

LEGISLATIVE ASSEMBLY

Tuesday 27 November 2001

Mr Speaker (The Hon. John Henry Murray) took the chair at 2.15 p.m.

Mr Speaker offered the Prayer.

LEADER OF THE HOUSE

Motion, by leave, by Mr Whelan agreed to:

That, for the duration of the current Parliament, unless otherwise ordered, all the provisions of the standing orders that apply to Ministers shall be read as also applying to the Leader of the House.

ASSENT TO BILLS

Assent to the following bills reported:

Consumer, Trader and Tenancy Tribunal Bill
Crimes (Administration of Sentences) Amendment Bill
Crimes Amendment (Gang and Vehicle Related Offences) Bill

MINISTRY

Mr CARR: I announce that on 21 November 2001 Her Excellency the Governor accepted the resignation of the Hon. Andrew John Refshauge, MP, as Minister for Urban Affairs and Planning.

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

Mr CARR: Her Excellency the Governor accepted the resignation of the Hon. Paul Francis Patrick Whelan, MP, as Minister for Police and as a member of the Executive Council.

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

Mr CARR: Her Excellency also accepted the resignations of the Hon. John Joseph Aquilina, MP, as Minister for Education and Training; the Hon. Richard Sanderson Amery, MP, as Minister for Land and Water Conservation; and the Hon. John Arthur Watkins, MP, as Minister for Fair Trading, Minister for Corrective Services, and Minister for Sport and Recreation.

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

Mr CARR: Her Excellency then commissioned the Hon. Andrew John Refshauge, MP, as Minister for Planning; the Hon. John Joseph Aquilina, MP, as Minister for Land and Water Conservation, and Minister for Fair Trading; the Hon. John Arthur Watkins, MP, as Minister for Education and Training; the Hon. Richard Sanderson Amery, MP, as Minister for Corrective Services; and the Hon. Morris Iemma, MP, as Minister for Sport and Recreation. The Minister for Police will be represented in the Legislative Assembly by the Minister for Public Works and Services, Minister for Sport and Recreation, and Minister Assisting the Premier on Citizenship. The Minister for Planning, the Minister for Land and Water Conservation, and Minister for Fair Trading, and the Minister for Corrective Services will be represented in the Legislative Council by the Special Minister of State, Minister for Industrial Relations, Assistant Treasurer, Minister Assisting the Premier on Public Sector Management, and Minister Assisting the Premier for the Central Coast. The Minister for Education and Training and the Minister for Sport and Recreation will be represented in the Legislative Council by the Minister for Police.

In the absence of the Minister for Information Technology, who is ill, the Deputy Premier will take questions on his behalf. In the absence of the Minister for Small Business, and Minister for Tourism, who is also ill, the Minister for Local Government will take questions on her behalf.

MINI JELLY CUPS RECALL

Ministerial Statement

Mr KNOWLES (Macquarie Fields—Minister for Health) [2.20 p.m.]: On 16 November the Australian and New Zealand Food Authority [ANZFA] recommended a nationwide recall of mini jelly cup lollies, which are commonly sucked out of an individually sealed cup and contain the food additive konjac. This particular type of mini jelly cup is sold primarily through small grocery shops and are imported from South-east Asia. Konjac does not dissolve in the mouth in the same way that gelatine-based products do. The particular shape and size of the product means that the jelly can form a plug in the throat of small children. These jelly cups are believed to have caused the choking death of 15 children worldwide, including a three-year-old boy last year. Earlier this year a two-year-old Queensland girl had a narrow escape after one lodged in her throat. In Japan these products have been dubbed "the deadly mouthful". Eight deaths have been recorded there, with another 80 children or elderly people having been involved in choking incidents.

The United States Food and Drug Administration has now issued a public warning and has banned the import of the jelly products into the United States. In Australia, in addition to the ANZFA recall, the Australian Quarantine and Inspection Service has been instructed to stop jelly cups containing konjac from entering the country. I can also advise that from today the sale of jelly cups containing konjac are banned. We are aware of 51 distributors and wholesalers of the jelly cups, as well as 15 importers who are in the process of being advised of the ban. Any retailer, wholesaler or importer who continues to sell these jelly cups—as opposed to the Australian-made jelly cups, which are made from a permitted gum product—faces penalties of up to \$5,500 or a maximum of six months in gaol. Parents who have a supply of these jellies should return them to the point of purchase and receive their money back or, alternatively, destroy them.

Mrs SKINNER (North Shore) [2.20 p.m.]: The Coalition supports any move to increase the safety and ensure the good health of children. That support extends to the Minister's announcement about the withdrawal of jellies containing konjac from the market. It is a great shame that the Minister did not give notice of his intended ministerial statement, because there are a number of other things the Minister should have addressed if he were, in fact, concerned about the health of people in this State. However, on this occasion his ministerial statement related to konjac. If there is a risk that children might choke because the product has a tendency to coagulate and form a plug in the throat, obviously the Coalition joins with the Government in supporting a ban on this product.

AUSTRALIAN LEBANESE OF THE YEAR AWARD

Ministerial Statement

Mr CARR (Maroubra—Premier, Minister for the Arts, and Minister for Citizenship) [2.24 p.m.]: Last Friday night I attended an Australian Lebanese Association of New South Wales dinner to see the presentation of the Australian Lebanese of the Year Award, which recognises outstanding contributions to the community. There have been few contributions as outstanding as that of the winners, George Mezher and his sister Nola Mezher from Haberfield. In 1981 they established the charity Our Lady of Snows after striking it lucky in Lotto. George and Nola's first priority, however, was to do something for the homeless and underprivileged in the inner city. They set up a soup kitchen. But it is not just any soup kitchen. People do not have to line up; there is table service. Some people say it is the best restaurant in Pitt Street. Clothing and other essential items are also given away. For many homeless people the soup kitchen is not only a place to go for a hot meal and some company; it is the first step to getting their lives back together again.

After their Lotto windfall, George and Nola established no fewer than 14 suburban refuges. Those refuges provide short-term to medium-term stays for people who, through no fault of their own, have fallen on hard times. George and Nola have spent their own money and expended a tremendous amount of effort to provide help and opportunities for people in need, but somehow they have still found time to raise over \$350,000 for other charities. Although they have not sought recognition, it has deservedly come their way. George and Nola have been awarded the Order of Australia and, for two years running, the Dr Victor Chang Golden Hearts Award. They have also received a papal blessing for service to the church. Once, when asked why they took this path, they replied:

One has to do something worthwhile in this life and in this world. Besides, the country has been good to us and we feel we should put something back into it. What a wonderful world it would be if one could share his or her good fortune with the less fortunate.

What a way to spend a Lotto gain. George and Nola Mezher are not only two great Lebanese Australians, they are, of course, by any test, two great Australians.

Mrs CHIKAROVSKI (Lane Cove—Leader of the Opposition) [2.26 p.m.]: My colleagues who attended the function last Friday night—and they included the Leader of the National Party, George Souris; the Deputy Leader of the Liberal Party, Barry O'Farrell; the honourable member for Davidson, Andrew Humpherson; the honourable member for Southern Highlands, Peta Seaton; and the honourable member for Lismore, Thomas George—were all deeply moved by the story of George and Nola Mezher. I had an opportunity to meet George and Nola a number of years ago, and a less assuming couple one would be unlikely to meet. They were the most unassuming people. I was told by others what they were doing: that they had had a Lotto win but, instead of doing what a lot of people have done and what most people expect will happen when someone wins Lotto—that is, rush out and buy a new car, a new house and that sort of thing—they decided to establish a charity and, as the Premier has said, give something back to the community.

George and Nola established the charity Our Lady of Snows. Those who have been up to Central Station will know the restaurant they run. It is called a restaurant, because that is what it is. As the Premier said, there is table service. Visitors are treated as if they are in a restaurant. As I said, the Mezhers are amazing people. The use by George and Nola of their great wealth to benefit the community instead of using it for their own personal gain becomes even more amazing when one reads, as reported in the *Daily Telegraph* recently, that corporate Australia is restricting its donations to charity. What George and Nola have done could be used as a model by corporate Australia.

People who are generous—and there are many of them in our community today—do not often receive ample recognition. George and Nola Mezher not only deserve recognition; their huge contribution to the community should be acknowledged by this House. Let us hope that their example will not only inspire corporate Australia, but other individuals as well. As we approach Christmas—a time when many will find the going difficult and a time when many others will spend a great deal of money looking after their families—it would be a good gesture if we could all find it in our hearts, both as members of Parliament and as members of the community at large, to be as generous as George and Nola Mezher.

BUSINESS OF THE HOUSE

Routine of Business

[During notices of motions]

Mr SPEAKER: Order! The honourable member for Wakehurst is aware that in the past members have been told that notices of motions should be in typed form so they are able to be read. The notice he has handed to the Clerks is not legible. I will return it to him and ask him to have it redrafted in a proper form.

VARIATIONS OF PAYMENTS ESTIMATES 2001-02

Mr Aquilina, on behalf of the Treasurer, tabled, pursuant to section 24 of the Public Finance and Audit Act 1983, variations of the payments, estimates and appropriations for 2001-02 in relation to the Sydney Olympic Park Authority and the Bicentennial Park Trust.

AUDIT OFFICE

Reports

The Clerk announced, pursuant to the Public Finance and Audit Act 1983, the receipt of the following Performance Audit Reports:

University of New South Wales—Educational Testing Centre, dated November 2001.

Department of Urban Affairs and Planning—Environmental Impact Assessment of Major Projects in NSW, dated November 2001.

STATE FINANCES 2000-01 REPORT

The Clerk announced the receipt of the report entitled "New South Wales Report on State Finances 2000-01".

COMMITTEE ON THE INDEPENDENT COMMISSION AGAINST CORRUPTION**Report**

The Clerk announced, pursuant to section 68A of the Independent Commission Against Corruption Act 1988, the receipt of the report entitled "Review of the ICAC, Stage II, Jurisdictional Issues", dated November 2001.

PUBLIC ACCOUNTS COMMITTEE**Transcripts of Evidence**

The Clerk announced the receipt of the following documents:

Inquiry into The New South Wales Grains Board, Transcripts of Evidence, Volumes 1 to 3.

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**.

North Head Quarantine Station

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

Scottish Hospital

Petition supporting an upgrade of the Scottish Hospital, Paddington, that does not diminish the heritage value of the site, received from **Ms Moore**.

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**.

Anna Bay Land Transfer

Petition requesting that Crown land at lot 417 DP 257159, 2C Fisherman's Bay Road, Anna Bay, be transferred to the National Parks and Wildlife Service, received from **Mr Bartlett**.

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**.

John Fisher Park

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

Hawkesbury-Nepean Catchment Management Trust

Petition praying that the House reinstate the Hawkesbury-Nepean Catchment Management Trust as soon as possible, received from **Mr Rozzoli**.

Queenscliff Geographical Names Board Classification

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

Old-growth Forests Protection

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

White City Site Rezoning Proposal

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

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**.

Inner East Sydney Police Resources

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

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**.

CATCHMENT MANAGEMENT AMENDMENT BILL**Withdrawal**

Order of the day for the second reading discharged.

Bill ordered to be withdrawn.

QUESTIONS WITHOUT NOTICE

MARIJUANA DECRIMINALISATION

Mrs CHIKAROVSKI: My question is directed to the Premier. Does the Premier agree with the view of his newly appointed Minister for Police that the possession, cultivation and use of marijuana should be decriminalised in New South Wales? Has the Premier asked the Minister to explain what he meant when he said that where appropriate the use of hard drugs should also be decriminalised?

Mr CARR: Of course I do not believe that, nor does the Government of New South Wales. I could ask the Leader of the Opposition whether she agrees with the view of the honourable member for Pittwater that laws against drugs should be lifted.

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

Mr CARR: Because that is what he argued.

Mr Brogden: Liar!

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

Mr Brogden: Why? On what grounds? He's lying.

Mr SPEAKER: Order! If I call the honourable member for Pittwater to order for a fourth time it will avoid the necessity of my directing the Serjeant-at-Arms to remove him from the Chamber.

Mrs Chikarovski: Point of order: My point of order is relevance. The question was about the newly appointed Minister for Police, who is in charge of the enforcement of drug laws in this State. He oversees the Police Service, which is absolutely—

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

Mrs Chikarovski: It is relevant, Mr Speaker. The relevance is that there is no point in the Premier attacking a member on this side of the House when, in fact—

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

Mrs Chikarovski: I am happy to give the quotes. I seek leave to table the newspaper article—

Leave not granted.

Mrs Chikarovski: I lay on the table of the House the newspaper article in which the newly appointed Minister for Police previously said that marijuana should be decriminalised.

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

Mr CARR: I have completed my answer.

POLICE SNIFFER DOGS

Ms MEGARRITY: My question without notice is to the Premier. What is the Government's response to recent court rulings on the use of sniffer dogs?

Mr CARR: That is an excellent question and the honourable member ought to be congratulated on asking it. My Government will always give police the powers they need to detect criminals and to solve crime.

Mr SPEAKER: Order! The Leader of the Opposition knows better than to walk in and out of the Chamber behaving as she just has. The Chair always shows more tolerance and latitude to the Leader of the Opposition than to any other member. However, the Chair will not tolerate that sort of behaviour. I ask the Leader of the Opposition to show some leadership in terms of decorum.

Mr Hartcher: Point of order: I draw your attention to the standing orders. The Leader of the Opposition has given notice of motion of a private member's bill on this very subject. The question now asked of the Premier anticipates debate. It is a matter for the House and is out of order, as is the Premier's answer.

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

Mr CARR: What a pathetic Opposition! They give notice of a dozen motions before question time starts and not one of them contains the germ of a policy. They are totally a policy-free zone. In three years there has been one policy statement from them and that came out today—they will put jet skis back on Sydney Harbour—and that is their only single policy commitment.

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

Mr CARR: This is a record—three years and not a policy statement or document, not an idea. All these little motions they presented today, like primary schoolchildren with their homework written in their longhand, coming up to the lectern with their little essays—

Mrs Chikarovski: Point of order: The Premier is about to give an answer to the use of sniffer dogs, which was a policy that we announced last week and two hours later it is adopted by the Attorney General. The Premier is pinching our policies and I would like him to give credit where credit is due.

