been convicted of an offence of car theft or rebirthing from holding a motor dealer's or repairer's licence for 10 years. It requires dealers, repairers and employees to inform police of suspected stolen vehicles, an offence that will attract a fine of up to \$5,500. It increases the maximum penalty for unlicensed dealing and repairing to \$110,000. It stipulates that individuals who sell more than four vehicles in a 12-month period will be regarded as unlicensed dealers. It also makes it an offence to fit a device that affects odometer readings—I cannot recall the industry terminology for this dishonest and unfair practice. Such an offence will attract a fine of \$11,000. In the 12 months to September

this year the Department of Fair Trading has received 9,200 complaints about the sale and repair of motor vehicles. These reforms will redress a significant cause of complaint and concern for the citizens of New South Wales.

The bill will certainly benefit consumers. It will also benefit reputable dealers who, unfortunately, have had to compete with dealers who have been described as shonks and various other things. Reputable dealers will welcome the reduction in red tape. I understand the Motor Traders Association, the Motor Traders Advisory Council and the Motor Vehicle Repair Industry Council assisted in the compilation of this fairly comprehensive set of legislative reforms. The Opposition will not oppose the bill, but we wish to put a number of concerns on the record. The bill will transfer the cost of running the Motor Dealers Compensation Fund from the department to the fund. Some circles may regard that as the Government moving costs away from itself and out of its budget and pushing them onto consumers. If running costs are met out of the fund, less money will be available to compensate consumers.

The legislation provides fairly wide-ranging powers to authorised officers—police and Fair Trading officers—to place holding orders of 14 days on cars, parts, accessories, tools, cash, et cetera and to seek extension to such holding orders of 28 days simply on suspicion. Authorised officers are also empowered to impose penalty notices on unlicensed dealers and repairers, which are, effectively, on-the-spot fines. Many small businesses would have neither the time nor the money to defend such notices. Sections of the motor trades industry are uneasy with those powers. The bill will impose fairly onerous record-keeping provisions on motor dealers and repairers. Although we understand the need to compile information and track down cars, and pieces of cars, the requirement places an additional burden particularly on smaller businesses in the motor trades industry.

Some sections of the industry seek clarification about exemptions for persons acquiring a car under private lease or hire purchase arrangements when there is some business use of the vehicle. Perhaps consideration should be given to an exemption to the cooling-off period in such circumstances. The exemption for auction sales also requires some clarification and examination. Most motor vehicle auction centres provide finance facilities. Previously, applicants for motor dealer's licences were required to have 12 months experience within the industry in either retailing or repairing motor vehicles. The legislation effectively removes that requirement. However, further consideration should be given to maintaining that requirement to ensure the high standard of motor dealing that everyone would like to see in New South Wales. The Opposition reserves the right to move amendments, but it does not oppose the bill.

Mr LYNCH (Liverpool) [11.46 a.m.]: I support the Motor Trade Legislation Amendment Bill. I have received representations from diametrically opposed perspectives on item [39] of schedule 1 to the bill, which seeks to insert sections 29CA, 29CB, 29CC and 29CD into the Motor Dealers Act. These sections aim to introduce a one-day cooling-off period for vehicles purchased on what is called "linked credit", credit that is linked to the dealer who sells the motor vehicle. As the Minister made clear in his second reading speech, the legislation has been the subject of exhaustive consultation. Obviously, consultation included the discussion of proposals different from those included in the legislation.

One motor dealer with whom I discussed the legislation several months ago was most concerned about the proposal described to him, which involved a cooling-off period of three days and the possibility of the purchaser taking the car at point of purchase prior to the commencement of the cooling-off period. It seemed quite feasible to the motor dealer that purchasers may take the new car for three days, perform various atrocities on it and return it three days later in a much diminished condition. That concern would seem to be by no means fanciful. One of his other concerns was that a prospective purchaser could purchase a car from a dealer, then, with the benefit of the cooling-off period, ask a second dealer whether he would better the price offered by the first dealer. The dealer to whom I spoke was concerned that that would be a way of bidding down the value of cars. Additionally, the dealer was also concerned that an added administrative burden might be imposed on purchasers.

The other side of the argument was also put fairly forcefully to me by people who were concerned about protection that might or might not be available to prospective purchasers. Some people, generally those who have not previously owned a car, will sometimes far too readily and far too easily succumb to the attractiveness of the advertised virtue of a particular vehicle. That is particularly a problem when the prospective purchaser is unable to afford a car, and borrows money provided through the vendor, who may have some incentive to present the car in the best possible light and present the ease of obtaining credit to purchase the car. Material is available to support both those eminently reasonable and sensible diametrically opposed views.

The legislation, which I am happy to support, achieves a reasonable and responsible compromise of those two views. The legislation certainly imposes a cooling-off period. However, it is restricted to a car purchased when the buyer is financed by credit from the vendor or by a linked credit provider, although not if the dealer does not facilitate the provision of credit. There are also some explicit exclusions. The cooling-off period does not apply to sales to trade owners, sales by auction or sales of commercial vehicles.

Critically, the purchaser is not entitled to possession of the vehicle during the cooling-off period. Of course, the vendor can allow the purchaser to have the vehicle during the cooling-off period, but that is not the purchaser's right; in a sense it is merely an indulgence to which the vendor voluntarily agrees. As a concomitant of this arrangement, the legislation prohibits the vendor from disposing of any vehicle traded in during the cooling-off period. If the vendor has agreed to allow the purchaser to take the vehicle prior to the conclusion of the cooling-off period and the contract is terminated within the cooling-off period, the proposed legislation provides that the purchaser is liable to the dealer for any damage to the vehicle while it was in the purchaser's possession.

If the contract is terminated, the purchaser must nonetheless pay to the vendor \$250 or 2 per cent of the purchase price, whichever is the lesser amount. Bearing in mind some of the heat that was generated and some of the representations made to me about this issue, it is worth noting that a review of these provisions will be conducted within one year of the commencement of the Act. On balance, what the proposed legislation does in relation to this aspect is to focus specifically on the precise social evil that it is designed to prohibit. Because the legislation is so specifically targeted, it has a real chance of achieving that objective. It also minimises the chances of having additional collateral problems associated with it. The social evil the legislation is aimed at concerns people who are perhaps not experienced in buying a car or who traditionally tend to be young males interested in getting a great car. They buy a car, then go back and talk to their parents, who ask them, "What did you buy?", "How much did you spend?", and "Have you completely lost leave of your senses?"

If the legislation is aimed at catching that sort of situation, then it does do that. Because the legislation is specifically targeted at those cases in which the motor trader is also providing the credit to buy the car, then it is also specifically targeting those situations in which people might get into financial difficulties which, on more mature and clever consideration, they might try to avoid. Likewise, because the vehicle cannot be taken away unless the vendor agrees, then the other concerns expressed to me are being dealt with. As I said, on balance the legislation probably is a reasonably good compromise of those contending positions and on that basis is probably useful legislation.

Mr ASHTON (East Hills) [11.51 a.m.]: I support the Motor Trade Legislation Amendment Bill. I congratulate the Minister and the Government on the lengthy legislation it has brought before the House. I commented to the Minister that this is one of the longest second reading speeches I have seen, because it covers so much. I thank the Opposition for indicating that it will not be opposing the bill in any fashion, although it reserves the right to consider amendments later. Honourable members know that, after buying a house, a car is a very big purchase. Whether it be a first car purchase—the first car I purchased was a very old 1964 Volkswagen—or the purchase of a more modern car, there are still problems with car dealers in terms of ownership of the vehicle, a cooling-off period and what people are told by car salesmen.

The Minister recognises that there is an incentive for car dealers to sell cars, because their profits and commission are based on how many cars they can move. The overview of the bill contains three main elements to completely improve the motor trade legislation. The first element is to tighten up the law to prevent crime. Australia has one of the worst records in the world, if not the worst record, for car theft. That is not because the police are not doing their job. It is not even because the laws are not doing the job in some ways. It is simply that Australia is such a big country that people can steal a car and disappear with it into the outback or the unknown.

Cars that have been rebirthed are not only those cars that have a new vehicle identification number and new number plates. They can be cars that have been chopped apart and rebuilt. No-one knows whether a car has been rebirthed, and rebirthed cars can be death traps on the road. Anything that tightens the legislation to ensure that purchasers get the vehicle they think they are buying must be supported. I worked with the honourable member for Georges River, the Minister and others on the draft Motor Trade Legislation Amendment Bill that was distributed to the public and interested groups, including motor vehicle dealers, the Motor Traders Association, consumer groups, and ordinary members of Parliament who have had experience in purchasing a car.

I have already referred to my first car purchase. There are always issues involved in purchasing a car. I think for most of us our dad went with us, kicked the tyres and had a look to see that the car had an engine in the

back if it was a Volkswagen, or an engine in the front if it was another car. We took a risk. Many years ago there was no guarantee on the vehicle. There was no time in which to get an NRMA inspection which might have provided some guarantee. Such measures have been introduced, to be fair, by governments of different political persuasions over the years.

The honourable member for Oxley made the point that people can buy a brand-new car and find that there are problems with it even before they have driven it out of the showroom. One's natural inclination is to say, "Give me another new one," but often the answer is, "No, we will repair the one you bought." That creates difficulties. It lowers confidence in the car manufacturing industry and in motor vehicle dealers, especially in Australia. Victoria and South Australia are struggling to maintain car manufacture as a viable industry. Anything we can do through legislation to make it more obvious to people that what they buy is pretty much what they get must be supported.

Honourable members have referred to the cooling-off period. We considered that matter carefully. As the honourable member for Liverpool said, there was some debate about whether the cooling-off period should be three days and whether the purchaser could take the car home during that period. In such cases, people might drive around in the vehicle and find that they do not like it much, especially if they have accidentally driven the vehicle into a pole or their driving has caused a problem. I can understand a motor vehicle dealer not being happy when a person turns up with a car and says, "Look, I just did a couple of thousand kilometres in a rally in Western Australia but I'd like my money back." Equally, we must ensure that prospective purchasers know that there is a cooling-off period of a day in which to consider whether they really want the vehicle and whether they can afford it. The purchaser can take the vehicle home during the cooling-off period only with the express permission of the vendor.

Not only does that protect the vendor, knowing that the vehicle will be looked after, it also protects purchasers who may have overcommitted themselves, especially when credit is involved, and who later find that they cannot keep up the repayments. The legislation provides for motor vehicle dealers to be licensed more strictly. For example, motor vehicle dealers with a previous record for car theft, stealing car parts, or receiving stolen motor vehicles or motor parts will be barred from being licensed as a motor vehicle dealer. Honourable members should remember that people can easily put up a sign saying "licensed dealer" and just leave it there. Unless that is brought to the attention of Fair Trading staff, those people will be able to continue selling motor vehicles.

I do not want to pre-empt what the Minister may say in reply, but I understand that he referred to the recent proliferation of people selling vehicles on the side of the road or on footpaths and the like. Some of those people are genuinely selling their vehicle. They may put an advertisement in the *Sydney Morning Herald* stating that their Toyota Tarago is for sale, and it is a one-off thing: it is probably fair dinkum. But when there are seven or eight vehicles in a row a dealer may have decided to sell off the lot. In such cases the vehicles are not covered by the legislation. We may look at that matter when the legislation is reviewed.

I congratulate the Minister on building into the bill a review of various aspects of it. After the draft was distributed people approached me—I know that many members of Parliament were approached about this matter—asking who would manage the repair industry council and motor traders. Unions were also involved. Legislation relating to a big industry such as the sale and purchase of motor vehicles must be reviewed. I doubt that this bill will be the last of its kind introduced to cover the motor trade. The evidence is that, despite attempts to tighten laws and regulations and build-in consumer protection, invariably some people will try to get around them. Each time legislation designed to correct some of the anomalies and discrepancies in the motor vehicle repair and sales industry is introduced, disreputable people will try to find a way to get around it. I congratulate the Government and the Minister on having produced the Motor Trade Legislation Amendment Bill. It will provide more certainty for consumers and for vendors of motor vehicles.

The law relating to insurance has also been improved dramatically to cover vehicle repairs, and further amendments to the Administrative Decisions Tribunal will mean that it is no longer necessary for local courts to determine some of these issues. I believe that is also a very worthwhile aspect of the bill. I have no doubt that once the effect of this legislation becomes more widely known in the public arena consumers will congratulate the Government and realise that we parliamentarians are attempting in a bipartisan way to do something to protect vendors and purchasers of motor vehicles they may use for up to 20 years—or in the case of my Volkswagen, 30-odd years. I commend the bill to the House.

Miss BURTON (Kogarah) [12.01 p.m.]: I support the Motor Trade Legislation Amendment Bill, the objects of which are to amend the Motor Dealers Act 1974 and the Motor Vehicle Repairs Act 1980 for the

following purposes: to enable motor dealers' licences to relate to more than one place of business and to make consequential amendments, including changes to requirements to keep registers; to remove restrictions on the places at which display days may be conducted by motor dealers; to provide for a cooling-off period for certain credit purchases of motor vehicles; to clarify amounts that must be paid into trust accounts by motor dealers who sell motor vehicles on consignment; to provide for the costs of administering the Motor Dealers Compensation Fund to be paid from the fund; and to allow certain claims to be made from the fund.

The bill will impose obligations and duties on police officers, officers of the Roads and Traffic Authority, holders of licences and other persons with respect to the provision of information and goods that may have been stolen or otherwise unlawfully obtained, and make other amendments relating to law enforcement. It will abolish the Motor Vehicle Repair Industry Council and replace it with the Motor Vehicle Repair Industry Authority and the Council of the Authority. It will remove definitions of repair work categories for the purpose of repairer licence categories and provide instead for the regulations to prescribe the categories of repair work. The bill will also make aspects of the licensing scheme for motor vehicle repairers consistent with the licensing scheme for motor dealers.

In addition, the bill will make the disciplinary provisions applicable to motor vehicle repairers consistent with those applicable to motor dealers, and bar persons convicted of certain offences relating to stolen motor vehicles or motor vehicle parts from being eligible to hold licences as motor dealers or motor vehicle repairers. In relation to motor vehicle repairers, the bill will provide for a system of undertakings in relation to unjust conduct as well as the making of orders to restrain unjust conduct, and raise the total amount that may be paid from the Motor Vehicle Repair Industry Contingency Fund for a claim. It will enable penalty notices to be issued under the Motor Vehicle Repairs Act 1980, increase penalties for certain offences and make other amendments.

The proposed Act will also enable penalty notices to be issued under the Registration of Interests in Goods Act 1986, make consequential amendments to other Acts, and enact provisions of a savings and transitional nature. I thank the Minister, the Motor Industry Repair Council and the Motor Trades Advisory Council for their support of my local motor dealers. Sometime ago I was approached by motor dealers in my electorate in relation to the sorts of issues that are addressed in this bill. A number of the proposals put forward in submissions from those motor dealers were accepted and subsequently adopted by the Government. In particular I thank Mr John Summergreene, a fair dinkum motor trader, who has put in hours and hours of work to assist the Government in drafting these amendments.

The proposals in the bill fall into three categories: crime prevention, consumer protection, and improving administration and removing red tape. The consumer protection aspect is important in my local area where a lot of young people are about to buy their first car. On occasion, due to high-pressure tactics, some consumers—particularly inexperienced first-car buyers—may choose the wrong car or overcommit themselves financially. They may not have time to read and understand a contract. In the 12 months to April this year the Department of Fair Trading received 3,500 consumer complaints about car sales. Of those complaints, 179 related to deceptive conduct, 52 to failure to provide documents and 109 to warranty misrepresentations. The bill makes provision for a 24-hour cooling-off period to address these problems.

Consumers will be able to cancel the purchase of a new or used car bought on credit provided by the dealer, or from a credit provider linked to the dealer. Following a model adopted in Victoria, the cooling-off period may be waived by purchasers if they sign a form devised and monitored by Fair Trading. Cooling-off periods put the buyer and seller on a more equal footing. I agree with the Minister's comment that important decisions should not be reached in a car lot, but should be made without time pressures, and with family and friends. I am also pleased that Fair Trading will review the success of cooling-off periods after 12 months.

Another aspect of the legislation relates to disclosure of floodwater damage and write-offs. Dealers will now have to disclose whether the vehicles they are selling have been damaged by floodwater or have previously been written off. Water-damaged vehicles may not have any obvious damage, but the life of the vehicle can be shortened. Similarly, written-off vehicles can be repaired to roadworthy standard and sold to consumers without consumers being made aware of their history. A disclosure notice will be attached to vehicles and dealers who make false declarations and can be prosecuted under the Fair Trading Act.

Turning to the new "lemon" law and Motor Dealers Compensation Fund, honourable members know that "lemons" are faulty new cars that have to be returned so often for repairs that buyers demand a replacement vehicle. The Consumer Trader and Tenancy Tribunal [CTTT], which will begin operations early next year, will

be able to hear disputes about cars of any value. Currently, consumer tribunals are limited to cars with a value of up to \$25,000. That limit excludes most new family vehicles. In another reform, consumers will be able to make claims against the Motor Dealers Compensation Fund, including claims for breach of contract. I draw the attention of the House to the crime prevention measures.

This amending bill will prohibit persons who have been convicted of certain motor vehicle offences from holding a dealer's or repairer's licence for 10 years from the date of conviction; require dealers, repairers and employees to inform police and other authorities when they suspect that vehicles, or parts in their custody, have been stolen—failure to do so will be punishable by a \$5,500 fine; increase the maximum penalty for unlicensed dealing and repair work to \$110,000 to stamp out backyard operators; establish a presumption that a person who sells more than four vehicles in a 12-month period is an unlicensed dealer; and establish the offence of fitting a device, which is capable of rendering an odometer inaccurate or inoperative, for which a penalty of \$11,000 will apply.

The consequential reduction of red tape associated with this bill will be of assistance to legitimate motor dealers who carry on a legitimate business but who are being constantly undermined by disreputable dealers. The bill abolishes the current Motor Vehicle Repair Industry Council and replaces it with a new, modern, more accountable authority. It also increases consistency in the laws covering dealers and repairers to avoid businesses suffering from double regulation, and updates and simplifies licensing categories. I express my appreciation of the efforts of the Minister and the councils that were involved in the preparation of this great legislation, which will go a long way toward protecting legitimate motor dealers, cutting red tape and protecting unsuspecting consumers. I commend the bill to the House.

Mr GREENE (Georges River) [12.11 p.m.]: It is with great pleasure that I support the introduction of the Motor Trade Legislation Amendment Bill. It is pleasing to note that in the preparation of this bill a draft version was circulated as part of an extensive consultation program. A considerable number of organisations and individuals contributed their comments to the exposure bill, thereby participating in formulation of the bill that is before the House today. A number of motor dealers approached me in relation to this bill, and I note that other honourable members who preceded me in this debate have referred to similar experiences. I also took the opportunity of speaking with a motor dealer whom I know to be not only reputable but also extremely genuine and asked his opinion of the legislation.

Representatives from the Erin Motor Company at Rockdale confirmed that consultation had been extensive and, most importantly, expressed their belief that the amending provisions brought forward by the Minister will not only be effective but also will serve the Ministers' stated purpose of reinforcing the credibility of the motor trade industry. My dealings with representatives of the Erin Motor Company have indicated to me that they are outstanding local dealers, which is why I took the time to consult them. As the Minister has said, it is important to discuss proposals for legislation with people who work at the coalface, and while doing so I took the opportunity to discuss some of the issues that have been raised and confirm that this proposed legislation will have a great impact on, and bring great benefit to, the motor trade industry.

All honourable members in this House would agree that it is important for disreputable dealers to be removed from the motor trade industry. Anything that this Government or any other government can do to ensure the removal from the industry of people who engage in disreputable practices should be done. Instead of dealing with all of the aspects of the bill in detail I will focus on a couple of important ones. This legislation deals with the problem of the rebirthing of motor vehicles, which has been causing difficulties for the motor trade industry. Even reputable dealers must be vigilant in ensuring that vehicles they intend to sell are subject to free title.

As recently as Monday I was contacted by a constituent who had accompanied his son to purchase a vehicle. It eventuated that the vehicle had been rebirthed but because my constituent and his son were dealing with a legitimate motor dealer, the money was refunded. That example just goes to show the need for dealers to be vigilant and diligent in examining all aspects of vehicles before the vehicles are resold. This bill examines all the prerequisites and conditions pertaining to licensing and provides penalties for people who sell or repair vehicles while unlicensed. I am pleased to note that the fine for the unlicensed sale of motor vehicles has been increased to a maximum of \$110,000, which reflects the desire of the Government and the Minister to remove shonky dealers from the motor trade industry.

Motor traders are very pleased that people who sell more than four vehicles in a year will need to be licensed. I agree with motor dealers who say that is a fair requirement because I see no reason why anyone

would need to sell four vehicles privately in a year. The bill addresses the very important issue of unlicensed motor traders and also provides significantly increased powers for enforcement. Because the Minister eloquently addressed enforcement issues, I will not reiterate those points. Suffice it to say that it is pleasing that the bill provides for strengthening of enforcement powers as well as for increased co-operation among police, the Roads and Traffic Authority [RTA], consumer organisations and interstate regulatory bodies. Those measures will go a long way toward improving the whole law enforcement system as it relates to the motor vehicle industry.

The bill also provides for a cooling-off period which has been the subject of much discussion during this debate. The sale of motor vehicles that are linked to the provision of finance on credit by a motor dealer will be the subject of a one-day cooling-off period during which the purchaser may go home and think about the purchase that has been made on credit. The Minister has recognised that during the cooling-off period the purchaser will not take possession of the vehicle and the motor traders are very pleased about the inclusion of that provision in the bill. A number of honourable members who preceded me in this debate commented that young people and others who are undertaking a significant purchase may be pressured to sign up for a deal which results from the circumstances of being on a dealer's premises and negotiating what seems to be a great deal as well as the pressure of the moment, but which, in the clear light of day, may overly extend the purchaser's financial resources.

The one-day cooling-off period is a significant benefit for consumers. I am pleased that the provision has been included in the legislation with the concurrence of motor dealers. I conclude my remarks with the observation that this bill brings into existence improvements in the operation of the motor trade industry. The formulation of the bill is the result of an extended consultation process. This amending bill has been brought forward with the concurrence of major trade dealers and represents great improvements to the motor trade industry as a whole. I congratulate the Minister and his staff on the work that has been done in bringing forward this proposed legislation. I commend the bill to the House.

Mr OAKESHOTT (Port Macquarie) [12.20 p.m.]: Like other speakers, I do not oppose the bill. I have consulted my constituents on the bill, in particular local car dealers Bob Todd, John Patrick, Andrew Miedecke, Warren Plowright and John McGuigan. They have all said that the bill is okay. There has been a consultation process but there is concern on the ground that in the replacement of the Motor Vehicle Repair Industry Council by the Motor Vehicle Repair Industry Authority people with a great deal of industry knowledge could be replaced by bureaucrats. I ask that the Minister deal with this genuine concern in his reply so that I can advise my constituents.

Like the honourable member for Georges River, I believe this is a difficult area to manage. Disreputable dealers should be removed from the industry. Even good dealers have to make exhaustive checks to ensure that they do not sell rebirthed cars. I am indifferent on the issue of cooling-off periods in general. The principle of buyer beware should be emphasised to consumers. All people buying products, including cars, should realise that the purchase is their responsibility. Cooling-off periods do not necessarily overcome consumer disputes and may create more problems. However, I do not oppose the bill. I would be happy to take advice from the Minister in relation to concerns about the membership of the Motor Vehicle Repair Industry Authority.

Mr WATKINS (Ryde—Minister for Fair Trading, Minister for Corrective Services, and Minister for Sport and Recreation) [12.22 p.m.], in reply: I thank the Opposition for its support of the bill. I hope that the document I have provided to the honourable member for Port Macquarie answers the direct question he raised. I thank caucus committee members for their valuable input. The honourable member for Georges River and the honourable member for East Hills are members of the caucus committee and, with the honourable member for Rockdale, they provided practical input. The bill has been changed because of their on-the-ground knowledge of the issues that we have sought to address. I also thank the industry for its co-operation in the reform process.

The bill follows a major review of the legislation covering the motor industry in this State. We have sought greater consumer protection, crime reduction measures and administrative and regulatory improvements for the industry. I think that we have achieved real benefits in those three areas. I also thank the Department of Fair Trading, which for a number of years has worked very hard on this reform. Last time I spoke on the bill I noted the names of some of the officers of the department. Mr Terry Lyall has done outstanding work. Indeed, he is an outstanding public servant and an outstanding citizen of the great State of New South Wales. I commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

**NATIONAL PARKS AND WILDLIFE AMENDMENT
(TRANSFER OF SPECIAL AREAS) BILL**

Second Reading

Debate resumed from 26 October.

Ms SEATON (Southern Highlands) [12.24 p.m.]: I speak on behalf of the Opposition on the National Parks and Wildlife Amendment (Transfer of Special Areas) Bill. The Opposition will not oppose the bill but we have significant concerns about its handling. It has become evident in my discussions with local organisations affected by the proposed provisions that there has been a lack of consultation and detail in some of the briefing material. This has made it difficult to answer questions of importance asked by local organisations affected by the bill. The Opposition acknowledges that the McClellan inquiry was an important step forward in coming to grips with the Sydney water crisis, the giardia and cryptosporidium scare—one of the great shames of the Carr Government. It virtually brought the city of Sydney to a standstill in many areas because businesses simply could not function. They could not do what they needed to do because they could not trust the quality of Sydney water. The McClellan inquiry was a very necessary step to clean up the problem, to achieve decent standards and to get proper monitoring and management back into the system.

The bill results from a recommendation of the McClellan inquiry—the Opposition supports the recommendations in principle—that there be changes to catchment management. The electorates of Southern Highlands, Burrinjuck, Monaro and Camden are affected by the new areas of responsibility of the Sydney Catchment Authority. The Opposition supported the creation of the authority. Because of our concerns, particularly in the area of landowner representation on the authority, we proposed amendments to the bill establishing the authority, which were accepted. The bill will enable money to be paid into and out of the National Parks and Wildlife Fund in connection with the implementation of plans of management adopted under the Sydney Water Management Catchment Act 1998. It also enables the Minister for the Environment to grant leases and licences, easements and rights of way over lands reserved or dedicated under that Act. It also amends the Sydney Water Catchment Management Act to enable the Director-General of the National Parks and Wildlife Service to implement plans of management adopted under the Act for special areas and to engage contractors, including government agencies, to assist in their implementation.

I requested maps of lands covered by the bill. I thank Ted Plummer from the Minister's office for his perseverance, but it has been very difficult to get decent and detailed plans of all the special areas and the lands around the special areas covering such matters as access roads, council boundaries and the location of private land. It is necessary to understand and be aware of these matters in assessing the relative merits of the bill. There are inconsistencies in the three sets of plans that I have been given. An original set of plans showed where local government areas are within the special areas. I will come back to that important point in a moment. However, the most recent set of plans that I have been given, for some inexplicable reason, does not show local government areas and gives no explanation of what or where they are. This inconsistency in the maps may lead to confusion and to decisions being taken without access to full information.

It has been confusing and difficult to seriously consider this bill on its merits and to try to understand what it will create and what its effect will be. The maps are, to say the least, confusing and inadequate. I would hate to give them to bushwalkers in the hope that they could get in and out of these areas with any degree of safety. It is acknowledged that the operational envelope that will govern the management of this land is still to be determined. That adds another degree of difficulty to an assessment of the benefits or otherwise of the bill. We do not yet know which of the land that was formerly either Crown land or Sydney Water land, which is now under the management of the Sydney Catchment Authority, will ultimately be transferred to the national park estate and which of the land will remain under the management of the Sydney Catchment Authority.

It is understood that the land that has significant infrastructure such as dams or treatment plants will remain in the Sydney Catchment Authority envelope. Other land with minor infrastructure such as monitoring points may well be transferred to the national park estate. Land within the Warragamba, Blue Mountains, Katoomba, Blackheath, Woodford, O'Hares Creek and part of the Shoalhaven special areas should come under the control of the National Parks and Wildlife Act consistent with the recommendations in the McClellan report on regulation and management for the catchment. If the land is properly managed there will be significant benefits for the national park estate, as it is proposed to add 40,000 to the Kanangra Boyd and Blue Mountains national parks by mid-2002. Those spectacular parks are extremely important to the conservation of biodiversity—I repeat, so long as they are properly managed. That is a matter of concern to the Opposition in relation to this bill.

The bill provides also for the transfer of \$2.73 million per annum, as authorised by the Sydney Water Catchment Management Amendment Bill, from the Sydney Catchment Authority to the National Parks and Wildlife Service [NPWS] for the management of these new special areas. An important and emerging problem that the NPWS will have to better deal with is the control of feral animals and noxious weeds. As I understand it, the national park estate is to be increased by 15 per cent and the NPWS is struggling to scratch the surface on feral animal control. If we are serious about bringing native animals back from the brink, particularly marsupials in our national parks—one of the last areas where we can expect to have any significant impact on saving Australian wildlife—we must make sure that the resources are available to be transferred to the NPWS so it can do that job properly.

I am concerned when I see pictures from some of the most remote parts of the Kanangra Boyd and Blue Mountains national parks of domestic dogs and feral pigs. We all know about the impact that goats and other escaped grazing animals have had on national parks, let alone cats and foxes. The Minister needs to get serious about this. I genuinely believe that we are the last generation that has the capacity to make a difference when it comes to saving Australian wildlife. If we are to do it properly we must make sure that we target our efforts to control feral animals. Some time ago a special areas strategic plan of management of the catchment was prepared. Although the plan is a reasonable start, I am concerned that it is slim on detail. The report notes that in the Warragamba area the priority issues are pest and weed management. The report states:

Many introduced animal (pest) species occurred across the Special Area. Stray cattle, wild horses, feral goats and pigs, wild dogs, cats, foxes, deer and rabbits have a considerable negative impact on the Special Area.

Similarly, there are areas of weed infestation within the Special Area ... radiata pine, blackberry, prickly pear, serrated tussock ...

The honourable member for Burrinjuck and I know that serrated tussock is a blight on our landscape. I have travelled, as I am sure that she has, with the President of Mulwaree Shire Council to the Wombeyan Caves and the Guineacore Creek where there are blankets of serrated tussock.

Ms Hodgkinson: And Paterson's curse.

Ms SEATON: The honourable member for Burrinjuck mentions Paterson's curse. That is another major problem. Once national parks, particularly hard-to-access areas such as hillsides and escarpments, are infested, they are infested for ever. The infestations smother native vegetation, and it is almost impossible to get rid of them. Any strategic plan to deal with noxious weeds and feral animals must include a prevention strategy. We cannot rely on cleaning up the after the event; we must do whatever we can to prevent the infestations in the first place. One concern I have about the plan of management is that although it identifies all of the problems that we know about, including issues such as barberry at Yerranderie, there is still little detail relating to management and absolutely nothing about how the \$2.73 million per annum will be used. There is no detail about how and where the money will be expended; there is no detail about the deployment of officers to those areas and what their responsibilities and activities will be. That is what disappoints the Opposition about the bill and associated briefing material. I would like to have breakdowns of spending and the staffing, as well as specifics about how the money will be spent to address identified priority needs.

The Opposition is also concerned about the effect of the bill on access not only to places like Yerranderie but to privately owned land. I reiterate that the maps I have been given seem to have changed midstream. In the original map dated 17 October areas were identified as local government areas. I am not clear whether that meant areas subject to local government approval processes or whether it meant private land. The Minister may care to advise me about that. The map dated 5 November does not mention local government areas. It details Sydney Catchment Authority freehold and Crown land, it has an outline of the special area, but somehow or other the reference to local government areas has disappeared. The Opposition is concerned about whether existing access arrangements will be preserved. I make the point that not all existing access arrangements are satisfactory to those who need them. It is possible that the bill makes permanent access arrangements that may need review and improvement.

While researching the bill last week, I rang organisations including the Yerranderie Management Committee. I rang the President of the Mulwaree Shire Council, Paul Stephenson; that was the first time that he had heard of the bill. I rang Shoalhaven Shire Council. I rang the General Manager of the Wingecarribee Shire Council; he had never heard of the bill. I rang the General Manager of the Wollondilly Shire Council, and he had never heard of the bill. At that point I became concerned and put together a package of information that I sent to all local members whose electorates are in the area for which the Sydney Catchment Authority has responsibility, as well as local government people.

When I expressed my concern to the Minister's office that local government had not been consulted at all about the bill, the Minister's office was of the view that it was never considered that local government would be consulted, there being no reason to do so as local government was irrelevant to the process. I have grave concerns about the attitude of the Minister. I would have thought it would have been part of the normal process—a matter of courtesy, if nothing else—for the Minister's office to inform local government authorities in the region about the introduction of the bill. If a positive working relationship is to be developed between the Sydney Catchment Authority, the NPWS, local government and community organisations, a simple memo could have been sent to those organisations advising them about the introduction of the bill, and inviting comment and discussion in relation to it. Local government organisations and local community groups have raised a number of concerns about the bill. First, if any of the land depicted in the map of 17 October to which I have referred is in fact owned by local government, I would have thought that was a good reason for the Minister's office to get in touch with local government—

Mr Debus: It is not. I assure you it is not.

Ms SEATON: The Minister says it is not. The map provided by his office refers to "local government areas". If that means private land, my concerns remain, but for a different reason.

Mr Debus: That is not private land either. All the land is already under the ownership of the SCA. It is quite clear cut.

Ms SEATON: In that case it would be useful if the map reflected that fact.

Mr Debus: It does.

Ms SEATON: It does not. Our concerns also include the continuing arrangements for the Yerranderie Management Committee. I would have liked to have an opportunity to meet with that committee to discuss the bill. I have been in touch with Wollondilly Shire Councillor Phil Costa, who is actively involved with the Yerranderie Management Committee, but I would have appreciated the opportunity to hear from those who lived at Yerranderie as children about their ancestors. I acknowledge that the Minister's briefing material informs me that all existing access arrangements will be maintained and that access arrangements for the Yerranderie Management Committee will not be affected. However, I am aware that the management committee and those in local tourism who conduct tours and have an interest in taking visitors to the Yerranderie area have expressed concerns about the legislation. They have not had a chance to properly consider the bill and comment upon it, which is a great shame.