Mr SPEAKER: Order! No point of order is involved. I call the honourable member for Fairfield to order.

Mr CARR: We provided police with the powers to search for and confiscate knives and weapons, to move on those who intimidate and harass others, and powers to crack through fortified drug houses and arrest those inside. Those powers are quite independent of the view of some, in this case the shadow Minister, and I quote from the *Australian Financial Review* dated 20 June 2000 to this effect, "We gain nothing from criminalising addiction. We must be brave enough to experiment with drug law reform". There it is, and that is his name, Mr Brogden, in the *Australian Financial Review*.

Mr SPEAKER: Order! I place the honourable member for Canterbury on three calls to order. I ask the Serjeant-at-Arms to remove the honourable member for Pittwater from the Chamber.

When a member refuses to leave the Chamber it is customary for the Speaker to leave the chair and to resume question time when the member has left the Chamber.

[Questions without notice interrupted.]

MEMBER NAMED

Mr SPEAKER: Order! The Chair would prefer not to name the honourable member for Pittwater. However, he obviously wants me to do so. I name the honourable member for Pittwater for persistently and wilfully obstructing the business of the House.

Mr WHELAN (Strathfield) [2.56 p.m.]: I move:

That the honourable member for Pittwater, Mr Brogden, be suspended from the service of the House.

Mr BROGDEN (Pittwater) [2.56 p.m.]: For a period of over 18 months the Premier has sought to mislead this House on every opportunity with respect to my views relating to the issue of illegal drugs in New South Wales. For the record and for yet another occasion may I state clearly for the House and the public: I do not support the decriminalisation of drugs. I have never stated that at any stage. Indeed, the article from which the Premier quotes indicates strongly that that is not my view and on many occasions he has sought to distort those words in a malicious manner. One would hope that in front of a gallery full of schoolchildren the Premier might not lie. These children come here to learn and to take away an example of good behaviour. They do not come here to watch the Premier of their State lie. The Premier is a liar and he seeks to distort again and again—

Mr SPEAKER: Order! The honourable member for Pittwater knows the attitude of the Chair to the use of that word. He has overstepped the mark and should use another word.

Mr BROGDEN: The Premier is dishonest, he is mendacious and he has told untruths.

Mr Whelan: Point of order: During his five minutes the honourable member should be factual. The *Australian Financial Review* deliberately quotes the honourable member as saying, "We must be brave enough to experiment with drug law reform".

Mr SPEAKER: I place the Deputy Leader of the Opposition on three calls to order. The honourable member for Pittwater has the call.

Mr BROGDEN: Unlike the Minister for Police, who said, "The Government should consider decriminalising marijuana where appropriate, and where appropriate hard drugs"—

Mr Carr: That's what you said.

Mr SPEAKER: Order! The Premier will remain silent.

Mr BROGDEN: I have never held that view, and the Premier knows it. One would expect and hope for more from the leader of this State than untruths and misleading statements in front of schoolchildren. It is not the case and it certainly never has been. It is very disappointing that the only way to get truth on the record in this Parliament is to get thrown out. That is the only opportunity that Opposition members are allowed in this Parliament to tell the truth and to set the record straight.

Mr SPEAKER: Order! If the Premier wishes to explain why he believes the honourable member for Pittwater is wrong, he may make a personal explanation at the conclusion of question time.

Mr BROGDEN: The Premier's behaviour on many occasions in respect of this matter and in attacking me has been unacceptable. I take the decision today to be removed from the House because it is the only opportunity that a private member has to set the record straight. Mr Speaker, you will not stand up for individual members on this side of the House, and the Government is free to attack individual members, distort their words and to create an image that is simply untrue. I say once again to the House: it is not my view that drugs should be decriminalised—unlike the Minister for Police, who is in charge of the criminal codes of this State. I say this with great concern, but it is the only chance that I have to set the record straight.

Mr Hartcher: Point of order: The standing orders provide that the honourable member for Pittwater is allowed five minutes in which to speak. He did not receive a full five minutes; he was allowed to speak for only 3½ minutes. I ask you to use your discretion to reset the clock and allow the honourable member his full speaking time, which is provided for in the standing orders.

Mr SPEAKER: Order! I propose to put the question.

Question—That the honourable member for Pittwater, Mr Brogden, be suspended from the service of the House—put.

The House divided.

Ayes, 53

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

Noes, 30

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

Pairs

Mr McManus	Mr George
Mr Markham	Mr Kerr
Ms Nori	Mr J. H. Turner

Question resolved in the affirmative.

Mr SPEAKER: Order! I ask the Serjeant-at-Arms to remove the honourable member for Pittwater. This being the first occasion on which the honourable member for Pittwater has been suspended during this session, his suspension will be for two sitting days.

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

QUESTIONS WITHOUT NOTICE

[Questions without notice resumed.]

POLICE SNIFFER DOGS

Mr CARR: Sniffer dogs work. They were used successfully during the Olympics. By the way, it is a bit hard to argue that you were misquoted when you wrote the article! That is exactly what he said—and I am happy to table it.

Mr O'Doherty: Point of order: During the address of the honourable member for Pittwater to the House you specifically told the Premier that if he wanted to debate the matter concerning the honourable member for Pittwater he must do so by way of personal explanation after question time. Those were your words. I ask you to make sure he does not address the question again.

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

Mr CARR: I made an important announcement about sniffer dogs supporting the police. We have also supported the police with legislation regarding knives, drug house powers, and the power to move on those who intimidate and harass others.

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

Mr CARR: I am concerned in the present uncertain legal climate that current and future use of sniffer dogs could become invalid. That must not be allowed happen. We cannot wait for the outcome of an appeal. We need legislation.

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

Mr CARR: Brad, go back to campaigning against nude bathing—which you did so successfully a few years back! I have with me the transcripts of my radio comments on 1 November, when I said that we were backing sniffer dogs. As I said on radio on 1 November, the Government will act on this matter.

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

Mr CARR: You have never recovered since you were campaign director for David Oldfield in Manly. You were his chief scrutineer and you were beaten! That is why he sits there. Let us not be distracted by these interjections. We will introduce legislation next week to allow sniffer dogs to detect drugs.

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

Mr CARR: Unlike the proposals made by the honourable member for Pittwater, who has been so unceremoniously ejected from this Chamber, to his great shame and disgrace—something his electorate will condemn—

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

Mr CARR: Look at what happened to Michael Photios, with all his ejections from the House. His electorate was not amused.

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

Mr CARR: His electorate found out about it—indeed, his electorate was told about it. It was not amused.

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

Mr CARR: Unlike him, we believe in evidence-based policies on drugs. Our approach has two components. First, police will be able to use sniffer dogs randomly, as they do now, in designated places. Those designated places include licensed premises, entertainment areas and venues, and specific public transport lines. Sniffer dog searches will occur as they currently do at airports and on property owned by Corrective Services. Second, for specific police operations warrants will be sought from the Local Court, as has happened under the successful and efficient drug house model—a great piece of legislation and more proof that our evidence-based approach to drugs is working.

Police will approach the Local Court and indicate that an operation will be conducted at a specific place over the coming days or weeks. The operation using sniffer dogs will then commence. That is not an impost on police—the drug house legislation has proven that—but it requires the approval of the court. That is an important safeguard, as is the review of the legislation that will be undertaken by police and the Attorney General's Department after 12 months. Once drafted, I want civil libertarian groups to consider carefully the legislation. I welcome their comments and input to this evidence-based and carefully considered plan. I believe it is commonsense and gives police the power they need.

TAMWORTH WATER SUPPLY

Mr SOURIS: My question is directed to the new Minister for Land and Water Conservation. Given the importance of water to Tamworth's development, will the Minister honour the original agreement between Tamworth City Council and the State Government to ensure that 16,400 megalitres of water remain available to council despite current annual usage being below this?

Mr AQUILINA: The National Party has discovered that there is a by-election campaign in Tamworth at the moment.

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

Mr AQUILINA: Its members have been marching up there, one after the other. I believe that the Leader of the Opposition was in Tamworth last week, along with the Leader of the National Party, and that they were making all sorts of promises—

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

Mr AQUILINA: —much to the disgust, I am sure, of many of the local people, not the least of whom is the former member for Tamworth, who had a few things to say about the visit by the Leader of the Opposition and other coalition members.

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

Mr AQUILINA: I draw the attention of honourable members to a number of articles in the *Northern Daily Leader* on 20 and 22 November. They almost pleaded with the Opposition to stop its politicking and putting farmers at risk because of its political tactics. This Government has a proud record with the people of Tamworth—just ask the former member. We will continue that proud record by ensuring that undertakings will be assessed and, in consultation with the local community, will be implemented. For my part, I will continue to consult with my friend and colleague the former Minister for Land and Water Conservation, who has an excellent record in this regard. I am delighted and honoured to be following in his footsteps. I am sure that the people of Tamworth will be delighted and honoured that this Government will continue to represent them in a worthy way.

GAME COUNCIL

Mr BLACK: My question without notice is directed to the Minister for Agriculture. What is the latest information on the creation of a Game Council?

Mr AMERY: The honourable member for Murray-Darling has been a great advocate for the shooting fraternity. On a number of occasions he has told me that the fraternity has been the scapegoat for community criticism—that its members have been regarded as rednecks, irresponsible, and so on. The honourable member for Murray-Darling has championed the cause for the Government, in consultation with the Hon. John Tingle, and has ensured that the shooting lobby is considered respectfully. I am pleased to give some assurances to the House, particularly to the honourable member for Murray-Darling, that we have been able to liaise with the shooting lobby and to reach a conclusion that will deliver proper outcomes for that fraternity. The honourable member for Murray-Darling told me a bit of sad news for the House: Mr Bill Bott lost his chance in Farrer. That is disappointing for the National Party.

Most people would say that he is a decent man. Quite obviously the National Party logo was too much lead in the saddle bags for even Bill Bott to carry in a safe National seat like Farrer. That is another incredible example of the demise of that once great rural party. It gives me no joy. Let us not have any more vulgar behaviour. The Opposition should calm down. In 1998 the Premier, in response to representations from the Hon. John Tingle, announced that the Government would look for opportunities to involve private hunters more closely in agricultural and environmental protection programs. I am pleased to report that I intend to table a bill to create a new statutory body: the New South Wales Game Council. The Game Council will promote responsible and orderly hunting of pest and game animals on public and private lands.

Mr Fraser: Sponsored by the honourable member for Murrumbidgee.

Mr AMERY: You have got to be kidding! Three new Game Council licenses will be established to replace the many hunter licences and permits currently issued by State Forests, the National Parks and Wildlife Service, and the Department of Land and Water Conservation. The new licences include a general game hunting licence, which will be required to hunt game on private land; a restricted game hunting licence, which will be required to hunt game on public land and will be issued only to more skilled hunters; and an occupier's licence, which is modelled on the occupier's licence currently issued by the National Parks and Wildlife Service. To promote responsible firearms use and humane hunting behaviour, licence holders will need to abide by a hunter code of practice. Failure to comply with the hunter code of practice can result in the hunter losing permission to hunt on public lands and to hunt game animals on private property.

Licence revenues will not be a new tax on hunters. They will be used by the Game Council to enable it to meet running expenses. Exemptions from the need to hold a hunting licence are, of course, necessary and will include people hunting pest animals on private lands. Weekend shooters who want to shoot on a family member's or friend's property will not be affected by these changes. The exemptions will also include professional hunters and private property holders hunting game other than animals defined as protected fauna under the National Parks and Wildlife Act. Previous exemptions, such as farmers and property owners who hunt on their own property, will not be affected by these new provisions. The Game Council will support pest animal control programs on Crown lands and in State forests. However, lands managed by the National Parks and Wildlife Service will be outside the scope of the Game Council.

To ensure that hunting on Crown lands and in State forests is conducted safely and responsibly, the Minister responsible for the management of those lands will have regard to several issues before granting hunter

access. These issues include implications of hunter access for public safety, the rights of others using the land, existing management plans for the area, times during which particular game animals should not be hunted, and recommendations of the Game Council. For the information of members, particularly rural members, animals classed as "game animals" will be deer, quail, pheasant, partridge, peafowl, turkey and hare, and pests that are living in the wild on public land such as feral pigs, feral dogs, feral cats, feral goats, rabbits and foxes. The species of ducks known as black duck, grey teal duck, wood duck and mountain duck will continue to come under current pest mitigation provisions administered by the National Parks and Wildlife Service. Most honourable members would be aware that duck hunting is currently undertaken for environmental and agricultural protection purposes.

Mr Piccoli: What about open season?

Mr AMERY: If they have open season on fools, you will be in danger! The National Parks and Wildlife Service will retain overall control over duck hunting. The National Parks and Wildlife Service will continue to set the annual quota of ducks to be culled. The Game Council will assist the National Parks and Wildlife Service to allocate part of each regional duck quota determined by the service to individual properties within that region. Quotas will be allocated at the property level through the occupier's licence. Also, the National Parks and Wildlife Service, in consultation with the Game Council, will determine the auditing systems used by the Game Council to ensure duck hunting complies with the Game Act. The council will also report annually to Parliament on the number of birds culled. To minimise the likelihood that the wrong species will be shot, duck hunters will have to pass an improved waterfowl identification test. There will not be a return to the era of duck open seasons. The general ban on recreational duck shooting will also remain in place.

The tough animal welfare and gun control laws the Carr Government has introduced since 1995 through amendments to the Prevention of Cruelty to Animals Act and the Firearms Act will be underpinned by the Game Council proposal. Humane hunting practices will also be given additional emphasis. Further, private game parks will not be authorised by this proposal. The Game Council will enable hunters to be more involved in the co-ordinated culling of pest animals undertaken by rural lands protection boards and State government agencies. This could be very useful as part of a wider strategy to reduce the risk of transmission of an exotic disease. In other States, hunters are also closely involved in conservation activities, for example, in conjunction with threat abatement or a species recovery plan. This type of activity will be more easily undertaken through a Game Council.

A Game Council will also allow hunting to continue to deliver economic benefits to regional New South Wales. I expect that hunters will welcome the opportunity to be involved. Honourable members should be aware that my intention is to leave the bill on the table for consideration by Parliament over the summer recess. This will also provide an opportunity for public discussion of the proposal. The honourable member for Murray-Darling has achieved another great win for Country Labor with the introduction of this bill, which enhances responsible gun ownership and gun use in this State.

HANNANPRINT DUBBO PLANT CLOSURE

Mr McGRANE: My question without notice is to the Minister for Regional Development. What action is the Government taking to prevent the closure of the Hannanprint facility at Dubbo, which will result in the direct loss of 200 jobs and an unquantified flow-on loss of related jobs?

Mr WOODS: The honourable member has been a strong supporter of the considerable growth that Dubbo has attained over recent years, both in employment growth and business development. The honourable member, who was mayor of Dubbo and is now the local member, has been a tenacious supporter of the Dubbo community and business community. I am also clearly aware of the deep concern the honourable member has for any job losses in Dubbo. Hannanprint has indicated that it is currently assessing its options in relation to its ongoing operations at Dubbo. It will make an announcement of its future plans on 4 December. The Government is monitoring the situation through the Department of State and Regional Development. At the department's instigation, a meeting was recently held with the executives of Hannanprint to explore options available to the company for maintaining and growing its business operations at Dubbo.

At that meeting the company advised the Department of State and Regional Development that during recent months it has lost three major contracts: the *Woman's Day* contract, because of a change in format and size of the magazine; the *Sun-Herald* lifestyle magazine contract, also because of a change in format; and the BBC catalogue contract, because the BBC has been taken over by Bunnings which, I understand, has its own

printing arrangements. Hannanprint advised that the timeframe and capital required to refit the Dubbo plant means that upgrading its Dubbo operations is not a viable option to meeting the *Woman's Day* requirements. State government assistance to regional businesses through the Department of State and Regional Development is dependent on firms being able to demonstrate growth prospects in employment and capital investment. Hannanprint has been made aware of the options available to it.

In the event that Hannanprint makes a commercial decision in relation to its Dubbo plant, the Government, through the Department of State and Regional Development, will work closely with the company and with other stakeholders to attract replacement business to the site. As the honourable member would know, the Government has a range of business development programs designed to assist regional businesses in re-establishing and relocating or expanding in regional New South Wales. Since April 1995 the Government's programs have facilitated 36 projects in the region, representing more than \$85 million of private investment. This new investment has resulted in the creation of 1,284 jobs across the region.

The Government also has an ongoing policy of supporting regional communities by relocating government jobs or operations, and creating new positions in regional areas. Positions will be relocated from Sydney to Dubbo with the creation of a centre of excellence in land and water management. Let me assure the honourable member for Dubbo that his concerns are our concerns. We will be working hard with him and with the Dubbo community to do everything we can to continue the growth of the vibrant city of Dubbo into the future. The Government will be working hard to bring investment and jobs to the electorate of Dubbo.

REDFERN AND WATERLOO BUS SERVICES

Mrs GRUSOVIN: My question is directed to the Premier. What is the latest information on recent incidents in Redfern and Waterloo?

Mr CARR: I am pleased to report to the House that buses 343, X43 and 355 resumed normal service in Redfern and Waterloo this morning.

Mr Hazzard: Was that you? How often do you drive buses?

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

Mr CARR: During the campaign of the honourable member for Wakehurst against nude bathing Luis Garcia, no less, in the *Sydney Morning Herald*, wrote that his campaign was:

... something of a farce with both residents and nudists alike describing it as nothing more than a political stunt.

I thank the community for its patience in relation to bus services in Redfern and Waterloo. I acknowledge the government agencies that worked to get these services back to normal as quickly as possible. Yesterday the Minister for Police met local police officers, residents and bus drivers. He pledged an intensive police operation to take effect immediately. The Deputy Commissioner of Field Operations, Ken Moroney, has advised that additional police will be made available to the Redfern local area command from the Sydney east region, and that they will be there for as long as they are needed. I acknowledge that the honourable member for Heffron and the honourable member for Bligh have been working hard to resolve this problem. I share the frustration of residents at the antisocial behaviour that led to this situation. I affirm today that drivers have a right to work their shift in safety and that passengers have a right to go about their business without the threat of juveniles throwing missiles.

Mr Hartcher: You wouldn't have moved.

Mr CARR: The honourable member for Gosford keeps interjecting. He has had a great day because he has seen his leadership rival ejected from the House—on his advice! By the way, when you compare what the Minister for Police said in March 1999 with what the honourable member for Pittwater said in June 2000, Brogden's is the more adventurous on drug policy. It goes further. It is qualified drug policy. Enough of these interjections. Passengers have a right—

[Interruption]

You cannot claim that you were misquoted when you wrote the article yourself.

Mrs Skinner: Table it!

Mr CARR: It is tabled.

Mrs Skinner: It is not formally tabled.

Mr CARR: I am happy to table the document. It is tabled, as far as I am concerned. I will print it on billboards, put it in every letterbox in the State, mail it to every home, take a full-page advertisement in the newspapers, insert it in *Hansard*, put it as a folded lift-out in the menu at Parliament House. I am not resisting its distribution.

Mr O'Farrell: Point of order: The Premier can letterbox it to every household in the State, but it still will not show that John Brodgen used the word "decriminalise". The word "decriminalise" is not in the article. Quote the article. Quote the sentence you are talking about.

Mr SPEAKER: Order! The Minister for Transport will remain silent. The Deputy Leader of the Opposition will remain silent. The Leader of the House will cease interjecting.

Mr CARR: Several meetings have been held over the past few weeks to restore normal bus services. A number of immediate actions have been taken. First, there will be an increase in the number of police, including additional transit police—a State Transit officer will be in the area from midday until 11.00 p.m., two police Aboriginal community liaison officers and one youth liaison officer will focus on the area, caseworkers from the Department of Community Services are working with some of the youths involved, and a four-person DOCS team will be set up to work with other young people who are identified. The team will include two Aboriginal workers and specialists who have extensive experience working with young people at high risk, and there will be voluntary relocation of some public housing tenants. One tenant will move by the end of the week, one within a fortnight, and discussions have taken place with others. Two home-school liaison officers and two Aboriginal school liaison officers are working to reduce truancy.

The situation is going to be closely monitored in coming weeks. I assure local residents that there is not—nor will there ever be—some sort of no-go area in Redfern-Waterloo or in any other part of the State. The majority of residents in this area are law-abiding citizens; a minority are engaged in crime and antisocial behaviour. The incidents with the buses were not the first to occur in this area. This is, it must be said, a severely disadvantaged community. I am advised the alleged offenders were a group of around 19 juveniles. Those who have been identified are aged between 11 and 18, many already have a history of offending. A tough police response is appropriate, but so is a detailed look at why these young people are out on the streets unsupervised, a danger to themselves and to others. I am advised that a number of the alleged offenders are known to police, the Department of Juvenile Justice and the Department of Community Services. Several come from families where domestic violence and drug abuse are known to be occurring.

This is an area of densely populated housing estates. Approximately 95 per cent of public housing residents are on some form of government benefit, 35 per cent have a disability or a medical problem, and 60 per cent have an annual income of \$10,000 or less. The picture is of a community suffering low employment and low income and high level of disadvantage. This presents a tough challenge to the Government and the community. The situation developed over many years and it will take a long time to turn it around. This year the Government ramped up its effort in Redfern-Waterloo. In September a senior project director was appointed whose task is to oversee a co-ordinated response. State, local and Federal governments are working together consulting the community. The Government will soon release a comprehensive plan. Our best hope for success is a genuine partnership between all levels of government and the Redfern-Waterloo community.

As in Cabramatta, the area requires a long-term commitment. A number of actions are already occurring. I shall mention just a few. The Director-General of the Premier's Department has begun fruitful discussions with the Aboriginal Housing Company. They are discussing a range of issues, including the redevelopment of The Block. Work is about to begin on a youth crime prevention plan. New arrangements are being made to ensure that youth services are available at night, when they are needed. The Aboriginal Medical Service has received \$550,000 in additional funding to provide counselling, methadone and rehabilitation. The community drug action team is finalising a plan to reduce the impact of drugs in the area and that will be released next month. The Kidspeak program is offering regular activities for children from the housing estates. It has also attracted many other community members, including isolated older women from the Russian community, who have volunteered their services.

Mr Tink: Point of order: Acknowledge the damage your attempt to close Redfern police station caused in all this, Bob. Your attempt to close Redfern police station was the cause of all of these troubles.

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

Mr CARR: That would be sad if it were not contemptible. What we are doing here is outlining a range of measures, stronger law enforcement, greater social support on behalf of the community. You would think that an Opposition, even one without a policy to its name, even one without a single policy document, would stand up and say, "We support those measures. It is a difficult task and a difficult area but we back what appears to be a reasonable range of measures." But without a policy to their name, without a policy document, without any evidence in three years of policy work, Opposition members are reduced to getting up and trying to make a pathetic political point out of a matter as serious as this when we are exploring all the answers and all the available options. The crime and antisocial behaviour that have occurred in Redfern-Waterloo are intolerable for the majority of law-abiding citizens there. This is, as I said, a disadvantage community. It is also a resilient one. People want a better life for themselves and for their families. And this Government will work alongside them to achieve it.

SCHOOLS SECURITY AUDIT

Ms HODGKINSON: My question is directed to the Minister for Education and Training. Following the deliberate burning of the new \$90,000, 25-seat bus owned by Peel Technology High School in Tamworth and confirmation by local police that they will need to review security at all district schools, will the Minister now agree to a Coalition proposal to undertake an independent audit of all the security needs of all New South Wales schools?

Mr WATKINS: I thank the honourable member for Burrinjuck for her question, my first as the Minister for Education and Training. I appreciate it very much. Having been in the job for five days, as yet I have not looked at the detail of the issues raised. I will certainly look at it and would welcome the honourable member bringing those details to me so that we can discuss the matters raised here today.

GOVERNMENT ACCOMMODATION COSTS

Mr ASHTON: My question is directed to the Minister for Public Works and Services. What is the latest information on savings on government accommodation?

Mr IEMMA: I commend the honourable member for East Hills for his interest in saving money through reforms of government accommodation. I am pleased to inform the House that the Government has saved \$255 million in this way. That figure is in stark contrast with the figure under the Coalition when it was last in government. I will start with ministerial offices, something that is quite topical for the Opposition at present. When the Coalition was last in government accommodation space for Ministers amounted to 10,100 square metres. This Government has cut that by 14 per cent to 8,700 square metres. When it comes to accommodating public servants, this Government's performance has been even better.

Mr SPEAKER: Order! I ask the Serjeant to remove the honourable member for Wakehurst.

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

Mr IEMMA: Under the Coalition the average space for each public servant was 24 square metres—the worst figure for any government in Australia. This Government has reduced the figure to 19 square metres, and it is still coming down. By reducing the amount of space needed to accommodate public servants we have been able to save \$78 million. All of that money has gone into useful things such as hospitals, roads, schools and policing, rather than accommodating public servants. In the last two financial years six ministerial offices in Governor Macquarie Tower have been fitted out at a total cost of \$2.84 million. Six ministerial office fitouts for the Coalition in 1995 cost \$3.1 million in today's terms—more expensive, more largesse. The winner when it comes to largesse—sitting there and going through the lovely brochures on exclusive fittings and fixtures—is none other than the honourable member for Gosford.

Mr Scully: Let's hear about the doona.

Mr IEMMA: We will have to wait until another day for the doona. The fitout for the honourable member for Gosford came to a total of \$611,000 in 1995 dollar terms. In today's dollars that would be more than

three-quarters of a million dollars. I seem to recall that a primary school in my electorate, McCallums Hill, had a new hall built for \$250,000. So it cost the equivalent of three school halls to fit out the office of the honourable member for Gosford. The lovely list of inclusions in that office of the then Minister for the Environment included a Huon pine conference table, a Huon pine servery, a Huon pine coffee table, and custom-made Huon pine furniture to the value of \$156,000. There was a high-tech audiovisual system for those nights when Parliament sat late and he could not get back to Gosford and stayed in his ministerial unit. There was a built-in liquor cabinet for that late evening scotch just before he bedded down for the evening. There were also art deco fittings.

A wall unit—I do not know whether it was Huon pine—cost \$23,000. Chairs and fittings cost \$41,000, despite the fact that the honourable member had a fully furnished ministerial office in Westfield Tower. He fitted the taxpayer for another \$41,000. All up, it cost three-quarters of a million dollars to accommodate the then Minister for the Environment in his ministerial suite in Governor Macquarie Tower. The figures for the fitout in the building housing Ministers are not the only useful comparison. Another comparison is even more useful. I am very pleased to give the honourable member for East Hills and the House details on the Governor Macquarie Tower lease deal—another deal, another contract started just before the 1995 election.

Mr Carr: Like the city to airport rail link.

Mr IEMMA: Yes, as the Premier said, like the southern rail link deal. It is a deal which really fits up the taxpayers. The then Minister for Planning, Robert Webster, signed a deal, took it to Cabinet and we have the results. Just as well the Leader of the National Party was a member of Cabinet then, because he is an accountant. Just as well they were all crunching the figures on this 12-year deal—just like the southern rail link: a long-term contract, locking in the taxpayer, with \$13.2 million in rent, rising to \$18 million. The deal contained special clauses. In this deal the rent can only increase, notwithstanding what happens to the consumer price index [CPI]. If the CPI goes down, the New South Wales taxpayers are fitted up with a rent increase.

Public Servants are accommodated in Governor Macquarie Tower. When government goes to the market to procure goods, services or a building, it uses its strength, its numbers, to drive a good deal. But in Governor Macquarie Tower the Government cannot use its 30,000 square metres of office space to drive a better deal, because the contract provides for a floor-by-floor rent review, picking off one floor against another. Of course, that is not what happens in the private sector. The private sector is able to avail itself of bulk buying to drive a better deal. The best example of the largesse of the Fahey Governor was the penthouse in Governor Macquarie Tower. The penthouse, with quality inclusions such as silk-panelled wall units and silk blinds in Aboriginal design, was to cost the taxpayers \$145,000 a year. It had not one or two televisions, but three.