Such a lack of consultation does nothing to improve the confidence of local people in the co-operative management of these areas. It is extremely important to have the co-operation of the community in the management process. Indeed, I would have thought that would have been an objective of the Minister in seeking to maintain a positive and proactive approach. Concerns have also been expressed about who bears responsibility for the maintenance of some of the access roads, a matter that the honourable member for Burrinjuck will probably also address. I am interested to know what some of the fire management arrangements might be. If councils have not been consulted on this bill, I would like guarantees from the Minister about where those responsibilities lie and how the Minister intends to liaise with local government organisations and the Rural Fire Service on those issues.

The process behind the introduction of this bill highlights the arrogance of the Government and the distance between local organisations and the Government. All of us who followed the Government's disgraceful abolition of the Hawkesbury-Nepean Catchment Management Trust some months ago became fearful about the Government's future treatment of local organisations. It seems that the Government does not value the goodwill and enthusiasm of local organisations in assisting to manage the catchment and make environmental improvements. I am sure the honourable member for Burrinjuck and the honourable member for Monaro will join me in saying that many people in our areas, including farmers, urban people and retirees, now have the opportunity and time to become involved in environmental projects; they are enthusiastic about bushwalking and activities such as the Great River Walk. There is a huge depth of community goodwill to be tapped in positive and co-operative management of environmental improvements.

The fact that the Minister does not believe local government is relevant to the process or that organisations such as the Yerranderie Management Committee deserve an opportunity to at least consider the bill may cause other community organisations to become concerned about what the Government thinks of them

and how they will be treated. The treatment of this bill is also a symptom of the recent unexplained departure of the Chief Executive Officer of the Sydney Catchment Authority. Only 14 or 15 months ago, he was apparently performing so well in the job that he was awarded a performance bonus as a State Emergency Services officer. Then we read in the *Government Gazette* that he no longer holds that position. There has been no explanation about that. At the moment the Sydney Catchment Authority is somewhat in limbo. At a time when we need stability and the appointment of a person with a depth of corporate knowledge who has had the time to meet the relevant groups to gain an understanding of their local sensitivities, the occupant of the position is there in an acting capacity only, no new appointment having been made.

If the Minister took the time to participate in any of the meetings run by the Department of Urban Affairs and Planning [DUAP] about the regional environmental plan [REP] on Sydney's drinking water catchment, he would understand that there is a good deal of concern about the fact that a year or more since the first meetings took place there is still no definition of the terms "neutral" and "beneficial". The guidelines that were promised at the time of the original round of consultation have never materialised, and we are still awaiting a definition of the term "existing use". Definition of that term is absolutely crucial, for example, to a farmer from Robertson who produces potatoes and rotates his crop at intervals of seven to 12 years. A farmer who planted his last potato crop five years ago and who expects to plant another crop in the same area five or six years from now does not know whether he will be able to take advantage of the definition of "existing use", and he therefore faces major uncertainty in his business.

Farmers in my electorate are extremely motivated to try to make environmental improvements. In the last four or five years they have been on a huge learning curve, as we all have, about issues such as salinity, water quality and the impact of a range of land uses. There is goodwill in the community to make environmental improvements, so long as they can be achieved at a manageable rate and they have benefits and rewards. The recent unexplained departure of the Chief Executive Officer of the Sydney Catchment Authority and the failure of DUAP to produce the final print to go with the Sydney drinking water REP do not do much to improve the confidence of people in the catchment about the way the Government is handling this process. As I have said, the Opposition will not oppose the bill. I hope the Minister will address some of the concerns I have raised. If significant concerns are raised in that feedback I receive from councils during the next few days, I hope the Minister will genuinely address those concerns. This process behind the introduction of this bill has been extremely flawed and has not given the community confidence in the future management of special areas.

Mr WEST (Campbelltown) [12.49 p.m.]: Special areas are tracts of land surrounding water storages that protect our catchments, water quality, natural areas and biodiversity. Since its election in 1995 the Government has shown its commitment to the protection of drinking water quality as well as the protection of the ecological integrity of natural areas. As a result of that commitment the Minister for the Environment conducted a review into special area lands to determine whether the objectives of the Sydney Catchment Authority in relation to special areas would be more effectively attained if the lands concerned were vested in the Minister administering the National Parks and Wildlife Act.

As a result of this review the Minister determined that lands within the Warragamba, Katoomba, Blackheath, Woodford, O'Hares Creek and part of the Shoalhaven special areas are to be transferred from the Sydney Catchment Authority to the Minister administering the National Parks and Wildlife Act 1974. The transfer of those special areas and their subsequent addition into the national park estate will strengthen the protection of our catchments and will benefit the people of the greater Sydney, Blue Mountains, Illawarra and Campbelltown regions. The Government is committed to those transfers, which are consistent with the recommendations in Peter McClellan's 1998 Sydney Water inquiry report. That report recommended that the special area lands should be declared as national parks or nature reserves and that the National Parks and Wildlife Service should manage those special areas for both water quality and broader ecological considerations.

In addition to protecting our catchments and drinking water, the transfer of those special area lands and their addition into the National park estate represent a major conservation benefit to New South Wales. For example, many of the areas contain habitat for key threatened species and sites of Aboriginal and cultural heritage significance. I would like to focus on the special values of the O'Hares Creek special area. Two small parcels of land, totalling approximately 500 hectares, within the O'Hares Creek special area that are owned by the Sydney Catchment Authority will be transferred to the National Parks and Wildlife Service. Much of the land within the O'Hares Creek special area is already reserved as Dharawal Nature Reserve and Dharawal State Recreation Area and the parcels of land to be transferred are adjacent to those reserves.

A large number of flora and fauna species of conservation significance have been recorded in the O'Hares Creek special area. In particular, the area contains a highly diverse array of intact and undisturbed

vegetation communities and habitats. For example, the poorly reserved and highly significant Woronora upland swamp vegetation community is found within the area identified for transfer. There are also six known threatened flora species in the area. In addition to this, a number of threatened fauna species call this special area home. They include the glossy black cockatoo, the powerful owl, the regent honey-eater, the spotted-tailed quoll, the yellow-bellied glider, the squirrel glider, the brush-tailed rock wallaby, the giant burrowing frog and the red-crowned toadlet, to name only a few.

Mr Fraser: Can't you name any more?

Mr WEST: I could name a few more, if you would like me to do so.

Mr Fraser: Absolutely.

Mr WEST: The area has everything from huge angophoras, eucalyptus punctata, which is one of the key species for koalas that inhabit the area, numerous species of geebung, lomandra, xanthorrhoea and lambertia formosa, which is a plant found throughout the Blue Mountains as well as in the O'Hares Creek special area. The Aborigines used to take the flowers from that plant and suck out the nectar. Numerous smaller plants such as trigger plants, which flick up when insects touch them, spreading pollen on the backs of the insects and that, in turn, pollinates the area. There is isopogon, and epacris. This fantastic area has a rich diversity of flora that is matched only by its rich diversity of fauna.

Ms Hodgkinson: You are saying it is ripe for wilderness.

Mr WEST: I am saying it is a fantastic area, which should be protected under the National Parks and Wildlife Service Act. In addition, seven bird species found in this area are subject to the Japan and Australia migratory bird agreement and the China and Australia migratory bird agreement, such as Latham's snipe, the white-bellied sea eagle and the spine-tailed swift. Aborigines have occupied the O'Hares Creek special area for at least 14,000 years and the area is rich in Aboriginal heritage, with more than 300 known Aboriginal sites. I have walked extensively—

Ms Hodgkinson: Through Wombeyan Caves?

Mr WEST: I have been to Wombeyan Caves and walked through some caves there. I have walked extensively with my map and compass in hand in catchments controlled by the National Parks and Wildlife Service in the Shoalhaven, the Blue Mountains, Nattai and the O'Hares Creek area, which is now a State recreation area. I welcome this bill, which will protect those areas. The O'Hares Creek waters are amongst the clearest in the region and protect a wealth of flora and fauna, such as the tiny antechinus and golden water skinks. This is a special place that protects an important area for south and south-west Sydney. In recognition of its significant conservation values the O'Hares Creek special area has been included on the register of the National Estate. The reservation in the national park estate of the land identified for transfer within the O'Hares Creek special area will protect priority fauna habitat and poorly conserved vegetation communities. In particular, the protection of this area will improve the long-term viability of the region's rich biodiversity values.

In my opinion this is a necessary enabling bill of an administrative nature that will facilitate the funding and joint management of special area land. The legislative amendments that the bill proposes will pave the way for the transfer and addition into the national park estate of a number of special areas, including O'Hares Creek. Therefore, the fundamental result of this bill and the transfer of those special areas will be positive for protecting diversity and for expanding our system of protected areas in New South Wales. The transfer to the National Parks and Wildlife Service of that this small part of the O'Hares Creek catchment recognises the imperative to protect the water and environmental qualities of this area. This increased protection will have no impact on private land but will ensure that future generations of Campbelltown families can enjoy this special area.

Debate adjourned on motion by Ms Hodgkinson.

[Mr Deputy-Speaker left the chair at 12.56 p.m. The House resumed at 2.15 p.m.]

UNITY IN ADVERSITY GATHERING

Ministerial Statement

Mr CARR (Maroubra—Premier, Minister for the Arts, and Minister for Citizenship) [2.15 p.m.]: Sadly, for all the wrong reasons, it is being said that the twenty-first century began on 11 September. We live in the shadow of unreasoned terror. For the second time in a decade our Navy is on active duty in the Persian Gulf,

our Air Force is on full alert in the Indian Ocean and our soldiers are ready to fight in a ground conflict. At home, we are vigilant and prepared. Terror is our enemy, and so are fear, prejudice and hatred. Ours is a nation conspicuous for its diversity and generosity, an edifice of tolerance, built on the ruins of the white Australia policy. Now, more than at any time in the past 50 years, those qualities are being tested. We are a community from more than 200 nations. We speak more than 80 languages. We rightly fight for peace and justice abroad, and we must defend peace and justice at home. How unworthy would it be if we defeated intolerance in the mountains of Afghanistan, only to have it seep into our hearts and onto our streets.

That is why I will host the Unity in Adversity gathering on Thursday morning, 15 November, at Government House. Religious leaders representing Christianity, Islam, Buddhism and Judaism have been asked to address the gathering. They include Archbishop George Pell, Archbishop Peter Jensen, Sheik Taj el-Din Hilaly, Archbishop Stylianos, the most venerable Thich Phuoc Hue and Rabbi Raymond Apple. These leaders share an enormous responsibility in our community. Together we can send a powerful message. Representatives of the 94 foreign states in Sydney will also attend. An invitation, of course, is being sent to the Leader of the Opposition and the Leader of the National Party. There will be an additional welcome to the country by an Aboriginal elder. At the conclusion of the gathering, all will be asked to sign a special document. It will be an historic charter of unity and a statement of purpose: a document condemning terrorism and expressing our unshakeable commitment to a tolerant and multicultural Australia.

When our successors look back at this time they will say of those who signed and supported the document, "They stood firm against intolerance. Never did they lose sight of what it means to be Australian." This gathering and its message will resound across our community. None of us should live in fear because of our creed, religion or race. In this nation of equality and opportunity, there are no second-class citizens; there are only Australians—that is our message. Never before has there been a multidenominational, multicultural assembly of this kind convened for this purpose. I commend the Unity in Adversity gathering to the House and to the people of New South Wales.

Mrs CHIKAROVSKI (Lane Cove—Leader of the Opposition) [2.21 p.m.]: In the weeks following 11 September we have seen some very unfortunate and disturbing activities in New South Wales. We have seen the horror of attacks on our religious institutions—churches and mosques. We have seen veils ripped off women of Muslim background as they walked on our streets. We have seen and heard about attacks on other religious leaders and people identified as being members of a particular faith. That is not typical of us as a State and certainly not typical of us as a nation. We are a nation of people who come from different backgrounds, religions and cultures from all parts of this world. We have come together as a nation with great tolerance, acceptance and indeed great joy in having diverse backgrounds and working together over the years to make Australia the country that it is.

Every honourable member of this House would agree that such disturbing actions are not typical of our community. I take this opportunity to congratulate the religious leaders who have come together on a number of occasions to speak out against the intolerance displayed by a very small group of people in our community. We must remember that acts of intolerance in Australia are perpetrated by a very small, ill-informed group of people who are completely unrepresentative of the vast majority of Australians. The religious and community leaders of New South Wales have shown strong leadership in talking about tolerance, acceptance and the joys of our multicultural society. Such leadership has also come from both sides of politics, which should continue to promote and encourage those virtues.

I am a little surprised by the conference, as the Premier's reference to it in the House today is the first we have heard about it. I hope that all members of political parties, not just the leaders, will be invited to attend the gathering. It is appropriate for all members of this House to show solidarity with the religious leaders of New South Wales and to demonstrate support for the strong stand that they have taken against intolerance in our community. Terrorism is completely unacceptable to all thinking people. Everyone who saw the images that came out of New York and Washington will stand together in condemning terrorism.

More importantly, we must stand together to ensure that the tolerance that has become the hallmark of Australia is not undermined in any way. We must stand together to ensure that the social acceptance for which this country is known world wide and which we demonstrated to the world last year when we staged the Olympic Games is not undermined in any way. I look forward to receiving the Premier's invitation, and I am sure that my colleagues look forward to attending the conference and supporting the religious leaders of New South Wales.

WELLINGTON COMMON INDIGENOUS LAND USE AGREEMENT**Ministerial Statement**

Dr REFSHAUGE (Marrickville—Deputy Premier, Minister for Urban Affairs and Planning, Minister for Aboriginal Affairs, and Minister for Housing) [2.25 p.m.]: Within a week I will be lodging the Wellington Common Indigenous Land Use Agreement with the National Native Title Tribunal. The land use agreement marks a significant step towards reconciliation in New South Wales and strengthens our Government's commitment to resolving native title claims through negotiation. Wiradjuri families have occupied the Wellington Common on the Macquarie River near Wellington for generations and have maintained significant historical and cultural connections with the land. The entire process of securing the land use agreement has been about goodwill, open discussion and a sense of fairness. All of Wellington, black and white, will benefit from this decision.

In January 1999 I appointed the former Liberal environment Minister Tim Moore as a mediator to help all those with an interest in the land to reach agreement about its future. Those involved in the mediation included the native title claimants, represented by the Wellington Wiradjuri Aboriginal Town Common; an Aboriginal corporation called the Nanima Progress Association; Wellington Council; Wellington Local Aboriginal Land Council; people who continue to graze animals on the common; and individuals with an interest in the common. Through these discussions an agreement was reached, which has been incorporated into an indigenous land use agreement.

In this case, the Wellington Wiradjuri are surrendering their native title rights and interests in the Wellington Common in exchange for freehold title to the land. This agreement is an important contribution to reconciliation between the indigenous and non-indigenous communities of Wellington and demonstrates the importance of resolving native title claims through negotiation rather than litigation. I will soon be lodging the document with the National Native Title Tribunal for registration. The Native Title Act requires that indigenous land use agreements be lodged for a three-month notice period before the tribunal can register the agreement, subject to any objections.

Once the agreement is registered I will acquire the Wellington Common under section 39 of the Aboriginal Land Rights Act 1983. In exceptional circumstances section 39 allows me to acquire and transfer land to an Aboriginal corporation that has been established for the benefit of Aboriginal people. This is the first time this power has been exercised since the inception of the Act. The Wellington Wiradjuri have maintained traditions of law and custom that have been directly informed by classical Wiradjuri traditions. The fact that they have maintained the cohesiveness of their social and moral order through an often harsh colonial history is testimony to the strength of their culture. In the words of one of the claimants:

The occupants of this valley were a tribe by the name of Wiradjuri. They lived by the river in a quiet peaceful existence living as one with the land and surroundings.

They were not an uncivilised race as they had their own set of laws and a religion they loved and respected ...

Our family have lived on the common for over one hundred years and there are still members of our family there.

This agreement marks a significant outcome for the people of Wellington, who will benefit from an overall land management package for the future use, occupation and enjoyment of the Wellington Common. It will resolve the oldest native title claim lodged in Australia. I am sure that the spirit of co-operation that has led to this agreement will serve as a model for future agreements between indigenous and non-indigenous people in New South Wales.

Mr HAZZARD (Wakehurst) [2.28 p.m.]: The Opposition parties acknowledge and support this significant step forward in reconciliation. I also acknowledge the continuing bipartisanship of the major political parties in this State on the issue of reconciliation, and I thank the Deputy Premier for his announcement. The Wellington Common claim is the oldest native title application in Australia, and its processing reflects the need to achieve fair outcomes. Such claims could potentially be the source of great controversy, but the approach adopted in this case forms the basis of a best-practice model. After a shaky start, we have gone a long way down a path that promises great hope for the future resolution of land issues by indigenous and non-indigenous Australians.

We must acknowledge the significant role of the Wiradjuri people in this process. The Wiradjuri have lived in the area for 40,000 years, and mission records dating back to 1832 mention the presence of the

Wiradjuri tribe. Some 27 families were still on the common in the 1950s, but by the 1970s only two tin shacks remained. Wiradjuri people have always been a proud people. History reflects that they fiercely resisted expansion by Europeans into their lands, stretching from Nyngan to Albury and from Hay to Bathurst. Despite forced movements from their lands they have continued a strong identification with their culture. Their spirit and cultural commitment have driven this resolution of the Wellington Common claim.

I acknowledge, as does the Deputy Premier, the many parties who have contributed to this process, including the Wellington Wiradjuri Town Common Aboriginal Corporation, Wellington Council, Wellington Local Land Council, and the Nanma Progress Association. I acknowledge also the people who have used the land and grazed their cattle for many years and others who simply have an interest in the issue. I particularly acknowledge the driving force of a Wiradjuri woman, Rose Chown, whose mother, Glenda Bell, was one of the last residents to move off the common in the 1970s when authorities threatened to remove her grandchild. I acknowledge the excellent work undertaken by former Liberal environment Minister, Tim Moore, as mediator to help achieve this outcome.

Mr Knowles: He is a good bloke.

Mr HAZZARD: He is a good bloke. As the Liberal shadow Minister for Aboriginal Affairs and as a friend of Tim, I acknowledge his commitment to equity for the people involved in the achievement of this indigenous land-use agreement. This agreement has many parts to satisfy differing needs. It will even give people who graze stock on the land the right to continue to graze that stock for a period into the future, if they exercise those rights. However, the freehold title that will be delivered to the Wellington Wiradjuri Town Common Aboriginal Corporation will deliver far more than just land to traditional owners; it will also contribute to the Wiradjuri people's sense of belonging. As Rose Chown explained her thoughts in 1996:

This is where you belong. This is, you know, this is your home, this is it.

PETITIONS

Centennial Park Dogs Off-leash Area

Petition requesting that Federation Valley, Centennial Park, be reinstated as an off-leash area for dogs, received from **Ms Moore**.

Willoughby Paddocks Rezoning

Petition praying that the Legislative Assembly 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**.

Beat Policing

Petition calling on the Government to focus policing strategies and resources on beat policing, received from **Mr Debnam**.

Firearms Legislation

Petition praying that a committee be established to review the Firearms Act 1996, received from **Ms Hodgkinson**.

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**.

Wallsend Policing

Petition praying that Wallsend Police Station be staffed 24 hours a day and that extensive community consultation take place prior to any changes being made to policing, received from **Mr Mills**.

Surry Hills Policing

Petition praying for increased police presence in the Surry Hills area, 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**.

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**.

Inner East Sydney Police Local Area Commands

Petition praying that the amalgamation of local police commands in the inner east be opposed, that Redfern, Kings Cross, Surry Hills and Paddington police stations be upgraded, and that an effective police recruitment drive be developed to properly resource community policing, including uniformed foot patrols, received from **Ms Moore**.

Dapto Policing

Petition praying that Dapto Police Station be manned for 24 hours each day, received from **Ms Saliba**.

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**.

Mona Vale Hospital

Petition praying that services at Mona Vale Hospital be retained, received from **Mr Brogden**.

Genetically Engineered Food

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

Chatswood High School

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

Vauchuse Electorate School Closures

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

Figtree High School Hall

Petition requesting funding for a school hall at Figtree High School, received from **Ms Saliba**.

Queanbeyan Preschool Services

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

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**.

Moore Park Passive Recreation

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

Kempsey and Macksville Pacific Highway Upgrade

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

Children in Institutions

Petition praying that the House undertake an inquiry into the treatment of all children in institutional care in New South Wales as recommended by the Federal Parliament's August 2001 report into child migration, entitled "Lost Innocents: Righting the Record", received from **Mr Hazzard**.

Yurammie Special Prescription Zone

Petition requesting the protection of Yurammie Special Prescription Zone from logging, received from **Mr Webb**.

Lake Burrinjuck Water Level

Petition requesting the Department of Land and Water Conservation to maintain the level of water in Lake Burrinjuck at a minimum of 45 per cent, received from **Ms Hodgkinson**.

Wilderness Access

Petition praying that the Government allow continued access to public lands, abandon plans to declare the south-east wilderness study area wilderness, and repeal the Wilderness Act 1987, received from **Mr Webb**.

White City Site Rezoning Proposal

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

DISTINGUISHED VISITORS

Mr SPEAKER: I draw the attention of honourable members to the presence in the gallery of a delegation from the Tokyo Metropolitan Assembly led by Vice-President Hashimoto Tatsujiro. The delegation is visiting as part of the Tokyo-New South Wales parliamentary sister-State relationship. I welcome the vice-president and his delegation to the Parliament.

BUSINESS OF THE HOUSE**Reordering of General Business**

Mr HARTCHER (Gosford) [2.44 p.m.]: I move:

That General Business Notice of Motion (General Notice) given by me this day [National Border Protection] have precedence on Thursday 8 November 2001.

The notice of motion states, "That this House endorses the legislation enacted by the Federal Parliament to protect our national borders and to prevent people smuggling." It is important that this House endorse the recent stand taken by the Federal Parliament to protect our borders. The Australian Labor Party in the Federal Parliament voted for this legislation. Debate on this motion tomorrow will give the Labor Party in this Parliament the same opportunity it had in the Federal Parliament to support the legislation. We invite the Premier to speak to the motion. In his speech he can stand by his leader, Kim Beazley, who will not use the Premier in a single television advertisement. He can stand by the man who will use Peter Beattie and Steve Bracks, but will not use Bob Carr. He can explain why Kim Beazley does not wish to use him.

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

Mr HARTCHER: When speaking to the motion, the Premier can explain why New South Wales is the weakest link as Labor goes to the Federal election. He can explain why New South Wales is the State that Labor is most concerned about.

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

Mr HARTCHER: The Premier can explain why New South Wales is the State where the Coalition will reap its biggest harvest of votes. That is what will happen in the Federal election. The Premier can explain why the people of New South Wales are saying to him, "You are the weakest link. Goodbye."

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

Mr HARTCHER: More than that, the Premier can explain why his leader has flip-flopped for five years about border protection. For five years Kim Beazley has opposed every item of legislation the Federal Government has introduced to strengthen our borders.

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

Mr HARTCHER: On 21 August Kim Beazley voted with his colleagues against the border protection bill. They all voted against it. They all stand up now and say, "Me too. We support it." The Australian Labor Party has been caught out magnificently. The Premier can also explain why Mr Della Bosca, the Minister assisting him for the Central Coast, has such a low profile in the Federal electorate of Robertson. He is never seen in the Robertson campaign. Why is Mr Della Bosca not seen in the Robertson campaign? Has it got something to do with the preselection contest, which Mr Della Bosca was unable to win after Kim Beazley intervened?

Mr SPEAKER: Order! The honourable member for Gosford will return to the leave of his motion.

Mr HARTCHER: Endorsement of the legislation will give the New South Wales Parliament the opportunity to say, "Well done, John Howard! You will be victorious on the 10th." [*Time expired.*]

Motion agreed to.

QUESTIONS WITHOUT NOTICE**CABRAMATTA POLICE NUMBERS**

Mrs CHIKAROVSKI: My question is directed to the Minister for Police. How does the Minister explain the fact that while the Premier told this House on 27 March that there would be 200 police in Cabramatta to deal with drug dealers and gang-related crime, his own confidential figures reveal that on 1 September the number of officers actually at Cabramatta was just 111?

Mr WHELAN: The only person in the whole of Australia who sees no improvement in Cabramatta is the Leader of the Opposition. Outstanding circumstances and events have taken place in Cabramatta as a result of the new leadership team of Assistant Commissioner, Clive Small, and the local area commander, Frank Hansen. It is very clear to everybody who has an interest in Cabramatta that there are already outstanding achievements in Cabramatta. The Greater Hume region, which takes in Cabramatta, will receive up to 93 officers of the approximately 400 probationary constables to be attested in December. That is, 93 probationary constables being attested in December will be allocated to the Greater Hume region.

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

Mr WHELAN: In January this year Greater Hume police conducted a series of covert and high-profile operations targeting drug and street crime. These operations have been carried out by the Cabramatta police and the Greater Hume target action group [TAG], with additional resources provided by the State Protection Group.

Mrs Chikarovski: Point of order: The question was about how many police are actually in Cabramatta compared to the 200 the Premier promised would be there. There are only 111. Why are there not 200? The Minister should answer the question.

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

Mr WHELAN: As I was saying, additional resources were provided by the State Protection Group, crime agencies, drug squad, the air wing and undercover and surveillance officers. They are all police officers, as everybody in this Chamber knows, except the Leader of the Opposition. They are complementary to the number of police already at Cabramatta. So, when we talk about additional resources from the State Protection Group or from crime agencies, the dog squad, the air wing or undercover and surveillance, we are talking about additional police that are being utilised at Cabramatta.

The results speak for themselves. There has been a stunning impact on the Cabramatta drug trade. I will give the House an indication. One thousand people have been issued with move-on directions under the new powers to target street dealers and go-betweens and 144 non-Cabramatta residents have been bailed on condition that they do not return to Cabramatta. The Cabramatta local area command has advised that this has resulted in fewer dealers on the street and fewer visitors to the area seeking drugs. The Health Department has found a 74 per cent decrease in drug overdoses and a 59 per cent decrease in the use of needle-syringe exchange, indicating a sharp drop in drug use.

The Department of Community Services team, which is co-located at Cabramatta police station, has taken 146 people off the streets, placed them in treatment and returned them home in many cases or found them alternative accommodation. Last week the honourable member lodged with the relevant council a plan for a two-storey portable redevelopment on the site of an old house to improve the housing accommodation of the vast numbers of police who are moving in and out of Cabramatta—not only the ones attached to the local area command but those specialist squads I indicated to the House. Those increased police numbers have to be catered for. Currently they are being catered for in other regions in close proximity but shortly they will have a two-storey demountable which will alleviate some of the accommodation needs there.

Recently 40 people were arrested and charged following a massive strike using those powers granted to police under the drug houses legislation. Honourable members will recall the publicity surrounding 25 drug houses and 16 pawnshops in the Greater Hume region. That Operation Tira involved 300 police at Cabramatta—not 111, not 200. It was an outstanding success. Similar operations will be conducted throughout Sydney East. Most recently last weekend, or the weekend before, there was the temporary closure of four city nightclubs and the arrest of 18 people on drug-related charges. As I have said previously, there will always be monthly fluctuations in police numbers as officers retire and new police are attested. This does not take away from the fact that there are record numbers of police. This year 13,712 are on the payroll, and even the honourable member for Epping acknowledges that.

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

Mr WHELAN: Come 22 December there is likely to be an additional 400, give or take the numbers for attrition. We are on track and on target.

Mr SPEAKER: Order! The Minister should address his remarks through the Chair.

Mr WHELAN: As I just indicated, 300 police were involved in Operation Tira at Cabramatta. It was a very successful operation. They are deployed by the commissioner, they are deployed by Clive Small, the regional commander, and by the local area commander. Those commanders take police from specialist squads from other regions in the vicinity. Cabramatta is now becoming a much safer place. Figures from both the Health Department and the police indicate a great deal of work has been done by police at Cabramatta. As I do every time, I offer my congratulations to those police officers working at Cabramatta in very difficult circumstances. They are an outstanding success. I thank the Leader of the Opposition for giving me this opportunity.

KINGS CROSS MEDICALLY SUPERVISED INJECTING ROOM

Mr MILLS: My question without notice is to the Premier. With yesterday marking the six-month anniversary of the opening of the medically supervised injecting room, what is the latest information on the facility?

Mr CARR: I am very pleased to share with the House information on the six-month trial of the medically-supervised injecting centre. Data shows 1,507 drug users are registered with the centre. Since the trial began there have been 623 referrals to treatment. There have also been 88 drug overdoses—all of them non-fatal. A snapshot of one four-week period, the fifth month, shows around 95 visits a day, the majority of clients aged between 26 and 35, and both heroin and cocaine being injected. In the fifth month there were 112 referrals, of which 54 were for drug treatment and rehabilitation. The remainder were for health education, testing for blood-borne viruses, medical treatment and social welfare. Staff provided 929 occasions of service at the centre. This included first aid, crisis counselling, advice on health issues, drug treatment, accommodation and legal and financial issues. Sixteen overdoses were successfully managed.

I want to provide honourable members with some important information about drug overdoses within the centre. Of the 88 overdoses in the first six months, 52 were related to heroin, 43 of which were managed with oxygen and nine required treatment with the drug naloxone, the trade name of which is narcan. The difference between an overdose in the injecting centre as opposed to a back alley or private home is the rapid response by qualified health staff. In most heroin overdoses an ambulance is not called until it is almost too late, if at all. By the time paramedics arrive the person is usually unconscious and has stopped breathing; no oxygen is being delivered to the brain. The only way to start the person breathing again is to give the person an injection of naloxone. In contrast, in a supervised clinical setting experienced staff see the early signs of an overdose and they are able to immediately administer oxygen. Dr Ingrid van Beek, the Medical Director of the injecting centre, says:

Providing oxygen early, before the person falls into a coma, means naloxone is not always necessary.

In the centre's first six months, 28 overdoses were caused by cocaine, which can lead to seizures, cardiac arrest and death. However, more often it causes an acute paranoid state: victims may experience severe agitation, panic, fear and aggression, or sometimes they will enter a psychotic state, posing a danger to themselves and others. Clinical staff move the patient into the resuscitation area where they administer oxygen and provide reassurance. Every life saved in the injecting centre is an opportunity to persuade a person to enter treatment: an opportunity that does not exist if the person overdoses in a back alley, a private home or a street somewhere in Kings Cross. This preliminary data indicates some positive signs, although when talking about any aspect of drug policy one must be very, very cautious. I am advised there has been a significant decrease in ambulance call-outs in this area, which reduces the risk to workers who are called out to provide assistance in often dangerous situations.

Although this reduction is due in part to the heroin drought, the injecting centre may also have an influence. As I have said repeatedly, one of the arguments for this trial is that it reduces the risk to paramedics who are called to the site of the drug overdose. That is one of the major factors in shaping our approach to this trial. I am also advised that local police say they have not seen any increase or shift in drug dealing or use patterns in the area. This trial is the subject of an independent, rigorous evaluation. I am told it is the most rigorous, in fact, of any injecting centre in the world. Every element is under scrutiny, not only the impact on overdoses and referrals to treatment but also on public amenity, drug dealing, crime and community attitudes. Cost effectiveness will also be examined carefully. The trial is being evaluated by people eminently qualified for the task: Professor John Kaldor, National Centre in HIV Epidemiology and Clinical Research, University of New South Wales; Helen Lapsley, Health Services Management, University of New South Wales; Associate Professor Richard Mattick, National Drug and Alcohol Research Centre; and Dr Don Weatherburn, Bureau of Crime Statistics and Research.

Their task is to examine evidence, because an evidence-based approach is what this Government is about when it comes to drugs policy. We are proud of that. Compare what we are talking about, trying to save some lives, and negotiating the settlement of a native title claim in Wellington, with the notices of motions the Opposition presented today: antique firearms, the Ulladulla Blessing of the Fleet, the vandalism of antique locomotives—it is a big antiques day for members opposite—and nails in trees. Yesterday, from none other than the Deputy Leader of the Liberal Party, the big issue for a notice of motion was the picture chosen for a brochure by the Tourism Task Force. These are the grand issues for the Opposition.

Mrs Skinner: Point of order: In the interests of not discriminating against one member or another, I would suggest that you order the Premier to read out all 550 notices of motions.

Mr CARR: Excuse us, but we are just trying to save lives with an evidence-based approach to drugs.

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

Mr CARR: We are just settling negotiations for what could otherwise be a troublesome native title claim and showing that there could be a win-win situation, presenting a real message.

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

Mr CARR: But the Opposition is on about the Ulladulla Blessing of the Fleet, the picture chosen by the Tourism Task Force for its brochure and antique firearms, the planned issues of the day. Very noticeable, I would say.

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

Mr CARR: Old Brad here comes up to me in the corridors and says, "Congratulations on the medically supervised injecting room." But here in the House he has to put on a show of indignation and opposition.

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

Mr Hazzard: Point of order: On the ground of relevance, I am concerned that the Premier is now raising a whole series of motions, which in the context of what was quite a serious debate is now demeaning that discussion. His Government is entitled to have a point of view, and we are entitled to have a point of view. But he must keep his answer relevant to the question he was asked by the honourable member, a very sound member who is being given a very unsound answer by the Premier.

Mr SPEAKER: Order! The Premier was responding to interjections.

Mr Hazzard: There were no interjections.

Mr SPEAKER: Order! The honourable member for Wakehurst will resume his seat. I call him to order for the third time.

Mr CARR: Enough of these distractions! I acknowledge today, as I have done on many previous occasions, that I would rather not have this facility. I acknowledge today, as I have said every time this has been debated, I would rather we did not have to spend an extra \$113 million over four years on expanded drugs treatment. I would rather people not inject toxic and addictive substances into their veins, ruin their own lives and cause nuisances all around them. I would rather spend money on schools and hospitals. Fancy trying to have a serious, non-partisan debate about a matter of this concern with people like those opposite.

Mr SPEAKER: Order! Members of the Opposition should not continually interrupt the Premier when he is dealing with a serious matter. The member who next attracts my attention may join the honourable member for Wakehurst on three calls to order.

Mrs Chikarovski: Point of order: Opposition members would be happy to pay attention to that comment.

Mr SPEAKER: Order! What is the point of order?