Premier Fahey trumped the Minister for the Environment, whose office was fitted out with not one kitchen but two to facilitate Young Liberals functions, such as those which are held here and cost a lot of money. The Government has put an end to that sort of largesse. It has standardised fitouts for Ministers and reduced the space required for offices of public servants from 24 square metres to 19 square metres—and that figure is reducing. That reduction has enabled the Government to save \$78 million—money which has been used for schools, hospitals and roads. Another part of the Government's reform plan is to get public servants out of the lousy deal that was negotiated by the former Coalition Government over Governor Macquarie Tower. We are moving public servants out of that building. Over the next 10 years we will save \$25 million by getting public servants out of Governor Macquarie Tower.

SCHOOL CLOSURES

Mr O'DOHERTY: My question is directed to the Minister for Education and Training. With uncertainty over the future of Marrickville High School leading to a drop of 50 per cent in enrolment applications, will the Minister end that uncertainty by saying which school, Marrickville High School or Dulwich High School, will close?

Mr WATKINS: I am pleased to receive a question about the Building the Future plan for inner-city schools today, the first question time since my appointment as Minister for Education and Training. I know that some communities have been distressed by changes to inner-city schooling. Contracts have been let, decisions to enrol have been made by parents and students, and plans for playing fields and buildings are at the development application stage, several of which will be submitted to local councils before Christmas. In short, the decisions made at the beginning of October cannot be revisited. Although it is still early days, the assistant director-general of secondary education informed me this morning that approximately 300 more students will be enrolled in relevant government secondary schools next year than were enrolled this year.

Honourable members need not take my word for that; they need only pick up today's *Daily Telegraph* to read of a real-life example. A student is reported as saying that she chose Balmain High School over a non-government school. The report states that the student concerned said that the people and teachers at Balmain High School were to her liking. That student is leaving a non-government school to go into the public education system because she believes that it will deliver a better education for her.

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

Mr WATKINS: Contracts have been let. The Department of Education and Training informed me that five architectural services contracts relating to design and design development have been awarded to companies including McConnel Smith and Johnson, and Woodhead International. It is clear that to reverse the decisions made in October would create further distress for school students, their parents and the school communities. But we should not forget the real benefits that this plan will bring, including wider subject choices and more students involved in the public education system. I am acutely aware of issues surrounding particular schools. The simple fact is that indefiniteness or closure of a school causes distress to the local community, and as a local member I have seen that at first hand.

In the past 15 years, due to demographic changes, three high schools in my electorate of Ryde have closed: Meadowbank, Ryde and, in 1998, Peter Board. That is the changing face of demographics in Sydney. Schools open, and schools close. I asked the department to look at what has happened in Sydney in the past 15 years. Preliminary advice reveals that governments of all colours, including this Government and the previous Liberal-National Government, closed schools in Sydney and throughout New South Wales. The challenge is to make sure that every child enrolled at a government school gets the best possible education. I am disturbed that the Leader of the Opposition is not in the Chamber, because I want to refer to the experience of the Hunters Hill High School community.

Mr O'Farrell: You met them last night.

Mr WATKINS: The Deputy Leader of the Opposition acknowledged that I met the Hunters Hill parents and citizens community last night. I thought that should be one of my first priorities. On Sunday night I rang the president of the parents and citizens association and asked her to bring as many representatives as she wished to see me, and I met with them at 6.30 last night. They were intelligent, articulate, gifted people.

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

Mr WATKINS: I told them that although the decision has been made, I will do all that I can to help students, parents and teachers through the transition process ahead. Although I do not intend to breach the confidentiality of that meeting, I inform the House that we discussed student welfare, stability and certainty over the coming year; morale of the staff, parents and the wider community; and some Higher School Certificate issues that parents are concerned about. I gave my commitment to investigate those issues and to report back as quickly as possible. I take this opportunity to thank the community members whom I met, and Kathy Prokhovnik, the president of the parents and citizens association, whose daughter, Beatrice, will be school captain next year; she is a mature and intelligent young woman. I thank the other parents for seeing me at such short notice.

I want to make it clear to them and to the other communities that may be impacted upon by this plan—and I want to make it clear to the honourable member for Vacluse and other members—that I will be seeing them next Monday. In relation to Dulwich and Marrickville high schools, I have received an initial briefing, and I understand that an amalgamation was originally recommended. A further review has been carried out and, although I completely understand the need for the community to be kept up to date, I cannot yet finalise that matter. However, I will consider it in the near future and will invite members of those school communities to come and see me to discuss those issues. In conclusion, while I acknowledge the need to sensitively handle the closure process, I must take the opportunity to again stress the real benefits to schools, students and parents. Those benefits will be better facilities, greater subject choice and more children being enrolled in our public education system.

Mrs Chikarovski: Are you going to close it or not?

Mr WATKINS: If the Leader of the Opposition had been here to listen to my answer she would have heard me say that I made it quite clear to the parent representatives last night what the future of Hunters Hill High School would be.

Mrs Chikarovski: Point of order: You told them you would give them an answer at the end of the week because you did not want to give them an answer while Parliament was sitting. Give them an answer now so we can ask you questions about it! We have a transcript of their comments. We know exactly what they said and we also know what you said. You told them you would give them an answer at the end of the week. Tell them now whether you are going to close the school. Give them the answer.

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

Mr WATKINS: The community throughout the inner city will benefit from better facilities, more young people being enrolled in our public education system and a greater subject choice for our students. We are developing a strong and vibrant public education system. We should give parents and students what they need and want. We must attract and keep good teachers in our public education system. Both of those goals will be my priority. The challenge for the Opposition is to tell us what its policies will be in regard to public education in this great State of New South Wales.

Mr O'DOHERTY: I ask a supplementary question. In light of the Minister's answer, and having reviewed the file, does the Minister now believe that the closure of these schools was inevitable, or could they, with Government action, have been saved?

Mr SPEAKER: Order! The Minister has already answered that question.

RAIL INFRASTRUCTURE

Ms SALIBA: My question without notice is to the Minister for Transport. What is the latest information on the progress of rail infrastructure projects in Sydney and the South Coast?

Mr SCULLY: I will endeavour to accommodate the House and be as brief as possible. The Oak Flats interchange for the Dapto to Kiama rail link was opened a short while ago. I thank all members of Parliament who came out in force to attend that terrific opening. Kiama station was literally filled to the rafters with people witnessing this Labor Government delivering. My staff have researched the 11 extensions of the electrification of the line from the Illawarra to the South Coast since 1926. I have often said in this House that it is always Labor governments that deliver infrastructure to this State. Nine of the 11 extensions to the South Coast line were carried out by Labor governments. There is good news on the Parramatta rail link following the delivery of the Dapto to Kiama rail link and the East Hills quadruplication. Today the Government is calling for tenders for the construction of a tunnel from Epping to Chatswood and tenders for the track, electrical and signalling systems. These two very big contracts will form a significant part of the Parramatta rail link.

Questions without notice concluded.

GOVERNMENT ACCOMMODATION COSTS

Personal Explanation

Mr HARTCHER, by leave: In answer to a question the Minister for Public Works and Services sought to impugn my character by making allegations about the fitout of my office when I was Minister for the Environment in 1994. That fitout related to a new office in the St James Building that was leased when the lease on the office in Westfield Towers expired. The fitout was to accommodate not only my personal staff but also staff from the Environment Protection Authority, and to provide a city office for the Director-General of National Parks and Wildlife and the Director-General of the Environment Protection Authority. The office was fitted out to accommodate some 20 people, including two staff from the Environment Protection Authority. It is significant that the fitout was carried out on the advice of the Department of Public Works and Services and at all times the work was carried out and supervised by the Department of Public Works and Services.

BILL RETURNED

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

Insurance Protection Tax Amendment Bill

BUSINESS OF THE HOUSE**Bill: Suspension of Standing and Sessional Orders**

Mr WHELAN (Strathfield) [4.06 p.m.]: I move:

That standing and sessional orders be suspended to allow:

- (1) the introduction and progress up to and including the Minister's second reading speech forthwith of the Workers Compensation Legislation Further Amendment Bill, notice of which was given this day.
- (2) the resumption at 7.30 p.m. of the second reading debate on this bill and its progress through all remaining stages at this sitting.

I understand that the Opposition has been briefed, and has been aware of the issue for some considerable time, but if that is not the case, the shadow Minister will be able to make a wonderful response to the Minister's second reading speech at 7.30 this evening.

Mr Hartcher: The Minister's second reading speech will be when—4.05 p.m.?

Mr WHELAN: If you need more than 3½ hours, you should resign.

Mr HARTCHER (Gosford) [4.07 p.m.]: This bill will affect the lives of tens of thousands of people. It will affect their rights to workers compensation and lump sum damages, and the right to have their claims dealt with by a court. The bill comprises more than 100 pages, it details thousands of sections and many tables of requirements, yet it is to be debated in this House on 3½ hours notice. That is parliamentary democracy in 2001! It is the new look Carr Government. The old look Carr Government gave us 24 hours to debate important legislation; the new Carr Government gives us 3½ hours to debate major legislation. It is not a contempt of Parliament, because the Government is not worried about that. It is worried about the New South Wales Labor Council. It does not want the Labor Council to have time to mobilise and fight this legislation.

Under the Sheahan report the threshold for compensation for whole-of-body impairment was originally to be set at 25 per cent, but that was reduced to 20 per cent. As a sop to the Labor Council, the Government has now offered to make it 15 per cent. The Government does not want the Labor Council to have time to mobilise its affiliated unions and object the way they did in June this year. It does not want to give unions the time to flood the streets and cause Mr Carr to scurry like a rat through the cellars, as he did in June when his troops were made to march to Parliament House under police protection while he scurried from the State Library into Parliament House.

That is the real reason the legislation will be rammed through the Parliament. When debate resumes at 7.30 p.m. how much time will be allocated for it? Nobody believes that it will continue until Wednesday, Thursday or Friday this week. After the bill has been read a second time debate will resume at 7.30 p.m. and it will be rammed through the House tonight or tomorrow morning. How extraordinary that the lives and the livelihoods of tens of thousands of people can be affected in this way. I received an email from a woman who makes a significant point. She states:

My solicitor has an application yesterday—

The court registries were open until 7.00 p.m. as solicitors frantically fought to lodge applications on behalf of their clients. This bill, which is to be rammed through Parliament, has been around since 9.00 a.m., yet the Opposition received a copy of it at 2.15 p.m. It is already effectively in force in New South Wales even before Parliament has had a chance to debate it. The email states:

I honestly need a chance to make something of my life. I can't wait till I'm 65 years old just to go on a pension. I need some compensation for my pain and suffering—

this woman has recurrent back problems—

yet my solicitor says I won't have any chance to get any lump sum to start off my life again. I'm simply condemned under this legislation to live on welfare payments.

People who want to start their lives again will be denied that opportunity. Thousands of workers who thought they had an entitlement will suddenly find that that entitlement has been swept aside. Members opposite acted in

a spineless fashion in allowing this legislation to pass through caucus—and Michael Costa has received his reward for steering it through caucus. He received a ministry because he smothered opposition from the Labor Council. Members opposite will vote for this legislation when the time comes. I am confused as to how they can ever pretend to uphold the principles of workers rights in this State. Those opposite on the spineless left and the gutless right have combined because they are concerned only about their personal power preferment.

Every Government member worries how it will look in caucus and to their colleagues if he or she opposes the ramming through of this legislation. I urge them to return to their branches and to the South Coast Labour Council. The honourable member for South Coast is a doomed man, if the figures in the Federal election are anything to go by. In 12 months he will be in the rubbish bin of history. He should tell the South Coast Labour Council that he voted for this legislation. This bill is a denial of workers rights and a denial of parliamentary democracy, and it will be no surprise to you, Mr Speaker, to hear that we oppose it.

Question—That the motion be agreed to—put.

The House divided.

Ayes, 48

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

Noes, 32

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

Pairs

Mr McManus	Mrs Chikarovski
Mr Markham	Mr Collins
Ms Nori	Mr O'Farrell

Question resolved in the affirmative.

Motion agreed to.

WORKERS COMPENSATION LEGISLATION FURTHER AMENDMENT BILL

Bill introduced and read a first time.

Second Reading

Mr AMERY (Mount Druitt—Minister for Agriculture, and Minister for Corrective Services) [4.19 p.m.]: I move:

That this bill be now read a second time.

In July this year Parliament enacted the Workers Compensation Legislation Amendment Act 2001. Its primary objective was to put in place measures to prevent disputes arising and to provide a simpler, fairer and faster system for resolving disputes in the workers compensation system. This legislation was a vital stage of the Government's overall reform program for workers compensation in New South Wales which was announced in June 2000. The Government's July 2001 legislation addressed issues with dispute resolution in relation to claims under the statutory scheme. It did not significantly address claims by injured workers for damages at common law and concerns in relation to both the increasing numbers and costs of such claims.

As honourable members would be aware, measures to amend common law arrangements were included in the Government's March 2001 bill but were subsequently removed from the successor to that bill, the Workers Compensation Legislation Amendment Act 2001. In May this year the Government agreed with the Labor Council and the Workers Compensation and Workplace Occupational Health and Safety Council—referred to as the council—that there would be further consultation in relation to those areas of particular concern in the March bill, namely benefit entitlements for permanent loss, common law entitlements and the proposed claims assessment service.

An extensive consultative process involving many meetings between the Government, WorkCover and the Labor Council resulted in agreement being reached on most points, with the previously proposed claims assessment service being replaced by a Workers Compensation Commission. The Workers Compensation Legislation Amendment Act 2001 subsequently established the commission as well as introducing the use of permanent impairment assessment guidelines. All parties to the consultation process agreed that the amendments relating to common law should be deferred whilst an independent inquiry was carried out. The Government appointed the Hon. Justice Terry Sheahan of the Land and Environment Court to conduct the inquiry into the common law issues.

The inquiry was asked to consider and make recommendations on an appropriate threshold for recovery of common law work injury damages, to develop incentives to reduce the number of common law claims made and to recommend ways to make the processing of common law matters more efficient. The inquiry was conducted in a highly consultative manner and this is specifically recognised in the report. This included an expert reference group made up of employer, employee and government representatives. The inquiry was conducted against the background of the scheme's significant and growing deficit, which was \$2.18 billion as at December 2000 and which has since further deteriorated to just over \$2.75 billion as at June 2001.

I have been advised by WorkCover that in 2000-2001 there were approximately 2,000 common law claims. However, in view of proposed changes, these claims have been rising rapidly and are currently being filed at the rate of approximately 500 per month. Since the conclusion of the inquiry and the provision of the inquiry's report to the Government at the end of August this year, the Government has consulted the Labor Council and Workers Compensation and Workplace Occupational Health and Safety Council on the inquiry's recommendations. This bill will give effect largely to the recommendations of the inquiry and represents the outcome of that consultative process.

The bill contains measures that may be divided into three main areas, the first group being those measures relating to the appropriate threshold for common law claims and changes to statutory benefits. The second group relates to improved processes for accessing common law. The third and final group is a number of miscellaneous measures, including the restriction of commutations and the repeal of private underwriting provisions of the Workplace Injury Management and Workers Compensation Act 1998. As to the first group of measures, a significant amount of the inquiry's time was absorbed by considering the threshold for bringing a common law claim. The inquiry considered a range of proposals for establishing a threshold, noting both the need to make proper restitution for workers who can prove negligence and the need to care for all injured workers, irrespective of fault. It is observed in the inquiry's report:

Common law claims remain highly contested, incurring high legal and investigation costs. The number of claims made on the Scheme is accelerating such that disposing of them, whether by settlement or judicial determination, is now costing the scheme substantial 'transaction costs', including fees paid to service providers like doctors and lawyers.

The Government is concerned that notwithstanding the fact that common law claims comprised 2,000 out of a total of 160,000 claims for workers compensation in 2000-2001, the cost of these claims is disproportionate to the total benefits and costs paid by the scheme for the vast majority of claimants. The inquiry received substantial evidence indicating that common law claims by workers with demonstrably less, rather than most, serious injuries and consequences than envisaged by the threshold in the legislation are now being made.

It is worth putting the impact of common law claims and their high transaction costs in perspective. Each year in New South Wales of the approximately 160,000 workers who lodge claims for workers compensation, the great majority—140,000—recover fully and do not suffer any permanent physical or mental loss as a result of their injury. Approximately 80,000 claims are for medical expenses only, that is, the worker does not take any time off work. A further 30,000 claims are for periods of less than five days away from work, and in a further 30,000 claims, the worker is absent for more than five days, but does not suffer permanent impairment. Of the 20,000 workers suffering a permanent impairment and qualifying for common law or non-economic loss benefits, the majority have less serious losses. The report of the inquiry notes at page 4:

If the common law component of the scheme continues to expand, the funds available for the statutory benefits required by the overwhelming majority of injured workers must reduce, thus putting more pressure on those workers to seek a common law option, or a commutation of life-long statutory benefits.

To address this imbalance, the inquiry recommended a single threshold of the 20 per cent permanent impairment. The report of the inquiry explicitly rejects the proposition that only the workers with most serious and permanent injury—often referred to as catastrophic injury—should be entitled to recover damages. Rather, the inquiry took the view on the evidence presented that a threshold of 20 per cent would allow a broader class of workers to have access to a common law remedy. However, after consultation with the Labor Council the Government has accepted the view that with the abolition of the second gateway, a lower threshold of 15 per cent is appropriate. The bill gives effect to this commitment. When there is a dispute as to the degree of permanent impairment of an injured worker, the dispute must be referred to an approved medical specialist [AMS], who will issue a conclusive medical certificate. The decision of the AMS will be appealable to an appeal panel consisting of two AMSs and an arbitrator.

As also recommended by the inquiry, schedule 1.1 to the bill provides that the recovery of common law damages will be restricted to damages for past economic loss due to loss of earnings and damages for future economic loss due to the deprivation or impairment of earning capacity. As to damages for non-economic loss, the report of the inquiry recommends that all such claims should be available only through the statutory scheme. Schedule 1.1, therefore, provides for the abolition of the existing entitlement to recover common law damages for non-economic loss such as pain and suffering. As a consequence of damages for lost earnings only being recoverable at common law, and as recommended by the inquiry, schedule 1.1 also repeals the current requirement to choose or elect between statutory non-economic loss compensation under sections 66 and 67 of the 1987 Act or common law damages.

The legislation will continue to provide that if an injured worker's common law claim for economic loss is unsuccessful, the worker continues to be entitled to the full range of benefits in the statutory scheme, including non-economic loss lump sums, weekly payments and payment of medical care. When an injured worker successfully recovers common law damages for economic loss, this will prevent recovery of any further statutory compensation and require repayment of any weekly benefits already paid. An injured worker will be entitled, however, to remain on statutory benefits while pursuing a common law claim. The bill, as well as providing that all claims for non-economic loss are to be made under sections 66 and 67 of the Workers Compensation Act 1987, provides in schedule 2 for greatly increased benefits under section 66, particularly to the most seriously injured workers, by increasing the maximum amount of compensation from the present figure of \$121,000 to \$200,000. This substantial increase in statutory non-economic loss benefits is the first such increase in nine years.

Schedule 2 also provides for a new process to distribute non-economic loss benefits under section 66. Unlike the current arrangement that provides for a straight application of a percentage loss to a maximum available under legislation, resulting in relatively low benefits being provided to workers with the most serious injuries, the bill provides for a system of benefit distribution according to a formula that pays more generous benefits as the level of impairment becomes more severe. The level of impairment will be determined by medical practitioners apportioning a percentage "whole person impairment" rating under the WorkCover impairment guidelines. These guidelines have been developed by working parties comprising appropriate medical specialists identified by WorkCover and the Labor Council of New South Wales.

As honourable members would be aware, the bill passed last session provides for compensation for psychiatric or psychological impairment. Currently, no compensation of this type is payable for permanent psychiatric or psychological impairment under the table of disabilities. This new benefit is intended to provide compensation for workers injured through workplace trauma, for example, a worker injured in an armed hold-up or from violence in the workplace. Given that it is difficult sometimes to separate this type of injury from general life stressors and in view of the financial position of the scheme, this new benefit is to be provided subject to a threshold. Accordingly, a threshold of 15 per cent for both section 66—permanent impairment compensation—and section 67—pain and suffering—benefits for psychological injury has been selected.

In developing the guides for the assessment of psychiatric and psychological impairment, two models were considered by the working parties responsible for developing the guides: the psychiatric impairment rating scale [PIRS], which was developed by a group of New South Wales psychiatrists, and the scale adapted by the Australian Psychological Society [APS]. Agreement could not be reached by the psychiatric and psychological impairment working party. The Government's position is that the guides should be based on a modified PIRS scale for the purposes of assessment of psychiatric or psychological impairment. Of the two scales it appears that the PIRS scale is the most appropriate for use in assessing permanent impairment for compensation purposes. Implementation of these guides will be closely monitored.

In specifying the sections 66 and 67 thresholds for psychological impairment in the legislation, we are honouring the commitment given by the Government in July this year during the passage of the Workers Compensation Legislation Amendment Bill 2001 to include the relevant thresholds in the principal legislation, rather than prescribing them by regulation and allowing them to be altered by regulation in the future. Compensation will continue to be available under section 67 for pain and suffering, which compensates for the impact on the life of the individual, caused by the impairment suffered. This benefit has been made available as an additional benefit to more seriously injured workers, and so has always had a threshold of 10 per cent. This 10 per cent threshold will be continued by the bill, except for psychological or psychiatric injury, which will have a 15 per cent threshold. As noted above, the inquiry into common law recommended that only lost earnings be compensated under common law and that the cost of future care be covered under the statutory scheme.

Schedule 3 introduces a new entitlement to statutory compensation for domestic assistance that is reasonably necessary to be provided to an injured worker as a direct result of the injury, but only where the degree of permanent impairment of the injured worker resulting from the injury is 15 per cent or more, with exceptions for short-term special needs. These substantial improvements to non-economic loss benefits and the introduction of a new entitlement for domestic assistance are being provided mainly out of the estimated savings in legal and investigation costs in the scheme. Workers with comparatively moderate degrees of injury, such as back injuries, are expected to receive a similar amount to that currently provided by the table of disabilities. The provision of increased statutory benefits is intended both to ensure that the long-term care needs of the most seriously injured workers are met by the statutory scheme, and to make provision for a range of seriously injured workers to seek common law remedies, if appropriate to their circumstances.

The second group of measures, as contained in schedule 1.2, gives effect to the common law inquiry recommendations relating to improved processes for common law claims. The report of the inquiry observed from evidence presented that common law claims were more than twice as expensive to process compared to statutory benefit claims. The report also noted and accepted that the financial position of the scheme required that savings be made, and in Justice Sheahan's view, "savings must and can be found among the transaction costs associated with the common law component of the scheme ...". Accordingly, the bill adopts the inquiry recommendation that a pre-litigation process be introduced for common law work injury damages claims. The pre-litigation process proposed by the bill requires the parties to exchange information early, respond promptly to offers of settlement and, wherever possible, settle matters without the necessity of filing proceedings in the court.

The Government is adopting all of the recommendations made by the common law inquiry in relation to the processing of common law claims, with only one minor addition, that is, to provide for a worker to give an early indication to the insurer of allegations of negligence. This will enable the insurer to be in a position to respond to the claim within 28 days. The Government proposes, in view of the current extreme escalation of claim numbers for common law claims and the urgent need to curb costs, that no further claims under the current system be permitted other than those claims that have been filed at the date of the introduction of the bill into Parliament. This step has been taken in order to prevent a further strain being placed on the scheme's financial position. Claims are currently being filed at the rate of 500 per month.

In addition to threshold levels, increased benefits and process measures, the bill contains a number of other initiatives. Schedule 5 makes it clear that the jurisdiction of the Workers Compensation Commission

extends to all matters arising under the 1987 and 1998 Acts, whether or not relating to a new claim, except those matters concerning existing claims, which will remain with the Compensation Court. The court will also retain jurisdiction in relation to matters that are related to a claim, even though the claim has previously been determined, such as termination disputes under section 52A, reviews under section 55 and apportionment matters. Once the appropriate transitional regulations are made to transfer existing claims, the related matters will also be transferred.

Schedule 6 provides for the repeal of those provisions enabling private underwriting. The commencement of these provisions has been deferred twice, primarily on the basis of unaffordability. A further review will be conducted to identify the preferred option for underwriting the scheme. Accordingly, it is appropriate that the current provisions should be repealed. Schedule 8 provides for the restriction of commutations. This recommendation arises as a result of a concern raised by the final report of the inquiry into common law to protect the scheme from potential pressure points. This warning has been borne out by the recent scheme actuarial valuation, which indicated that commutations were spiralling out of control and have become a significant driver for the scheme's rapidly deteriorating financial position.

Further investigative work commissioned by the Government indicates that the current commutation arrangements have completely failed to reduce the number of open claims, and in fact have generated a demand for lump sum commutations from workers with no ongoing entitlement to further benefits. In view of the financial position of the scheme, the Government has no alternative but to follow the prudent course of action and to restrict commutation to those with a permanent impairment of 15 per cent. The worker must also have a current entitlement to weekly benefits and all return-to-work options must be exhausted. As with common law claims, the current extreme escalation of commutations and the financial position of the scheme indicate that an immediate restriction of commutations is warranted. Any commutations or disputes about weekly benefits filed in the court before the date of introduction of the bill will be able to be dealt with by way of commutation until 1 February 2002.

A further matter addressed in schedule 9 to the bill is the extension of the Uninsured Liability Indemnity Scheme to common law work injury damages. In cases where an employer is uninsured or cannot be found or identified, the bill authorises the injured worker to make a claim for work injury damages on the ULIS scheme. Given the capacity to recover such payments from employers, the initiative will assist with encouraging employers to take out insurance. Finally, schedule 7 to the bill clarifies the jurisdiction of a Local Court constituted by an industrial magistrate to deal with proceedings for offences and applications for related orders under occupational health and safety and workers compensation legislation. Overall the reforms outlined in the legislation represent a responsible package of measures to allow access to common law to those workers most in need but at the same time providing the bulk of workers injured in employment-related accidents with access to much improved statutory benefits. I commend the bill to the House.

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

CONSIDERATION OF URGENT MOTIONS

Western Sydney Businesses

Mr WEST (Campbelltown) [4.42 p.m.]: My motion should be given priority because Western Sydney is the third largest economy in Australia after Sydney and Melbourne. The New South Wales Parliament should support the businesses, workers and their families in this region. With the support of this Parliament and the Government, through projects such as the Western Sydney Industry Awards, businesses in Campbelltown and Western Sydney can grow and move New South Wales forward.

General Practitioners Shortage

Mr SOURIS (Upper Hunter—Leader of the National Party) [4.42 p.m.]: I submit that the motion I have presented to the House for urgent consideration—namely, that this House notes the shortage of general practitioners and specialists in the north and north-west—is urgent, and more urgent than the Government's motion. It is urgent because, as I speak, people in the Gunnedah, Tamworth, Walcha, Nundle and Werris Creek areas are experiencing difficulty accessing general practitioners. I know from personal experience, having visited the area recently, that the township of Gunnedah is used to having nine general practitioners but as of today there are only five GPs in the district. Patients who present themselves at doctors' surgeries are being told that the books are closed and that they would be better off going to the doctor they last saw or, if it is really urgent, going to the hospital or perhaps a doctor in another town.

A similar situation has occurred in Nundle, where many residents have been forced to leave town to see a general practitioner because there is no permanent GP servicing that town—apart from a Tamworth practitioner who visits one day per week, depending on demand. As a result of that arrangement, people have been forced to drive or catch a bus to Tamworth or Quirindi, or perhaps another town further away, to access a general practitioner. This motion is urgent because there is nothing more fundamental than the right to access a doctor in a medical emergency or at any time. It is a fundamental right that strikes at the very heart of the concept of equity of access, irrespective of geography or a person's station in life.