Mrs Chikarovski: You have to be fair. You have to ask the Premier to ensure he does not trigger interjections. You cannot trivialise issues and then have a go at us. Be fair!

Mr SPEAKER: Order! There is no point of order. The Leader of the Opposition will resume her seat.

Mr CARR: I would rather people did not inject toxic and addictive substances into their veins, wrecking their own lives and causing nuisances all around them. I would rather have spent the extra \$113 million we have put into expanded treatment over the four-year period since the Drug Summit on schools, libraries, hospitals, sporting facilities and the arts. That is where I would have preferred to see it go.

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

Mr CARR: The sad fact is that Australia, like the rest of the world, has a drug problem. Its costs, both in human terms and financial terms, are immense. Government has a responsibility to act in a logical, evidence-based fashion to alleviate the impact of drug dependency, and that is what we will continue to do in this State.

NAMOI GROUNDWATER SCHEME

Mr SOURIS: My question is directed to the Minister for Land and Water Conservation. What guarantee will the Minister provide that the Government's \$15 million contribution to Namoi Valley irrigators will be adequate when he has decided to conduct socioeconomic impact studies after the Namoi groundwater sharing scheme is introduced?

Mr AMERY: The Namoi task force drew a bigger crowd than the Leader of the National Party did on his recent tour around country New South Wales. I should enforce my statement, because one would not want me to mislead the House. Any statement I make that involves figures should have some basis in fact, perhaps in correspondence, perhaps in a media report. The Leader of the National Party asks questions in this place from time to time only because he is guaranteed an audience of more than half a dozen. I draw the attention of the honourable member to the *Western Advocate* of Saturday 3 November under the heading "Few attend Souris tea party". The article by Tony Rhead stated:

Morning tea with the NSW National Party yesterday was an intimate affair where leader George Souris and his team of politicians, including three other shadow ministers, just about outnumbered local members and the just plain curious.

The dozen people who turned up included the vice-chairman of the local National Party branch. The honourable member for Bathurst tells me that half the other crowd were people who mistook the tea party for a stop, revive and survive site. No wonder people are no longer listening to National Party members. I lay the article on the table for the information of members. It is interesting to see the level of support for the National Party. The article confirms the 3 per cent or 2.5 per cent support the National Party is receiving at the moment.

Mr Souris: It's 41 per cent to 44 per cent.

Mr AMERY: The Leader of the Opposition is very happy about the level of National Party support, because it makes her figures look good.

[Interruption]

I am trying to get my point across. The honourable member for Murrumbidgee is trying to throw another cranium joke at me. I looked at his family tree. One of his ancestors was a battering ram at the siege of Harlech. I can see the family resemblance. In relation to the Namoi groundwater, as I have said on three previous occasions in this House, the Government has put \$15 million on the table, and we are waiting for the Federal Government to provide matching funds of \$15 million. Only three or four days out from the Federal election, the Federal Government has not matched the adjustment package that the State government will spend in the Namoi.

[Interruption]

The honourable member for Barwon says they got \$40 million. However, our \$15 million will be spent irrespective of whether the Federal Government matches those funds. The Federal Government's contribution is conditional; it is playing with this policy. As for the second part of the question, the State Government is allocating about \$20,000 to most river management committees and groundwater committees to conduct

socioeconomic impact assessments. That is part of the strategy. Before any plans come to me and then go out for public consultation, the Government requires a socioeconomic assessment of all the plans before they are adopted by the Government. I do not think there is anything wrong with that.

The catchments and the community are asking the Government to take into account the socioeconomic impacts of these decisions, and it will do that. There is no correlation between the timing of the socioeconomic impact assessment period and the task force recommendation that came down more than a year ago. We are taking into account the socioeconomic impacts. We want to put the adjustment package on the table. We will spend the \$15 million, irrespective of whether the Federal Government provides matching funds. If the Federal Government does provide \$15 million, we will spend the \$30 million, and we will negotiate many of the irrigators' problems in adjusting to the new water regime commencing next year.

PUBLIC HOSPITALS AND HEALTH CENTRES SECURITY

Mr MARTIN: My question without notice is addressed to the Minister for Health. What is the latest information on improvements to security in public hospitals and health centres?

Mr KNOWLES: The honourable member for Port Stephens is obviously pleased with the recent opening of an ambulance station in his electorate—and there is a lot more coming through the pipeline. But the question is about security in hospitals. Over the past four months all area health services have been upgrading their safety and security measures throughout our hospitals, largely following on the increased intensity and awareness since the death of a patient in Kempsey hospital. For example, over the past four months hospitals on the mid North Coast have installed a variety of alarms, security screens and duress alarms, and extra security officers have been provided at Coffs Harbour and Manning base hospitals and Bellinger River District Hospital.

On the Central Coast duress alarms have been upgraded at Woy Woy and Wyong hospitals, lighting at Gosford has been upgraded, and Long Jetty hospital has engaged a security firm to patrol its precincts between the hours of 8.00 p.m. and 6.00 a.m. and has security officers on site at the change of shift to escort staff to their cars. In the greater Murray, alarms, closed-circuit television or monitoring systems, or a combination of them, have been installed in 90 per cent of hospitals or health centres. Staff, especially those in high-risk areas in remote locations, are being trained in aggression management, and community health centres are being equipped with night monitors. Similar programs are well under way in each rural area health service.

In the metropolitan area, work is also well under way. For example, I can report that at Liverpool Hospital a 24-hour security presence has been established in the emergency department. Bankstown Hospital's emergency department has a camera monitoring secured entry doors between the visitors waiting area and the treatment area. Security identification swipe card readers are being installed in the intensive care unit, the cardiac care unit, the high-dependency unit and the cardiology areas of the hospital, and existing intercom systems on all access points are being upgraded. Randwick hospital has implemented more secure parking arrangements for after-hours on-call nursing staff and improved access to security escorts for staff returning to their cars after hours. It might be worth noting that at Sutherland Hospital the duress system in the emergency department has been upgraded and extended to include extra points, including the triage desk; and there are additional high-visibility security patrols in the emergency department.

Mrs Skinner: What about additional security guards?

Mr KNOWLES: I will come to that. They are just some examples of what has been occurring over the past four months. There have been extremely rapid and substantially increased security and safety in our hospitals around the State. I would like to place on record my thanks to the individuals involved. In every area health service similar work has been and continues to be undertaken. Honourable members will recall that in May I established a task force, made up of union representatives, police, health workers generally and professionals in the field of minimising violence in the workplace, to do all that was necessary, from establishing a strategic plan to preventing and managing violence, right through to education and training safety programs and, of course, upgrading services and systems where required.

As a result of that work all area health services have now properly examined their current and future security needs. Based on the advice of the task force and the individual area health services, I can announce today that further funding has been allocated, in addition to the initial allocation of \$5 million in capital funding, \$5 million in recurrent funding and \$500,000 to be allocated to health-worker training to recognise and deal with violent and abusive people. The \$5 million initially allocated this financial year to statewide capital

improvements will be increased to \$7.5 million each year. In addition, rural areas will get a special further allocation of \$4.5 million over three years. Another \$7.5 million will be provided to area health services over two years. The \$500,000 announced in the Stop Violence Against Nurses campaign is now being spent on training nurses in how to deal with abusive and violent people; and \$5 million will be spent annually on additional security staff.

As agreed with the unions and the task force, extra security staff will be made up of security guards and health and security assistants. Health and security assistants will be trained to the same level as security guards and, like security guards, will be licensed. The licence will be reviewed annually. I will introduce amendments to current legislation to provide special constable powers for those people to enable them to act with the appropriate authority. I can report that the Attorney General is also reviewing legislative measures to have regard to people such as health workers, their work environments and their vulnerability, when penalties for assault are considered by the courts—as well as the capacity of the system, rather than the individual, to commence action. The new recurrent funding will result in more than 500 new security staff in hospitals and health centres across the State.

The continuing capital expenditure will include closed-circuit television, duress alarms, personal allowance, extra lighting in outdoor areas, security grilles and extra locks, protective glass screens, digital monitoring equipment, sensor lights and even physical barriers—all based, of course, on the particular needs of each health facility as identified by the unions, the task force, the area health services and the individual facility. We all know that there is no single solution to preventing violence against staff, patients or even visitors to our hospitals. Even the best measures will at times be inadequate. There is simply no excuse for abusing or attacking a health worker, and the responsibility of reinforcing that point rests with all of us.

Mr Stoner: Point of order: I have been trying to listen to the Minister's answer but, because there has been so much audible conversation, I have been unable to hear what he is doing for Kempsey Hospital.

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

Mr KNOWLES: I cannot help it if they are too busy chatting over there to be interested in the activities that are taking place in every area health service. I assure the House, just picking out a few selected items from my remarks today, that our comprehensive program has been endorsed by all players—every area health service and the task force, made up of all those experts, the unions and police—and it is rolling out. That is a credit to those individuals, and that is as it should be. Regardless of that, I make the point that even with the best security and safety measures in place there are times when they will not prevent abuse or violence against a health worker. That is the sad fact that everyone recognises. In many ways it is up to every single one of us to take the matter far more seriously than members of the Opposition appear to do, to make sure that, as parliamentarians and as a community, irrespective of politics, we all subscribe to the view that attacking a health worker is simply not on. It is a little like the Premier's comments about drug programs and injecting rooms.

We would much prefer that the \$32-odd million in capital and recurrent expenditure that we will spend over the next three years on security were spent on other health services. In many respects it is a sad indictment on the tiny minority who choose to abuse health workers. But, the collective efforts of the unions, the police, the area health services and experts in this field have come up with a plan that requires this expenditure to make our health system and our health services safer. No one can guarantee absolute safety. In the end it is a sad indictment on members opposite that all they can do is chatter away to the extent that one member could not even hear the answer to the question. That says more about the Opposition than anything I could say. Honourable members on this side of the House are determined to join with the professionals in the field and with health workers to do something about this problem. The measures I have announced will go a long way towards doing that.

POLICE NUMBERS

Mr TINK: My question is directed to the Minister for Police. At a time when crime rates have gone through the roof across the State, will he explain why confidential figures reveal that police numbers have been cut by 64 at Ashfield, by 41 at Burwood, by 39 at Hurstville and by 39 at Parramatta?

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

Mr WHELAN: The Opposition spokesman on police matters has no credibility. In my answer to an earlier question I referred to his web site. The web site states that there would be 13,421 police at the end of

August. Honourable members on this side of the House will have been paying attention. At the end of August there were 13,712 police—just a mere 300 difference! The fact of the matter is that we currently have record numbers of police in New South Wales. They are allocated by operational police for operational police purposes.

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

Mr WHELAN: The Opposition is excited because under freedom of information [FOI] legislation it got some information relating to police strengths. It asked about police strengths in each region. What it did not ask was: Where are the other specialist police and what are their numbers?

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

Mr WHELAN: The Leader of the Opposition is excited because there is an apparent discrepancy in numbers at Cabramatta. What the honourable member for Epping did not tell her was that if you add up the figures given to him by the Police Service under FOI, the total is 11,150. Police numbers in New South Wales are 13,712. The honourable member for Epping should be telling the Leader of the Opposition that, in addition to the officers covered by the figures provided by the Police Service under FOI, there are another 2,000 officers who are in tactical action groups [TAGs] or performing specialist jobs and other duties. There are 2,000 more police than were listed in the information obtained by the Opposition under freedom of information legislation. I will explain it this way: the additional police are engaged in TAGs and in special operations that are under way right throughout the State. There are 13,712 police constables.

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

Mr WHELAN: If the honourable member for Epping wants to come down to Goulburn on 22 December—as the area's local parliamentary representative, the honourable member for Southern Highlands probably will—he will be present on the very proud day when approximately 400 additional probationary police constables will be inducted into the New South Wales Police Service. Again I thank the member for his question but I ask him, for the sake of honesty, to update his web site and put truthful information on it.

ENTERTAINMENT INDUSTRY CODE OF FAIR PRACTICE

Mr LYNCH: My question without notice is to the Minister for Fair Trading. What is the latest information on the review of the entertainment industry's code of fair practice?

Mr WATKINS: New South Wales families want to see, and expect to enjoy, great drama, music and sporting action, but they do not want to see their money disappear when shonky or fly-by-night promoters fail to deliver.

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

Mr WATKINS: They also want to ensure that the claims made by an entertainment promoter about the quality of a performance are true and that the performance is delivered.

Mr SPEAKER: Order! The honourable member for Wakehurst has been called to order three times. I ask the Serjeant-at-Arms to remove him from the Chamber.

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

Mr WATKINS: In this regard, I am sure that many honourable members will recall a number of recent controversies about large-scale productions. Some honourable members have witnessed consumers losing out at the hands of less than reputable promoters.

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

Mr WATKINS: Most notably, last year there was the cancellation of Giuseppe Raffa's production of *Aida*, which caused major inconvenience for many consumers and resulted in many of them missing out on refunds.

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

Mr WATKINS: The alleged maestro left Australia after having sold tickets worth \$1.5 million and delivering nothing in return. In response to these incidents I announced that the Department of Fair Trading would review the voluntary entertainment industry code of fair practice. Today I am able to release the results of the review, which include concrete proposals for reform. In particular, the proposals outlined in the paper relate to two major areas of concern: the effectiveness of the current code and how to make more secure the money that has been paid by consumers in advance of an event being staged. One of the options outlined in the paper is to make all or part of the code mandatory to improve achievement of its consumer protection goals.

The entertainment industry code of fair practice was first established in November 1987. It was reviewed in 1992 but has not been reviewed since then, so it was overdue for examination. The Department of Fair Trading's statistics show that some parts of the entertainment industry generate more than their fair share of complaints. Between January 1998 and the end of last year, 1,100 complaints were received about the entertainment industry and most of them related to refunds. It is not surprising that reputable industry participants, which is the vast bulk of participants, also want to see these rogue elements ejected from the industry. The reforms outlined in the review paper will certainly achieve that.

The current code covers industry practices relating to ticketing, refunds and entry to events. It does not cover issues such as those raised at the end of last year—which I am sure many honourable members recall—when a mother was prevented from holding her sleeping 10-week-old infant during a performance unless she bought that child a ticket. That is why I have asked the review team to consider the gaps in the code to examine what can be done to close them. The entertainment industry is incredibly diverse and it is also very important to the economy of New South Wales, bringing \$500 million to this State's economy annually. That is why any reforms to the entertainment industry have to be measured, sensible and aimed at improving the industry as a whole.

Obviously, any changes to the code will not be directed at smaller scale productions such as local school plays or amateur theatrical groups. My department has conducted a consultation program over the past few months. Some of the issues that have been examined are: whether a refund should be provided when there are significant problems with the quality of the performance, such as occurred during Barry White's performance in Sydney last year; fairer access to tickets, including whether large blocks of ticket should be sold to individual operators; and whether an independent body should be established to handle consumer complaints. A number of other issues are examined in the paper which is currently available. My department will be seeking comments from the industry, members of the public and consumers throughout the next few months until the end of December. I encourage all honourable members to take the paper to their constituents, seek their advice, and take part in the consultation process.

MILTON PUBLIC SCHOOL FACILITIES

Mr R. H. L. SMITH: My question without notice is directed to the Minister for Education and Training. How can he justify spending millions of dollars on sandstone gate pillars and gravel driveways at selected schools when students at many regional schools are putting up with intolerable conditions, such as those at Milton Public School, where parents complain of infestations of maggots, fleas, spiders, cockroaches and mosquitoes?

Mr AQUILINA: I answered this question yesterday, but let me remind the honourable member that the New South Wales State Government has a record capital works budget for the next four years, totalling \$1.1 billion. When in the Coalition's seven years in government did it have a capital works budget of \$1.1 billion? I am very proud of this Government's capital works budget, which will benefit all schools throughout the State, including those in regional and rural New South Wales.

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

Mr AQUILINA: Yesterday the Leader of the National Party asked the same question. When I was in his electorate he praised me for the official opening of the Scone Public School—didn't you, George—and he told everybody what a great Minister I am because there I was visiting a school in a rural area of New South Wales.

Mr Souris: I asked you about Gulgong.

Mr AQUILINA: Yesterday the Leader of the National Party asked me about Gulgong. This Government has committed \$3 million to Gulgong, you nit, not to mention the sums that have been committed to Muswellbrook South Public School. I am embarrassed by how much money we are spending in National Party electorates.

Mr Carr: What about Dubbo?

Mr AQUILINA: What about Dubbo? People at Dubbo think we are fantastic. All the principals there think we are doing wonderfully. The honourable member for Northern Tablelands has put up his hand, as have many other Country Labor representatives, including the honourable member for Port Stephens, who is nodding his head in agreement, the honourable member for South Coast, the honourable member for Murray-Darling, and the Minister for Local Government, who represents Clarence. All of whose electorates are benefiting from massive building programs. May I just say in relation to the honourable member for Bega that if the Bega council—

Mr R. H. L. Smith: Point of order—

Mr SPEAKER: Order! I will be able to hear the point of order if the Leader of the Opposition remains silent.

Mr R. H. L. Smith: My point of order is relevance. There may be nits at Scone or somewhere, but what about the maggots, fleas, spiders, cockroaches and mosquitoes at Milton?

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

Mr AQUILINA: For two years now I have been trying to rebuild Bega High School for the honourable member for Bega. The council has held up our development application.

Mr R. H. L. Smith: Point of order—

Mr SPEAKER: Order! I will allow the honourable member for Bega to make a personal explanation at the appropriate time.

LANE COVE TUNNEL

Mr ANDERSON: My question is to the Minister for Roads. What is the latest information on the Lane Cove tunnel project?

Mr SCULLY: Completing the orbital road network is an important priority of this Government. All members are welcome to the opening of the M5 East on 9 December. Last week we called tenders for the Western Sydney Orbital—a \$1.3 billion project. The missing link is the Lane Cove tunnel.

Mr SPEAKER: Order! The House will come to order.

Mr SCULLY: Do honourable members remember what these characters opposite did? They built the M2, but they forgot about the missing link where it finishes.

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

Mr SCULLY: We are doing something about all the cars and trucks at Mowbray Road. In 1999 we released an overview report that put forward a proposal to build the Lane Cove tunnel—a four-lane motorway. We have been doing a lot of work since then. In fact, today I am pleased to announce that we have released an environmental impact statement [EIS] on the Lane Cove tunnel. The four-lane tunnel that we announced a couple of years ago is much more significant than originally proposed. What is set out in the EIS is mostly a six-lane motorway which will go just over 3.4 kilometres, connecting the end of the M2 with the Gore Hill Freeway. It is not just for motorists; it is a big win for public transport. We are going to have a bus-only lane on both sides of Epping Road for the whole distance of the tunnel underneath Epping Road. We will have a cycleway on each side of the Gore Hill Freeway.

Mr SPEAKER: Order! The honourable member for Hornsby will remain silent. The member for The Hills will remain silent.

Mr SCULLY: It is also a win for cyclists. There will be a seven-kilometre off-road cycleway all the way from the end of the Gore Hill Freeway to Warringah Road. It is an \$833 million roadway. Subject to planning approval, I expect to have construction started in 2003. It will take about three years to complete and will be financed by a toll of approximately \$2. The on and off ramps on Falcon Street—a big win for North Sydney motorists—will have a toll of approximately \$1. Members on this side of the House are genuinely interested in dealing with air quality. There will be two ventilation stacks at either end of the motorway. These characters opposite ought to have a look at the air modelling before they distort the truth and seek to mislead the public on air quality. They ought to read what was done during the environmental impact statement process. The air quality in the vicinity of the project will be better than it would be without the tunnel being built.

It takes a Labor Government to deliver not only to the community at large but also to the communities Coalition members represent. Remember, the Leader of the Opposition was a Minister in the Government that approved the M2. We all know that the Deputy Leader of the Opposition was Bruce Baird's chief of staff. When the missing link was a yawning, gaping hole across the Lane Cove electorate she said, "Barry, Bruce, please, sir, may I have a tunnel?" They said, "Sorry, Kerry. You are not getting one." I looked in *Hansard* to see what the local member had said. We would think that when she was battling away trying to be the Leader of the Opposition she would try to remember that she is the member for Lane Cove.

I found a speech by her on the Lane Cove tunnel on 17 October 1996. What about since then? I sent the Stasi off to all four corners of the Parliament with the request, "Please find the parliamentary contributions of the member for Lane Cove on the Lane Cove tunnel." That is it—a speech five years ago. I am very disappointed that I have to say to the member for Lane Cove that it takes a Labor Government to deliver for her community and for the wider north-west. We are getting on with the job. We are building the orbital, the M5 East and now the Lane Cove tunnel.

FERAL DOGS

Mr WEBB: My question is directed to the Minister for the Environment. Given the loss of thousands of sheep and many native animals to feral dogs in the New England and Cooma areas, how does he explain that at a time when he can find \$17.5 million to spend on a glossy advertising campaign the total amount he is prepared to spend on wildlife management in this State is barely \$500,000?

Mr DEBUS: I did not quite catch all the figures that the honourable member gave.

Mr SPEAKER: Order! I ask the Ministers seated behind the Minister for the Environment to remain silent.

Mr DEBUS: Suffice it to say that this year the National Parks and Wildlife Service is spending \$15 million on the management and control of feral animals and weeds. That is up to a 133 per cent increase on last year's funding for some programs. But it may be compared with spending during the whole of the Coalition's last term of \$4.2 million. Let us get it straight: so far as the Kosciuszko region goes, the most intensive program to eliminate wild dogs that has ever been known is under way. The most intensive consultation between the National Parks and Wildlife Service and the local community is under way. There has never been a time in the history of this State when so much money and so much effort has gone into the elimination of wild dogs in Kosciuszko.

Mr WEBB: I ask a supplementary question. How much money has been spent recently on aerial baiting in national parks and reserves that have been identified as problem areas?

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

NORTH NOWRA TAVERN PATRON SUICIDE

Mr W. D. SMITH: My question without notice is to the Minister for Gaming and Racing. What is the latest information on the suicide of a Nowra man who gambled heavily at a local hotel?

Mr FACE: I commend the honourable member for South Coast for his persistence in bringing this matter to my attention. The prosecution was launched against the North Nowra Tavern following an investigation into the hotel's gambling practices by the Director of Liquor and Gaming. Court action was taken against the hotelier for permitting cash advances, which has been of concern to the honourable member for

South Coast for some time. The hotelier was not exercising his licence in the public interest and he permitted practices likely to encourage gambling abuse. The investigation followed the suicide of a former patron of the North Nowra Tavern, Gavin Richardson. His death is a tragic downside of gambling in our community. It is tragic that Mr Richardson left behind a wife and two young children.

Over a six-month period in 1998 Mr Richardson cashed cheques totalling more than \$100,000 at the hotel so he could gamble on the hotel's poker machines. Most of those cheques were dishonoured by the bank. At the time of Mr Richardson's death it was estimated that he had lost more than \$93,000. That debt is a tragedy and has affected many people in the community, including me. I congratulate the honourable member for South Coast on keeping in touch with Mrs Richardson, as did my department, throughout the proceedings. It is regrettable that despite a strong case, Mr Dillon, the licensee, was fined only \$5,000 by the Licensing Court. The Liquor Act provides penalties of up to \$22,000, cancellation or suspension of a licence, or disqualification of the licensee as a result of complaint action, such as occurred in the North Nowra Tavern case.

Those sanctions applied in 1998 when Mr Dillon engaged in the practice of cashing cheques that bounced. I—as I am sure everyone would—find it difficult to understand the reason for such a light penalty. For a long time the Director of Liquor and Gaming in the Department of Gaming and Racing considered appealing the penalty, but the legal advice from several sources was that it would probably be unsuccessful. Presently I am auditing a few major cases involving large amounts of money. One case is in Newcastle and only half of the missing money can be traced to poker machines. Probably the most disgraceful case—which I will not give too much information about because it is sub judice—occurred in a country town, where almost \$200,000 was misappropriated. The employer involved asked the club where its responsibility lay. When the club replied that it had no responsibility the practice of harm minimisation was explained to it.

I assure the House that I will be vigilant in that case, as in others. Hotels and clubs cannot escape responsibility for money that has gone into their poker machines; they are culpable and have a duty of care. One can only imagine the guilt that will be felt forever by those who help feed a gambling addiction—if they do not feel guilt, they should. The North Nowra Tavern case reinforces the Government's resolve, and mine, to do everything possible to minimise gambling abuse in the community. This case has been highlighted in the latest liquor and gaming industry newsletter, at my insistence. The article graphically detailed this case. Honourable members would be aware of the groundswell of community concern about gambling abuse in recent years, with both research and anecdotal evidence linking the vast majority of gambling abuse to poker machine addiction. The Carr Government introduced landmark responsible gambling legislation that is still unrivalled anywhere in the world.

Mr O'Doherty: You said it is not working.

Mr FACE: This has all happened since. One of the cornerstones of this responsible gambling legislation has been the introduction of a series of cheque-cashing restrictions for hotels, registered clubs and their patrons. For example, a limit of \$400 per person per day applies for the cashing of patron's cheques. Cash limits of \$1,000 apply for gambling and gaming machine prizes. At the same time an import circuit-breaker has been made available to problem gamblers through G-line, which did not exist a few years ago. That confidential telephone counselling service, along with 50-plus community-based services across the State, are funded by the Casino Community Benefit Fund.

I am happy to inform the House that as a consequence people are seeking help and more than 11,000 problem gamblers and their families sought help from G-line last year. Consumer information, known as the Play Smart Brochures, which were not available a few months ago, are now available in gaming, racing and wagering outlets, enabling gamblers to make informed choices about the actual chances of winning on popular forms of gambling. The brochures also promote the safety nets available to problem gamblers and their loved ones. In another development, from early this year every poker machine in this State carries a warning message, along with the G-line telephone number.

The remedies to minimise gambling abuse continue to be explored. In July, along with my colleague the Hon. Michael Egan, I announced a further package of responsible gambling reforms for the hotel and club machine gaming industry. Not unexpectedly, there has been industry resistance with respect to some elements of that package, particularly from large registered clubs which perceive that their massive profits from gambling revenue will be threatened. Figures available to me indicate quite the opposite. I am confident that when this package is introduced into Parliament during the current session it will be another important step in tackling gambling abuse. I thank the honourable member for South Coast for giving me the opportunity to outline the current position on this important issue. I extend my sympathy to Mrs Richardson and her two children.

Questions without notice concluded.

BROADWATER NATIONAL PARK ELECTION POSTERS**Ministerial Statement**

Mr DEBUS (Blue Mountains—Attorney General, Minister for the Environment, Minister for Emergency Services, and Minister Assisting the Premier on the Arts) [3.58 p.m.]: Earlier today the honourable member for Coffs Harbour gave notice that he would move a motion concerning election posters. I inform the House that no election posters in the name of Terry Flannagan, the member for Page, are in the Broadwater National Park.

Mr J. H. Turner: He is not the member for Page—he is a candidate.

Mr DEBUS: The candidate's posters are in the area maintained by Richmond Valley Council, on a road reserve near the national park but not in it. All the candidates, including the sitting member, Ian Causley, and some churches have posters nailed to trees in the council's road reserve. But there are no posters in the Broadwater National Park. I had someone make an inspection of the park in the last half hour.

Mr FRASER (Coffs Harbour) [3.59 p.m.]: I ask the House to note that Mr Richard Gates, a resident of Evans Head, said he has seen those posters nailed to trees in the national park. The posters were nailed to trees within the national park either by Mr Terry Flannagan, the Australian Labor Party candidate, or his supporters.

Mr Debus: Not necessarily.

Mr FRASER: Whilst the Minister may like to defend Mr Flannagan in the House today, the National Parks and Wildlife Service, his department, is investigating these matters. That service has admitted that these posters are in the park. They are of Mr Flannagan, and they were nailed to trees within the national park either by Mr Flannagan or his supporters—an illegal act that is in contravention of sections 155 and 181 of the National Parks and Wildlife Act and in contravention of the Protection of the Environment Administration Act. I call on the Minister to accept a report from the National Parks and Wildlife Service and to arrange to have Mr Flannagan prosecuted.

QUESTIONS WITHOUT NOTICE**Supplementary Answer****MILTON PUBLIC SCHOOL FACILITIES**

Mr AQUILINA: During question time today the honourable member for Bega asked me a question about Milton Public School. I again advise the House that on 10 August I announced that approval had been granted for planning to commence on a major capital works project to upgrade facilities at Milton Public School. At that time I indicated that planning would commence during term 4 of this year, in consultation with the school community, noting that the project would be taken into consideration for inclusion in the 2002-03 major capital works program. It is evident that the honourable member for Bega does not know what is going on in his electorate.

The department has also implemented a maintenance program for Milton Public School. A maintenance contract has been appointed to provide a comprehensive and responsive maintenance service. Each year the school buildings are assessed against the department's maintenance standard, and routine maintenance work is undertaken annually to ensure that it meets the department's performance standard. Further, the school principal is involved in the annual planning of maintenance works and the maintenance contractor provides a 24-hour, seven-days a week emergency repair service.

Mr R. H. L. Smith: Point of order: Milton Public School is not in my electorate. The Minister referred to my not knowing—

Mr SPEAKER: Order! That is a personal explanation; it is not a point of order. The Minister for Education and Training has the call.

Mr AQUILINA: I have requested that the specific maintenance issues raised by the Milton Public School parents and citizens association be investigated and that the school be reviewed against the department's

maintenance standards. The manager of the Properties School Service Unit at Wollongong is to co-ordinate both planning for the capital works project and the maintenance review at Milton Public School with the Department of Public Works and Services and the school principal. The manager of the Properties School Service Unit will also convene a meeting at the school during this term to commence planning for the future capital works project and to address the maintenance concerns. Noting, as the honourable member for Bega has done, that Milton Public School is in the electorate of the honourable member for South Coast, I can only judge that once again Country Labor has been successful in yet another capital works project in regional New South Wales. I suggest that the honourable member for Bega do something about clearing some of the red tape so I can get on with doing something about Bega High School in his electorate.

FERAL DOGS

Personal Explanation

Mr WEBB, by leave: I wish to make a personal explanation concerning a question I asked during question time today. First, the seriousness of the issue referred to in the question was somewhat lost by the trivialisation of the moment by the Premier and other Government members. Consequently, the Minister for the Environment failed to even hear some of the important points raised in the question, which related to the dollars expended—

Mr SPEAKER: Order! When making a personal explanation the member must explain to the House how his political integrity or character have been impugned.

Mr WEBB: Because of the interjections at the time, the issue was trivialised, and this was a slur on my character in promoting this important issue. In addition, the fact that my supplementary question was not allowed, although it was definitely relevant—

Mr SPEAKER: Order! The Chair ruled that the supplementary question was not relevant.

Mr WEBB: The issue has been trivialised in the House today. It is a severe social, financial and environmental problem for the people of the New England and Cooma areas.

Mr Ashton: Point of order: If the honourable member for Monaro has been misrepresented, he must show that he was misrepresented. He must show that he was embarrassed, humiliated or upset, or that something was said about him that is not appropriate in a parliament. The honourable member is seeking to canvass your ruling, reask the question and redebate the issue. I ask you to restate your ruling and to rule the honourable member out of order.

Mr SPEAKER: Order! For the edification of the honourable member for East Hills, a member making a personal explanation must show how his character or political integrity have been misrepresented, impugned or reflected upon.

Mr WEBB: I believe that during question time this afternoon, when I asked a question about a very serious matter regarding feral dogs in the New England and Cooma areas, my character and the issue were trivialised by the Premier and other Government members. The embarrassment that followed, caused by the guffaws and noise that came from the other side of the House not only during the question but also during the answer by the Minister responsible—who seemed to take no account of the question and the severity of the issue—

Mr SPEAKER: Order! That has nothing to do with how the member's character has been impugned. The honourable member for Monaro may continue, but he should remember that his explanation should be brief and concise. He has now presented the same matter to the House three times in the past five minutes. I remind the honourable member for Coffs Harbour that he is on three calls to order.

Mr Hartcher: The honourable member for Monaro was interrupted all the time.

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

Mr WEBB: To recap—

Mr SPEAKER: Order! The honourable member cannot recap; he must be brief and concise.

Mr WEBB: In my opinion, I was embarrassed and the issue I was putting forward during question time today was trivialised and not taken into account—

Mr SPEAKER: Order! Every member is embarrassed at some time in this House. Embarrassment is not a reason to make a personal explanation. If members made personal explanations every time they were embarrassed the House would be occupied for 50 hours or more.

Mr WEBB: If question time were carried out in an orderly fashion—

Mr SPEAKER: Order! That has nothing to do with the honourable member's character or political integrity. I suggest that he read the standing orders. The honourable member will resume his seat.

SYDNEY DRINKING WATER CATCHMENT AREA

Personal Explanation

Ms HODGKINSON, by leave: I wish to make a personal explanation. Yesterday during question time the Minister for the Environment said that I had never made representations about Goulburn's sewerage system. In order to clear this slur, I draw the Minister's attention to my speech on the Appropriation Bill and cognate bills on 2 June 2000. I said:

Since the Sydney Catchment Authority was created, the Coalition has been calling for the major causes of pollution in Sydney's drinking water to be identified and fixed immediately so that we can achieve the best and fastest possible improvement to the catchment. No-one could deny that Goulburn's ageing and inadequate sewage treatment plant is contributing to a large proportion of the water quality problems. Therefore, it is only logical and cost effective to concentrate effort and resources where one can make the most difference in the quickest time. That means making improvements to this inadequate sewage treatment plant at Goulburn.

I went on to say—

Mr SPEAKER: Order! The member is debating the substance of the matter.

Ms HODGKINSON: My integrity was questioned when the Minister stated that I did not say that. I went on to say that many people in the catchment are being frustrated—

Mr SPEAKER: Order! The member has made the point that she has been misrepresented. She is now debating the substance of the matter.

Ms HODGKINSON: It is also important to say that I believe my character was impugned. I did put on the record that the Government is practically ignoring the thousands of litres of faecal contamination that enter the water supply through overburdened sewage treatment plants such as that in Goulburn. I am happy that the situation began to be rectified in the very next budget and helped council solve an 80-year-old problem. Thank you for giving me the opportunity to make this personal explanation.