Because of the shortage of general practitioners in the north and north-west of the State people are being denied the basic right of access to medical treatment, or a consultation with a general practitioner. It is, perhaps, one of the most important aspects associated with the issue of decentralisation and regional development, and the question of young families remaining in country towns to bring up their children. This fundamental issue also applies to aged people, who may be considering whether to remain in a particular town or to leave and go to a larger centre or a metropolitan area. Access to doctors and the availability of doctors are fundamental to the general wellbeing of country people and the survival of country towns, quite apart from those very important issues that I referred to earlier: the basic right of access to medical treatment in this country.

General practitioners are disinclined to serve in Tamworth because of the non-availability of specialists. In some instances specialists are also in short supply. Tamworth is experiencing a particular problem caused by the lack of availability of an ear, nose and throat specialist. The town is also short by one anaesthetist. That in turn impacts on the ability of general practitioners to service their patients and provide referrals to specialists. It is an important issue that is upon us as I speak. The question is: What is the Government doing about it? This is an urgent matter and ought to be debated in this House urgently. What is to be the outcome? What is the Carr Government doing about the lack of general practitioners in country areas, particularly in the north and north-west of the State? On a daily basis the Coalition hears stories and complaints from people experiencing great difficulty in accessing general practitioners. I compliment the Federal Government on its recent initiative in the north-west. The University of Newcastle—

Mr ACTING-SPEAKER (Mr Lynch): Order! I ask the Leader of the National Party to return to the reasons why his motion should have priority. References to the Federal Government are not relevant to establishing that his motion is more urgent than that of the honourable member for Campbelltown.

Mr SOURIS: The urgency relates to the provision of general practitioners, and the training of general practitioners in the Tamworth area, under the auspices of the University of Newcastle. The university intends to conduct a clinical school for general practitioners in the Tamworth area. That is directly related to the matter I have raised—that is, the lack of general practitioners in the north and north-west, the New England area generally. I am complimenting the Federal Government on having done something about the problem. I wonder whether the Carr Government has any interest in the provision of general practitioners in the north and north-west of the State that would cause it to do something to provide those practitioners, even if they are doctors from metropolitan— [*Time expired.*]

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

The House divided.

Ayes, 48

Ms Allan
Mr Amery
Ms Andrews
Mr Aquilina
Mr Ashton
Mr Bartlett
Ms Beamer
Mr Black
Mr Brown
Miss Burton
Mr Campbell
Mr Collier
Mr Crittenden
Mr Debus
Mr Face
Mr Gaudry
Mr Gibson

Mr Greene
Mrs Grusovin
Ms Harrison
Mr Hickey
Mr Hunter
Mr Iemma
Mrs Lo Po'
Mr Lynch
Mr Martin
Mr McBride
Ms Meagher
Ms Megaritty
Mr Mills
Mr Moss
Mr Newell
Mr Orkopoulos
Mr E. T. Page

Mrs Perry
Mr Price
Dr Refshauge
Ms Saliba
Mr Scully
Mr W. D. Smith
Mr Stewart
Mr Tripodi
Mr Watkins
Mr West
Mr Whelan
Mr Woods

Tellers,
Mr Anderson
Mr Thompson

Noes, 31

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

Pairs

Mr McManus	Dr Kernohan
Mr Markham	Mr Merton
Ms Nori	Mr Richardson

Question resolved in the affirmative.

WESTERN SYDNEY BUSINESSES**Urgent Motion**

Mr WEST (Campbelltown) [4.56 p.m.]: I move:

That this House:

- (1) supports the 72,000 businesses in Sydney's west;
- (2) notes they employ 808,000 people and inject \$58 billion into the Australian economy;
- (3) recognises the important work of the Office of Western Sydney in assisting and promoting these businesses; and
- (4) encourages businesses to nominate for Western Sydney Industry Awards.

Western Sydney is a great area and we have a lot to be proud of. Jobs and industry are essential to the people of Western Sydney. For many, jobs are not only a source of income but a source of pride, a way to meet other people and to enjoy life. Growth and investment are essential to the wellbeing of thousands of businesses, their workers and their families. Western Sydney has a large population of young people so it is essential that its jobs growth continues. The Government has recognised the importance of this region—the third biggest economy in Australia after the rest of Sydney and Melbourne—and has set out not only to ensure that the foundations for jobs and industry are in place but that we actively promote this region.

Many businesses in Western Sydney are exporters. They employ thousands of people by operating with world-best practice and selling their goods and services overseas. I am proud of these businesses in Western Sydney, many of which are small and medium-size firms that are succeeding against global giants. However, with Japan and now the United States of America in recession, it is vital that this House supports businesses in Western Sydney. This Government's unique Western Sydney Industry Awards have shown themselves to be a highly successful strategy for supporting businesses in Western Sydney. They give the winners a national profile and have led to many firms being promoted around the world.

On the bottom line, they have assisted companies to win new contracts that ordinarily they may never have received. Western Sydney is not only a diverse and innovative region; it is also Australia's third biggest economy. After the rest of Sydney and all of Melbourne, Western Sydney is the nation's third largest economy. Western Sydney has 72,000 businesses that have an annual turnover of some \$54 billion to \$58 billion. More than 808,000 people are employed in Western Sydney. On 26 September I was delighted to attend the opening of Lipa Pharmaceuticals' new state-of-the-art manufacturing plant—which is in my electorate—by the Minister for Western Sydney.

Lipa Pharmaceuticals is a practical example of the changes that have taken place in Western Sydney. Its founders, Gorge and Stanika, migrated to Australia in 1989. They arrived with 30 years experience in the

pharmaceutical industry and barely a cent to their name. But they saw opportunities in Western Sydney. Within six years they were leasing a factory in Ingleburn with six staff. With hard work, and with smart work, the company grew. It competed on quality, on research and development, and by being export oriented. It knew the importance of training and skilling its people, from the factory floor to management. Today Lipa Pharmaceuticals is the fastest growing contract pharmaceutical manufacturer in Australia. It is 100 per cent Australian owned and a major employer in Western Sydney. Each day around a third of its employees travel from outside Western Sydney to Ingleburn to work at Lipa.

Lipa is exporting its pharmaceutical products around the world. Lipa is using its own research and development process to invent new technologies such as a unique sustained release process that improves the effectiveness of health-care products. Lipa has put together a powerful combination of quality, skills, research and development, and knowledge. Lipa is an example of the excellence of industry in Western Sydney. The Macarthur area has some of the most innovative and dynamic companies in Australia. The 2001 Western Sydney Industry Awards discovered 11 firms from the Macarthur area which were judged by their industry peers to be either winners or highly commended, including Advance Metal Products, at Ingleburn, the winner of the import replacement category.

The South Western Sydney Institute of TAFE was the winner of the award for industry education. Pepper Tree Bridge Bed and Breakfast, at Picton, was the winner of the tourism award. Narellan Truck Wheel Align was the winner of the prestigious innovation category. As those winners would say, the Western Sydney Industry Awards are an important tool to raise the profile of companies at the State and national level. I am sure I speak for all of us when I congratulate those winning companies. Another finalist, Bowport All Roads, runs an intermodal freight terminal at Minto, in my electorate. That project allows businesses to place items for export onto a train and send them straight to port by rail. That industry will provide jobs, save time, deliver safer roads and help the environment, as well as encourage further investment.

Steve Heraghty, Managing Director of Bowport All Roads, was highly commended for his efforts in the entrepreneur of the year category at the Western Sydney Industry Awards for that project. Clearly, the work that the Government is doing to promote Western Sydney businesses is making a difference, creating real jobs and investment. The Government will continue to ensure that businesses are getting the support and recognition they deserve and that the economy of Western Sydney will keep growing. All businesses that are finalists, be they winners or highly commended, are listed in a commemorative program. That program can be used as a marketing tool to show the world the excellence of those businesses.

I am very proud of the efforts of the Western Sydney industries that made the finals. For the information of members I lay upon the table last year's "2001 Western Sydney Industry Awards, Awards for Excellence & Innovation". The awards are a partnership between the Government and industry and encourage Western Sydney businesses to create new investment and jobs. The winners of the awards would excel in any business environment, anywhere in the world. It is fascinating to see how many businesses in Western Sydney not only are using world-class technologies but are creating world-class new technologies. In the future, new technology will be an important driver of economic growth, investment and jobs.

Western Sydney has about 1,500 information technology [IT] companies: that is the largest concentration of Australian IT companies in the nation. Austrade is promoting many of those companies around the world. That has occurred because one of the spin-offs of the Western Sydney Industry Awards is a directory of 330 Western Sydney IT firms. When the Office of Western Sydney produced the IT directory, it was told by Austrade that it was the first of its kind in Australia. Austrade is now promoting the 330 Western Sydney companies through the directory throughout its 80 offices around the world. That was only the beginning. The Office of Western Sydney is supporting the development of Western Sydney as Australia's first knowledge region. It is doing that through practical programs such as the Western Sydney Industry Awards, technology into business programs, regional IT conferences and its local government IT road map, which has been circulated to councils around Australia.

Recently I attended a graduation of Corporate Partners for Change, another Western Sydney Industry Award program. It is about working with industry and workers to match needs and develop skills. I send a special thank you to Jane Laverty, Christine Winning and Catherine Hicks of the Macarthur Office of Western Sydney for their outstanding efforts for Macarthur and Western Sydney. Their efforts helped contribute to new export contracts for Western Sydney; in fact, 30 new export contracts have resulted from Austrade and AusIndustry working with the Office of Western Sydney. One of the winners of the 2001 awards, Bill Nolan from Castle Hills' Zone Digital Communications, said:

As a direct result of the Western Sydney Industry Awards, Zone Digital Communications is expanding into other non-security related industries using digital video including the Internet and broadcast television.

The company gained an extra competitive edge when we won the award, adding prestige noted by the American market ... we have won US contracts worth \$4.5 million and are currently testing systems for 3,500 US retail stores and 260 US buildings in 60 cities.

While it is important to recognise that the awards add to the bottom line of winning businesses, they are much more than that; they are about forging partnerships between government, industry, the University of Western Sydney, local government, TAFEs and communities. That was clear at the Campbelltown award lunch when many representatives of the groups got together to support local companies that are looking to participate in this year's awards. The Western Sydney Industry Awards 2002 closing date is 30 November. With one week to go, the Office of Western Sydney has received a record number of entries nominating for awards.

I am sure that many more companies could become winners if they nominate. I congratulate all past winning companies in the Western Sydney Industry Awards and I look forward to seeing more in the future. However, I urge businesses in Western Sydney that are considering nominating for the awards to do so quickly, because nominations close at the end of this work. I ask all honourable members who are interested in the economic development of Western Sydney to contact businesses in the region and encourage them to take advantage of the Western Sydney Industry Awards.

Mr MERTON (Baulkham Hills) [5.05 p.m.]: The Opposition supports the motion and acknowledges that the population of greater Western Sydney—1.7 million or about 10 per cent of Australia's population—is projected to rise to 2.6 million by 2011. Western Sydney contributes largely to New South Wales' economy—being the third largest regional economy of Australia after the remainder of Sydney and Melbourne—through its 72,000 businesses. The 808,000 people employed in the region inject between \$54 billion and \$58 billion into the Australian economy. It is no mean feat that Western Sydney is of such substantial size. It has taken years of hard work by many people to establish businesses in Western Sydney. People have set up a business in Western Sydney and then moved to that area.

Industry in that part of New South Wales is expanding because people are entrepreneurial, because people have commitment and because, with great respect, of the policies of the Howard Government. The Opposition supports the concept of the Office of Western Sydney and notes that approximately \$2.324 billion was allocated in the 2001-02 budget for that office. I suggest that one would have to have a close look at that figure in view of the magnitude of the job and the large area involved, which contains two distinct offices: one at Westmead and one at Campbelltown. The two offices can be justified by virtue of the size of the region. The Opposition also supports many of the other initiatives of the Office of Western Sydney, including the Western Sydney Industry Awards, through the Global Excellence Awards and the Technology Awards. They have been described as the key drivers of growth for business and jobs and recognise excellence, innovation and leadership of Western Sydney industry in areas of strategic importance to the future of the area's economy.

The Government congratulates the winners of the awards and joins with the honourable member for Campbelltown in encouraging businesses to become involved in the awards. The honourable member for Campbelltown gave details of those awards. Other initiatives include the Advancing Information Technology in Western Sydney Industry Conference, the IT Sydney West, the Western Sydney New Entrepreneurs program, Corporate Partners for Change and many other programs. The Coalition supports the principles of the Office of Western Sydney with respect to securing jobs and investment, supporting families and communities, protecting the environment and providing better government services. That is not to say that we would do it the way the Government has. However, we support the principles.

Ms Allan: How would you do it?

Mr MERTON: I will talk about that in a moment. It is easy for honourable members to utter platitudes in this Chamber about how great things are in Western Sydney. Yet when we examine Labor's track record on basic services such as transport, roads and infrastructure, the rhetoric is shallow and artificial. I refer first to the tolls on the M4 and M5. During its election campaign in 1995 Labor promised to abolish those tolls, yet in government it reneged on that promise. Businesses in Western Sydney that have a commercially registered vehicle are not eligible for the cumbersome cash-back scheme and have to pay the toll, yet this Government purports to support the 72,000 businesses in Western Sydney. Time and again Labor opposed the building of the M2 and, indeed, boycotted the opening so that Susie Maroney's help had to be enlisted. The Opposition supported the 72,000 businesses in Western Sydney.

The famous Parramatta to Chatswood rail link is in limbo. Indeed, it is going to be an Epping to Chatswood rail link. The Parramatta to Chatswood rail link is on hold because the Government messed around

for seven years and has run out of money. One wonders about the priorities of the Government, which is supposed to be concerned about the 72,000 businesses and the 1.7 million people in Western Sydney. The Carr Government's vision for a 95-kilometre network of rapid bus transitways that would link major centres in Western Sydney is nothing but a dream. The Minister's claims that the Government would deliver the world's largest network of transitways by 2010 originated in never-never land and will remain there. The Premier and the Minister for Transport are like Peter Pan and Tinker Bell—they live in fantasyland.

I cannot understand how the Government can consistently renege on its promises to the residents of Western Sydney by saying that it will build an \$800 million bus transitway within nine years. It will not happen; again, it is a hollow promise. A study carried out by the University of Western Sydney entitled "Who Cares about Western Sydney?" showed that residents of Western Sydney wanted to feel safer and sought better roads and public transport and free health care facilities. The study was based on a survey of 800 residents aged between 16 and 70 years across eight local government areas in Western Sydney.

The results show that the problem in Western Sydney is a lack of basic infrastructure services, which is a direct legacy of neglect by the Carr Labor Government. Western Sydney is the fastest growing region in the country but its current infrastructure is inadequate to service the population. At a recent launch which I attended, Labor icon Mr Gough Whitlam said he could not understand why Western Sydney had not received its fair share of infrastructure. The study found that 80 per cent of people living in the area did not use public transport outside working hours because it was unreliable, inconvenient and unsafe.

It is about time this Government, which is supposed to be caring and interested in the welfare of people in Western Sydney, channelled more resources into this area. It has provided resources for areas with fewer people, at the expense of Western Sydney. Crime rates in the west are at an all-time high and hospitals are bursting at the seams. Hardworking staff are struggling to cope with the ever-increasing workload. The message from the residents is quite clear: they deserve a fair share of the resources. Let us consider what happened at the recent Federal election. If it had been a State election members representing the electorates of Blue Mountains, Penrith, Riverstone, Londonderry and Parramatta would not be here; those seats would have changed hands.

Mr Martin: You almost weren't here following the last State election.

Mr MERTON: And the seat of Bathurst also. The member for Bathurst is only a temporary person around here. The people of Western Sydney have left the Labor Party behind. It no longer represents their dreams and aspirations. It has turned into a nightmare of despair. [*Time expired.*]

Pursuant to sessional orders debate interrupted.

PRIVATE MEMBERS' STATEMENTS

AUSTRALIAN UNION MOVEMENT

Mr STEWART (Bankstown—Parliamentary Secretary) [5.15 p.m.]: I put on record my appreciation and commitment to the Australian union movement, which is important to the foundation and fabric of the Australian Labor Party. I was a union official and I am proud to say that the union movement was instrumental in helping me become a member of Parliament. I started with the old Federated Ironworkers Association, which amalgamated with the Australian Society of Engineers to become the Federated Industrial Manufacturing and Engineering Union, which then amalgamated with the great Australian Workers Union [AWU]. That union and others like it have been a platform for the social direction that this country has taken. I put on record the significance of that direction and its importance to the fabric of the Australian Labor Party.

I have always appreciated what unions do for workers and for families as a whole, and their commitment to progress in Australia. Not so long ago the Australian union movement was largely responsible for restructuring industry in Australia. Bill Kelty, the Secretary of the Australian Council of Trade Unions [ACTU] and Prime Minister Bob Hawke recognised that Australia had too many eggs in one basket, namely a commodities basket, due mainly to former Coalition Federal governments. They acknowledged that if we were to achieve worldwide recognition and have economic viability and successful trade we had to distributed those eggs. It was important, through restructuring, to have a blueprint to take us to 2000 and beyond, and it was the union that progressed that blueprint.

As a union official I spoke to members of the Australian Workers Union and impressed upon them the importance of customers. I said that unions and employers must work as a team because without customers there are no jobs. During the 1980s and 1990s a strong partnership was formed with the Australian Labor Party, in particular the New South Wales branch of which I am a member, and the union movement. The New South Wales Labor Council has been paramount in moving down that path. Then secretary John McBean pointed the union in its present direction. The current secretary, John Robertson, is outstanding. He is a young person of vitality and understanding who is backed by an equally young team. They are committed to ensuring that all Australians, particularly Australian workers, get the service delivery they deserve. I am proud to be part of a team comprising the Labor Party and the Australian union movement, and I applaud the New South Wales Labor Council's moves in that direction.

The New South Wales branch of the Australian Workers Union [AWU], of which I was a member, is now under the leadership of Russ Collison. He is an outstanding union secretary who is committed to ensuring that workers receive equity. Importantly, he takes a progressive approach to employers. Employers throughout New South Wales recognise the AWU as a progressive union that is committed to delivering outcomes not only for workers but for customers. I have referred already to the basic recipe: there are no jobs if there are no customers. The Australian Workers Union has been at the forefront of that approach. I acknowledge its commitment, and I applaud the efforts of the union movement in this regard. I congratulate my old union, the Australian Workers Union, on where it has been and where it is going, and I look forward to seeing a continuation of the shared long-term commitment on the part of the New South Wales branch of the Australian Labor Party and the union movement in this State. It is a fantastic partnership to which I am solidly committed.

SENTENCING PRACTICES

Mr HARTCHER (Gosford) [5.20 p.m.]: I draw the attention of the House to the issue of justice for victims through the New South Wales courts, especially as it relates to my electorate of Gosford. Courts are supposed to uphold community values through the fair application of the law. When a criminal is convicted he or she should receive a sentence that is commensurate with the nature of the crime committed. Unfortunately, this has often not occurred in the past six years, with many courts imposing sentences that have caused community outrage at their leniency.

A constituent came to see me recently about this very matter. In July last year Mrs Stratton from Avoca was seriously injured when a drunk driver careered into her stationary car. She had parked the car and was in the process of helping her children, aged three years and six months respectively, out of their seats when a white car crashed into the rear of her parked vehicle, crushing her legs between two cars. Her upper body was thrown inside her car. The driver was so drunk that when he attempted to reverse out of the accident he appeared unable to find the reverse gear and kept accelerating his car into the back of Mrs Stratton's car. Eyewitnesses at the scene said that the man appeared to think the car was a manual car when it was actually an automatic. When he finally found the reverse gear he took several attempts to disengage his car from the crash.

The drunk driver took off without attempting to assist Mrs Stratton, who was obviously in a lot of pain. Thanks to the work of the police, who arrived quickly at the scene of the accident, the man was caught before he arrived home. He was breath tested and found to have a blood alcohol content of 0.21—more than four times the legal limit. The driver was charged with one count of culpable driving causing injury and another count of dangerous driving causing grievous bodily harm. He was also charged on a number of supporting matters, including leaving the scene of an accident. He pleaded guilty and the matter was referred to the District Court for sentencing.

By that time the man had checked himself into a rehabilitation program operated by the Salvation Army. As a result, District Court Judge Goldring deferred sentencing for six months to allow the man to finish the rehabilitation program. On 31 July the man again appeared before the District Court. Judge Goldring cited the fact that the defendant had been "drinking to excess over a long period". He also referred to the Court of Criminal Appeal guidelines for this offence. The guideline judgment for dangerous driving causing death or grievous bodily harm states that in cases involving alcohol or other circumstances of aggravation custodial sentences should start at two years if the victims are injured and three years if the driver's actions result in death. The maximum penalty for aggravated dangerous driving causing grievous bodily harm is 11 years imprisonment.

Despite this, the man received a sentence of two years imprisonment that was suspended on condition that he enter into a good behaviour bond. He was also disqualified from driving for two years. In the meantime,

Mrs Stratton, who suffered extensive bruising and a fractured femur, has had to endure three operations. She has a 23-centimetre scar along her thigh as well as the psychological trauma that she and her family have suffered over a long period. Where is the justice? When a man almost five times over the legal alcohol limit drives while intoxicated, causes a serious accident and drives away without stopping to assist his victims, should he be allowed to walk away scot-free while Mrs Stratton continues to live in physical as well as emotional pain?

This tragic situation is not unique. Just last month a man who pleaded guilty in a Lismore court to negligent driving occasioning death, failing to stop and assist after an accident where death or injury had occurred, and unlicensed driving was fined \$1,000, placed on a two-year good behaviour bond and disqualified from driving for two years. His female victim, who died after two days in hospital, left behind seven children. She was just 30 years of age. Over the past six years the Coalition has consistently raised the problem of lenient sentencing in New South Wales courts, and the Government has consistently refused to deal with the matter properly.

Guideline judgments are useful only if they are adhered to properly. The Government's only other action—increasing maximum penalties for certain crimes—is also a furphy. Until the courts impose sentences that reflect the severity of the offence as well as community standards, we will continue to see sentences such as those that I have outlined today. Appropriate sentencing is not about locking up criminals and throwing away the key, but about enshrining community values in the process of justice. These values recognise that every individual must take personal responsibility for his or her actions and bear the consequences of criminal behaviour.

SEAGULLS CLUB THIRTIETH ANNIVERSARY

Mr NEWELL (Tweed) [5.25 p.m.]: Celebrations will be held tomorrow evening, Wednesday 28 November, to mark the thirtieth anniversary of the Seagulls Club. The licensed club was officially opened on 28 November 1971 as an extension of the Tweed Heads Seagulls Rugby League Football Club, which is the oldest provincial rugby league club in Australia, having been established in 1909. The club has reached enormous heights during the intervening 30 years, winning Club of the Year in 1986 and fielding a rugby league team in the national competition until the early 1990s. I will pay tribute to some of the people behind the club's success and relate how much the club means to the people of the Tweed. Although I was not affiliated with the club in 1971, I knew the rugby league team well. I went to school in Mullumbimby and we played football on Sunday with the local teams and against the Seagulls rugby league team in the group 18 or Gold Coast group 18 competition, as it was then known.

Some great characters have been associated with the club and helped to make it what it is today. I pay tribute to the club's founding secretary-manager, Col Hayes, and to the many committee members who did a great job establishing the club in 1971. It has always been a strong, community-minded club. Other tireless workers include Jack Smith, who is a life member of the club. He tended the grounds of the Seagulls Club for many years and certainly earned his life membership. Another notable character was Elwyn Walters, who many members may remember was a great football player for the Bunnies at South Sydney. Other great workers for the club include Frank Kirkham of Kirkham's Oysters on the Tweed and Garth Shambrook from Sharmies Bottling at Keira, who has supplied produce to the club for many years.

Due to financial difficulties, the club amalgamated with North Sydney Leagues Club in June 1998. The Seagulls Club acknowledges in its correspondence with me the generous assistance that it has received from the New South Wales Labor Government—particularly the Hon. Richard Face, the Minister for Gaming and Racing, and the New South Wales Treasurer, the Hon. Michael Egan—that allowed Seagulls to survive in the difficult times of the mid to late 1990s, when the club could have folded. The club had many assets. It was called upon to supply a team to the national rugby league competition until the club scaled down and amalgamated with the North Sydney Leagues Club.

I am pleased to announce that the club has gone from strength to strength in the past three years. Staffing levels increased from 150 in 1998 to 220 in 2001. The club contributes greatly to the wider community through donating to charities and community organisations, particularly sporting groups, and employing numerous local contractors. As I indicated, the club has a colourful history and if I were to relate all of its stories in five-minute instalments every week, I would be here until well after the Christmas break. Certainly many of the local community would be able to add to those stories. In the amalgamation with North Sydney Leagues Club I must pay tribute to the director of the combined club organisation, Mr Wilf Ardill from the Tweed, who does a great job on the board of directors.

I congratulate Wilf on his dedication. The celebrations will involve dinner and a concert. A former patron of the club and parish priest of Tweed Heads, Father Tony Hoade, will say grace before dinner. Father Tony was one of the 3,000 cardboard cut-out characters that appeared in Canberra last week at Peoplescape. Compere of the concert will be former Tweed radio and local identity Jimmy White. I am sure Jimmy will do a great job. I congratulate everyone, particularly the President of Seagulls, Tom Searle, as well as club manager, Ron McLean, on the organisation of this event and the celebrations to be held tomorrow night.

Mr FACE (Charlestown—Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development) [5.30 p.m.]: I thank the honourable member for Tweed for bringing to the attention of the House the thirtieth birthday celebrations of the Seagulls Club. It is true that this club grew from a very proud local team. Even though the club fell on difficult times after entering the national league, it has a remarkable collection of historical photos, the likes of which I have never seen. Over a period of time both as shadow Minister and Minister I have had a great deal to do with Seagulls. One of my former staff worked for the club as a compliance officer and I came to know many of the characters, including the late Col Hayes.

One thing that was probably partly responsible for the club's demise—and I mean no criticism by this comment—was that people were so involved with the football club that other issues were left aside. Of course, the club also faced increased competition. When the club met with difficult times I played a special role. I was happy to be able to see a way through the demise and to at least see the preservation of the club, even though the original football club and all the great things that were planned for it never came to pass. Nevertheless, the club has been maintained and North Sydney is to be congratulated on its contribution. Whilst it is a scaled-down operation, the club still plays an important role in the Tweed as part of the tapestry of clubs in the region. I pay tribute to everyone involved, because despite all that has happened the local community is still very proud of its football club. It is one of the things that has made rugby league strong in the Tweed and southern parts of Queensland.

GALSTON GORGE BRIDGE

Mr ROZZOLI (Hawkesbury) [5.32 p.m.]: I draw to the attention of the House and the Minister for Roads the condition of the Galston Gorge bridge. Galston Gorge is a narrow gorge between Galston village and the large commercial centre of Hornsby. The present bridge is the third to be built, but each bridge has been modest and built to serve modest traffic conditions. The current bridge has a single lane and was built to serve a small farming community with limited traffic and vehicle weight capacity. Things have changed dramatically. The Galston population has increased dramatically, together with traffic demands on the road through the gorge and the weight of vehicles traversing the bridge. Already this road imposes restrictions on the length of vehicles so that articulated vehicles, caravans, et cetera, are not supposed to use the gorge. Nonetheless, quite heavy vehicles still come within the length allowance for use on the bridge.

Recently the bridge was closed because of the deterioration in safety with the intention to modify and repair it, which will probably result in further vehicle weight restrictions being placed on its use. This will mean that it will cope with only a limited range of traffic. The bridge is quite old and absolutely inadequate for the volume of traffic that uses this route. Those who know the area will appreciate that to reach Hornsby other than through the gorge one has to come down the Old Northern Road, across Boundary Road at Pennant Hills and then back up the highway towards Hornsby—a much longer route in distance and time because of the volume of traffic. Galston Gorge road is therefore a useful commuter road.