CONSIDERATION OF URGENT MOTIONS

Royal Australian Navy Patrol Boat Replacement Project

Mr FACE (Charlestown—Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development) [4.10 p.m.]: This matter is urgent because it requires both sides of the House to support New South Wales in tendering for the Royal Australian Navy Sea 1444 patrol boat replacement project, which will be awarded in the near future. Tenders close on 23 November and this will probably be the only opportunity for this Parliament to submit a case for replacing the ageing fleet of 15 Fremantle class patrol boats. The first of these 15 new vessels will be delivered in 2004, and the contract will have a tight time frame.

Mr SPEAKER: Order! The Minister is straying to the subject matter of his motion.

Mr FACE: This matter is worthy of urgent consideration because it has the potential to restore New South Wales as Australia's leading shipbuilding State, and rightfully so. The Hunter has a proven shipbuilding capacity with world-class defence capabilities, and the industry employs many thousands of people.

Transport Ticketing System

Mr O'FARRELL (Ku-ring-gai—Deputy Leader of the Opposition) [4.12 p.m.]: My motion is urgent because of the need for proper scrutiny of the awarding of preferred tenderer status for a contract that will end up costing New South Wales taxpayers more than \$300 million. It is urgent because over one million people each day use public transport in this city and the contract will affect their ability to purchase public transport tickets. My motion is urgent because the State's taxpayers need to know that their interests are being represented and protected. The Opposition supports the introduction of smart card technology. Like the Government we want a fully integrated ticketing system across all forms of public transport in the city, irrespective of mode or ownership. However, the Opposition has concerns, and it is urgent that these concerns, which are shared by commuters and taxpayers, are addressed and removed.

This matter is urgent because of the Minister's failure to honestly answer questions that have been asked of him in this House about this matter. ERG, the lead company in the consortia which has been awarded preferred tenderer status, was contracted by the former Victorian Government to install and operate an automatic ticketing system for public transport in that State. An independent audit, commissioned by the Labor Government in Victoria, found that the company had failed to perform to a satisfactory standard, with one in four machines out of order—machines that ERG was meant to be maintaining. That poses significant problems for commuters in Victoria and significant problems for fare revenues.

It is urgent that the Minister reassures New South Wales commuters and taxpayers that ERG's performance on the Victorian contract was properly assessed during the New South Wales tender process. It is urgent that he explain the warnings he was personally given about the company by Victorian transport Minister, Peter Batchelor. It is urgent that he properly explain that while the Hong Kong system he so glowingly refers to was installed by ERG, it is not operated by that company. It is urgent that the House should learn that in New South Wales the smart card tender is for the installation and ongoing operation of the system—a similar arrangement to that which applies in Victoria—and that it was ERG'S failure to properly operate that was the subject of the adverse audit report.

It is urgent because whoever gains this contract will also end up running, for at least the next 10 years, the existing magnetic-based ticketing system used across our public transport scheme. This matter is urgent because of ongoing market concerns about the main company in the consortia, concerns which are reflected in a significant slide in share price, and which were reinforced in last week's edition of the Western Australian *Sunday Times*, which quoted a senior market analyst adversely reflecting upon the company's credit ability. He said:

It did the big wind-up and said "We are the greatest thing since sliced bread" but then didn't deliver. Shareholders are wounded and they're not very happy.

This matter is urgent because it would allow the Minister to explain the sudden resignation of ERG's financial controller two days before preferred tenderer status was awarded. It would also allow the Minister for Transport to explain whether the refusal on 22 August of ERG's auditors to sign off ERG's accounts was taken into account by the Department of Transport and what the implications are for State taxpayers. This matter should be urgently debated to allow the Minister to explain to taxpayers whether ERG's 83 per cent slump in net profit was considered by the Department of Transport as a reason to reassess the preferred tenderer status and, if not, why that did not occur.

It is urgent because taxpayers need to know how open, honest and thorough this tender process actually was. How does a company with cash flow problems, clear market weakness and a record of poor performance in Victoria pick up a contract worth hundreds of millions of dollars? What assessment did those in charge of the process make of the underlying financial position of the companies tendering? Finally, if honourable members do not think this matter is urgent, they should think of the potential for chaos and revenue loss from a failure to adequately or effectively implement the smart card tender. More than a million people use public transport in this city every day, with an estimated \$40 million annual loss through fare evasion on State Rail alone. If the performance in Victoria is repeated in this State, a performance determined by an independent audit that one in four machines are out of order, it could create enormous confusion and irritation to public transport users and could result in fare evasion on the rail system alone increasing to more than \$200 million a year.

Public transport users want a ticketing system that can deliver. The company involved in this consortia has a proven delivery problem based on the Victorian experience. They are not my words but the words of the Labor Minister for Transport in Victoria, who commissioned an independent audit report and gave warnings to

the New South Wales Minister for Transport, who has repeatedly failed to deliver for public transport users in this State. It is urgent that he assure people that this will not prove to be another area in which commuters and taxpayers are let down.

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

ROYAL AUSTRALIAN NAVY PATROL BOAT REPLACEMENT PROJECT

Urgent Motion

Mr FACE (Charlestown—Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development) [4.17 p.m.]: I move:

That this House supports the tender for the Royal Australian Navy Sea 1444 Replacement Patrol Boat project being awarded to Newcastle.

This is a matter of serious concern not only to me as Minister Assisting the Premier on Hunter Development but to all Labor members of Parliament who represent Hunter electorates, and indeed those who represent the New South Wales Parliament and the Federal Parliament. Some time ago the Royal Australian Navy called for tenders to replace its ageing fleet of 15 Fremantle class patrol boats. These 15 new vessels will perform the role of patrol, surveillance, intelligence and protection of waters within Australia's economic exclusion zone. The tender states that the first vessel will be delivered by 2004 and the final vessel by 2008. These types of projects need considerable lead time, from the time the tender is let until the first boat leaves the slipway.

The delivery project requires a multiple ship construction program, with up to five ships being built simultaneously—something that I have not witnessed in the time I have watched shipbuilding in and around the Hunter region. Tenders close on 23 November, and I understand that approximately 14 companies plan to submit tenders as stage one of the tendering process. The Federal Department of Defence will short-list two or three tenderers and in stage two will seek further details from the short-listed companies. That is not an unusual practice with a complicated tender such as this involving a high degree of technical input. The construction contract is worth approximately \$400 million. Local Newcastle companies, Forgacs and Australian Defence Industries Pty Ltd [ADI] are two key contenders for the contract—the only two from New South Wales that I am aware of. I do not favour either of those companies; I simply state that they are two reputable shipbuilders with a proven record who operate in New South Wales. They will submit competitive tenders for this very large contract.

If successful, Forgacs intends to carry out the work at its shipbuilding facility at Tomago, near Newcastle, in the Port Stephens area. Forgacs has selected a proven patrol boat hull designed by an Italian company, Fincantieri, which is Europe's second largest shipbuilder, and has formed an alliance with Siemens, the internationally known company, for the through-life support of the vessels. I emphasise that this contract is unlike contracts awarded years ago when the Navy had large facilities for repair and ongoing maintenance of ships. This through-life support will have a tremendous flow-on effect on jobs in the Hunter region. The 15-year through-life support of the vessels, which is also worth approximately \$400 million, will largely be undertaken in Darwin and Cairns, but because the shipyards are in Newcastle they will be able to provide spare parts during those 15 years.

Forgacs has a proven design, with a high-strength steel hull and aluminium superstructure and a low-cost, efficient hull shape. ADI Newcastle has successfully constructed six glass reinforced plastic minehunter vessels and plans to use a similar material in its bid—one that is already proven in patrol and minesweeping operations throughout the world. The contract for the JP2048 LPA watercraft recently awarded to ADI is an indication of the region's competitiveness, but will only make for 40 direct jobs in two years. This tender is being contested by other shipbuilders in Queensland, Western Australia and South Australia, with the backing of the relevant governments.

One of the main reasons I have raised this matter today is the persistent and consistent rumours within the shipping industry and speculation in the *Australian Financial Review* that the tender will be awarded to South Australia, regardless of what happens. I cannot track down the rumour, and I am not raising it as a red herring, but unfortunately in recent years speculations about contracts have sometimes become facts. The awarding of this tender to New South Wales would have the potential to restore New South Wales as Australia's leading shipbuilding State, and rightfully so. We are strategically placed on the east coast of Australia, where much of the shipping activity takes place and where these boats would be serviced.

As I have indicated previously, more than one State in Australia is vying for this lucrative contract, and the successful tenderer would become a centre for defence ship building. That State should be New South Wales. Given the Hunter's proven shipbuilding capacity, world-class defence capability and the thousands of people employed in the industry in the Newcastle and Hunter areas already, the region is a logical location for this construction contract. Newcastle and the Hunter have a long history of shipbuilding, boat building and marine-related construction, and are serviced by an established network of marine-based suppliers and subcontractors. No other place in Australia has such expertise both at the high-tech end and in various shipping crafts.

The Newcastle Forgacs shipyard has seen the successful construction of Sydney Harbour ferries, tugs, offshore supply vessels, cruise vessels, the Antarctic research vessel *Aurora Australis*, HMAS *Tobruk* and ANL ship *MV Searoad Tamar*. As home to Australia's largest regional population, the region was united in putting the Hunter's case to prime the Anzac frigate and submarine contracts in the 1980s. Regional leaders from unions, business and regional development are united in promoting the Hunter region to win the navy patrol boat tender. Many years ago, the Hunter had a shocking industrial record but as a result of workplace reform, site reform and a great number of projects started in the early 1980s, it is second to none in manufacturing, shipbuilding and working collectively with business, unions and the regional development representatives with whom I deal in my special Ministry. They work as one to get things done, regardless of their political persuasions.

The construction of the six Huon minehunters by ADI, and the refurbishment of HMAS *Kanimbla* and HMAS *Manoora* means that tradespeople, welders and defence workers are in Newcastle now, ready to service new contracts. With the construction of the minehunters tapering off, and the refurbishment of the amphibious transport ships complete, the Hunter must redeploy these workers into projects such as the Navy patrol boat contract or it will lose the skills and infrastructure. That is something that we can ill afford to lose at this particular time.

The awarding of the \$400 million construction contract to the Hunter would mean up to an additional 7,000 jobs, including 600 directly employed by the successful tenderer. Nothing other than shipbuilding would have a greater impact on workers in the Hunter region. In other words, 6,000 jobs would impact not only on the Hunter but on the near environs and the Central Coast. Additional employment would be generated by subcontracting of the superstructure, construction and fit-out, electrical power generation system, communications systems, fire suppression system and the subcontractors providing services such as joinery, plumbing, refrigeration, galley equipment, hard and soft furnishings, navigation equipment and chandlery items. Long gone are the days when a shipyard does everything itself. The construction of these vessels in Newcastle would also position the region for future patrol boat work. It is an essential contract for the Hunter, and this motion to put a forceful case for this tender to the Federal Government should have the unanimous support of the House. [*Time expired.*]

Mr J. H. TURNER (Myall Lakes—Deputy Leader of the National Party) [4.27 p.m.]: The Opposition supports the Minister and the Government in helping Newcastle to get this tender, which is vitally important. However, I regret that, whilst the State Opposition supports it, it appears that the Federal Opposition may well be its downfall. I will refer to that in a moment. As the Minister outlined, Newcastle plays a significant role in the economy of the region, with large military bases and large-scale manufacturing projects involving the defence industry. In particular, the region is currently involved in a period of growth in the aviation and aerospace sectors of defence, and this tender would complement the work in those areas.

The Royal Australian Navy patrol boats provide the frontline of Australia's defence against people smuggling, illegal fishing, the narcotics trade and breaches of Australia's quarantine regulations. The Navy currently operates 15 42-metre Fremantle class patrol boats, armed with 40-millimetre guns, that are almost 25 years old and are nearing the end of their working life. Hence the proposal to construct 15 new patrol boats at a value of about \$400 to \$450 million. I congratulate Forgacs and ADI on being on the short list of tenderers, and I hope that either of them from Newcastle will be successful. The patrol boat force is home ported in Darwin, with 10 patrol boats in Darwin and five patrol boats in Cairns. In line with the Federal Government's commitment to enhance surveillance in the northern waters, four patrol boats were recently transferred to Darwin, two from Perth and two from Sydney.

The Federal Government's defence white paper provided for a replacement for the Fremantle patrol boats. The new vessels will be slightly larger and able to cope with heavier seas. The new patrol boats will continue to provide vital operational training platforms for Navy personnel. The Navy contributes 1,800 patrol

boat days each year to Coastwatch operations that protect our coastlines. The contract for the new patrol boats will cover both construction and through-life support of the vessels. The construction component of the contract will be worth up to \$450 million and, as the Minister said, will provide up to 600 direct and 7,000 indirect jobs. The Government has indicated that it expects construction to take place throughout Australia, but we would like to see the main construction work done in Newcastle and throughout the Hunter Valley.

However, the Opposition has grave concerns for the future if a Beazley Labor Government is elected on Saturday. That would spell the end of this project and Newcastle's participation in it. Mr Beazley told Federal Parliament in September that, if elected, the Labor Party would scrap the tender process now under way for replacement vessels. He indicated that Labor would instead re-issue the tender seeking cheaper vessels that would be destined not for the Navy but for a civilian coast guard. In Federal Parliament on 24 September Mr Beazley said:

The tender for this replacement should be, and under a Labor Government would be, given in the context of establishing an Australian Coast Guard.

This policy was reiterated by Labor's defence spokesman, Stephen Martin, who told Howard Sattler on Sydney Radio 2SM on 16 October 2001 that Labor would take the vessels scheduled to replace the Navy's 15 patrol boats and hand them to a new agency to be called Coast Guard. He said:

Under the scheme that we're proposing the Navy would not have these patrol boats ...

Mr Martin admitted during the interview that Labor planned to scrap the current request for tenders for the new patrol boats and instead purchase larger vessels that were able to cope with Southern Ocean conditions. The possible future defence Minister and possible future Prime Minister—although I believe Labor has no chance of winning government on Saturday—have said clearly that they will scrap the current tender process. I do not know whether there will be a new tender process or whether Labor plans to purchase boats from overseas. Mr Beazley seems very keen on the American Coast Guard model so he may decide to purchase vessels from the United States of America. However, it is clear from those statements that the process happily supported by both sides of politics in this State may not proceed and may be scrapped in favour of some unknown plan. We do not even know whether the project would return to Newcastle.

The Minister acknowledged support for the project from both the unions and business. Forgacs and ADI have worked hard to bring the process to this point. Tenders will close at the end of the month, and they are seen as the preferred choice. I suggest that many millions of dollars have been expended on this project already, and I regret that it is being jeopardised by the comments of the Federal Leader of the Opposition and the shadow defence Minister. I had hoped for a bipartisan approach similar to that demonstrated in this Parliament to efforts to bring the project to fruition, and importantly to New South Wales and the Newcastle area.

The Minister referred to the long history of shipbuilding in Newcastle. There was a period of infamy in the dockyards when work practices were dreadful. For instance, painters were issued with a quart of paint with which to do a day's work and workers slept in bunks installed in toilets. It is a tribute to those involved in the industry that work practices such as those have disappeared. The area now has a well-equipped force that could handle this project should it be won for Newcastle. However, I refer honourable members again to the forthright statements by Labor's Federal defence spokesman, Mr Martin, who admitted that a Labor Government would scrap the scheme. I remind the House that Mr Martin said:

Under the scheme that we're proposing the Navy would not have these patrol boats ...

Mr Martin admitted that Labor plans to scrap the current request for tender for the new patrol boats and instead purchase larger vessels that are able to cope with Southern Ocean conditions. Mr Beazley said that the tender process would be replaced. Those statements are not good news for the people of Newcastle, especially those seeking long-term work in the current economic climate. If the worst happened and the Labor Party were successful on Saturday—I cannot see that happening—the Minister should make it his priority to ensure that sanity prevails. He should urge Mr Beazley and Mr Martin to forego plans to scrap the patrol boat proposal and allow completion of the tender process, which would hopefully see the job awarded to Newcastle and the creation of 600 direct and 7,000 indirect jobs.

That outcome would be very important to the area. That employment would be spread over the four to five years that it would take to build the boats, which is fine, but we must be forward thinking. We do not want stop-start employment in the Hunter, which has been an unfortunate tradition in the area and has caused much hardship to workers and their families. We must consider seriously where the Hunter is heading in the long term

in industries such as shipbuilding, steelmaking, coalmining and other traditional work environments of the region. The Opposition supports the Government's efforts to do whatever it can to attract the contract to Newcastle. However, I despair that if Labor is elected to Federal government we will see a typical flip-flop from Mr Beazley, who will scrap the tender process and deny jobs to Newcastle. If that occurs, we will all be the worse for it.

Mr BARTLETT (Port Stephens) [4.36 p.m.]: I am pleased to support the urgent motion moved by the Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development, which calls on the State Government to support tenders being awarded to Newcastle for the Royal Australian Navy sea 1444 replacement patrol boat project. Many honourable members may not be aware that my electorate encompasses Mayfield, Kooragang Island and Tomago. As previous speakers have said, Forgacs is considering Tomago as the construction site if it wins the contract, and Australian Defence Industries Pty Ltd [ADI] work will occur somewhere around the port of Newcastle. A decision will be made on 23 November regarding stage one of the tender process. Many honourable members will be aware that the defence industry in the Hunter and in Port Stephens is an important employer of skilled tradesmen that provides long-term work. This project will provide 600 direct construction jobs and 7,000 indirect jobs for subcontractors and Newcastle companies.

The project aims to replace the 15 Fremantle class patrol boats, which have passed their use-by date, with 15 new vessels, the first of which is to be delivered by 2004 and the last by 2008, with up to five vessels constructed simultaneously. A number of projects are currently under way in the Tomago area. Austeel has made a commitment to locate its plant in the Tomago area, which will create a synergy if all the projects go ahead. Some \$250 million in State money will be allocated to the Austeel project, which would create \$2.5 billion worth of exports each year from the port of Newcastle and 1,400 full-time jobs. That plant would be located immediately next to the Forgacs plant if that company were to win the patrol boat contract.

That important synergy has been created in Newcastle. Five or six kilometres down the road British Aerospace just finished the assembly and construction of the Hawk aircraft—a leading fighter aircraft and an \$850 million 25-year project. That project, which is in place right now, is big money for the region, and that is the sort of money that will be poured into the region if shipbuilding comes to the Hunter. Honourable members alluded earlier to the fact that the regular maintenance of vessels will be carried out in Cairns and Darwin, which is fair enough as those towns are responsible for the provision of supply. However, the big long-term repairs will probably come back to home base, to where the vessels were constructed. As I said earlier, that has created an important synergy and direction for Newcastle. Newcastle is getting over BHP; that era has gone.

Protech will be providing services on Kooragang Island and the Austeel project will be located at Tomago if all relevant plans come to fruition. If we get Forgacs and the ADI in the Hunter, we will maintain that synergy in the defence industry—an important synergy to which I referred earlier. The technology that will go into the construction of these new vessels, which are of prime importance, will assist in retaining our important skills base. That skills base should not be moved, say, to Western Australia or South Australia. If we maintain that synergy in the Newcastle region—in the Tomago-Kooragang-Williamstown area—it will result in additional jobs and new technology. The Hunter is a regional area that has always paid its way. This country was formed as a result of the hard work that was done in Newcastle. It could happen again. I support the urgency motion moved by the Minister.

Mr COLLINS (Willoughby) [4.40 p.m.]: I support the motion moved today by the Minister Assisting the Premier on Hunter Development—a motion which has a familiar resonance to me. In 1992, when the minehunter project commenced and three short-listed vessels were under consideration, as Minister for State Development I went to Europe to meet the manufacturers—the designers—and took a single message to them: Whichever ship wins the tender it should be built in Newcastle. I repeat that message today as it is more crucial than ever. I place on record my congratulations to the city of Newcastle, the people of Newcastle and the unions in Newcastle that have worked hard over two decades to come up with a completely different and restructured working environment that has seen the emergence of a sustainable naval shipbuilding and maintenance facility in Newcastle.

As has been stated already, we must remember that Newcastle is the place where, first, HMAS *Tobruk* was built and launched in about 1980—one of the Navy's large amphibious ships—and, second, HMAS *Manoora* and HMAS *Kanimbla* were rebuilt, not just refitted, by Forgacs on its floating dock in Newcastle. Those ships, with HMAS *Tobruk*, have already proved themselves to be vital units of the Royal Australian Navy

in the modern world in the new challenges that we face protecting our borders. The patrol boats that are the subject of this motion will be the third generation of patrol boats built specifically for the Australian Navy and designed for Australian conditions. The two previous classes, the Attack class and the Fremantle class, were not built in Newcastle or in New South Wales; they were built in North Queensland.

So part of the challenge that we, as a State, face in trying to pin down this project is to prise it off Queensland and to get that work for Newcastle. We must do that in recognition of the fact that most of the naval shipbuilding facilities in Sydney have long since disappeared. Cockatoo Island dockyard closed a decade ago. Cockatoo Island dockyard, along with Williamstown in Victoria, was the supplier of Australian-built vessels for the Australian Navy. It no longer exists as a shipbuilding facility. Other dockyards in Sydney have long since gone by the wayside and been gentrified, for example, the dockyard in Balmain that produced ships during World War II. In other words, Newcastle is the only site left in New South Wales that still produces naval vessels. That is why we must win this project.

Mention has been made of the Huon class minehunter project—the project about which I went to Europe to advocate Newcastle as a construction site. When that project is completed—and I understand that either the last or the second last vessel is now under construction—that will be the end of the project. So what new construction work will go to Newcastle to maintain those jobs? It is vital that we put in the best possible bid, with a completely united Parliament backing that bid, for Newcastle so that we can retain the work force and the skills that have been built up there and that have been mentioned by other speakers. If we do not, we run the serious risk of losing the last significant naval shipbuilding capability in this State altogether, and perhaps for all time.

I correct the Minister in relation to one issue. I think the Minister spoke about Newcastle as being the foremost shipbuilding facility in Australia. Sadly, that is not the case at the moment because the FFG and Anzac frigate projects are based at Williamstown in Victoria, where those ships are built well by Tenix. But Tenix has a stranglehold on major service combatant production for the Australian Navy. Today we are looking at the construction of patrol boats. It is an extremely important project for us to win as the minehunter project comes to a close, as the Australian submarine—the Collins class submarine project—comes to a close with the launching today, as I understand it, of the last in that series. This is a vital project for Newcastle to win. The Government has the total support of the Opposition to maintain that capability in New South Wales and build upon it for the future. [*Time expired.*]

Mr GAUDRY (Newcastle—Parliamentary Secretary) [4.45 p.m.]: I congratulate the honourable member for Willoughby on his commitment to Newcastle as a premier naval shipbuilding centre. There is no doubt that Newcastle has the skills for building naval vessels. It also has the support services for naval vessels—an issue that was well demonstrated earlier by the honourable member for Willoughby and the Minister. Residing in Newcastle are two extremely competent shipbuilders and the work forces that sustain them. I refer, first, to Australian Defence Industries Pty Ltd [ADI]. We have already been given a list of the ships that that company has built. Obviously, the work generated by that company has brought great benefits to Newcastle in the form of upgraded skills and technology transfer as various projects have come on line.

We heard earlier about the wonderful work of ADI in building the minehunters. I congratulate the honourable member for Willoughby, in his former role in the Coalition Government, on his bipartisan approach in briefing members and maintaining an important focus on Newcastle and the Hunter Valley. The Minister Assisting the Premier on Hunter Development, the Hon. Richard Face, the Department of State and Regional Development in Newcastle, the Hunter Economic Development Corporation, and all honourable members recognise the need for that combined focus. Skills were retained in Newcastle as a result of Transfield building sections of the frigates in Newcastle and building offshore platforms for oil rigs that went to the north-west field.

We have the necessary skills in Newcastle—not just shipbuilding skills but also skills and technology at our first-class university. Those skills include information technology, communications technology and engineering. The many research establishments in the Newcastle area create the synergy that is required to maintain the skills that are necessary for the building of first-class defence vessels. The Commonwealth Scientific and Industrial Research Organisation Energy Centre, the Co-operative Centre for Coal Research, the BHP minerals laboratory and the Advance Technology Centre are all located in Newcastle. Those facilities provide a range of skills that are important in shipbuilding. They also provide the support services required for maintaining a major defence contract. We cannot afford to lose those skills.

The Minister Assisting the Premier on Hunter Development and the honourable member for Willoughby pointed out that the Australian Defence Industry project is coming to an end. When the final

minehunter is launched, Newcastle will provide the ongoing support services. However, the construction jobs will no longer be available. As the Minister said, 600 people will be directly employed on the patrol boat project by the successful tenderer and an additional 7,000 jobs will flow through in subcontracts. Most importantly, a bipartisan approach has been taken to this project, and to other shipbuilding projects in the defence industry. We must continue to advocate the skills base and trade union support in the Hunter region.

As the honourable member for Willoughby said, the trade union philosophy in Newcastle is directed to getting the job done, working in co-operation with employers and the general community, and focusing on the competency of the work force. This is the time to show positive support for Newcastle to obtain the Royal Australian Navy sea 1444 replacement patrol boat project and other major defence service projects. Newcastle has the capacity, the skills, the commitment and the community support. Let us make sure that the jobs come to Newcastle and the Hunter.

Mr FACE (Charlestown—Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development) [4.50 p.m.], in reply: I thank the honourable member for Willoughby for his enlightening and sound contribution—which, no doubt, he was able to deliver from his experience as a former Minister and because of his links with the Navy. I do not want to be too unkind to the National Party member for Myall Lakes, but his contribution was a good old Country Party manufactured lie. He put a sinister slant on what is likely to happen after Saturday's Federal election. I can tell him what will happen. Regardless of the outcome, I, as the Minister Assisting the Premier on Hunter Development, and other Newcastle advocates will ensure that this contract goes ahead, or an alternative contract if the Department of Defence decides to build a different class boat. The contribution from the honourable member for Myall Lakes was absolute stupidity.

Currently there is a worldwide demand for patrol boats to undertake surveillance operations in relation to illegal immigration, an issue we have heard a great deal about in the past few months; illegal drug trafficking, a scourge on our community; and illegal fishing. As fish stocks dry up around the world, aquaculture will become an important industry. Surveillance operations will also be required for customs breaches, fishery inspections and marine research. The Federal Opposition has referred to the potential future demand for large patrol boats in Australia. I repeat: We will pursue contracts for the building and upgrading of boats capable of performing patrols in the Southern Ocean and the Tasman Sea.

The Hunter Economic Development Corporation [HEDC] considers that winning the Royal Australian Navy sea 1444 replacement patrol boat project for the Hunter is the most significant regional issue in New South Wales. Some of the other projects I have spoken about will happen, but at present this is the main project. I am advised by Dr Allan Patterson, Chairman of HEDC, that the corporation will commission a report to determine the economic impact of the project on the Hunter region and, importantly, identify the available skills bases in light of recent downturns in industry. The report will be made available to the two Hunter-based proponents for inclusion in their tenders. The Government is serious. Regardless of the result at next Saturday's election, we will promote the regional case in a meeting with the Federal Government. A meeting with Senator Bill Heffernan is to take place this week. As part of the process, we will lobby Department of Defence bureaucrats and Federal politicians, regardless of who is in office when tenders close on 23 November.

The HEDC will also investigate whether training packages can be included in the tenders of the two Hunter-based proponents. That is an important factor because of the drain of skills from the area. The HEDC will put forward the Hunter's case in relevant defence specialist publications and the Hunter media. The Hunter has developed as a hi-tech defence area. We realised what was happening to our former economic base in the early 1980s. The downgrading of the steelworks was inevitable. You did not have to be Einstein to work that out.

The high technical capacity at the nearby RAAF is an essential, ongoing defence component. It is not the mishmash referred to by the honourable member for Myall Lakes. Further, Newcastle is a marine port with a naval history, and Navy personnel enjoy coming to Newcastle. I have moved this motion in Parliament today with the right intention: to gain State Government support in bringing this major project to New South Wales, which will create possibly hundreds of sustainable jobs in the Hunter region. We must vigorously pursue this project and make certain that we are successful. This project, which involves ongoing service requirements and a 15-year contract, will consolidate our defence capabilities on the eastern seaboard.

Mr Collins: It has unanimous support.

Mr FACE: I will transmit this motion, which has the unanimous support of Parliament, to the winner of Saturday's Federal election.

Motion agreed to.

DAIRY EXPORTS TO CHINA

Matter of Public Importance

Mr AMERY (Mount Druitt—Minister for Agriculture, and Minister for Land and Water Conservation) [4.57 p.m.]: I ask the House to note as a matter of public importance the increasing opportunities for dairy exports to China. This House has debated dairy industry issues many times over a number of years. In more recent times our debates have highlighted the negative aspects of dairy deregulation, the impact on regional communities and dairy farmers' margins and job losses. During our last debate on the dairy industry we highlighted successful aspects of the industry. Whilst the dairy industry in this country and in this State is changing, both as to regional locations and the number of farmers involved in the industry, our export focus will also change as the industry moves away from its traditional base of domestic supply. I am pleased to be able to report to the House the tremendous potential for increased dairy exports, particularly to China.

The consumption of dairy products in China is well below the world annual average of approximately 105 kilograms per person. China's Dairy Industry Association has estimated that its annual consumption of dairy products per capita is just six kilograms. When we think of the population of China, we can see the potential to increase the market. If Chinese people increased their annual intake of dairy foods by just one kilogram, an additional 1.2 million tonnes of milk would be required to meet the demand. This equates to 11.5 per cent of Australia's milk production. They are the sorts of figures one talks about when referring to a country with an enormous population.

We often hear that it would have required every bale of our 4.7 million bale wool stockpile to make one woollen sock for every person in China. The reality is that the Chinese could not afford it and that proposal was not a priority of the Government of the day. I have been advised over the past couple of years by various Chinese communities and organisations that one of the objectives of China's Central Government is to increase the consumption of dairy products, particularly milk. A substantial increase in consumption per capita will occur over the next five to 10 years. The Chinese Government is actively encouraging its citizens to consume more dairy products.

The most significant example of this encouragement is the schoolchildren's milk program, which the Chinese Government trialled in five major cities in 1999-2000. Under this program each child consumes 225 millilitres of milk per day. The Chinese Government has extended the trial to all major cities. China's dairy herd cannot meet the demand generated by that program, so imports are the only solution, and this creates opportunities for our country. Australia is well placed to capitalise on this demand. We already provide 10 per cent of China's dairy imports. New South Wales Agriculture has been monitoring the situation in China very closely and has identified export opportunities in several areas. These include stocking new and expanding Chinese dairy farms with cows and equipment, meeting increased demand for milk powder and long-life milk and cheese, and promoting New South Wales dairy genetics and management skills to Chinese investors.

The New South Wales dairy herd is known for its high productivity and clean health status. Hence the interest of the Chinese Government in our industry as a supplier. The use of performance records, combined with adoption of technologies such as artificial insemination and good management, has enabled the industry to lift production per head from 3,781 litres in 1989-90 to 5,008 litres in 1999-2000. In 1999-2000 China's dairy herd was estimated at 4.45 million head, producing 6.9 million tonnes of milk per annum. That is an interesting figure but it should be compared with the production of Australia's 2.16 million cows, that is, 10.483 million tonnes of milk a year. We are getting increased production because of our experience in milk production and our technology. China certainly wants to learn from us. For these reasons, the New South Wales herd is a great asset that can be marketed to other countries.

New South Wales Agriculture's export marketing arm, Agsell, has been actively promoting the benefits of New South Wales dairy products and genetics to Chinese businesses and investors. In 2000, Agsell held discussions with the Guangzhou Farm Management Bureau regarding the importation of New South Wales dairy cows. Following those discussions, New South Wales Agriculture hosted a delegation that inspected New South Wales dairy farms and processing factories and held discussions with livestock exporters. As a result of this visit a trial shipment of 250 cows, worth \$750,000, was exported in December 2000. The Guangzhou Farm Management Bureau has now informed New South Wales Agriculture that the New South Wales cows have exceeded expectations and that they will purchase 200 embryos from the New South Wales based company RAB Australian Animal Genetic Pty Ltd.

In April this year I had a meeting in the south-west of the State with the San Huan group from Liaoning Province. As a result of this meeting, two New South Wales based companies are working with the San Huan

group to export cows to northern China. New South Wales Agriculture has also met with investors who are establishing a 5,000 cow dairy farm in Foshan. Agsell is working with investors to source cows from New South Wales, as well as technical services and milk powder. It is hoped that a shipment of 1,000 cows will be exported by next March, generating more than \$2.5 million. Agsell is working with a number of other investors and dairy operators seeking to expand their cow numbers. Sales of dairy cows to these clients could be worth more than \$2 million in the next 12 months.

This is only the tip of the iceberg. New South Wales Agriculture has been conducting research to open up new markets, including a trip by Dr Peter Kirkland in July this year to renegotiate the protocol for the export of cattle embryos and semen from Australia to China. I advise the House that the trip was extremely successful, and that the export protocol will soon be in operation. This is a new market for Australia and one that holds considerable potential. Agsell expects the export of embryos and semen to China to exceed \$2 million in its first year. Another strategy Agsell is pursuing is contract packing of long-life milk in New South Wales for Chinese companies, as is happening with a Victorian dairy co-operative. That is yet another example of the dairy industry, since deregulation, focusing on the export market.

With the previously mentioned schoolchildren's milk program and China's expected entry into the World Trade Organisation perhaps later this month, we expect a significant reduction in tariffs for a number of Australian dairy products. For example, the tariff on long-life milk and milk powders will reduce from 25 per cent to 10 per cent, the tariff on cheese will reduce from 50 per cent to 12 per cent, and the tariff on yoghurt will reduce from 50 per cent to 10 per cent. Australian dairy products will become much more attractive and much more competitive as a result of those reductions in tariffs.

China's dairy industry is predominantly a feedlot system. As the demand for dairy product increases, so will the need for stock feed. China will be able to meet some of this demand, but will also have to import a considerable amount. Agsell is pursuing the possibility of New South Wales grain and hay exporters satisfying this demand. With all that positive news about our export market I conclude by saying that while there are still some negative aspects to the dairy industry following deregulation, it is good to bring to the House some positive aspects of how the dairy industry will be reshaping itself in the years ahead. This potential for increased market share of product into China is one of many opportunities that the dairy industry of this State and around Australia has found for itself in the past couple of years. [*Time expired.*]

Mr SLACK-SMITH (Barwon) [5.07 p.m.]: The Opposition supports this matter of public importance, which relates to increasing opportunities for dairy exports to China. China and Australia has many similarities as well as their obvious differences. Both are totally focused on agriculture. Beijing places a larger focus on agriculture than on anything else. Australia and China are also very good friends. Australia is China's third-biggest trading partner, and Chinese is the second language spoken in Australia today. So, we have very important links with China. The Central Government of Beijing has virtually told the provinces that the target is for every schoolchild to consume 145 millilitres of milk per day. That is a huge increase. The total number of cattle in China, 160 million, compares to only 30 million in Australia, but, as the Minister said, the average lucerne mill cattle in China, which are yellow cattle, produce less than 2,000 litres of milk per annum. For the Holstein and Jersey cattle going to China the target of 7,000 litres per annum is quite achievable.

The lucerne mill farm in Forbes has a feedlot of approximately 1,200 head of cattle. China wants to increase its feedlots and dairies to 5,000 head in one feedlot-dairy operation. China is fair dinkum about increasing its dairy herd and milk consumption. Australia has 23 million cattle, most of which are beef cattle; our dairy numbers are somewhat limited. Recently Mexico took more than 5,000 head of dairy cattle from Victoria. The United States of America took out about 1,000 head. Dairy cattle in the southern part of the State are becoming quite scarce. The Minister referred to the Australian Quarantine and Inspection Service and the Chinese Quarantine Service. I was pleased to hear him acknowledge the hard work of Dr Peter Kirkland, a person with a lot of commonsense. His attitude is: We do not want to mess about with the bureaucracy; we want to get the job done, we want to make sure that the protocols are in place, and that we are strategically and positively placed to achieve our goals to export not only dairy cattle but all cattle to China.

Dr Peter Kirkland is referring to embryo transfers, which are expensive at the moment because of the protocols. The export of semen to China has its problems. If the Government were to follow Dr Peter Kirkland's negotiations with the Chinese Quarantine Service, the protocols to permit the importation of embryos into China would be greatly enhanced. I support the Minister in that regard. Current protocols, which have been in place for 20 or 30 years and which are restricting our trade in China, are obsolete. Pacific Rim Australia is quoting for the export of more than 3,000 dairy cattle to three different provinces in China. The increase in China in the

consumption of yoghurt and cheese is astounding. China has McDonald's, KFC and other fast food chains that provide what one might loosely term "western cuisine". It tastes like sawdust! The emphasis in China is on western food, and dairy produce is definitely western food.

Mr Amery: I haven't actually tasted sawdust.

Mr SLACK-SMITH: The Minister should try McDonalds. China is totally changing its diet. Trials indicate that the emphasis on milk production and consumption in China have resulted in children growing bigger, which is why our dairy industry is keen to make its presence felt in China. The increase in children's size has been attributed to the increase in their intake of calcium. There is no doubt that China, with its rich country and sizeable work force, has the potential to improve the quality of its dairy herd. But its need for imported agricultural produce will continue. China's economy is growing. The number of people in China with money to spend is growing at a rapid rate. Its population is continuing to increase. However, that will start to slow down in about four or five years, even with its one-child policy.

Some 1.25 billion people, compared with 18 million people in Australia, are earning more money than they have ever earned and, therefore, have a greater spending capacity than they have ever had. They are the people who will consume more and more agricultural products. Australia is well placed to provide China with its agricultural products. Europe has mad cow disease, and foot and mouth disease. America and Canada do not have the capacity to supply China and, in fact, they have been purchasing dairy cattle from Australia. Mexico is finding that it is much more convenient to purchase cattle from Australia than it is to pay huge prices to purchase them from America. China has nowhere to go. Australia's biggest problem will be its capacity to fill the demand. Embryo technology is in its infancy and it is expensive.

Exporting semen to China for use in artificial insemination procedures will be a great asset. This is a long-term project. Australia and China will be trading partners in the dairy industry for a long time. It is interesting to note that Australia has only 2.5 per cent of the cattle in the world. India has 312 million head of cattle, China has 160 million and Australia has less than 30 million. The dairy industry in Australia is the third-largest rural export earner in Australia, and exports products worth in excess of \$2 billion per year. The potential trade in China can be expanded even further. The Opposition supports the Minister raising this matter of public importance. This project has a long-term future. Opportunities for the dairy industry in Australia, particularly New South Wales, are positive.

Pursuant to sessional orders discussion interrupted.

PRIVATE MEMBERS' STATEMENTS

YERRINBOOL FREEWAY NOISE

Ms SEATON (Southern Highlands) [5.15 p.m.]: Two or three weeks ago I met with two residents of the village of Yerrinbool in my electorate, Mr Reg Linsley and Mr Jim Clinton, to discuss the impact of freeway noise on residences near the freeway. This important issue affects both Yerrinbool and, to some extent, Yanderra. Something like 16,000 vehicles per day use the freeway to travel north and south. The delightful village of Yerrinbool is an attractive place for people to move to and build; it is a great place to live. It boasts its own CityRail railway station. If people are to be encouraged to use public transport, we should attract them to places that are served by valuable public transport infrastructure links. Unfortunately, the Roads and Traffic Authority [RTA] has not been as helpful as I would have hoped in helping residents to find a way to abate the increasing freeway noise at Yerrinbool.

It is easy for the RTA to tell residents that they moved into the area in the full knowledge that the freeway existed. However, I remind honourable members, and the Minister in particular, that the freeway was built before the introduction of environmental impact statements and noise impact statements. When residents ring the RTA and ask for advice about the prospects of the installation of noise abatement structures they are told that if 70 per cent of the people in their area had lived there for seven years then some form of response would be encouraged or considered. The residents to whom I have spoken make the case that it can be proved that 70 per cent of the people have lived there for seven years, particularly in the Links Avenue and Kiandra Crescent areas. It is hard for residents to get any sort of formal written agreement as to the criteria under which the RTA would agree to carry out the appropriate noise abatement work. Traffic is increasing.

I have also been in contact with Mrs Neil, who is a resident of Kiandra Crescent. She told me that some trucks using the freeway are apparently playing a game; they come down the freeway towards Yerrinbool and as they approach the Sierra Street overpass they unnecessarily apply their brakes. There is no particular reason for that. Mrs Neil thinks that there is a game developing among truck drivers and unnecessary noise is occurring. I have already made representations on her behalf to find out whether the traffic can be tested or monitored to ascertain whether that is actually happening. If it is happening, it is dangerous.

The Sierra Street overpass has been enclosed as a result of people throwing rocks off the overpass and hitting passing trucks. The fatal consequences of that have already been experienced on other parts on the freeway. However, people are still throwing rocks off the stone cutting of the escarpment, and that must be attended to as well. I would like the Minister to look into the representations I have made on behalf of the people who live in Yerrinbool and give us clear criteria as to the circumstances in which noise abatement measures can be installed. The residents would like to have installed the sort of noise abatement walling that can already be seen on the side of the road in the Campbelltown and Narellan area. They believe that the noise is bad enough to warrant that.

One resident has already spent \$18,000 on installing noise abatement measures recommended by the RTA but to no effect. Noise pollution is most irritating. The residents believe that they fulfil the RTA's criteria and that 70 per cent of the people have been there for seven years. They want a clear direction from the RTA. We need a formal process to go through. The problem, which affects residents in Yerrinbool and in Yanderra, must be taken seriously. The problem will increase as, understandably, more people are attracted to places like Yerrinbool but then find the living conditions very hard.

PREMIER'S AWARDS AND INTERNATIONAL YEAR OF VOLUNTEERS AWARDS

Mr GAUDRY (Newcastle—Parliamentary Secretary) [5.20 p.m.]: On Saturday night I had the honour of representing the Premier at the conferring of Premier's Awards and International Year of Volunteers awards to representatives of three important multicultural service organisations in Newcastle which are managed and run by volunteer groups. I refer to the Ethnic Communities Council of Newcastle and the Hunter Valley, a 24-year service organisation, the Multicultural Neighbourhood Centre, which has been operating for 17 years in the area, and the Migrant Resource Centre, which has been operating for 20 years in the Newcastle area. Those organisations devote a huge amount of time, mostly through volunteer support, to assist and to provide a meeting place for the wonderful multicultural groups that have greatly strengthened the Newcastle community. They have brought ideas, customs, foods and a social fabric that has greatly improved the living conditions and life in Newcastle, which is very much a multicultural city.

On the night it was important to recognise the fact that the people receiving the awards were receiving them as representatives of many people who had given much time. It was a night to reflect on what a multicultural society New South Wales is and how important that multiculturalism is to us at this time. Some 23 per cent of the New South Wales population were born overseas, and either one or both parents of almost 42 per cent of the population were born overseas. As I said, the evening was a time to recognise that. I also report that on Thursday people from some 22 nationalities received Australian citizenship. People from as far afield as Bangladesh, Bosnia-Herzegovina, Ghana, Iran, Ireland, Italy and Malaysia joined in and became citizens of Australia. I want to read into *Hansard* the response of Ms Dijana Ostojic, who was a recipient of citizenship on that day. She clearly pointed out how important Australian citizenship was to her. She said:

My parents, brother and I escaped from our war torn country of origin, Bosnia-Herzegovina, and ended up like so many of the refugees in Germany, which offered us a temporary haven, until the troubles were over.

Then we were all supposed to return to a still tense even dangerous situation in our various countries. I have to say that wars do not end quickly or neatly. The new rules that end the stopping of hostilities are not always understood or implemented where the ordinary people are.

She also said:

I wonder if the Australians lucky enough to be born here realise just how lucky they are! This is a truly beautiful country, not just because of its natural physical beauty, but its space, its warmth, its friendliness, but above all its freedom and the opportunities it offers.

And I love the fact that Australia is multicultural, a country that is made up of people from every corner of the globe, living, despite the recent troubles, in great peace and enjoying the wonderful benefits that cultural diversity brings.

She further said:

For refugees of any age, it is a wonderful thing to feel safe and protected, with the chance to heal from our experiences and begin a new and different life.

She encapsulated in those words how important it is for us in Australia not only to recognise our multiculturalism but also to understand the importance of giving asylum to refugees and the positive benefits that brings not only to our community but also to those individuals and their families. The awards night was recognition of those three organisations in Newcastle, the positive benefits that those organisations have brought to people who seek their support and the wonderful opportunities that multiculturalism has given the Newcastle community.

QUEANBEYAN HEAVY VEHICLE BYPASS

Mr WEBB (Monaro) [5.25 p.m.]: I raise an important issue that has been neglected for far too long by the Government. It follows a commitment made by the then Leader of the Opposition in 1995, as he walked down the main road of Queanbeyan, to spend the necessary funds—I think the figure was about \$33 million—to install a ring-road in Queanbeyan to overcome the problems that the shopkeepers and residents of Queanbeyan had been facing for some time. I speak on behalf of the shopkeepers and residents of Queanbeyan, and the visitors to Queanbeyan who spend their time in and around main street, and point out the difficulties particularly with heavy vehicles travelling up and down the street as they travel from sand mines, quarries and businesses elsewhere in New South Wales and go through Queanbeyan to the Australian Capital Territory or further into Monaro and beyond.

As many people probably recognise, Queanbeyan is a regional city of some importance in New South Wales. Basically, it is on the conjunction of the Federal, Monaro and King highways. If the Australian Capital Territory is taken out of the equation, it goes through Barton and the western areas as well. Having 300,000 people in the Australian Capital Territory only compounds the problem. A lot of work has been done by the former member for Monaro, Queanbeyan City Council, Mayor Frank Pangallo, officers of the Department of Transport, the Roads and Traffic Authority [RTA] and others to formulate plans, revise those plans and to call for further studies. The most recent results show that heavy vehicle bypass option D to the north-east of Queanbeyan is the first option that should be adopted at this time. The Edwin Land Parkway extensions, a bridge across Queanbeyan River to the south of the city and other extensions making a ring-road are necessary but not for some time yet.

The Federal Government has made a commitment and it has been pointed out to everyone concerned that we need to involve not only the New South Wales State Government, but also the Australian Capital Territory Government and the Queanbeyan City Council. Queanbeyan City Council has been on board for some time and is working to resolve what has been recognised as probably the major problem confronting Queanbeyan at this time. I suppose one could say that the Federal Government's commitment matches the commitment given by the State Government in the past. Here we are some six years later and the money has not come through from the State Government. It has reneged on its promise to provide the funds for a ring-road into Queanbeyan.

The issue should not be politicised. Queanbeyan bears the brunt of being the closest New South Wales town to the Federal capital, being right on the doorstep of the 300,000 residents of Canberra. It is also a centre of regional importance in New South Wales. There have been a number of interesting developments recently, including the announcement of the redevelopment of the Riverside Plaza, which will change the shopping habits in the main street. For some time taxi services in Queanbeyan have experienced problems in dealing with the heavy traffic flows and the trucks, almost having to pick people up on one side of the street, drive them around and deliver them on the other side of the street.

The pedestrian crossing facilities in the main street are inadequate. A number of businesses have closed during the past few years and many people have identified the fact that the heavy vehicles on the main road, Monaro Street, were probably the main cause. Approximately one-quarter of the vehicular traffic on Monaro Street is made up of heavy vehicles, including all sorts of truck configurations—logging, sand, deliveries and so on. Recent further studies by the RTA have identified the fact that it is imperative that this traffic be relocated to the north-east, around Queanbeyan.

The changes are necessary and the local council has worked very hard. I believe the council thought it had an undertaking from the State Government. However, when the Minister for Transport, and Minister for Roads commits dollars from the State Government he immediately calls for equal funding or support from the Federal Government. In this instance the roles have been reversed: The Federal Government has put \$2 million on the table and is seeking a further \$3.5 million from the New South Wales and Australian Capital Territory governments for the heavy vehicle bypass. I call on the Minister to commit some funds towards the construction of that heavy vehicle bypass for Queanbeyan.

KOGARAH MARIST COLLEGE REUNION

Mr GREENE (Georges River) [5.30 p.m.]: In 1975 and 1976 I had the pleasure of attending the Marist Brothers College at Kogarah, where I was able to complete my secondary education in years 11 and 12. On 28 October, just over a week ago, I was privileged to attend a reunion celebration for students who had attended Marist College, Kogarah—as it is now called—during the past 92 years, the school having been founded by the Marist Brothers in 1909. The celebrations on 28 October commenced with mass in the gymnasium, which was attended by in excess of 400 people. The mass was celebrated by Father Jim O'Meara and concelebrated by Father Bill Mecham and the current school chaplain, Father Xavier Barry.

Throughout the day more than 700 people attended the school reunion and took the opportunity to inspect the fine buildings that now exist on the site. Many also took the opportunity to catch up with former students and school friends. It should be noted that Marist College, Kogarah, has produced a number of famous Australian citizens. They include Australia's best-ever opening bowler Ray Lindwall, test cricketer Kerry O'Keefe and Olympic gold medallist Rob Windle. Footballers Robert Stone and Kevin Hogan also come to mind. Cardinal Gilroy was a student of Marist College, Kogarah, as was the current Executive Director of Catholic Education, Brother Kelvin Canavan. Past students include the New South Wales Sheffield Shield captain, Warren Saunders; Jason Stevens, who is a member of the Kangaroo team currently touring England; and John David, the founder of David's Holdings.

A number of politicians also attended that school, including Jim Carlton; Graham Richardson, who is well known; and Brian Langton, a former Minister of this Government. George Thompson, the New South Wales Government Whip, is an ex-student of the school. It is worth noting that George's three brothers and his son and daughter also attended that school—a remarkable feat. The honourable member for Willoughby, Peter Collins, was also a member of the school community at Kogarah Marist College for a short period of time. In fact, he told the story that at one stage he intended to donate his school tie to the college archives but, unfortunately, he lost his position as Leader of the Opposition. He donated that framed tie to a museum. On 28 October I was fortunate to catch up with a number of former brothers who taught at the school: Brother Gerard Williams, who taught English when I was a student, and Brother Crispin Hopson, who taught at the school in the 1950s. I had the pleasure of being Deputy Principal of Marist Brothers, Daceyville, when Brother Crispin was the Principal.

I also took time to catch up with Brother Alman Dwyer, a former ex-student of the college who went on to become the worldwide Provincial of the Marist Brothers. It was pleasing to see Brother Bede, who taught at the school in the 1940s, long before my time there, and also Brother Clarence, who taught there in the 1930s. I am reliably informed that Brother Bede was still teaching year 12 maths at St Joseph's College, Hunters Hill, until a couple of years ago. I also took the opportunity to catch up with Tim and Marge McMullen, who also taught me back in 1975 and 1976. Tim McMullen, who was undoubtedly one of the finest history teachers ever to teach in Catholic education, is currently the head of curriculum with the Catholic Education Office and Marge McMullen is now a careers adviser.

I commend the work that was done to organise this fine celebration and the work of the college bursar, Mr Bernard Holdsworth. He put an enormous amount of time and effort into ensuring the success of the function. Sister Pat Anderson also spent many hours compiling the college archives and records. The number of people who commented on the day on the quality of those archives is a tribute to Sister Pat. I congratulate the college principal, Mr Pat O'Connor, and his immediate predecessor, Mr Brian Roberts, who was in attendance on the day. They have certainly done wonderful things with the school and I am proud to stand in this House and say I am an "old boy". It was great to see many former students, including Hugh McNeil, Frank Burgess, Fabien O'Neill, Dennis O'Brien, John Boon and Jim Pike also present on the day and enjoying the celebrations.

LORD HOWE ISLAND BUSH REGENERATION PROGRAM

Mr O'FARRELL (Ku-ring-gai—Deputy Leader of the Opposition) [5.35 p.m.]: I wish to raise an issue concerning Lord Howe Island, which, I hasten to assure honourable members, although not part of my electorate affects residents of my electorate. Last month I attended the annual general meeting of STEP, a community-based environmental conservation group that has been established in Ku-ring-gai since 1978. STEP initially grew out of environmental issues surrounding South Turramurra. It now acts across the whole of the Ku-ring-gai municipality and, indeed, in that northern regional part of Sydney. It is an example of a local community-based environmental group that does terrific work.

I acknowledge the value of the Lane Cove valley walking trails maps prepared by John Martyn, which have proved to be such a boon to STEP's finances in the past year. I note that his current project is preparing a

map of Garigal National Park-Middle Harbour walking trails. I congratulate Michelle Leishman and the committee on their re-election. I particularly want to address a presentation given by Rymill Abell, a Lindfield resident, on his bush regeneration experiences on Lord Howe Island over the past three years. Initiated by Ian Hutton, the renowned Lord Howe Island naturalist, in 1995, groups of people from the Australian mainland are visiting Lord Howe Island to assist in bush regeneration. Mr Abell has been involved since 1998, having first discovered the groups while on a normal tourism visit to the island.

This year 149 people participated in the program over six weeks. These people make the effort, give up their time and pay real money—of the order of \$1,400—to spend a week on Lord Howe Island to devote themselves to work on introduced weeds, principally asparagus weed—the usual variety we find in our gardens in Sydney as well as a particularly prevalent climbing form. Lord Howe Island, of course, boasts the world's southernmost coral reef. It supports teeming seabird colonies, rare land birds, diverse forest landscapes and a fascinating coastal terrain. Altogether it is stunningly beautiful and abounding in natural wonders.

Lord Howe Island faces environmental threats which differ from those that are experienced on the mainland, and that was the subject of Mr Abell's address on the night of the meeting. The work carried out by these groups principally is the removal of asparagus weed which is an introduced species. I have to say that the work is painstaking. The groups dig the bulbs out by hand and some of the bulbs are enormous. I have seen photographs of a local activist, Harry Lock, standing beside one of these asparagus weed bulbs and I am sure that a grown man would not have been able to lift it. Asparagus weed is creating great havoc on the island. Groups work during the morning and in the afternoon they pursue other environmental interests, such as participating in walks up to the highest point of the island or visits out to some of the more remote islands.

It was clear from Mr Abell's address that the work of the group is an example of enjoyable environmentalism, something that everybody everywhere should be encouraged to undertake. I am also told that the work of the people from the mainland has had enormous impact over the past six years in promoting better environmental practices among the islanders. This is great work and it is another example of the tremendous volunteer work carried out by many citizens not just in the Ku-ring-gai community but throughout the wider community. Bush regenerators do an enormous amount of good work most weekends across the Ku-ring-gai electorate and throughout most parts of Sydney and throughout the State. They deserve the strong support of the community and of government.

I am especially impressed by the work that is being done on Lord Howe Island. To my mind, the work goes that extra mile and demonstrates real commitment by people such as the Abells, the Locks and the other 147 people who participated in the program this year. I know that my colleague the honourable member for Port Macquarie, in whose electorate Lord Howe Island lies, is aware of this work because this year he spent two days with the regenerators and spoke glowingly of his experience as well as of the group's work on the island. I propose to join the regenerators for a week in July next year to lend my support to the great efforts being contributed by these people, but more to learn about the program and to find out what governments can do to assist the program and similar programs.

The work done by bush regenerators is magnificent. I am pleased to pay tribute to that work in this Chamber this evening. At the next election the Coalition will put forward policies relating to bush retention to encourage councils and communities to ensure the retention of bushland to hopefully reduce pressures for the type of bush regeneration work that is currently being undertaken. Hopefully in the near future there will be increased emphasis not just on bush regeneration work but also on attempts to retain existing bushland in suburban backyards and throughout local council areas. I am pleased to place on record my appreciation of the work of STEP, my fascination by the address given by Rymill Abell and my admiration for the people who participate in the program. I look forward to a closer association with the program next year.

Dr JUAN SABAG DEREGISTRATION

Mr TRIPODI (Fairfield) [5.40 p.m.]: I refer once again to matters pertaining to Dr Sabag, who is a doctor based on my electorate. He is involved in *Sabag v HCCC*, heard by Justices Beazley, Davies and Sperling in the Supreme Court on Thursday 27 September 2001. The matter is an appeal from a medical tribunal decision to suspend for three years the right of Dr Sabag to practise medicine in New South Wales. The matter has attracted the attention of the Health Care Complaints Commission's parliamentary oversight committee and public hearings will commence tomorrow on matters arising from Dr Sabag's suspension. The matter was expedited because of its importance in the public interest, and was heard in one day.

While I have no interest in placing on the record views about the substantive matters considered by the Supreme Court, I express my belief that even though the time that has passed since the matter was heard has not

been long or excessive in any way, it would serve the public interest greatly if the justices involved would be expeditious in making their determination. I do not believe in any way that the matter has been delayed, but many of Dr Sabag's patients who reside in south-west Sydney would benefit by the matter being decided upon as quickly as possible. Last week a group of patients visited me in my electorate office and listed all the ramifications they have had to endure as a consequence of Dr Sabag's suspension and the substantial way in which their lives have been disrupted.

Many clients have been going to Dr Sabag for four decades and many of them are elderly. Dr Sabag speaks an array of languages and makes all of his patients feel comfortable. They are confident in expressing their specific problems to him. While they remain hopeful and confident that Dr Sabag will be successful in his appeal in the Supreme Court, they have encountered and are embroiled in a range of complications and difficulties arising from his suspension. The major difficulty involves reluctance and difficulties associated with the transfer of the medical history of patients to new doctors. Many patients believe that they cannot communicate their past history effectively to new doctors. For many of them, English is a second language and they find it difficult to go to new doctors and describe what they have been going through, especially when a specific complaint may have affected them for decades.

Those patients also believe that their health and welfare are being placed at risk by their having to go to another doctor. They believe that they may unnecessarily undertake risks if the doctor is successful in his appeal. They remain in a quandary while they await the outcome of the matter that was heard on 27 September. It has been explained to me that workers compensation claims and other legal matters are also affected by the current situation. The transfer of clients to other doctors is inhibited by imperfect mobility of records. Those patients who are prepared to risk moving on to other doctors are forced to incur many additional expenses associated with new testing—for example, blood testing and other tests that are sought by the new doctors who need to reassure themselves of a patient's condition before they begin to prescribe and treat. However, most of these patients have low incomes and are dependent on social security payments. They cannot afford these new expenses that they have been asked to incur.

I was advised by one man that his wife actually had a stroke when being treated by a new doctor. He and his wife attributed this terrible experience to the difficulty that the new doctor encountered when taking over from where Dr Sabag had left off. Some new doctors have completely changed patients' treatments, which has resulted in the occurrence of massive disruption to recoveries. Dr Sabag has the history of and is the attending doctor for one man who is waiting for a report from Dr Sabag and who is involved in a legal wrangle. The patient believes that the advising doctor must be the doctor involved in the completion of forms and documents. This matter is being held up because of the complications arising from the legal case involving Dr Sabag.

I have been advised that many patients have been told by their solicitors that the attending general practitioner must be the doctor who is providing expert evidence. This is currently not possible while the suspension of Dr Sabag's practising rights continues. Family incomes are on hold and people who depend on Centrelink benefits have had their incomes disrupted. Superannuation entitlements and insurance claims have also been held up by the circumstances involved. The office of Dr Sabag is continually being contacted by solicitors and specialists who are seeking assistance and advice on matters.

I am informed that much of the information required must be authorised exclusively by Dr Sabag and that he cannot provide that authorisation at the moment. His office is being staffed by a group of loyal patients who have volunteered their time to the doctor in assisting patients who have been caught up in this web of contradiction and controversy. The people to whom I have referred are suffering quite substantially. If the matter could be decided quickly, I believe that the Spanish-speaking communities of south-west Sydney would be very well served.

OXLEY ELECTORATE BUSHFIRES

Mr STONER (Oxley) [5.45 p.m.]: I draw to the attention of the House the very serious bushfire emergency that has been experienced in my electorate of Oxley, particularly in the Kempsey shire. The fires have been exacerbated by the extremely dry conditions on the mid North Coast. In some areas it has been the driest winter-to-spring period for 80 years. Over the past few weeks, 11 separate fires have burned out a total of 6,500 hectares in the Kempsey shire in areas including McCoy's Creek, Wittitritin, Banda Banda, Lemon Tree, Clybucca, Burnt Bridge, Peach Tree and Double Head. Very serious fires involving the loss of residences have occurred at Toms Gully near Willawarrin and at Kundabung. In the Toms Gully firestorm, five homes were destroyed with further losses resulting to sheds, vehicles and fences. Another house was destroyed near Kundabung during a huge fire which last Monday week cut the Pacific Highway for most of the afternoon.

Of course, wildlife deaths and damage to the area's abundant native flora have been immense. Although thankfully there has been no loss of human life, there are numerous heartbreaking stories. Wendy Miskin and her three sons lost everything, even their cash. While their rented house was insured, their contents were not. Tom McFarlane and his wife lost everything when their Toms Gully home was destroyed. Graham Delforce lost several buildings on his property and even lost all his drinking water from his tank when it was used by firefighters. I understand that steps have been taken to replace this water. Kevin Unger lost thousands of dollars worth of tools, collectors cars and equipment from his large backyard shed which literally exploded.

The local office of the Department of Community Services, under the oversight of Chris Latta, has been extremely helpful to the unfortunate victims of the fires, providing accommodation, food and clothing where needed. Local and visiting firefighters have tirelessly fought the blazes, as have landowners, friends and neighbours. State Emergency Services and State Forests have also contributed enormously to bringing the highly dangerous situation under control. The Salvation Army, as usual, filled a breach by providing meals and refreshments for exhausted firefighters and help for those suddenly left with nothing. We saw the same selfless dedication in Kempsey earlier this year with the devastating floods in March.

Scandalously, some of these ruinous fires may have been deliberately lit. Just a few weeks ago I raised in this place the real and present danger of bushfires on the mid North Coast and suggested ways in which the Government might address the increasing problem of deliberately lit fires. Whilst I do not yet have a response from the Minister for Emergency Services, I take this opportunity to ask for a response to this extremely serious issue that I raised just prior to the outbreak of these destructive bushfires. Kathy Ruhr, who lives at Toms Gully, told me that the fire in her area started on a 300-acre property owned by an Aboriginal community organisation. This property had been neglected for a long period, and had dry grass up to six-feet high covering the land. Apparently, a group of women was camping on a property, and this may have been how the fire started. Mr and Mrs Ruhr have lost a considerable amount of fencing, seed and fertiliser bought after the floods in March.

I have nothing but praise for the local government and community organisations that are attempting to help fire victims. However, more needs to be done to assist people to get back to square one. I have considered the starting of a bushfire victims appeal and would welcome assistance from the Government with this, or any other useful suggestions to help these unfortunate people. I would like to further pursue the issues of surveillance and penalties for people who recklessly and criminally deliberately light bushfires, especially in a period such as this when the bushland is like a tinderbox.

Mr MARKHAM (Wollongong—Parliamentary Secretary) [5.50 p.m.]: The issue that the honourable member for Oxley has brought before the House tonight is distressing. The worst aspect is that the fires may have been deliberately lit. I have no doubt that the Minister would be very concerned about that serious issue. It is a tragic and ironic aspect of this country that in one part of the year there can be massive floods such as were experienced in the Northern Rivers of New South Wales earlier this year, and now the bush is tinder dry and dreadful property damage has resulted from bushfires. Thankfully, no lives were lost in the bushfires on the North Coast over the last few weeks. Every member of this Parliament would be very concerned if fires were being lit deliberately anywhere in New South Wales, or Australia for that matter. It is comparable to other brainless acts that occur such as people throwing rocks and bricks off bridges as vehicles go under them. We all have to be part of the solution by being vigilant and making sure that we report suspicious activities to the correct authorities.

SHOALHAVEN BRIDGE WALK FOR RECONCILIATION

Mr W. D. SMITH (South Coast) [5.52 p.m.]: I inform the House this evening of the Shoalhaven Bridge Walk for Reconciliation. In 1992, at the Australian launch of the international year for indigenous people, then Prime Minister of Australia, Paul Keating, said:

The message should be that there is nothing to fear or to lose in the recognition of historical truth, or the extension of social justice, or the deepening of Australian social democracy to including indigenous Australians.

Nine years have passed since that speech was given to the people at Redfern Park in Sydney and since then we have witnessed a steady yet persistent push for reconciliation among indigenous and non-indigenous communities. Reconciliation remains as one of Australia's most significant social and moral issues, although it has been complicated by ignorance and misinformation, which have somewhat slowed the process. Despite some setbacks in the past five years, including the current Prime Minister's reluctance and inability to say sorry, and the ill-informed blusterings by One Nation, our communities are embracing reconciliation and giving a stronger voice to Aboriginal people. The reconciliation marches we have seen across the nation over the past year or so are proof positive that the process of reconciliation is well and truly on the move.

On 21 October this year South Coast communities made their own contribution to reconciliation with the Shoalhaven bridge walk and formal unveiling of a memorial garden and plaque, to honour and recognise the children of the "stolen generation" at the former Bomaderry Home for Children—the United Aboriginal Mission. Organised by the Nowra Local Aboriginal Land Council and Shoalhaven Aboriginal Reconciliation Group, the walk began at the southern end of the Shoalhaven River Bridge and ended at Bomaderry, some three kilometres away. We are fortunate in my electorate to have a diverse Aboriginal community, which includes descendants of members of original South Coast clans, members of the "stolen generation" and families related to former child wards of the mission, as well as resettled families from other areas. Indeed, it was a great honour and privilege to be among walkers of such diverse backgrounds.

More than 3,000 people attended the Shoalhaven bridge walk, with members of the Aboriginal communities walking beside non-Aboriginal people in a true spirit of reconciliation and unity. I was extremely proud to join my parliamentary colleague, the honourable member for Wollongong, Col Markham, who has an extremely high profile on the South Coast in the Aboriginal community and who is held in high esteem; Daryl Melham, a Federal Australian Labor Party member of Parliament; Linda Burney, the Director-General of the New South Wales Department of Aboriginal Affairs; Mark Canning, the senior project officer with ATSIC; Pastor Ossie Cruse; Sonny Simms, the chairperson of the Nowra Local Aboriginal Land Council; Andrea Ross; Cecily Carpenter; and Ruth Dane, who is the chief organiser of the walk.

The former mission at Bomaderry is today a heritage site, and there the march ended, for the unveiling of the memorial garden and plaque honouring the children of the "stolen generation". The children of the "stolen generation" were victims of bad policy, contrived and administered by a patronising, government system. We must understand the impact this has had upon Aboriginal communities in general. It is an important reason for saying sorry to Aboriginal people, who place a very high value on traditional and spiritual culture. To signify the importance of reconciliation, the Shoalhaven Aboriginal Reconciliation Group created the 'sea of hands', which is based on concentric circles. The middle circle represents indigenous and non-indigenous people together, understanding each other. The outer circle represents a formation of all cultures.

The four symbols around the circles represents all people from all cultures meeting and strengthening unity, and the designs on each side of the circle represent once again all cultures coming together and the flow of hands never ending—continuing to the next communities. It was a wonderful day and there were many people who worked extremely hard with organisation and presentation. However, I wish to mention a number of special people—Sonny Simms, Miss Alice Adams, who offered the traditional welcome, didgeridoo player Jeff Timbery, Ossie Cruse, Elder Herbert Simms, who spoke of experiences of the wards under guardianship of the Bomaderry mission, and major organiser Ruth Dane. Herbert Simms is a former child of the Bomaderry home and has been involved in Aboriginal affairs for the past 36 years. During his speech at the unveiling Mr Simms said:

What we fail to realise in society is that home and family are the foundation stone of family life and that there is no greater joy than to share a love that knows no bounds, nor a home away from home with an extended family.

I conclude with another quote from Mr Simms:

From someone who has been associated with the Reconciliation program run by the Council for Aboriginal Reconciliation for the past 10 years ... I can say ... there is still much to do before we become reconciled as one people in unity.

[Time expired.]

Mr MARKHAM (Wollongong—Parliamentary Secretary) [5.57 p.m.]: I had great pleasure in attending the very moving event on Sunday 21 October. Many leading community figures from Nowra and beyond attended. Nowra was the birthplace of the stolen generations here in New South Wales. Children were taken from their parents forcibly and put into a home to be looked after by the United Aboriginal Mission. What struck me most was the feeling, the atmosphere. The event lasted for a couple of hours and involved many speakers. Some people who had attended the Bomaderry Children's Home had travelled from the Northern Territory, Western Australia and Queensland. They related their experiences of being taken from their families and being raised at the home.

Sonny Simms, a proactive Aboriginal activist within the Nowra area, brought about this event. The land council bought that property in 1993 when it became available, because the Bomaderry Children's Home is significant to the Aboriginal people. Sonny Simms spoke at length about what had occurred at the home and how the vision came to life on that Sunday with the dedication of a memorial garden and plaque indicating

where the stolen generation began in New South Wales. It was a very moving day, something I was proud to be a part of. I congratulate the honourable member for South Coast on bringing this matter to the attention of the House this evening.

JURY DUTY NON-ATTENDANCE FINES

Mr RICHARDSON (The Hills) [5.59 p.m.]: Tonight I protest against the heavy-handed way in which the Carr Government compels the citizens of New South Wales to serve on juries. Recently two of my constituents received hefty fine notices for failing to attend court for possible empanelment on a jury. The first, Mr Tony Hourigan of Kellyville, received a notice from the State Debt Recovery Office on 17 July for \$1,700. The letter warned him that if he did not pay he could have his driver's licence suspended, his car registration cancelled, and the Sheriff might come round to seize his possessions. What makes this so remarkable is that this letter was the first Mr Hourigan had heard of the matter. He had never received a letter from the Sheriff's office instructing him to attend for jury duty.

The normal fine for not turning up for jury duty is \$1,100, but by the time this letter had reached Mr Hourigan's hands the fine had been ratcheted up by \$600. A failure to pay could have resulted in his driving unlicensed and unregistered because of an offence he had not committed. The second case concerns Mr James Koo of Cherrybrook. Mr Koo is a senior manager with Sydney Water who, at the time he was called up for jury duty in August, was engrossed with putting together tender documents for a \$25 million project that would benefit more than four million people. He simply forgot to turn up—as anyone in the circumstances might have done.

It is not as though Mr Koo had not shown good faith previously. In fact, he had been called up for jury duty seven times previously, and had served for 16 days on a criminal jury. But his excuse—that because of pressure of work he had overlooked the request—was not accepted. He was sent a notice fining him \$1,100 for that oversight. So Mr Hourigan was fined \$1,700 for not obeying an instruction he never received, and Mr Koo was fined \$1,100 for a genuine oversight, having previously served 16 days on a jury. Yet a young man named Luke Park can put a kitten in the freezer, spin it in the washing machine, burn its whiskers with a cigarette, throw steak knives at it and finally stone it to death and get off with a suspended sentence.

Something is clearly seriously amiss with a justice system which fines law-abiding citizens and lets criminal off with a slap on the wrist. Perhaps the Government thinks it has more chance of collecting money from people like Mr Hourigan and Mr Koo, good law-abiding citizens, than it does from sadists like Luke Park. The pathetically low clear-up rate for home break-ins demonstrates the failure of the Government's law and order policies. Similarly, the Government's reliance on cameras and radar to catch speeding motorists, rather than putting marked police cars on the road and targeting bad driving rather than just speeding, leads one to believe it is not fair dinkum about reducing the road toll—only about revenue raising.

The fine for not attending jury duty was only \$220 until 1999. I would be one of the first to concede that perhaps that was not an adequate deterrent. Many companies would be prepared to pay \$220 rather than have a member of their staff attend jury duty and not turn up to work. However, the fine was not increased by a margin of 100 per cent but was quintupled to the current \$1,100 in 1999 by this rapacious Government. That fine is out of all proportion to the offence, but many business people are still willing to pay it to get off jury duty. That fine impacts most heavily on the less well-off members of our community, who frequently have to pay in instalments. I am sure that the Parliamentary Secretary assisting the Deputy Premier on Aboriginal Affairs would be most interested in that.

I can understand the need for sanctions to compel people to turn up for jury duty, otherwise there would be insufficient jurors and many trials would have to be aborted. But surely it would not be beyond the wit and wisdom of the Government to give those who make an honest mistake a second chance. Not only does the current system provide no margin of error, it will tend to prejudice good, honest citizens against the justice system. Imagine how one would feel if, like Mr Hourigan, one had been instructed to pay \$1,700 or have one's licence and registration cancelled for a matter one knew nothing about. The major culprit in all this is not the Sheriff's office, which must obey Government policy, but the Carr Government itself.

I call on the Attorney General to reduce the fine to a realistic level and change the rules, so that when a prospective juror shows good faith he or she will only be fined for failure to turn up on a second occasion. The Attorney might also consider excluding people who serve more than three weeks on a jury from jury duty for a period of 10 years. I am sure that many honourable members of this House would have experienced similar pleas from constituents who had failed to turn up for jury duty but had shown good faith in the matter and had been served with horrendous fines and notices which are out of all proportion to their offence.

Mr MARKHAM (Wollongong—Parliamentary Secretary) [6.04 p.m.]: I will pass on the comments of the honourable member for The Hills to the Attorney General. In response to the honourable member's comments about cruelty to animals I refer him to a question asked yesterday by the honourable member for Londonderry to the Minister for Agriculture and suggest he read today's *Hansard* about the Minister's concerns and what the Government intends to do to address them.

RURAL AND REGIONAL EXPENDITURE

Mr BLACK (Murray-Darling) [6.05 p.m.]: It is with a degree of sorrow, indeed anger, that I report that the National Party has been at it again! This morning the National Party issued a media release over the signature of the honourable member for Lachlan, in his capacity as Shadow Minister for Regional Infrastructure and Development, entitled "Regional Areas Snubbed Again by Carr Government". The substance of the complaint by the National Party in this instance, and they have many complaints, is that of the \$5 billion promoted in the document entitled "Working With Government", which sets out the policy and guidelines for private financed projects, a miserly \$105 million is earmarked for major infrastructure projects in rural and regional New South Wales.

I have to ask: What is the National Party on about this time? Perhaps visions of tollways in the electorate of Murray-Darling, or a private school or private hospital? I note that there is not a private school or private hospital in my electorate, but we could make a start in that direction. Expenditure on roads in the Murray-Darling in the past two years rose from \$38 million to \$58 million. Expenditure for public education has increased across the State; this year it is \$7.630 billion, an increase of \$1.840 billion or 32 per cent since the honourable member for Lachlan lost his Cabinet position in 1995.

For health, an expenditure of \$8.302 billion has been allocated, which is an increase of \$2.537 billion or 44 per cent since the honourable member for Lachlan lost his Cabinet position. I have no doubt that the honourable member for Lachlan would find it far more comfortable to be in Pitt Street imbibing with a mob of merchant bankers than trying to find out what is going on in western New South Wales so far as private expenditure is concerned. I am reminded of the disaster of this private expenditure, this dipping into the public purse by the National Party, which is not limited to that lot opposite. Their great mate, Mr Bruce Baird, dipped into the public purse for Mascot airport. The Government is still saddled with that debt of \$700 million for something that was never going to happen. That money could have been spent on needy projects in electorates such as Murray-Darling.

When one considers the concept of private hospitals one automatically thinks of the private hospital in Port Macquarie. We do not hear too much from the honourable member for Port Macquarie about the disasters of the privately funded Port Macquarie hospital. I will return to that matter shortly. The real reason for the media release may be the discovery that the government in waiting at the Federal level has promised funding of \$30 million for regional development in north-western New South Wales. In 1996 the National Party walked away from regional development at a Federal level, and in the lead-up to this Saturday's Federal election the government in waiting has announced that it will put \$30 million worth of infrastructure back into north-western New South Wales.

Another reason for this extraordinary media release may be last week's politicians rating report. George Souris—how hopeless he is—has only just made the list, at equal twentieth along with Gillian Skinner. Ian Armstrong is not on the list at all. The come-back man for the National Party may be trying to get another crack at the leadership, but Robert Oakeshott is not even on the list of 20. So he is not going too well for a person who pretends to be the next leader of the National Party in this place. In conclusion, I am somewhat astounded that Ian Armstrong would issue this press release relating to infrastructure simply because he has been made an ambassador for the year of the outback. Putting \$2 million worth of infrastructure into western New South Wales—[*Time expired.*]

DUBBO ELECTORATE GRAIN HARVEST

Mr McGRANE (Dubbo) [6.10 p.m.]: The matter I wish to raise is somewhat mundane compared with the matter raised by the honourable member for Murray-Darling. The grain harvest is under way in the Dubbo electorate, and all growers need a good harvest to make up for last year's disastrous season. A year ago yesterday it started to rain, and the rain continued for 10 days. It started to rain in Dubbo yesterday, and it looks like storming again today. Hopefully we will not have 10 days of rain as happened last year. I wish to acknowledge the Premier's great work last year in lobbying the Federal Government for funds that were crucial

in restarting regional economies devastated by last year's disastrous wheat crop. The funding was provided to farmers to plant their crops for this year's harvest. It is estimated that this year the wheat industry is worth \$1,800 million to the New South Wales economy, and the total grain industry is worth \$2,400 million.

A major concern raised by farmers in my electorate relates to rail freight charges. At some sites the charges have increased by 11 per cent. Freight charges also vary from area to area. At many Tullamore and Warren district sites there is a variance in freight charges for wheat silos that are located similar distances from terminals. The most disturbing aspect is that the figures relating to community service obligations paid by the Government to FreightCorp and Rail Access are not available for scrutiny.

The consistent concern raised in the debate regarding the privatisation of FreightCorp is that although the company is receiving the community service obligation payments it has increased its freight charges for various sites off the main track and is therefore double dipping. I believe that that matter should be addressed and rectified before FreightCorp is sold. Concern has also been expressed about whether these community service obligations will remain in place when FreightCorp is sold and becomes fully commercial. If the process of change is not managed wisely, this may become another disastrous competition reform, with the cost of unmanaged change being borne directly by regional communities and indirectly by the entire New South Wales economy.

If rail freight charges are increased, the result will be that more grain will be transported by road. In the past three or four years, as a result of freight incentives that State Rail has given wheat and other grain growers, there has been a trend back to rail for grain cartage. However, this year's increases in State Rail charges of, in some cases, 11 per cent will mean that farmers will tend to go back to road cartage. We do not want this to happen, because road cartage throughout Australia has been underfunded by the Federal Government and State governments.

Privatisation is about to take place in New South Wales. It took place in Western Australia at this time last year, and grain growers in Western Australia received an indication only last week that in the first year of privatisation that State's rail freight charges will be increased by 18 per cent. Western Australia therefore faces a similar problem to that faced by New South Wales, in that more grain freight will be transported on regional roads. Hopefully, growers in my electorate will not be faced with a further 18 per cent increase next year, as occurred in Western Australia. The community service obligations that have been set in place with regard to the sale of FreightCorp should be abided by. I urge the Government to address the concerns I have raised.

Mr MARKHAM (Wollongong—Parliamentary Secretary) [6.15 p.m.]: I listened with interest to the concerns raised by the honourable member for Dubbo, and I have no doubt that he has raised them with the Minister. If he has not, I suggest he do so. In any event, I will ensure that they are drawn to the Minister's attention. It is a little ironic that the honourable member for Dubbo hopes that the rain that started in his electorate today does not continue for much longer. I have no doubt that the honourable member for Oxley would be more than happy to transfer any storm anywhere in New South Wales to his electorate.

Private members' statements noted.

[Mr Acting-Speaker (Mr Lynch) left the chair at 6.16 p.m. The House resumed at 7.30 p.m..]

DAIRY EXPORTS TO CHINA

Matter of Public Importance

Discussion resumed from an earlier hour.

Mr W. D. SMITH (South Coast) [7.30 p.m.]: As my colleague the Minister for Agriculture, and Minister for Land and Water Conservation outlined, there are many new opportunities opening up for New South Wales dairy products. The entry of China into the World Trade Organisation is expected later this month and if it does not materialise then, it will only be a matter of time before it does. With this entry there will be a reduction in a range of tariffs on our exported product, which is positive news for all exporters, particularly those involved in the dairy industry. The news is very good when one considers some examples of tariff reductions. The tariff on long-life milk and milk powders will be reduced from 25 per cent to 10 per cent, the tariff on cheese will be reduced from 50 per cent to 12 per cent, and the tariff on yoghurt will be reduced from 50 per cent to 10 per cent. That is very good news, especially as we already supply some 10 per cent of China's dairy imports, so we are certainly well placed to capitalise on this increasing demand. We have an opportunity to substantially increase that 10 per cent and to increase our share of the Chinese market.

Coupled with the increasing demand for dairy products in China, it makes a lot of sense that the New South Wales Government, through New South Wales Agriculture, should be seeking out opportunities for New South Wales producers. When one considers the population of China, which is almost 1.3 billion—the honourable member for Barwon said it was 1.25 billion but that was before dinner—the gains are obvious. The Chinese Government is increasing its exports of milk, long-life milk, milk powders, cheese, dairy foods, live cattle, embryos and semen from this country and is using our expertise of the industry in general, so the future looks quite bright for the dairy industry. The average consumption of dairy products in China is very small, at six kilograms per person, compared with the worldwide consumption of 105 kilograms per person, so clearly there is room for major consumption improvement. I was pleased to read that the Chinese Government wants to boost its population's intake of milk by implementing a schoolchildren milk program in all major cities so that children will consume 225 millilitres of milk per day.

I would also like to inform the House that a Beijing investment company has already purchased a dairy farm in my electorate called Waterville, which is located east of Nowra. It is clear that the demand for dairy products in China cannot be met by its herd size of about 4.45 million cows so existing dairies are expanding and there is certainly significant investment opportunity in that area. Waterville is a rotary dairy with 500 cows and it is terrific that we have international investment coming to the South Coast, creating jobs and security within the dairy industry and adding to the South Coast economy. New South Wales Agriculture staff are closely working with the new owners to ensure that they are fully apprised of developments within the industry and it is little wonder that Chinese investors see New South Wales as a perfect place to invest. With pastures like those in my electorate and herd genetics that produce cows of high productivity, this Australian industry has a lot to offer.

Education is another perhaps little-known export industry for the Australian dairy game. As China expands its dairy industry it will need to adopt the appropriate skills in order to run highly productive herds, and New South Wales offers a great venue to learn these skills. We have the ability, the know-how and the experience to provide the information that the Chinese seek. New South Wales Agriculture has recently been approved by China's Central Government as a provider of short-course training for visiting delegations. Already two delegations have visited New South Wales and undertaken courses that included segments on the New South Wales dairy industry. These courses are conducted on a commercial basis; the Chinese are willing to pay for our expertise. During the course of the training, delegation members gained a deeper understanding of the production capabilities of the New South Wales dairy industry and the genetics of the New South Wales herd. Upon returning to China these people will consider Australia and New South Wales as a source of dairy expertise, especially in the area of genetics. Also, our excellent record and attempts to ensure that foot and mouth disease does not enter this country are looked upon favourably by the Chinese Government.

Mr AMERY (Mount Druitt—Minister for Agriculture, and Minister for Land and Water Conservation) [7.35 p.m.], in reply: I thank the honourable member for Barwon—the shadow Minister for Agriculture—and the honourable member for South Coast for their contributions to this matter of public importance. The dairy industry would be appreciative of the fact that both sides of the House have commented favourably on the future of the dairy industry, which, perhaps, will gain some positive media coverage for it. As the Victorian industry recognised many years ago, the future lies with export markets. Prior to the formal deregulation of the national industry last year the Victorian industry had jumped ahead of the other States but it will now receive competition from New South Wales, Queensland and the other States through Agsel and New South Wales Agriculture, tapping into the great potential of overseas markets such as China, which has an immense population.

Even a small inroad into that market will involve large volumes of milk and big dollars not only for Australian dairy producers but for cattle breeders and so on. With those positive comments, I thank all honourable members. I am sure we will hear a lot more about how the dairy industry is adapting to its changed role. I am sure that members on both sides of the House will take the opportunity to highlight the potential for accessing overseas markets to assist dairy farmers, who, it is acknowledged, have gone through difficult times in the past couple of years.

Discussion concluded.

GRAIN MARKETING ACT: DISALLOWANCE OF CLAUSE 4 (1) (a) OF THE GRAIN MARKETING REGULATION 2001

Mr SLACK-SMITH (Barwon) [7.39 p.m.]: I move:

That this House disallows clause 4 (1) (a) of the Grain Marketing Regulation 2001 made under the Grain Marketing Act 1991, which was published in *Government Gazette* No. 117, dated 27 July 2001 at page 5631 and tabled in this House on 4 September 2001.

Clause 4 (1) (a) of the Grain Marketing Regulation should be disallowed. The people of New South Wales, especially the grain producers, not only should be accountable but should be seen to be accountable. I believe it would be irresponsible of the Opposition if it did not oppose the Carr Government—particularly the Minister for Agriculture—making regulations to protect itself from independent scrutiny. This clause gives the Minister for Agriculture the power to stifle any independent examinations of the role played by government agencies and Government members, including himself, in the \$160 million New South Wales Grains Board collapse. The collapse was a catastrophe for agriculture and the grains that are produced in New South Wales.

Under the circumstances surrounding the \$160 million collapse of the Grains Board, the Opposition believes that it is totally inappropriate for the Government to replace Australia's corporate watchdog, the Australian Securities Investments Corporation [ASIC], with the Minister. The regulation must be disallowed. Honourable members are aware of the sorry saga of the Grains Board collapse, which culminated in the appointment of Mr Murray Smith of KPMG as administrator in November 2000. Mr Smith should be congratulated on working tirelessly over the past 12 months. I am pleased to note that on 24 October the Supreme Court approved his scheme of arrangement to provide returns to creditors. At the time, grain growers throughout New South Wales were concerned that the Grains Board could be liquidated. I appreciate that paragraph (c) of clause 4 (1) of the regulation protected the levy paid per tonne by grain producers to the Grains Board. Because of the Supreme Court approval of the scheme of arrangement no liquidation will occur. As a consequence, paragraphs (b) and (c) are superfluous. The Opposition opposes paragraph (a) of clause 4 (1).

From the moment the financial difficulties of the Grains Board became apparent, the Opposition was concerned about grain growers throughout New South Wales who were owed money from the 1999-2000 Grains Board grain pools. We are particularly pleased that the administrator's scheme of arrangement will create more confidence and will pay farmers their outstanding pool payments. The grain producers, lending institutions and the communities in farming areas will benefit. As honourable members know, the agriculture industry is the biggest employer outside metropolitan areas. I emphasise that this disallowance motion in no way criticises the administrator's scheme of arrangement or puts payments to growers or creditors at risk. This disallowance motion is the result of a cynical attempt by the Government to restrict independent scrutiny of the Minister's involvement in the collapse of the Grains Board.

As part of the administration process, an administrator may conduct investigations into parties involved in the collapse of an entity. Under normal circumstances, the administrator would apply to ASIC for approval to hold such examinations. ASIC fulfils this role across the nation, and is highly skilled and independent in dealing with such matters. As previously stated, the result of clause 4 (1) (a) of the Grain Marketing Regulation is to replace all references to "ASIC" in relation to the Grains Board with references to "the Minister for Agriculture". That will get rid of an independent body whose core role and expertise was to deal with companies under administration. In its place will be the Minister for Agriculture, who was responsible for the collapse of the Grains Board.

Mr Martin: Come off it!

Mr SLACK-SMITH: You might learn something.

Mr Martin: How can I learn something listening to you?

Mr SLACK-SMITH: You are not the brightest crayon in the box, so if you listen you might learn something. Such a scenario cannot be viewed as representing appropriate levels of accountability as the administrator is now forced to seek approval from the Minister for Agriculture to hold examinations into the parties involved. Bearing in mind the Minister's involvement in overseeing the collapse of the Grains Board and the criticism of the Director-General of the Department of Agriculture and New South Wales Treasury by the Public Accounts Committee in its inquiry into the collapse of the Grains Board, this presents a clear conflict of interest. On the one hand, the Minister for Agriculture was responsible for the collapse of the Grains Board and, on the other hand, he is now responsible for granting approval to the administrator to hold examinations into the parties involved in the collapse.

Whether intentionally or otherwise, the Minister has the ability to influence the process of determining the reasons for and outcomes of the Grains Board debacle. That is not acceptable to the people of New South Wales, particularly grain producers. I have no doubt that the Minister for Agriculture will argue in this Chamber that the clause in question is legal and, as the explanatory note to the regulation states, "of a machinery nature". The Opposition does not dispute that clause 4 (1) (a) is valid under the Grain Marketing Act. However, the

Opposition disputes that the clause is appropriate and that it is consistent with the concept of accountable corporate governance. The Opposition also believes that the Government had options other than to vest the Minister for Agriculture—the Minister who presided over the collapse of the board—with the powers of ASIC in relation to the Grains Board. On 24 October, the Minister for Agriculture wrote in a letter:

... there is provision in the legislation for the Minister to appoint the ASIC as an agent in this matter, with the consent of the Commonwealth.

The Acting Chairperson of ASIC, Jillian Segal, also raised the possibility in a letter to the Leader of the National Party dated 9 October. Why has the Carr Government chosen to make a regulation and transfer ASIC's powers regarding the Grains Board to the Minister for Agriculture when ASIC could have continued to perform its functions as an independent expert? Has the Government got something to hide? The Labor Government's options do not end there. Section 4C (2) (c) of the Grain Marketing Act 1991 states that any regulation may "specify that a reference to ASIC in any provision of the corporations legislation that is the subject of the declaration is to be read as a reference to another person". The key words are "another person". In other words, there was no requirement for the Minister for Agriculture to be the person to take on the powers of ASIC in this matter.

The Government's decision to appoint the Minister for Agriculture has created this conflict of interest. It has been left to the Opposition to address this imbalance and return some accountability to the Carr Government's handling of the Grains Board debacle. Accountability is a principle very strongly supported by members on this side of the House, but it is obviously actively avoided by members on the other side. This clause shuns independent accountability and goes hand in hand with the Government's attempt to devalue the role of the Auditor-General through the Public Finance and Audit Amendment (Auditor-General) Bill. Where will the Carr Government's erosion of independent scrutiny end? I challenge the Minister to tell this House that he has the same level of expertise in dealing with administrators as ASIC.

I challenge the Minister to guarantee that this clause will in no way influence the process of investigating the collapse of the Grains Board. Most importantly, I challenge the Minister to explain to the Opposition and the people of New South Wales, particularly grain producers, how the Carr Government can justify vesting such power in the same Minister who was ultimately responsible for the board's failure. There is a clear conflict of interest and a clear breach of accountability. The Minister should come clean and tell us exactly what he really means and what he is trying to do. This clause must be disallowed to restore the faith of the people of New South Wales in the accountability of their representatives and to ensure that the administrator of the Grains Board is not hindered in his attempts to determine the reasons behind the \$160 million collapse of the Grains Board.

Mr AMERY (Mount Druitt—Minister for Agriculture, and Minister for Land and Water Conservation) [7.49 p.m.]: The Government totally rejects this disallowance motion. The shadow Minister for Agriculture generally rings my office or the department to seek a briefing on matters but, as is evidenced by his contribution to this debate, he has glaringly failed to do so. He must now wear the consequences of his contribution in relation to this disallowance being on the public record. I ask honourable members to consider this debate against the backdrop of the ministerial council meeting process. In this case, Attorneys General from around Australia investigated the transfer of Corporations Law.

The Opposition's motion to disallow clause 4 (1) (a) of the Grain Marketing Regulation 2001 made under the Grain Marketing Act 1991 demonstrates not only how little Opposition members know about protecting grain growers in this State but how they have failed to keep track of this matter. They have been virtually invisible on this issue and none of their publicly espoused views have been supported by anyone in authority. I will put on record a little background, mainly of a legal and technical nature, to help Opposition members understand the situation.

Mr Martin: Do it slowly.

Mr AMERY: I will, but I do not have much time. This is a very complex issue, but I will try to keep my language as clear as possible. Changes were made recently to the Grain Marketing Act 1991. These changes were required when the Corporations (Consequential Amendments) Act 2001 made changes to all Acts on the New South Wales statute books that create statutory corporations. The need for this regulation arose as a result of the introduction of Commonwealth Corporations Law to replace all individual State Corporations Law. Although the Commonwealth Corporations Law applies to public and private corporations automatically, a decision had to be taken in each case about the application of State statutory entities.

While most State statutory entities were brought under the ambit of the Commonwealth Corporations Law either in whole or in part, for various special reasons some State statutory entities were left under the continued State corporations legislation. I know this is technical stuff, but I want Opposition members to absorb it. These included, for example, the Garvin Institute—is that a hotbed of conspiracy?—the Centenary Institute of Cancer Medicine and Cell Biology and, of course, the New South Wales Grains Board. Are there any disallowance motions applying to those other bodies? The Grains Board was not placed under the new Commonwealth Corporations Law because a process under State Corporations Law was already under way—that is, the liquidation application lodged in February this year. Do Opposition members follow that? The Government's legal advisers and Parliamentary Counsel suggested that it would be undesirable to change the overlaying legal framework—

Mr Souris: Just read it out; don't try to be smart.

Mr AMERY: The Leader of the National Party has been caught out. He has not bothered to telephone the legal advisers or Parliamentary Counsel; he has been caught out by a few articles that appeared in the *Australian*. Members opposite are dumb. I will go through the process for the record. The Government's legal advisers and Parliamentary Counsel suggested that it would be undesirable to change the overlaying legal framework midway through the current administration of the Grains Board, particularly when a liquidation application had already been lodged. The Government was not trying to change the situation for the sake of it but simply acting to preserve the status quo and maintain continuity. We began the process under existing State law and we wanted to complete it rather than change to the Federal arrangement.

The status quo involved a process of pursuing the best outcome for growers. The only problem with this approach is that, under the Constitution and the doctrine laid down in *Queen v Hughes*—which we have discussed before in the House—the State cannot require Commonwealth entities such as the Australian Securities and Investments Commission [ASIC] to undertake investigations into such State statutory entities. In these circumstances it was necessary to specify some State entity or person to take the place of ASIC. The intention was for that entity or person to be able to enter into an administrative agreement with ASIC. Any such agreement would require Commonwealth approval—I am talking about the Grains Board not Luna Park—but would enable ASIC to undertake whatever investigations the administrator or the Government might seek.

Possible choices of State entity included either the Minister for Agriculture, the Director-General of New South Wales Agriculture or possibly the Director-General of the Department of Fair Trading. Given that the objective was to facilitate the process of undertaking investigations, the Minister—that is me—was the entity recommended by our legal advisers. Without clause 4 (1) (a) of the regulation it would be much more difficult to arrange for adequate, independent investigation of the Grains Board. If the administrator conducting his own investigations into the board believes it would be appropriate for ASIC or some other Commonwealth institution to investigate aspects of the board's past behaviour, it will be possible for me to arrange that under clause 4 (1) (a) of the regulation. Without the regulation it might not be possible for this to happen.

If the Opposition wants to prevent ASIC or any other Commonwealth bodies from undertaking investigations into the Grains Board it should continue to pursue this motion. The Leader of the National Party spoke on ABC Radio's *Country Hour* program today and alleged all sorts of conspiracies that make for a good story but are completely untrue. I think there were more laughs in legal offices around the place than in political offices. The Leader of the National Party should be ashamed for misleading listeners of *Country Hour*—a reputable radio program—and he should apologise. I repeat: the changes were proposed to us by Parliamentary Counsel; they were not dreamed up by anyone in my portfolio or by me as some sort of power grab or part of any conspiracy theory that National Party members invented after reading a couple of articles in the *Australian*—they did not bother to research the issue any further.

The Opposition's proposition is absurd. I reiterate that the administrator is free to seek whatever independent investigations he feels are necessary, and I believe it is my responsibility to facilitate, not obstruct, that process. The Government's record is clear: we referred the matter to ICAC. When the Grains Board went under we conducted investigations. What happened when the boards that created the Grains Board collapsed during the previous administration? Nothing. Those opposite simply introduced legislation; there was no investigation. To suggest, as the Opposition does, that I might consider a cover-up is beyond ludicrous.

If any members are interested in examining all the relevant legislative provisions, I refer them to the Corporations (Ancillary Provisions) Act 2001; the Corporations (Consequential Amendments) Act 2001; particularly schedule 2, sections 4B and 4C, of the Grain Marketing Act 1991; and the Commonwealth's

Australian Securities and Investments Commission Act 2001, particularly section 11. Honourable members will then be able to see for themselves the technical legal process that this Government has followed and the basis for it. But Opposition members do not want that and they do not want to hear about it. They want to wade back into the debate about who was responsible for the board's collapse. I am quite happy to do that and ICAC is doing a pretty good job in that regard.

The fact is that the Public Accounts Committee has already investigated the issue, ICAC is currently examining aspects of the case, and one of the administrator's key responsibilities—particularly on behalf of the board's major creditors, the banks—is to investigate responsibility for the board's losses and the potential for recovery action. In short, a fine toothcomb has been, and is continuing to be, applied to the board, and to date the clearest of all conclusions to be drawn from the board's collapse is that the Coalition's original legislation that established the board was deficient. As I have said before, that legislation—the Grain Marketing Act 1991—was proposed by the then Minister for Agriculture, the honourable member for Lachlan. At the time the then Minister said in his press statement announcing the establishment of the board:

A major factor in the new board is that it will be truly a producer administered and driven board.

The onus of responsibility to make sure the board works lies with producers.

The then Minister also said:

I am certain that the new arrangements for the marketing of grain will ensure that the State has a much more efficient marketing system in place.

Coalition members now want to rewrite history from the relative safety of the Opposition benches. I have only 22 seconds left in which to speak. The situation is clear: we introduced the regulation in order to facilitate changes in the Corporations Law that were worked through by Attorneys General from around the country and enshrined in Federal legislation on 1 July this year. It must now be obvious to everyone that all these conspiracy theories are a load of nonsense.

Mr SOURIS (Upper Hunter—Leader of the National Party) [7.59 p.m.]: Let me tell honourable members why the Government implemented this regulation. It was to save the hide of this grossly incompetent Minister and his grossly incompetent Director-General of Agriculture. Let us not muck about. This regulation requires the administrator to ask the Minister's permission if he wants to investigate the Minister's failure in relation to the prudential supervision of the Grains Board—an extraordinary power to include in a regulation in the hope that no-one will notice it, or in the hope that the numbers on the Government side will ensure that this regulation is enforced. How extraordinary!

One of the most culpable people involved in the collapse of the Grains Board is the Minister, who was supposed to be its prudential supervisor. We have heard plenty about prudential supervision and Corporations Law in this country. We have heard about the lack of prudential supervision in relation to the HIH collapse, One.Tel and all aspects of prudential supervision. We have heard about the role that the Australian Securities and Investments Commission and the Australian Insurance Commission should have played in those corporations. What about the role of the Minister who has responsibility for this government trading instrumentality? The key words in this debate are "trading instrumentality".

One would think that this plod, this Minister for Agriculture, would realise that there was sufficient risk involved in an instrumentality within his portfolio—the board of directors all of whom are appointed by him—trading in international commodities and the vicissitudes of international prices, trading in futures and exposed to the ravages of international exchange rates. One would think that the Minister would say to himself, "I had better get some reports." One would think that the Minister's director-general would say, "We had better prudentially supervise this entity. We had better ensure that the Government and the entity are not exposed to international exchange rates and that the entity does not take risks."

When one has a trading entity in one's portfolio, that entity will take risks in the marketplace. Did the Minister not know about that? It would be akin to the Treasurer of New South Wales not prudentially supervising the Treasury Corporation of New South Wales. It would be akin to saying, "I appoint the board, therefore I can wash my hands in relation to this issue." The Minister has attempted to wash his hands in relation to this \$160 million disaster fund. The Minister, the \$160 million baby of this Government, is the worst Minister in relation to financial accountability.

[Interruption]

The nutty professor on the Government benches knows nothing about prudential supervision, Corporations Law or anything else. It was bad enough earlier listening to a former plod telling us about Corporations Law and giving us a brief lecture. If the Minister has a trading entity within his portfolio he is obliged to ensure, through regular surveillance, that there are constant reports, an examination of financial and reporting statements, consultations with the board, cross-examination by the Minister's department, and a constant effort by officers in his department—and I do not exclude the Minister's director-general in this. The Minister is culpable in that he does not know what he or his director-general should have been doing.

The Minister should have ensured that this trading entity was not undertaking risks or breaching its fiduciary duties and that he, as a Minister of the Crown, was not shirking his ministerial obligation of supervising trading areas within his portfolio. The Minister would not have the faintest idea. He would not know what he was meant to be supervising. He has spent the entire time since the collapse of the Grains Board washing his hands of that disaster. The Minister is saying, "The collapse of the Grains Board had nothing to do with the Government of New South Wales or with the Minister for Agriculture. Some other government passed this legislation. A board has been in place for some time. I have received representations from other organisations as to whom I should appoint to the board; therefore my hands are completely clean."

The Minister is saying, "Do not look at me for any sense of obligation, liability or prudential supervision." This Minister is the antithesis of prudential supervision. He is the model that universities will study in the future—an example of how not to be a prudential supervisor. The Minister's performance will be a class performance. Professors will love him as he will be an example of how a Minister with a trading entity within his portfolio obliviously wandered about the streets not knowing that he had obligation in relation to prudential supervision. The Minister did not even know what his department was meant to do. His department did not tell him anything, nor did it exercise the prudent course of supervision and examination surveillance. Those are the things that a Minister should do. One of the things that this Minister should not do for a living is stand up in this Chamber and behave like a clown. One of the things that he should do for a living is protect the taxpayers of New South Wales and, in this case, protect grain growers in New South Wales from any incompetence.

[Interruption]

We have been consulting. Government members should not suggest that Opposition members have not consulted with relevant parties. Opposition members have received many letters and have spoken to all sorts of people.

[Interruption]

The Minister makes reference to the ministerial council. One ministerial council in which he was not involved was the ministerial council that dealt with the Corporations Law. The Minister did not consult with the ministerial council in which Minister Joe Hockey was involved, which dealt with the Corporations Law. The Minister did not circulate the regulation relating to that ministerial conference.

Mr Amery: You ought to be embarrassed.

Mr SOURIS: The only person who should be embarrassed is the Minister. He has been caught red-handed because of his complete and utter failure to become involved in what ought to have been seen by any Minister with a brain as a risk area involving the Government's prudential supervision or, in this case, its complete lack of prudential supervision. The Minister should be ashamed. The grain growers of New South Wales are down the tube to the tune of \$160 million and the Minister has the hide to attempt to protect himself further. The Minister has been sucked in and conned by his own director-general, who said, "Here Minister, move this regulation and then if they want to examine your role or the role of the director-general"—who, by the way, has been criticised by the Public Accounts Committee—"you will have, through this regulation, veto powers on any examination involving your failure in relation to prudential supervision."

Mr MARTIN (Bathurst) [8.07 p.m.]: I will depart from what I had intended to say, only because of that performance by the Leader of the National Party. The Leader of the National Party had the hide to make all sorts of accusations on ABC radio today. From the start it was obvious that the ABC radio presenter could see right through him. The radio presenter asked the Leader of the National Party:

Why bother? At the end of the day what is in it other than a bit of political point-scoring?

The Leader of the National Party replied, "No." Today I put it to the Leader of the National Party that that is exactly what it is. It is a veiled exercise in political point-scoring. What a pathetic attempt by the Leader of the National Party to give us a lecture about financial matters! The Leader of the National Party is the bloke who presided over all the disasters at Luna Park. How much money went down the drain?

Mr Souris: Point of order: The honourable member for Bathurst is speaking completely outside the scope of this debate. He is referring to all sorts of weird things. The issue before us is the \$160 million debacle which was presided over by the Minister for Agriculture. I ask you to confine him to debate on the disallowance of this regulation.

Mr Amery: To the point of order: That is not the issue before the House. The issue before the House is a disallowance motion to change the way in which we manage the Corporations Law as a result of a ministerial council meeting at a national level. This debate is not about an audit or about the collapse of the Grains Board; it is a debate about how we deal with the Corporations Law as it has been changed at a national level. The honourable member for Bathurst is responding to contributions made earlier in debate by the Leader of the National Party.

Mr DEPUTY-SPEAKER: Order! There have been some references in the debate to ministerial incompetence. If the honourable member for Bathurst makes a passing reference only he may continue.

Mr MARTIN: The Leader of the National Party is using this cynical tactic to take up my time. Throughout the interview, the interviewer repeatedly asked the Leader of the National Party what it was all about. If members read the interview, they should look at the wonderful syntax and see what he does to the English language. I will go through some of the points that the Minister made. The facts, which have escaped members opposite, are that the jurisdiction for the regulation of standard companies operating under New South Wales law was transferred to the Commonwealth jurisdiction, as the Minister pointed out, on 15 July 2001. However, statutory corporations did not automatically transfer their jurisdiction to the Commonwealth under that arrangement.

The New South Wales Government drafted legislation which transferred certain areas of jurisdiction for individual statutory corporations under the Corporations (Consequential Amendments) Act 2001. I will reiterate this point, because members opposite need repetition. They work on the Goebbels principle: the bigger the lie and the more often it is told, the more people will believe it. People have come a long way since then, and that type of propaganda does not work. Under the Corporations (Consequential Amendments) Act 2001, each statutory corporation separately transferred certain areas of jurisdiction to the Commonwealth, depending on the nature of the statutory corporation. This ranged from no transfer of jurisdiction, as in the case of the New South Wales Grains Board, through to the transfer of limited areas of jurisdiction and the transfer of large slabs of jurisdiction for some statutory corporations.

The transfer for each statutory corporation is dealt with separately in the Corporations (Consequential Amendments) Act 2001, as each transfer of jurisdiction was individualised to reflect the differing circumstances of statutory corporations at the time. This was a complex piece of legislation. State statutory corporations would not transfer all jurisdiction to the Commonwealth; they could not remain State statutory corporations if they did. Government members understand that. As the New South Wales Grains Board was involved in legal proceedings at the time, a decision was made not to transfer any jurisdiction to the Commonwealth. That commonsense decision was based on sound legal advice.

The legal proceedings to which the Minister referred related to an application to wind up the board, which was lodged with the Supreme Court in February this year. When a State statutory corporation did not transfer jurisdiction under the Corporations Law and the Australian Securities and Investments Commission [ASIC] was involved, the Minister or registrar responsible for the legislation was routinely made the agency responsible for matters formerly the responsibility of ASIC. That provision overcame the problems posed by the finding in *Queen v. Hughes*. Section 24 of the Corporations (Ancillary Provisions) Act 2001 allows the Minister responsible for the legislation to enter into an agreement with ASIC for the performance of functions or the exercise of powers by ASIC as an agent of the State. This provision was specifically included to overcome the problems which would be posed for State statutory corporations by the finding in the case of Hughes.

Once again, the Government did its homework and this provision was included on sound legal advice. In certain areas the State will always retain control of jurisdiction. For example, Corporations Law companies are handled by ASIC in the area of registration and the naming of a corporation. As usual, the Opposition has

demonstrated its complete lack of knowledge of these technical legal processes. This motion is clearly an attempt to divert attention from the positive developments that have occurred in relation to New South Wales grain growers. The growers were recently given the opportunity to determine the future of the board and the way in which its debts should be handled. They voted to approve the scheme of arrangement put forward by the administrator, together with all the other creditors of the board, including the banks.

This scheme provides for farmers who supplied grain to the board's pools to be paid out in full and for other creditors to receive approximately 60¢ in the dollar, depending on the final level of debts proved to the administrator. By facilitating this process, the Government has ensured that growers and other creditors enjoyed the best possible outcome. The Government is contributing by making available a special loan to the board to ensure that growers are paid in full without unnecessary delay. Without this loan, growers would have faced substantial delays in receiving payment. So much for members opposite saying that the Minister did not have his eye on the ball and did not know what was going on. The growers have already waited too long. The Government supports all attempts to uncover the reasons for the board's failure, and this regulation facilitates that process. That point has been lost on the Leader of the National Party.

Mr DEPUTY-SPEAKER: Order! The Leader of the National Party has had an opportunity to speak to the motion.

Mr MARTIN: I urge the Opposition to abandon its misguided and pointless attempt to disallow this regulation. The Leader of the National Party made other comments which show that he does not understand the regulation. Board members are selected by a select committee on merit of applications. They are not appointed at the Minister's whim, as asserted by members on the other side of the House. As to the assertion that the Minister is not involved and there are no checks, the board is monitored annually by the audit department and reports to the Parliament. Should the Director-General of Agriculture check with the chairman or chief executive officer of the board every week? Do we have to be in their pockets? The responsibility for the debacle with the Grains Board sits with the Opposition and its 1991 legislation.

Opposition members criticise the Government, but they should look back through their own record, particularly that of the Leader of the National Party, who held a junior financial portfolio. When his Treasurer went away for five minutes, suddenly the Leader of the National Party put \$50 million down the drain. We keep reminding him of that because his memory is weak. Yet he has the hide to criticise this Minister, who is recognised around the State as possibly the best Minister for Agriculture that this State has ever had. People in country areas tell us that all the time. Those geniuses opposite were in my electorate last Friday. An invitation was sent out by the honourable member for Orange. They turned up, but they could not even field a cricket team. There was no-one to carry the drinks, so the Leader of the National Party had to have a cup of coffee.

National Party members talk about themselves as representatives of country people. They represent 2.5 per cent and are sinking fast. For whatever reason, members opposite believed that moving a motion to disallow the regulation would be a popular thing to do. Once again they have not done their research. As the former Deputy Prime Minister Tim Fischer said in January 1999, "These people went out for a long lunch." They are still out at lunch and are staying for afternoon tea. I support the Minister and his remarks. This motion for disallowance is a joke!

Mr PICCOLI (Murrumbidgee) [8.17 p.m.]: The Minister can do one thing to alleviate many of the Opposition's concerns: he can retain the same regulation and rather than appoint himself in place of the Australian Securities and Investments Commission [ASIC] he can appoint an independent person or body. That is the heart of the issue. The Minister, who is responsible for the oversight of the Grains Board, is now almost in control of any further investigations into the conduct of the board. Many people are suspicious of this despicable move. Why should the Opposition and the grain growers be suspicious? At the last estimate the Grains Board lost approximately \$160 million in a three-month period. It is extraordinary for any organisation to lose \$160 million, let alone lose it in three months, as the Grains Board would tell us.

The Opposition and others are suspicious. It is our role as the Opposition to raise these suspicions in Parliament with the Minister and to make sure that the Minister does not take the opportunity to exculpate himself from any responsibility. This whole issue of regulation is a question of oversight. The Minister has placed himself in a position where he can decide whether to allow certain examinations into the conduct of the Grains Board. We have to raise questions about that. We also have suspicions about other regulations and question their introduction. The Leader of the National Party asked why these regulations were introduced. They cover the mistakes of the Minister, the department and the director-general in their oversight of the Grains Board.

Many grain growers have lost substantial amounts of money over this debacle with the Grains Board, which has thrown the industry into disarray, and they want some answers. The financial institutions that have exposure to that \$160 million would also like some answers to what has happened. Let an independent person take over the Australian Securities and Investments Commission. The Minister says it is important that an appointment is made. The Opposition does not mind who is appointed provided it is an independent person and not someone from the Government. The feeling of the Opposition and of the public generally is that at the time of this significant loss there may have been some impropriety, and grain growers and the voters of New South Wales would like some questions answered. It is not particularly appropriate that the Minister and his director-general should seek an opportunity to cover their own backsides. The Minister suggested there was no consultation with regard to this motion for disallowance. The first person consulted was the administrator of the New South Wales Grains Board, Mr Murray Smith. His letter to the Opposition stated:

Provided that the Minister exercises his discretion to approve examinations by reference to the same criteria that the ASIC would have applied, the regulation to which you refer will not have an impact on my investigations. However, if different criteria are used, then there may be an impact on my investigations.

That paragraph of itself raises sufficient doubt in the minds of the public and certainly in the minds of the Opposition. For that reason alone the regulation should be disallowed. If it throws any doubt on the examinations that the administrator might make into this significant financial disaster in New South Wales, it should be disallowed. Who else did we consult? We consulted the executive officer of the Rural Marketing and Supply Association, Mr Reg Kidd, who wrote to us in the following terms:

Our members are outraged that the NSW Government is trying to put through a regulation which specifies that any further examination into the NSW Grains Board would require consent from the NSW Minister for Agriculture.

This is the same Minister and same Government that have come into question for their sordid handling of the whole NSW Grains Board debacle. The Government appears to be covering itself from further exposure and investigation, by implementing this regulation that will prevent full disclosure and will cover negligent parties from being held responsible for their actions.

If the Minister thinks that only the Opposition has raised questions about this regulation, I would be more than happy to provide him with concerns expressed by a number of organisations in New South Wales.

Mr Amery: I can't listen to this any more.

Mr PICCOLI: The Minister says he cannot listen to it any more. He can accuse the Opposition of being partisan, but I am citing people who, by his own admission, are absolutely independent. Jonathan McKeown, the Farmers Association chief executive, wrote:

We believe that the Minister's action in pushing a regulation through caused unnecessary hostility and suspicion.

The Opposition has also been contacted by the Hon. Joe Hockey, the Federal Minister for Financial Services and Regulation. I remind the Minister for Agriculture of the following comments of Mr Hockey about the ministerial council:

... the regulation was not circulated to the Ministerial Council for Corporations prior to it being made.

Under the new draft Corporations Agreement (to which the States and Commonwealth have agreed to abide pending its finalisation), generally a regulation which would significantly alter the effect or operation of the national law having regard to the operation of provisions to preserve the operation of State and Territory laws must be notified to the Council before being made.

It is not immediately obvious why the regulation in question would have been exempt from the requirement to notify the Ministerial Council.

The Minister may accuse Mr Hockey of being political, but his comments do not raise issues of politics. They raise questions of accountability to the ministerial council. The Minister for Agriculture said he relied heavily on this regulation because of the requirements of the ministerial council. The Hon. Joe Hockey's comments indicate clearly that the Minister did not even have the decency to advise the council that this regulation would be put through. That raises the question of why the Minister would not contact the ministerial council. If the Minister has problems with the Opposition's approach to this regulation, he should take on board the comments of people and organisations. He should get through his head that many are interested in what happens to the Grains Board and concerned about this regulation.

The Opposition did not move this disallowance without due consideration. We considered very seriously the comments of many people and organisations, and we decided that any attempt by this Government to cover up its own mismanagement, or the potential for mismanagement, has to be brought to the attention of

the public and Parliament. I support the disallowance motion. If the Minister wants to appoint someone independent, the Opposition will look at the regulation more favourably, but until that time the Opposition totally supports the disallowance motion.

Mr SLACK-SMITH (Barwon) [8.26 p.m.], in reply: Many accusations have been levelled by members on the Government side of the House, but the Opposition researched this matter deeply. We spoke to many people who voiced serious concerns. We consulted the New South Wales Farmers Association, the New South Wales Law Society and the Hon. Joe Hockey, who is virtually the chairman of the Ministerial Council for Corporations. The Minister for Agriculture must be trying to hide something, otherwise he would not be attempting to put Dracula in charge of the blood bank. His director-general was criticised by the Public Accounts Committee [PAC] for his handling of the issue. The director-general is responsible to the Minister, therefore the Minister should also wear the criticism that has been levelled at the director-general.

The Minister and the honourable member for Bathurst continually claimed that there was nothing wrong with the arrangement as the Centenary Institute of Cancer Medicine and Cell Biology and the Garvan Institute have been involved in similar arrangements. I do not recall the Garvan Institute or the Centenary Institute of Cancer Medicine and Cell Biology losing \$160 million of New South Wales grain growers' money. Panic stations set in and this regulation was pushed through quickly because of the fear of liquidation. That fear has now been passed to the Supreme Court.

Mr Amery: Everybody supported that arrangement.

Mr SLACK-SMITH: Fine.

Mr Amery: Everybody, including the farmers.

Mr SLACK-SMITH: Yes, but they did not support the regulation. They voiced their concern about it. The Minister cannot have it both ways. We do not want the fox in charge of the chook house. We want an independent person who both sides of the House will accept has no vested interest in this situation, someone who does not have responsible to him a director-general who has been criticised by the Public Accounts Committee. The director-general of the department is partly responsible for this situation, although not as responsible as the Minister. We do not want the Minister for Agriculture to take the place of the Australian Securities and Investments Commission [ASIC]. It is a total conflict of interest. He appointed members of the board and he has control over who can and cannot be investigated.

Will the Minister come clean and tell the public what he has to hide? I can assure him that we do not know. The Minister and Country Labor are so Sydneycentric that they really do not care what happens in rural and regional New South Wales. We are pretty fair dinkum on this side of the House and I assure the Minister that we have no problems with paragraphs (b) and (c) of the regulation. As I said earlier, the director-general should be under the control of the Minister; if he is not then the Minister should get another job. I suspect that the director-general has the measure of the Minister and that he tells him what to do in this portfolio.

The director-general is pulling the wool over the Minister's eyes. The Minister cannot see what is going on. The Grain Marketing Regulation 2001 should be disallowed. It is not beneficial to grain growers or to regional and rural communities in New South Wales. It is certainly not in the best interests of accountability for elected members of State Parliament. The Minister should be accountable as well as appear to be accountable. The Minister has been completely behind the eight ball in this sad and sorry affair, which has resulted in the loss \$160 million by the New South Wales Grains Board.

Question—That the motion be agreed to—put.

The House divided.

Ayes, 30

Mr Armstrong
Mr Brogden
Mr Debnam
Mr George
Mr Glachan
Mr Hartcher
Mr Hazzard
Ms Hodgkinson
Mr Humpherson
Dr Kernohan
Mr Kerr

Mr Maguire
Mr Merton
Mr O'Doherty
Mr O'Farrell
Mr Oakeshott
Mr D. L. Page
Mr Piccoli
Mr Richardson
Ms Seaton
Mrs Skinner
Mr Slack-Smith

Mr Souris
Mr Stoner
Mr Tink
Mr J. H. Turner
Mr R. W. Turner
Mr Webb

Tellers,
Mr Fraser
Mr R. H. L. Smith

Noes, 46

Mr Amery	Mrs Grusovin	Mr Orkopoulos
Ms Andrews	Mr Hickey	Mr E. T. Page
Mr Ashton	Mr Hunter	Mr Price
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 McGrane	Mr Watkins
Mr Campbell	Ms Meagher	Mr West
Mr Collier	Ms Megarritty	Mr Whelan
Mr Crittenden	Mr Mills	Mr Woods
Mr Debus	Ms Moore	
Mr Face	Mr Moss	<i>Tellers,</i>
Mr Gaudry	Mr Newell	Mr Anderson
Mr Greene	Ms Nori	Mr Thompson

Pairs

Mrs Chikarovski	Ms Allan
Mr Collins	Ms Harrison
Mr Rozzoli	Mr McManus

Question resolved in the negative.

Motion negatived.

NATIONAL PARKS AND WILDLIFE AMENDMENT (TRANSFER OF SPECIAL AREAS) BILL

Second Reading

Debate resumed from an earlier hour.

Ms HODGKINSON (Burrinjuck) [8.46 p.m.]: I am concerned about some parts of the National Parks and Wildlife Amendment (Transfer of Special Areas) Bill. The object of the bill is to make a number of ancillary provisions as a consequence of the transfer of certain catchment management areas from the Sydney Catchment Authority to the national park estate. Although I note from the maps the Minister provided to the shadow Minister that the area affected is not overly large, I still have some concerns because the area involved relates to my electorate. The Wombeyan Caves area falls within my electorate of Burrinjuck.

The Sydney Catchment Authority legislation was passed by Parliament in 1998, before I became a member of this place. However, I imagine that by now all councils will be consulted on anything to do with the Sydney catchment area and any changes to policy or sections of the Act. Much concern has been expressed by councils about the lack of consultation on issues relating to Sydney Catchment Authority controls. I note that when the shadow Minister consulted Wingecarribee council, Wollondilly council, Shoalhaven council, Goulburn council, Mulwaree council and the Yerranderie Management Committee she was told that they had not been consulted by the Government or the Sydney Catchment Authority, or advised that this bill was before the House. I am concerned about that.

Given all that has happened over the past three years with the Sydney Catchment Authority and the concern expressed by various committees, groups and councils about the lack of consultation, one imagines that that would send a clear message to the Minister that consultation is imperative when dealing with an issue that is sensitive for land-holders and other stakeholders in the area. After three years we still do not have a clear definition of what is the neutral and/or beneficial test. If consultation with local government authorities and local councils had taken place, we would not be back at the basic level we are at now. Is the test to be neutral and beneficial, neutral or beneficial, or simply remain neutral? That has not been decided. We have gone right back to the drawing board on this important aspect.

It has been said that the Minister has claimed that councils were irrelevant in regard to this matter. That is clearly not the case. Councils ought to be consulted in respect of any bill that comes before this House relating

to the Sydney Catchment Authority [SCA]. It is both relevant and important that they be consulted. I believe that the introduction of this bill should have been delayed, because the Minister has not seen fit to extend to community groups the basic respect that they deserve in relation to this sensitive matter. Marulan action group member David Humphries recently drew attention to the need for additional consultation with land-holders and ratepayers on issues relating to the SCA.

Mr Humphries said that it is the land-holders and local ratepayers who will have to comply with the Government's water quality regime, and that compliance costs are already being experienced by Goulburn ratepayers, who have been hit with the highest rate increase in New South Wales this financial year. Since we are talking about the SCA I will refer again to Goulburn's sewerage upgrade. It is to cost about \$30 million and local ratepayers will pay the shortfall, which the Minister announced yesterday would equate to \$250,000 from the citizens of Goulburn in this section, the same amount that the SCA is putting up this time around.

Local community groups such as the Marulan action group, which includes David Humphries, Carolyn Tooth and others, have taken many steps to ensure that I have been consulted on their reactions to issues involving the SCA. I congratulate the local media on their consistent reporting of matters relating to the catchment and associated issues. It is a shame that the Government did not take advantage of the same levels of consultation, because the original regional environmental plan [REP] has been withdrawn because of widespread criticism of it by community groups and stakeholders, and representations from many people, including me. A new draft of the REP is being put together now.

While I am on the subject of the SCA, Mr Humphries raised another valid point. He asked the following questions: Why is it that someone at Tallong cannot develop because of septic? Why are blocks of land in villages in the Mulwaree Shire Council area unsaleable because developers have been refused permission to install septic tanks? Should Goulburn go ahead with a planned subdivision near Sooley Dam that will allow aerated septic tanks? Glaring inconsistencies such as those are evident on a daily basis. The bill will obviously affect not only land-holders but those who want to move to country areas. It will greatly affect Mulwaree Shire Council and other councils in the area. Because of that impact consultation is necessary. The Government is amending the Act, and people are sceptical about the Sydney Catchment Authority and the way the Minister has handled things so far.

Mr Debus: That is because you and your colleague the member for Southern Highlands carry on about it.

Ms HODGKINSON: The Minister interjects that it is partly because of the way I carry on about it. I am pleased he said that. It is true that I make many representations on behalf of my constituents in relation to this important issue, as does the honourable member for Southern Highlands. She has been doing so for many years now. I will take the Minister's interjection as a compliment. One of my concerns in relation to this bill is that Crown land will be transferred to the National Parks and Wildlife Service [NPWS]. The Minister has said that Crown lands within the special areas have been identified as land suitable for transfer under the Minister's decision and that the National Parks and Wildlife Service will discuss the transfer process with the Department of Land and Water Conservation.

Giving this additional responsibility to the National Parks and Wildlife Service certainly appears to be a tall order. I would like the Minister to address that issue in his reply. At the moment the National Parks and Wildlife Service cannot look after the land already under its control. It does not have the necessary financial resources to do so. If this additional land is transferred to the service, it will have more to do, and that will result in a further thinning of its resources. My understanding is that the funding allocated to the SCA will be transferred to the NPWS, but my concern is that at the moment the service has a thin resource base and it will have to spread that base even further. I do not know that the funding that will be transferred to the NPWS will be enough to enable it to do what it has to do.

Feral animals and noxious weeds are other areas of great concern. I mentioned this aspect in my contribution to the budget debate last year. The honourable member for Southern Highlands referred earlier today to the fact that pest and weed management is a huge problem in the special areas. The honourable member for Campbelltown mentioned varieties of wildlife. It is good to have wildlife and native vegetation. However, feral animals and noxious weeds must be controlled in these special areas. I have received many accounts from people within my electorate who are concerned about the number of feral animals and the level of noxious weed infestation, particularly in areas such as Kosciuszko National Park, where the blackberry is out of control.

I have only to look over a couple of fences into a neighbour's backyard to see that Paterson's curse is raging out of control. We have had a good season on the Central Tablelands and the Southern Tablelands, and Paterson's curse has taken off. Insufficient funding is available for the control of noxious weeds and feral animals, especially around the Wombeyan area. When driving through that area only the other day I came across a herd of feral goats on the road. As a passer-by I was stunned to see so many goats in that area.

In relation to water quality, contrary to the Minister's slur against me during question time yesterday, during my contribution to the budget debate last year I referred to the need for improvements to Sydney's drinking water, the inadequate sewage treatment plant at Goulburn and the fact that the Government was practically ignoring the thousands of litres of faecal contamination that entered the water supply through overburdened sewage treatment plants such as that in Goulburn. I trust that in his reply the Minister will offer me an apology after his dreadful slur against me during question time yesterday. He obviously does not take note of what is reported in *Hansard*. He should do so. It is also a call to his department for attention.

Mr Debus: I listen to the media reports on these matters, rather than read *Hansard*. I listen to the honourable member for Southern Highlands slagging off the SCA in the media all the time.

Ms HODGKINSON: You listen to the media more than to Parliament? I guess that shows the respect the Minister has for Parliament, that is all I can say. I also ask the Minister to address another of my concerns in his reply. The Minister can correct me if I am wrong, but after reading the bill and the notes that have been made available, it seems to me that turning Crown land over to the NPWS could ultimately result in that land becoming another wilderness area. In the past few years a number of national parks have become wilderness areas. I know it is part of the Government's agenda to designate a certain number of wilderness areas. Labor campaigned on that issue in the lead-up to the last State election. I believe it is possible for a national park to be designated as a wilderness area without the need for parliamentary approval. I ask the Minister if it is true that he can gazette a proposed area without having to go through the parliamentary process. There may be repercussions for leaseholders in the areas to be transferred. What will happen to people with occupational permits if such transfers take place? Will they be able to remain where they are? [*Extension of time agreed to.*]

I am also concerned about access, which was mentioned by the honourable member for Southern Highlands in her contribution to the debate. She raised the valid point that access must be maintained in those areas that will be caught up in this legislation. According to the maps, which I must confess were not very detailed, it may be that only a small amount of land is involved on this occasion. One could see the roads on the maps but the scale was small and it was difficult to tell if there were any houses in those areas. Although only a small amount of land may be involved on this occasion I fear that pushing through legislation such as this, without consultation with outside groups, will set a precedent.

The Minister may say on a future occasion that the Opposition supported the Government previously and should support the Government on future occasions X, Y and Z as well. What sort of precedent is that setting for the future? Another valid point mentioned by the shadow Minister this morning was why the head of the Sydney Catchment Authority resigned. Why did that happen? That is a matter on which the Minister should certainly advise the House. The Minister suggested that the boundary of the area to be transferred will not be defined until the operational envelope has been precisely determined. Does that mean that honourable members are discussing this legislation prematurely, before the envelope has been precisely determined?

The Minister suggested that the National Parks and Wildlife Service [NPWS] and the Sydney Catchment Authority [SCA] will undertake a number of field inspections to determine the envelope. The operational boundaries will then be formally identified by survey prior to a precise description of the lands to be transferred to the NPWS being published in the *Government Gazette*. The NPWS and SCA have agreed that major water catchment infrastructure requiring a full-time operational presence by the SCA will be retained by the SCA and will not be incorporated within the national park estate. This will include the water storages themselves to full supply level, dams and associated significant infrastructure.

Less significant infrastructure that requires ongoing maintenance and is used on a regular basis will be established as a formal easement prior to the land being transferred to the NPWS. This will include access roads and pipelines. Does that mean that the Minister for Land and Water Conservation will no longer control funding for Crown road upgrades and that the Minister at the table, the Minister for the Environment, will control that funding instead? Perhaps the Minister will address that matter in his reply because this is a matter of concern to the NPWS. Funding is very limited at the moment. I cannot say that I have noticed the provision of additional funding except for funding that will be transferred directly from the SCA to the NPWS as a result of this legislation.

I am very sceptical about the NPWS being given additional resources and additional funding. Perhaps the NPWS may need additional offices, and it will certainly need additional staff to implement this legislation smoothly and without too much disruption. I conclude my remarks with those comments and reiterate my concern over the issues I have raised. I am sure that there would have been other issues of concern I could have mentioned if I had been given the opportunity to discuss this bill with local councils or if the Government had informed local councils that this bill was being presented.

I suspect that the Government fears local councils and some members of the community who have been most vociferous about their concerns relating to the Sydney Catchment Authority and that that fear has led the Government to engage in consultation that has not been as comprehensive as it might otherwise have been. That is regrettable. I certainly had hoped that the Government had learned its lesson from previous legislative processes, particularly the regional environment plan [REP] which is now back on the drawing board after having been in the public arena for three years. The Government by now should have learned that it really does need to consult on such obviously sensitive issues as the subject matter of this bill as it affects my local community.

Mr WEBB (Monaro) [9.03 p.m.]: I will speak briefly to the National Parks and Wildlife Amendment (Transfer of Special Areas) Bill to join with the shadow Minister for the Environment, the honourable member for Southern Highlands, and my colleague the honourable member for Burrinjuck in placing on the record concerns relating to this bill. At the outset I state that the Opposition does not oppose the bill, for obvious reasons, but nonetheless has some concerns in relation to some aspects of the bill, namely, the lack of consultation and the lack of detail. The Opposition has noticed that this Government previously has embarked on procedures of regulation and legislation without having undertaken what is regarded as proper consultation with the community. I would have thought that consultation with local government bodies whose areas are affected by the bill would have amounted to fair consultation.

As the shadow Minister for the environment has stated, the Sydney Water and Sydney Catchment Authority initiatives began after the giardia and cryptosporidium scares in Sydney some time ago. It must be said that since that time the Government has adopted a heavy-handed knee-jerk reaction to a problem that could be described as a Sydney problem that is capable of being resolved on a Sydney basis. The bill provides powers for the National Parks and Wildlife Service to draw up and implement plans of management and gives the Minister a right to grant easements and rights of way in respect to parts of areas that are dedicated or reserved under this bill. The bill also provides that the Director-General of the National Parks and Wildlife Service will implement the plans of management.

The major concerns of the Opposition relate to access roads. Recently the Sydney Catchment Authority resumed lands in the Braidwood area in the Shoalhaven catchment for the purpose of creating access roads, and the resumptions took place without account being taken of the fact that the land had been used to provide access to private property. Some of the maps that are being used in relation to plans of management do not show local government boundaries and do not delineate private lands, and that is a matter of concern to me. I endorse the comments made by the honourable member for Southern Highlands and the honourable member for Burrinjuck, who highlighted the lack of definition of the maps.

My concern is that at a later stage the Sydney Catchment Authority and the National Parks and Wildlife Service will implement plans that have been drawn up without people having had the benefit of close scrutiny and will say to people: "We have had a process of consultation and we have looked at the maps. You are within the area that is the subject of the management plan and the land comes within the terms of the legislation, and that is the end of the story." I forecast concerns being expressed by my constituents who find that they are included in areas when they had no proper notice of proposals that will have a direct effect on them.

The bill delineates lands that will become part of the national park estate and those that will remain with Sydney Water and under the control of the Sydney Catchment Authority. My concern is that some lands that become part of the national park estate may be nominated for wilderness areas. The basis of ongoing concern to my constituents and me relates to the management of wilderness areas. It is all very well to have plans of management but the upper Shoalhaven areas are badly in need of control of feral animals, weeds and bush fires. Control of those three elements is fundamental to environmental management and has been referred to by honourable members who preceded me in this debate. Problems caused by serrated tussock and Scotch broom, among other weeds in the Shoalhaven catchment and among other problems caused by feral animals, are of great concern, and the fire management history of the National Parks and Wildlife Service leaves a lot to be desired.

This Government must realise that it has become reliant on a regime that has excluded the indigenous and historical agricultural burning of lands for the control of weeds. The current regime is not a natural one. I warn the Minister at this point of the risk of a very devastating fire as a result of a lack of management. Mismanagement will compromise the inherent value of the land and clean water objectives of legislation. It is all very well to have plans but without proper implementation they are worthless. Regrettably, the National Parks and Wildlife Service, with an annual budget of \$240 million, is continually unable to fulfil its obligations to correctly manage land taking into account all the social, financial, environmental and ecological consequences of proper, full and accountable control of weeds, feral animals and bushfires. I do not need to remind the Minister of the human consequences resulting from inadequate implementation of what seemed to be a good plan at the time.

Weed control involves eradication and prevention by the many different methods available. Does the service have an administrative component in its budget to enable it to carry out effective weed control? This bill will enable money to be paid into and out of the National Parks and Wildlife Fund in connection with implementation of the plans. I put on record my concerns and the concerns of my constituents. A plan on paper is one thing; ongoing successful implementation of the plan is entirely different. I have grave reservations about the capability of the Government and the service to succeed in managing the plans for generations to come.

I share the concerns of previous speakers in relation to access. Once land is taken over and access is closed, implementation of management plans is compromised. It also compromises other peoples access to what is, after all, public land. Local management experience, unfortunately, is not taken into account. Consultation with local government on the bill has been obviously deficient. The shadow Minister for the Environment has detailed to some extent the lack of consultation with local governments about the plan. I take it that consultation has also not extended to local land-holders and communities.

Again I am alarmed by the arrogant disregard for the people, towns and local communities in this case. There seems to be a Sydney-based focus on water for Sydney. That water is used for a mere few seconds before it is pumped out into the Pacific Ocean, with all the ecological disadvantages and disasters involved with that misuse of water that has come from areas a long way from Sydney. The Opposition calls on the Government to put the bill on hold until proper consultation takes place. After considering the concerns and experience of local people, with the involvement of local government, the Government would be able to draft legislation and make plans that will work to the benefit of future generations.

Mr DEBUS (Blue Mountains—Attorney General, Minister for the Environment, Minister for Emergency Services, and Minister Assisting the Premier on the Arts) [9.14 p.m.], in reply: Before turning to the specific issues raised during the debate I reiterate the main purpose of the bill. The bill is necessary to enable the transfer of around 40,000 hectares of land from its present owner, the Sydney Catchment Authority [SCA], to the National Parks and Wildlife Service. This transfer conforms with the Government's pre-election commitments and implements a recommendation made by Peter McClellan as part of the 1998 Sydney water inquiry.

A number of issues were raised during the debate by members opposite. They were raised by the honourable member for Southern Highlands and then repeated by the honourable member for Burrinjuck and the honourable member for Monaro. This seems to reflect their tendency—I have noticed it repeatedly in debates about the Sydney Catchment Authority and in Opposition media commentary about it—to spread fear and misunderstanding amongst the citizens of the Sydney catchment area to the greatest degree that they can conjure at any particular time.

I cannot think of a debate in which there has been anything but the most extraordinary carping and deliberate misunderstanding from those opposite about the operations of the Sydney Catchment Authority. The honourable member for Southern Highlands spoke at some length about what she believed to be inaccuracies with the special area maps provided to her by my office. Being uncertain of the honourable member's capacity to read maps, I simply confirm that three sets of maps were provided to her. They were prepared by the Sydney Catchment Authority and the National Parks and Wildlife Service. The maps incorporated various levels of detail, including local government boundaries, park boundaries, roads and trails, the location of inholdings, and a wealth of other relevant information. I do not in any way accept that the maps were either inconsistent or inaccurate, as was alleged.

Honourable members opposite raised concerns about the boundary of the special area lands to be transferred to the National Parks and Wildlife Service. It needs to be stated, perhaps a number of times given the

persistent misrepresentation of this matter by members opposite, that the land that will be transferred to the National Parks and Wildlife Service is all and only controlled at present by the Sydney Catchment Authority. There is no private land and there is no land that is controlled or owned by local government—none. However, I advise—this was said in the second reading speech but it bears repeating—that the boundary of the area to be transferred cannot be exactly defined until the operational envelope has been precisely determined. That is to say, the National Parks and Wildlife Service and the Sydney Catchment Authority will undertake a number of field inspections to determine exactly what that envelope is.

The operational boundaries will then be formally identified by a proper survey before a precise description of plans to be transferred to the service is published in the *Government Gazette*. The survey will identify the land to be transferred. It will indicate the land that is not to be transferred because it is needed for operational reasons by the Sydney Catchment Authority. It has nothing whatsoever to do with local government or with private ownership. The agencies have agreed that major water catchment infrastructure requiring a full-time operational presence by the authority will be retained by the authority and will not be incorporated in the national park estate. That sort of operational land obviously includes the water storages themselves to the full supply level, dams and associated significant infrastructure.

The less significant infrastructure that requires ongoing maintenance and is used on a regular basis will be established as a formal easement before the land is transferred to the service. That includes things such as access roads and pipelines. Very minor infrastructure that requires only minimal maintenance will be documented as an existing interest before it is transferred to the National Parks and Wildlife Service and will be subject to a lease, a licence or an easement. That includes things such as seismic monitoring stations, water quality monitoring sites, weather stations and that kind of thing.

Members opposite raised concerns about access to inholdings in the newly transferred land; that is to say, private inholdings. I advise the House that third party interests that exist on what is now Sydney Catchment Authority freehold and leasehold land or on Crown land that is to be transferred to the service will first need to be identified. It is anticipated that this will occur by the end of this year. Those existing interests, the inholdings, will be formalised where necessary before the gazettal of transferred lands. I confirm that existing access rights, including those involving access to inholdings such as Yerranderie, will not be affected by the transfer and subsequent gazettal of the special area lands..

Existing regulations, in this case the Sydney Water Catchment Management (General) Regulation 2000, will continue to apply. The bill does not change that regulation. Members opposite expressed concern that local government had not been consulted about the bill. Again, there is an implicit misrepresentation involved in that claim. The lands that are to be transferred are entirely owned or controlled by the Sydney Catchment Authority. The lands will pass from one State agency to another as the consequence of a decision that was made a long time ago and has been widely publicised. The transfer is simply carrying through a recommendation of the fantastically widely publicised recommendations of the McClellan inquiry, and local government will not be affected by the bill.

What is proposed is absolutely simple and straightforward: 40,000 hectares of land presently owned by one agency, the Sydney Catchment Authority, is to be transferred to another agency, the National Parks and Wildlife Service. The transfer does not affect local government or privately owned lands, however much members opposite seek to raise a fear in the community that that might be so. Members opposite spoke about the need to properly resource the National Parks and Wildlife Service to ensure the future management of the transferred lands. Of course, I could not agree more!

That is exactly why the catchment authority will pay the service \$2.73 million every year. The funding will ensure that transferred lands are properly managed and that feral animals are controlled. The \$2.73 million to be paid each year works out at around \$70 per hectare per year for future management. For the reasons mentioned by all honourable members who contributed to this debate there will be a special emphasis on the control of feral animals and noxious weeds. That \$70 per hectare per year for management compares with \$35 per hectare per year spent on the management of the national park estate as a whole.

Before anyone, especially a member of the Opposition, begins to suggest that \$70 is not very much, I point out that when the Coalition was last in office it allocated only \$15 per hectare for the management of national park land. I am talking about the money to be spent per hectare, not about total budgets or total land. The Government has spent more than twice as much as the Coalition Government spent when it left office, and twice as much again will be spent per hectare on the land to be transferred from the Sydney Catchment

Authority. Let us get it straight: it is nonsense to suggest that the land will not be managed properly. The land is being managed and the transfer is precisely for the purpose of ensuring that the most expert agency manages this area for the protection of the environment.

Ms Hodgkinson: It shows that you didn't increase the wages.

Mr DEBUS: Doesn't the honourable member for Burrinjuck want wages to be increased? Does she think all the money went in increased wages?

Ms Hodgkinson: Are you talking about on-the-ground staff or administration?

Mr DEBUS: I am talking about the total amount spent and about the day-to-day management of the national park estate. Since 1995 the Government has increased overall funding for national parks from \$95 million, which was the annual expenditure at that time, to \$225 million.

Ms Hodgkinson: Does that include executive salaries?

Mr DEBUS: Even the Coalition Government paid executive salaries, but it paid only \$95 million a year and currently \$225 million is being spent each year. The honourable member for Monaro engaged in an especially rambling attack on the National Parks and Wildlife Service. To be truthful I could hardly understand what he was saying. I drew the general inference that he did not like the National Parks and Wildlife Service but was not able to say precisely why. As he was seeming to allege there was no attempt to properly use water collected in the Warragamba or upper Shoalhaven catchments, he ought to be prepared to acknowledge that in recent times I have announced that the Government will indefinitely postpone the construction of the so-called Welcome Reef Dam.

It has been assumed that that dam is to be built in the vicinity of Braidwood at a cost between \$1.5 and \$2 billion on today's values. I have announced its indefinite postponement because of Sydney Water's successful new campaigns to control the use of water in the Sydney metropolitan area. Although the population of the metropolitan area is increasing, the per capita use of water has declined to the extent that we are assuming that Warragamba Dam and the smaller dams in the plateau above Wollongong will supply Sydney with water indefinitely. This necessary and sensible bill will allow the transfer of some special area lands to the national park estate. It will benefit many sectors of the community by ensuring that the catchments and the water quality of the Sydney metropolitan area are adequately managed. The fundamental result of the bill and the transfer will be positive for the protection of our drinking water and biodiversity and for the expansion of protected areas in New South Wales. I commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

COURTS LEGISLATION AMENDMENT BILL

Second Reading

Debate resumed from 17 October.

Mr HARTCHER (Gosford) [9.29 p.m.]: The Coalition does not oppose the Courts Legislation Amendment Bill but wishes to raise a number of matters in relation to it. The Minister's second reading speech accurately summarised the provisions of the bill but did not explain why some of the amendments were considered necessary. Clearly, the amendment to the Judges' Pensions Act to correct a legal anomaly by including the Chief Judge of the Land and Environment Court in the definition of "judge", to ensure that the Chief Judge receives her pension, is necessary. As the Minister said, the amendment seeks to correct an oversight whereby the Chief Judge of the Land and Environment Court was not included in the definition of "judge".

A number of other amendments to the Act have neither been explained nor justified. I refer firstly to the amendment to the District Court Act 1973 to permit judges or former judges from other States and Territories to be appointed as judges or acting judges of the District Court. What is the reason for that amendment? Does the District Court have a shortage of judges? Is there a reason why we need to import judges from other

jurisdictions? Is the backlog of cases such that we need to bring in judges from outside the State? Or is the amendment simply a safety mechanism to give the Minister, the Attorney, power to use at some time in the future? If so, what circumstances have given rise to the Attorney feeling that he or the Government needs such a power? The matter is simply not explained.

Obviously, it is not custom to bring in judges from other jurisdictions, except in special circumstances. That has always been the tradition. Obviously, when a judge is investigated it is preferable to have the investigation carried out by a judge from another jurisdiction, given that in most cases the judge being investigated would have a personal relationship with most of his or her colleague judges. No explanation, reason or indication has been given for the range of usage that would be expected or what constitutes an appropriate time. I do not believe it is unreasonable to ask the Attorney to elaborate on that aspect. Schedule 5 amends provisions in the Justices Act relating to committal proceedings. The amendments follow on from the report of the Committal Review Committee, which the Attorney established in March 1999 to monitor committal proceedings, and are essentially technical amendments that were recommended. Obviously the Coalition has no problem with those amendments.

Clearly, the law and its processes need to be updated from time to time. It is pleasing that legislation is examined and evaluated against performance indicators to ensure that it is performing its intended function, that it is not superfluous and therefore no longer required, as is suggested here, and that it would not cause embarrassment in circumstances in which a warrant is issued against a person in Local Court proceedings when that person has already been committed in District Court proceedings. Those aspects of the legislation are justified and have been adequately explained by the Attorney. I do not intend to go into a lengthy history of the District Court or an analysis of it or justification for it. I am sure the honourable member for Miranda is aching to make one of his learned legal dissertations.

Mr Collier: Thank you for the compliment.

Mr HARTCHER: It was not said with irony. The contributions of the honourable member for Miranda on legal matters are always well researched and enhance parliamentary debate. However, I would not like to see my name on the honourable member's web site as having endorsed him in any way.

Mr Collier: You've actually looked it up, have you?

Mr HARTCHER: I have not looked it up, but I have heard of people who have looked it up. Schedule 7 amends the Local Courts (Civil Claims) Act to expand, in certain circumstances, the nature and value of personal property that a judgment debtor is entitled to retain when a writ is executed by the Sheriff. The Coalition also has no problem with that amendment. Clearly, the value of property that people are allowed to retain when writs are executed needs to be updated in line with modern currency and economic trends. However, I have received a number of complaints, as I am sure the Attorney has, about the fact that it is very difficult for people to recover property when debts are established at law and writs are issued. I am not sure whether that is due to a failing of the Sheriff's office or whether it is a problem with the legislation, but the enforcement of writs of execution is generally regarded as unsatisfactory.

I do not think many people feel they obtain justice from the court process in such cases. The matter is further complicated by the various requirements of the Privacy Act that make it difficult to identify ownership of goods and chattels. While the old system was extremely lax and may have caused genuine and unfair distress, it would not be unreasonable to suggest that the present system of enforcement of writs of execution strongly favours the debtor, which is wrong. The debtor has been found at law to have lawfully incurred a debt that is recoverable against him or her, and therefore the law should facilitate the enforcement of the writ of execution and should not impose a series of obstacles and barriers. As a practitioner on the Central Coast for many years I witnessed the great difficulties that creditors faced and the runaround that recalcitrant debtors were able to put creditors through. That area of the law needs to be addressed, and I now flag that a Coalition government would certainly look at that matter.

Schedule 8 makes amendments to strengthen the protection provided to victims of crime and the confidentiality of their counselling files. Such amendments are welcome and supported. Together with the honourable member for Davidson, the shadow Minister for Corrective Services, I was present at a victims of crime meeting held on Tuesday 30 October at Newcastle Town Hall, which was recorded and shown the following day on the *Today* program on Channel 9 and was well reported in the *Newcastle Herald* on the following Saturday. To hear the stories of the victims of crime and their frustration about the legal process and the lack of counselling or assistance available to them makes one concerned about the level of support being offered to victims of crime and their families.

I instance the young doctor who was killed at Newcastle by a 15 year-old hoodlum who had multiple car stealing offences, who stole a car, drove it through red lights, was chased by the police, and finally hit a car. That car was driven by a young doctor who had recently graduated and was a pride and joy to the community. He and his girlfriend, who was also in the car, were killed. As is the case with the victims of so many crimes, his mother's life was destroyed. She is a dignified, lovely woman who had migrated to Australia and whose entire life was devoted to bringing up her children and giving them opportunities, and now her son has been taken from her.

She is as much a victim of crime as many other people who might more commonly be considered to be victims of crime. Yet, as she pointed out, no counselling or assistance is available to her because she is not classified as a victim of crime. She is the sort of person whom the law needs to look at and provide assistance for as a victim of crime, to help her overcome the terrible loss and grief she has suffered as a result of criminal conduct. That concludes my remarks. I indicate to the Attorney and his advisers present in the parliamentary vestibule that it would be of assistance to honourable members if the reasons for many of these miscellaneous amendments were addressed in the Minister's second reading speech. The Parliament is entitled to receive that explanation rather than simply a statement of what the bill will provide.

Mr COLLIER (Miranda) [9.39 p.m.]: I support the Courts Legislation Amendment Bill, which makes a number of changes that are important to legal practitioners practising in the area of criminal law. First, I shall refer to amendments to the Justices Act 1902, particularly those that relate to committal proceedings. In March 1999 the Attorney General established a Committal Review Committee to look at the way in which committals function and amendments to section 48E of the Justices Act. Further amendments were proposed by the Chief Magistrate, the Director of Public Prosecutions and the Legal Aid Commission, and these are inherent in the bill. They again underscore the Government's emphasis on consultation with both sides of the legal spectrum: the prosecution and the defence.

The amendments to section 48E of the Justices Act are significant. That section provides that a magistrate may direct a witness to attend for examination if there are special or substantial reasons why, in the interests of justice, the witness should attend to give oral evidence. There must be special reasons if the offence involves violence and substantial reasons in any other case. There is considerable law on the subject of special and substantial reasons. One flaw in the section is that it does not give magistrates the power to direct the attendance of witnesses at committal proceedings where there is consent of both parties. There may be very good reasons why both parties would wish a particular witness to be present for cross-examination in committal proceedings. The amendment to section 48E to provide for a witness to be examined by consent is welcome and may well save time in the criminal justice system.

Another significant amendment is the repeal of section 41 (1B) (d) (ii) of the Justices Act. Section 41 (1B) (d) provides for a committal hearing where the defendant fails to appear and allows the prosecution to adduce evidence in the absence of the defendant if no good or proper reason is shown for the absence and a warrant for the apprehension of the defendant has been issued. For the prosecution to comply with that section it must attend the court office to arrange for the issue of a first instance warrant. That warrant is then tendered to the court, the magistrate concludes the committal hearing and orders the issue of a warrant of commitment for trial. The first instance warrant is then recalled.

The difficulty is twofold. First, it does not serve any useful purpose and, second, there is always a danger. Many times in my practice as a legal aid solicitor at Sutherland I was aware of warrants floating around in the system. Defendants may be apprehended by police on a first instance warrant. In the meantime they are placed in custody, brought before the Local Court, where the matter has already been committed for trial to the District Court and bail has been continued. They have been apprehended without reasonable cause by virtue of warrants floating around in the system. This amendment will repeal section 41 (1B) (d) (ii), which requires a warrant for the apprehension of the defendant to be issued.

A further amendment is to section 48E (6) of the Justices Act. The combined effect of subsections (5) and (6) of section 48E is to make inadmissible the statement of a prosecution witness in respect of whom a section 48E order has been made where the defendant fails to attend the committal hearing. In some cases a magistrate had previously directed pursuant to section 48E that prosecution witnesses attend for cross-examination. The defendant failed to appear at the committal and as the legal representatives had no instructions they withdrew. Since there could be no cross-examination the prosecution sought to have the section 48E direction withdrawn and to tender the written statements of the witnesses. However, the magistrate found that under section 48E (6) the direction could only be withdrawn on the application or with the consent of the

defendant. Neither the defendant nor the legal representatives were present so the application could not be withdrawn. These amendments to the Justices Act will allow magistrates to withdraw the section 48E direction in circumstances where the defendant does not appear.

Section 41 (11) of the Justices Act will also be amended. In order to commit a defendant for trial or sentence a magistrate must be satisfied there is a case to answer. That often involves the magistrate reading a lengthy brief of evidence. That procedure is appropriate where an accused is unrepresented and has no legal counsel and is unaware or has little knowledge of the court system and the offences with which he or she is charged. However, in cases where the accused is represented and the brief has been read by both the defence and the prosecution, who both agree that the matter should be committed for trial or sentence to the District Court, it is a complete waste of the court time and resources to have a magistrate reading through a brief which is two or three inches thick or, in cases involving fraud, comprises four or five folders.

Magistrates need only satisfy themselves that the elements of the offence are made out and this amendment proposes that magistrates should read only the fact sheet attached to the brief of evidence to ascertain whether the elements of the offence are made out or whether the identifiable witnesses in the fact sheet go to the issue of proof before committing the defendant. This amendment to section 41 (11) of the Justices Act will allow parties to consent to matters being committed for trial or sentence without the lengthy procedure of magistrates reading thick briefs. It will streamline the committal procedures, save costs and time and reduce delays in the court system.

The bill also proposes important amendments to the Jury Act. Juries play a crucial role in the criminal justice system. Judges always instruct juries that they are to bring to the court their commonsense and everyday experiences of life, and juries, armed with that commonsense and everyday experience of life, make very difficult and very responsible decisions. Their identities and deliberations are rightfully protected to allow them to do their duty without pressure or interference. Protection against disclosure makes it a criminal offence to attempt to elicit any information from a District Court sheriff or jurors about any particular case and, of course, tampering with the jury is a very serious crime, as is attempting to pervert the course of justice. However, the problem is that police and related agencies are unable to properly investigate allegations of jury tampering or interference because they are not allowed to solicit information from former jurors or the Sheriff. [*Quorum formed.*] [*Extension of time agreed to.*]

The disclosure provisions were designed to protect jurors but were, in fact, protecting criminals by hampering the investigation of crimes. On the one hand, there was a desire to investigate these heinous crimes involving jury tampering and, on the other hand, the investigation of those crimes were hampered by the fact that police and investigators had difficulty obtaining the necessary evidence. The new provisions strike a balance by protecting jurors to the extent necessary for them to do their duty, but also allow police and other investigating agencies to properly investigate allegations of criminal conduct. The honourable member for Gosford specifically said that the second reading speech did not address some of the reasons why these particular provisions were important. He then called a quorum, so I will continue to educate and inform him as to why they are important.

The changes to the Victims Support and Rehabilitation Act will also help victims of crime. The new provisions protect victims by ensuring that the information about them on the file held by the tribunal cannot be used in any criminal proceedings except those where the applicant is a defendant. It is quite common practice for defense counsel to subpoena a victim's file on an application for support for victim's compensation and to use the information for cross-examination in a trial or other proceeding. Quite often that information is used to embarrass and discredit a victim. Applicants often supply very personal and sensitive information about their physical and psychological health to the tribunal, and it is vital that that information is used only for the purpose of assisting them in their claim for compensation.

In fact, one of the reasons why victims may not open up fully to the tribunal is the knowledge that later on at a trial they may be cross-examined on their physical or psychological difficulties. That hampers them in opening up to the tribunal and may affect their claim for compensation, to which they may well justly be entitled. The new provisions will ensure that all material held by the tribunal is protected, and that victims can be assured that all material and information supplied to the tribunal, and the approved counsellors, will remain confidential. That provision encourages full and frank disclosure by victims and assists in bringing into being the purpose of the Victims Support and Rehabilitation Act—that is, to help victims of crime.

The honourable member for Gosford will also be interested in the amendments to the Costs in Criminal Cases Act. Quite often the Director of Public Prosecutions will not bill or offer no evidence before the criminal

trial commences. While that happens, it is no reason for the award of costs. Often, after a trial has commenced, the trial aborts for one reason or another, not within contemplation of the defendant or, in fact, the prosecution. Currently, a defendant can get a certificate under the Costs in Criminal Cases Act if, after the hearing of the case on its merit, he or she is acquitted or discharged, or has a conviction quashed on appeal, and was discharged as to the indictment on which he or she was convicted or the information or complaint on which the defendant was convicted was dismissed.

The costs in the certificate must state that, in the opinion of the court, if the prosecution had, before the proceedings were instituted, been in possession of all the relevant facts, it would not have been reasonable to institute proceedings, and that any act or omission of the defendant that contributed, or might have contributed, to the institution or continuation of the proceedings was reasonable in the circumstances. In other words, the court has regard to all the relevant facts in the criminal proceedings, together with any further relevant facts established by the defendant in the course of the defendant's application for costs. The effects of this bill are twofold: firstly, to provide that costs may be granted if a defendant is acquitted or discharged at any time after the trial is commenced, and not only after a hearing has concluded; and secondly, and importantly, the prosecutor will now be able to adduce evidence to the court determining whether to grant a costs certificate being evidence that was in possession of the prosecutor at the time the decision to institute criminal proceedings was made, and it was not adduced in the proceedings. A court may go further and allow a defendant to comment on the further facts adduced, if it thinks it is desirable, and even allow the defendant to examine any witness giving evidence for the prosecution.

This amendment to the Costs in Criminal Cases Act addresses an imbalance that has been in existence for some time. In this particular case the prosecutor can now adduce evidence that was in his possession at the time he decided to institute criminal proceedings. That is balance; that is fair. In fact, it will restore one of the essential elements of our criminal justice system—that is, the ability of both parties to present their case and to adduce evidence of that case and to examine evidence adduced by the other party. This bill introduces a number of significant amendments that are important in reducing the costs involved in conducting committal proceedings, the time involved in the Local Court and court delays, and in facilitating the criminal process. These amendments are important. I trust the honourable member for Gosford has learnt something from my brief dissertation.

Mr Lynch: Unlikely!

Mr COLLIER: It is probably unlikely that he has.

Mr Lynch: It is no reflection on the excellence of your presentation.

Mr COLLIER: That is right. He is talking to his mate, the honourable member for Davidson, who is concerned about gaols. I hope I have filled in the gaps in his knowledge. I commend the bill to the House.

Mr LYNCH (Liverpool) [9.58 p.m.]: I will make a comparatively brief contribution in support of the Courts Legislation Amendment Bill. There are a number of commonsense and reasonable propositions in this legislation to amend the law. That being the case, I am surprised that Opposition members are present because they seem to have nothing in common with commonsense, rational propositions or behaviour. The proposed amendment to the provisions of costs in criminal cases is a sensible alteration. The current position allows a situation where the Crown must bear the legal costs of a failed prosecution of the defendant accused in only a very restricted number of cases. Costs do not automatically follow the event, but can be ordered against the Crown in what may be described only as exceptional circumstances—that is, where the Crown should not reasonably have ever commenced the prosecution. The present position allows for this order to be made only after a hearing has concluded. Obviously there are cases where a prosecution may be discontinued before that time, which results in an acquittal or discharge.

This legislation extends the possibility of a costs order to that situation at any time after a trial has commenced. That will obviously benefit people who were prosecuted when they should not have been. The legislation also makes it clear that the prosecution can lead additional evidence on the issue of whether a costs order should be made. This can include evidence not already adduced at the trial. The legislation also makes it clear that the acquitted accused or defendant can comment and, if appropriate, cross-examine witnesses called by the prosecution in that regard.

Another provision in the legislation relates to amendments to the Jury Act. This Act currently and quite properly contains rigorous provisions prohibiting disclosing information about or seeking information from

jurors. I believe those provisions are crucial to maintaining our jury system. The jury system offers an important protection to ordinary citizens in this State—despite the almost obsessive ideological campaign waged by the honourable member for Gosford and his ilk against the jury system. This legislation makes some comparatively minor alterations to the current scheme. One change lifts the prohibition of soliciting information from jurors if the aim is to investigate or prosecute offences relating to juries.

People obviously cannot bring prosecutions unless they are able to obtain evidence, so this is a reasonable exception to the otherwise stringent and well-grounded prohibition. Another part of the bill with the same public policy benefits allows the disclosure of that sort of information. Much of the legislation deals with amendments to legal practice and the law as it operates in the District Court. That being the case, it would be remiss of me not to note with regret that the District Court no longer sits at Liverpool. I have previously taken the opportunity in this place to express my personal dissatisfaction and to express the considerable anger in my electorate about that situation. My feelings and those of my community have not changed in that respect. Residents regard the recent decision to remove District Court sittings from Liverpool as a calculated insult to Liverpool.

Many people, including me, think it is absurd that, in spite of the massive population increase in south-west Sydney, the District Court will not continue to sit at Liverpool. The decision is outrageous as it will force local people to litigate their cases in places other than Liverpool. This means that they must travel farther afield, causing additional expense and inconvenience. This decision seems to be reflective of the centralising tendency within the District Court administration that I think should be thoroughly deplored. Apart from those comments, I am happy to commend the bill to the House.

Miss BURTON (Kogarah) [10.02 p.m.]: I welcome the introduction of the Courts Legislation Amendment Bill 2001. The new provisions will increase the efficiency of the courts in New South Wales. The bill demonstrates the commitment of the Carr Government to continually improving the justice system to ensure that it is fair, affordable and accessible. The amendments to the District Court Act 1973 will allow the District Court of New South Wales to use judges from other States as judges and acting judges of the court when the need arises. Although a similar provision exists for Supreme Court judges from other States and Territories, the amendment makes New South Wales the first State to introduce this measure into the District Court.

The District Court is the largest trial court in Australia in terms of the number of cases. The ability to appoint judges from other States is a welcome initiative that gives the District Court of New South Wales the flexibility to draw on the judicial resources that are available all over Australia. The amendments in schedule 5 are strongly supported. They will greatly improve the efficiency of the Local Court by removing technical impediments that cause delay and inconvenience to witnesses in committal proceedings. The amendments to allow committals to be conducted by consent, to allow parties to consent to examination of witnesses, to improve procedures for issuing warrants and to allow for the use of witness statements will save a great deal of court time. Lawyers will no longer need to spend time putting forward submissions on matters that are not in dispute.

The Courts Legislation Amendment Bill demonstrates the Carr Government's ability to bring together the judiciary, the lawyers and the court administrators to monitor the existing legislation and to continually create better ways of delivering justice. I am particularly pleased to support the amendments to the Victims Support and Rehabilitation Act 1996 that strengthen the protection provided to victims of crime against access by third parties to the documents held by the tribunal. Victims of violent crime need special protection to ensure that the material they have provided to the tribunal in support of their applications for counselling or compensation remains confidential.

Victims, particularly victims of sexual assault and domestic violence, provide very sensitive and personal information. The amendment will ensure that defendants in criminal cases will not be able to use this material to embarrass and discredit victims who are potential witnesses. Adequate protection of witnesses is an element essential to the integrity of the justice system. Rehabilitation and counselling can be successful only when victims feel free to express their thoughts and feelings honestly to their counsellors without fearing that their words will be used against them in a courtroom at a later date. This amendment shows an understanding of and empathy for victims by giving them adequate protection against the disclosure of confidential material. I commend the bill to the House.

Mr DEBUS (Blue Mountains—Attorney General, Minister for the Environment, Minister for Emergency Services, and Minister Assisting the Premier on the Arts) [10.06 p.m.], in reply: The amendments to

the Courts Legislation Amendment Bill demonstrate that the Government is committed to continually improving the justice system in New South Wales. Reforming and improving court processes and procedures and improving the accessibility to and speed and cost of obtaining justice is a constant task that requires continual monitoring, assessment and process improvement. It requires the commitment of all participants in the system—the judges, magistrates, lawyers, court administrators, members of the community and officers of my department. The amendments in this bill were proposed by those people who work in the court system every day. They are reasonable proposals that respond to issues that have arisen in the detailed administration and practise of the law.

I am pleased to say that this Government's achievements in reducing court delays and court waiting times are impressive. The latest figures show that improvements have been made in virtually all jurisdictions. Waiting times for District Court trials have reduced by 62 per cent over the past three years to June this year. The median delay for trials has dropped from 16 months to nine months for accused persons held in custody and from 24 months to nine months for those on bail. The Court of Criminal Appeal finalised 22 per cent more matters in 2000 than in 1999. The Local Courts finalise 94 per cent of criminal matters in less than six months, which is better than the national average—an achievement that has been repeated two years in a row. Coronial and Local Court civil matters are also being finalised at a rate better than the national average.

These improvements have been achieved through the Government's concerted efforts, with committed assistance from the judiciary, court administrators and the Attorney General's Department. The reforms and hard work are producing results, but we cannot become complacent. These improvements will provide the foundation for further work to constantly improve legal processes. For example, the package of draft exposure bills introduced in the House in September will deliver significant and groundbreaking procedural improvements that will revolutionise the way in which the Local Court handles matters from start to finish.

Many submissions have been received from those who use the courts, and their comments have been carefully examined. The Courts Legislation Amendment Bill is part of the work that is being undertaken to improve the legal system. It rectifies identifiable barriers to court efficiency. The amendments that have been addressed may seem, individually, rather minor matters, but the constant identification and eradication of minor inefficiencies are what contribute in the end to the impressive results that have been achieved across these jurisdictions and will continue to be achieved by the Government.

I thank all those honourable members who contributed to debate on this bill. I respond now to several matters raised by the honourable member for Gosford, who suggested that there was an insufficient explanation for individual amendments in the second reading speech. It seemed to me, upon a re-reading of the second reading speech, that that observation was true only in the case of the amendment concerning the appointment of judges from other States. The question of appointing judges from other States as acting judges in the District Court actually arose following a request from Victoria for a New South Wales District Court judge to act as a judge in the County Court in Victoria. The District Court judge was to deal with a Crown appeal against the inadequacy of a sentence imposed upon a County Court judge in the Victorian Magistrates Court in relation to tax avoidance charges.

However, the Victorian County Court Act 1958 was a bar to the appointment because it requires a person to have been a practitioner of the Supreme Court of Victoria of not less than seven years standing. No New South Wales District Court judge qualified under those provisions. Sections 13 and 18 of the New South Wales District Court Act posed similar problems. The New South Wales Supreme Court Act, on the other hand, does not have the same difficulty. It allows for the appointment of a person who is or has been a judge of the Supreme Court of another State or Territory. Indeed, a number of judges from other States have been appointed as acting judges in the New South Wales Supreme Court, and vice versa. A similar situation, as has arisen in Victoria, could occur in the District Court in this State.

It is considered appropriate for judges in an equivalent jurisdiction in another State to be qualified for appointment as acting judges of the New South Wales District Court. So that is the explanation, in longer form, of that amendment. The honourable member for Gosford referred also to the question of the civil enforcement procedures for creditors generally. He did that in the context of the amendments proposed to the Local Court Civil Claims Act to bring it into line in several respects with the Bankruptcy Act. I indicate to the House that the Attorney General's Department has been looking closely at ways to improve civil enforcement procedures for creditors.

A quality review team, that is to say, an expert team drawn from relevant parts of the Attorney General's Department and the courts administration, has been convened and charged with the task of finding

ways to improve civil enforcement procedures. That is ongoing work. The amendments that I have just described will assist in ensuring that procedures are fair in respect of the enforcement of debts in the meantime. I hope in the future to bring forward more amendments—the result of the work of that quality team. Otherwise I believe that there is what could be described as a strong consensus that this bill should be supported. I commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

**CLASSIFICATION (PUBLICATIONS, FILMS AND COMPUTER GAMES)
ENFORCEMENT AMENDMENT BILL**

Bill introduced and read a first time.

Second Reading

Mr STEWART (Bankstown—Parliamentary Secretary), on behalf of Mr Debus [10.15 p.m.]: I move:

That this bill be now read a second time.

The bill makes a number of amendments to the Classification (Publications, Films And Computer Games) Enforcement Act 1995. Honourable members will be aware that the Act forms part of a national scheme of classification, established by the Commonwealth's Classification (Films, Publications and Computer Games) Act 1995. Under the Commonwealth Act, publications, films and computer games are classified in accordance with a national code and set of guidelines. State and Territory jurisdictions have enacted corresponding enforcement legislation which set out offence provisions enforcing classification decisions made under the Commonwealth Act.

Broadly speaking, the bill makes the following amendments: Schedule 1 to the bill contains general amendments which aim to improve the operation and enforcement of the Act, as well as amendments which introduce a penalty notice scheme. Schedule 2 introduces provisions developed at the national level in relation to online material. I will deal, first, with the operational amendments contained in schedule 1. As with all co-operative schemes, experience with its operation has revealed the need for some procedural and technical amendments to improve its operation. To this end, the Commonwealth enacted the Classification (Publications, Films and Computer Games) Amendment Act (No 1) 2001. The amendments were agreed upon by the Standing Committee of Attorneys-General, meeting as censorship Ministers, and require consequential changes to be made to State and Territory enforcement Acts.

Schedule 1 to the bill also makes provision for the introduction of a penalty notice scheme for the enforcement of minor classification offences. The scheme aims to improve the enforcement of the Act by attaching real and immediate financial disincentives to breaches of the Act. Presently offences under the Act must be prosecuted through the court system when enforcement action is undertaken. This can be a time-consuming and costly process. Under the proposed scheme, offenders who receive a penalty notice will have the option of paying a fine rather than having to attend court. A person who disputes the allegation will, of course, be able to put the prosecution to proof in the ordinary way.

Issuing penalty notices would not be appropriate for all classification offences. Some offences, such as the sale or exhibition of films classified X or RC, are too serious. However, for less serious offences, such as failing to display a notice explaining the classification of items, the penalty notice scheme should improve the enforcement of the Act and help relieve some of the pressure on our courts. Schedule 2 to the bill introduces complementary offences in relation to online material. Concerns have been expressed, both within the community and at a government level, about the ease of access to sexually explicit and excessively violent material on the Internet. Concerns have also been raised about predatory paedophiles who create porn sites with the intent of luring young children into communication. Today many children have access to the Internet. While there is no doubt that it is an invaluable educational tool, we must take every reasonable step to safeguard our children from exposure to offensive and disturbing material.

Proposed part 5A inserts into the Act model online content regulation provisions devised at a national level to complement the 1999 amendments to the Commonwealth's Broadcasting Services Act 1992 dealing with online services. Honourable members will be aware that the Commonwealth presently regulates Internet

service providers and content hosts. The Commonwealth has encouraged the development of uniform State and Territory offence provisions for content providers to complement the Commonwealth legislation. Victoria, the Northern Territory and Western Australia have all enacted provisions dealing with Internet content.

Part 5A aims to, firstly, deter the making of "objectionable matter" available on the Internet, and, secondly, protect children from "matter unsuitable for minors". "Objectionable matter" will include Internet content consisting of a film or computer game that is, or would be, classified X or RC under the national classification code and guidelines. This would include, for example, child pornography, sexually explicit material, or material instructing in crime. Such matter will not be permitted to be made available or supplied over the Internet. "Matter unsuitable for minors" includes Internet content consisting of a film that is, or would be, classified R. It will be illegal to make available or supply this material over the Internet unless it is protected by an approved access system, that is, a system which restricts who may access such material. Access might be restricted, for example, by means of a password or person identification number.

Part 5A aims to catch content providers. It is not intended to catch material that is not stored and not generally available on the Internet. Hence, it does not apply to email or to real-time Internet chat. The Government recognises the unique nature of the Internet and the difficulties in regulating its use. However, to make no attempt at all to deal with the situation simply on the basis that it is difficult is unacceptable. The bill is based on the principle that any matter that is illegal or controlled offline should also be illegal or controlled online. In conclusion, I am confident that the amendments contained in this bill will improve the operation and enforcement of the national classification scheme. Furthermore, it represents an important step in safeguarding our children from exposure to offensive and disturbing material on the Internet. I commend the bill to the House.

Debate adjourned on motion by Mr Fraser.

SPECIAL ADJOURNMENT

Motion by Mr Scully agreed to:

That the House at its rising this day do adjourn until Thursday 8 November 2001 at 10.00 a.m.

House adjourned at 10.25 p.m.