Given the age of the bridge and its historic association, the community would like it to be pensioned off and used largely as pedestrian access. The bridge is in an area that is attractive to tourists, and if it were restricted to pedestrian traffic it would greatly enhance the picnic and recreational facilities. A higher and more modern bridge could be constructed and the last few winding bends on the downward approach to the bridge and the sharp right-hand bend leaving the bridge travelling towards Hornsby could be cut out. That would facilitate traffic flow. This type of bridge would cater to more modern traffic. The restrictions on the road would remain, but a more modern bridge would allow the full range of vehicles to use it as it has been customarily used over the last few years.

I appreciate that there are many competing demands on roads funding and I do not believe the local people would expect the bridge to be replaced immediately, but some form of program is needed for its replacement. Galston Gorge bridge should be placed on a priority list. A considerable amount of design work will be necessary to relocate the road alignment and determine what sort of bridge should be constructed to maintain harmony with the local environment. Those aspects will provide some lead time. I believe that the community expects that before too much longer it will be served with this basic necessity that is important not only for the commercial and social use of the road but particularly in times of accidents and emergencies.

THIRROUL VILLAGE

Mr CAMPBELL (Keira) [5.37 p.m.]: The village and suburb of Thirroul in the electorate of Keira has an interesting history. For a long time it was a coalmining and railway village, with large railway workshops. As a consequence it has some interesting architecture, from miners and railway workers' cottages to rather large Federation-type homes. I might add, D. H. Lawrence wrote *Kangaroo* in his house "Wyewurk" in Thirroul. In recent times Thirroul's population has changed substantially, along with development pressures—as in many suburban electorates—to meet the desire of people to live in places like Thirroul, which is a northern beach suburb of Wollongong with easy access to Sydney by the CityRail network. Thirroul has become a battleground for development issues, so much so that I am concerned that the local environment plan, zonings and development control plan for that part of the electorate are inappropriate. Yesterday I took the opportunity to write a letter to Mr George Harrison, Lord Mayor of Wollongong City Council, about this issue. In that correspondence I said:

I write about the ongoing angst in the Thirroul Community about what seems to be open warfare between the community, council and developers over just about every development application for the suburb.

This is something of an open letter which I intend to distribute widely in order to provoke some discussion about its themes.

What I continue to hear in my conversations with the community is a view that the City Council isn't hearing the community.

Further it is clear that the community is of the view that Council is not engaging with the community on planning issues.

The people I am listening to do not have confidence in the strategic plan for their suburb, they do not believe that the LEP zonings and development control plans represent a contemporary direction for Thirroul.

Put simply and bluntly they simply do not have ownership of the present plans and processes.

You will be aware from our numerous discussions and my public comments at community meetings of my very strong view that these planning issues are best dealt with at the local government level in partnership with the community. That remains very much my belief.

Given the problems that continue to arise in Thirroul particularly with DA's, the anger they provoke in the community, the pressure on Council staff and Councillors and the costs incurred by applicants which are invariably passed onto purchasers, surely there is a better way, a new approach to the strategic planning and development assessment approach in this area.

In the City of Innovation, surely we could look forward to some Innovation in planning from the City Leadership.

I note that since the increase in political representation by the Independents that the City Council is once again focusing its resources and attention on the CBD just like the bad old days of the Arkell regime.

It is my suggestion that you grasp the nettle and establish a process to review the planning instruments in the Thirroul Area in a way that "engages" the community so that they have "ownership" of the final "vision", through involvement in its drafting and evolution from ideas to direction.

I have little doubt that there are many reasonable and responsible residents of Thirroul who understand and accept that there will be residential growth in the area, who want to see that growth happen in an orderly but sympathetic manner and who will invest their time and thoughts in a constructive dialogue if given the opportunity.

I don't think this is Rocket Science but rather the Place Making concept of planning which has been talked about for Thirroul for almost 3 years but just hasn't received the administrative priority or the political leadership to put it in place.

I would be prepared to invest some time in such a process. However, as I said earlier this is a fundamental responsibility of Local Government in NSW.

In any case your comments on the issues raised would be very much appreciated.

I do not make particular comment on individual development applications that have been around of late, although a couple of extremely controversial ones have been dealt with. I have learnt in my discussions with residents of Thirroul that they understand there will be pressure for medium density development, but they want to be involved in and understand the process. They want to contribute to the shape of their suburb in the future, and they want to be part of an identity. One of the reasons many people moved to Thirroul was so that they had a sense of identity, rather than being part of a metropolis. I acknowledge the goodwill of the many people who have talked to me about this matter. Certainly there are some zealots who do not want to have any development or progress at all. But generally such people are few and far between, and there are many genuine people. I hope that the council will take on board the suggestions I have made.

LEBANESE INDEPENDENCE DAY DINNER

Mr GEORGE (Lismore) [5.42 p.m.]: I wish to acknowledge a function I had the pleasure of attending last Friday evening. I refer to the Australian Lebanese Association of New South Wales Independence Day Dinner, which was held at the Bellevue Bankstown Function Centre. This afternoon the Premier made a ministerial statement about the contribution of brother and sister George and Nola Mezher, who received the award of Australian Lebanese Citizens of the Year. I add my congratulations on the magnificent job they have carried out in the city of Sydney. I was honoured to attend the dinner, not only as the son of Lebanese migrants but also as one of a number of politicians from both sides of this House, and to acknowledge the contribution made to this country by the Lebanese community. I felt honoured, coming from a Lebanese background, to see so many members of Parliament at the function.

As the Premier said this afternoon, he attended the dinner, together with the Deputy Leader of the Opposition, the Leader of the National Party and many other members of Parliament. Also present was the Hon. Philip Ruddock, who said that he was pleased to be with the Lebanese community to celebrate his reappointment as the immigration Minister in the Federal Parliament. Also present were Mr Michael Doueih, President of the World Lebanese Cultural Union, Mr Mohammad El-Harake, Consul General of Lebanon, Ms Eileen A. Malloy, Consul General of the United States of America, Mr Marc Finaud, Consul General of France, Bishop Cremin, Bishop Hitti and, of course, Mr Phillip Rizk, President of the Australian Lebanese Association of New South Wales.

I have mentioned some of those who attended the function to show the enormous respect that Australia has for Lebanese people. Lebanese people do not take independence, sovereignty and freedom for granted. At the dinner the Lebanese people, in celebrating Lebanese Independence Day, reflected on how that privilege was won. The Lebanese community must take action today to strengthen Lebanon for the future. As Australians of Lebanese origin, they have a significant role to play in this country. They have chosen to make Australia their home, but they will never forget their heritage. I admire them for that. They have exhibited their loyalty to Australia and they have a proud history of contribution to this country. The Australian Lebanese community has produced outstanding leaders in business, sports, arts and politics. Phillip Rizk, in his speech as President of the Australian Lebanese Association of New South Wales, said:

Over the past couple of years our community has been singled out in New South Wales and subjected to unjust attacks from public authorities and the media. When will people accept that our children are as Australian as Paul Hogan's children?

He went on to say:

Tonight I delivered this message to the leaders of the Free World—please remember that Lebanon too has suffered for far too long. In the current international climate I ask you to include Lebanon in the pursuit of a peaceful existence—a Lebanon that is free from all foreign occupation. And that means the removal of all Syrian, Iranian, Palestinian and Israeli forces from Lebanese territory.

So let us then, as Australians of Lebanese origin, unite in strengthening our community at home here in Australia, and let us also unite in strengthening our country of origin, Lebanon, for centuries to come.

I was honoured, as I am sure was every other member who attended the function, to help the Lebanese community celebrate the fifty-eighth anniversary of Lebanon's Independence Day. I congratulate Phillip Rizk and his committee on the magnificent night at the Bellevue Bankstown Function Centre.

THREE WARATAHS NEWCASTLE CONCERT

Mr GAUDRY (Newcastle—Parliamentary Secretary) [5.47 p.m.]: On Sunday my wife, Barbara, and I had the great pleasure of attending the Civic Theatre for a performance by the Three Waratahs, three magnificent representatives of the Newcastle and Hunter community, and the launching of their CD, which features the fantastic Stuart piano. Those three cultural organisations would be dear to the heart of Mr Deputy-Speaker, as the former member for Waratah. The Waratah girls choir, under the direction of Wynette Horne, has emerged as one of Australia's leading girls choirs. It has delighted audiences worldwide—in England, Wales, Japan, Denmark and Canada—and has achieved both national and international acclaim.

The choir has competed in competitions and eisteddfods worldwide, and has had outstanding success. Those successes include securing third place in the 1995 International Choral Eisteddfod in Llangollen, Wales; twice winning the major award in the McDonald's Performing Arts Sydney Eisteddfod; and securing first and second places in the International Choral Kathaumixw in Canada. It was the first choir to represent Australia

and to gain a Top of Australia Award and a High Distinction in 1998 for the Gold Certificate International Choral Assessment from Trinity College, London. The Waratah girls choir is a fantastic organisation. It gives recitals at many civic functions and raises the profile of Newcastle's choral performance, both nationally and internationally.

The Waratah male voice choir was formed approximately 45 years ago as a church choir and is now a non-denominational community choir made up of mostly retired men from all walks of life. Those men do a great job for the community. They visit aged care centres, nursing homes and hostels, singing in the most magnificent fashion for the benefit of the residents and bringing to them the sort of music that older people in our community enjoy. The choir was joined at the concert by the Waratah brass band, one of the leading brass bands in Australia. It is rated the number four brass band, putting it in a world-class position. It has won east coast, State and national championships, and it is the only Australian brass band to adopt the true championship British brass band sound.

On Sunday the combined choirs were accompanied by a brass band, which in turn was accompanied by the Stuart piano, a world-famous instrument that has been developed in Newcastle. The Stuart piano was played by Ann O'Hearn. That fantastic sound in the wonderful Civic Theatre gave a concert that I believe everyone present will remember. It was not merely a concert and performance; it was the launch of the Three Waratahs CD. I pay tribute to the three groups, who propose to donate the proceeds from the sale of the CD to the establishment of the St Vincent de Paul Society's Charles O'Neill Hospital, a facility to be built in Mayfield to provide accommodation for frail and homeless aged men and women from the Newcastle community.

I compliment St Vincent de Paul for the way it has utilised Federal funding, with assistance at State Government level and, of course, the wonderful input of the Newcastle community. It has a proud tradition of serving the poor, and of upholding the dignity of aged persons and disadvantaged people in the community. It was a wonderful day. There was such an array of talent on display, both choral and band music, ranging in performance from modern to traditional. The Waratah brass band was under the direction of Ron Prussings, the Waratah girls choir was conducted by Wynette Horne and the Waratah male voice choir was under the direction of Laurie Barringham and Vic Barnes. The combined choir was conducted by Wynette Horne. It was a great day for Newcastle and a wonderful fundraising effort for the St Vincent de Paul Society. I congratulate everyone involved in that event.

Mr FACE (Charlestown—Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development) [5.52 p.m.]: I thank the honourable member for Newcastle for having raised this important issue in the House this afternoon. Because I was involved, together with the combined pipe bands, in the centenary celebrations of the Newcastle Jockey Club on Sunday, unfortunately I was not able to be present at the concert. I have been informed by various sources who attended that it was absolutely marvellous. The three entities are steeped in history. The youngest of them is the Waratah girls choir, which came into being in the mid-1980s, around the time that the Marching Koalas were formed. Like the Marching Koalas, the choir was in a fledgling state at the time and many people thought it was merely a flight of fancy. Wynette Horne has stuck with the choir and it has travelled to Wales, which is well known for the quality of its singers.

The Waratah brass band is the last of the old municipal bands. In the early days there were bands at Merewether and Hamilton, but they have disappeared. They have also disappeared from the old mining towns, including the old Silver Band of West Wallsend. The Waratah band is the sole surviving band. The Waratah male choir was established 45 years ago and is an institution. It originated in the Methodist Church in and around the Waratah-Mayfield area and the Masonic Lodge. It has been an asset to the region. The three Waratahs have released a CD and donated the proceeds to the St Vincent de Paul Society Hostel. I note that Cathy Tate, the wife of the Lord Mayor, has exhibited an intense interest in this project. The facility is to be built on the old Christ the King Church site at Mayfield West.

GLENHAVEN RURAL FIRE BRIGADE FIFTIETH ANNIVERSARY

Mr RICHARDSON (The Hills) [5.54 p.m.]: Last Saturday Glenhaven Rural Fire Brigade celebrated its fiftieth anniversary with an open day and function at the Baulkham Hills Rural Fire Service [RFS] headquarters at Kenthurst. Guests included RFS Commissioner Phil Koperberg, Federal Member for Mitchell Alan Cadman, Baulkham Hills Council Mayor John Griffiths and Deputy Mayor Mike Blair, Councillors Les Shore, Martin Tolar, June Kentwell and Sonya Phillips, and past and present brigade members. Glenhaven RFS has come a long way from its roots. In 1952 there were just 12 separate types of equipment, including six buckets, 14 knapsacks, four watering cans and two axes. All the equipment was kept in members' homes. Members' cars and trucks were used to transport personnel to the fires.

It was not until 1962 that they obtained their own vehicle, the ubiquitous ex-army Chevy Blitz, sans windscreen or doors. A detailed history prepared by Brigade President Phillip Bradac records this vehicle falling into a septic tank when backing down the driveway of a home to fight a fire: they fought the fire with the vehicle still stuck in the tank. It was also suggested that a member taking his class three driver's test rolled a Blitz outside the police station. Times have certainly changed. Today the brigade has a permanent station, built in 1979, housing a brand new Isuzu fire truck that can fight many fires with the personnel still in the airconditioned cab, and a near-new Nissan Patrol four-wheel drive.

But the very real danger associated with fighting fires in the Australian bush has not gone. Our bush fire fighters are among the cream of volunteers as they risk their own lives to save other people's property and lives. Over the last 50 years the Glenhaven Brigade has fought the major fires of 1975, the Kenthurst fires in 1991 which claimed several lives, and the 1994 fires which, as well as threatening a large number of homes in The Hills, resulted in a tragic loss of life elsewhere in Sydney and New South Wales. When the home front was secured Glenhaven "firies" went out to do battle at other firefronts. Of course, RFS volunteers do not just fight bushfires; they are also called on to assist with house fires, storm damage and car accidents.

The Glenhaven Brigade recently put in more than 400 man-hours cutting and repairing fire trails in preparation for a major hazard reduction burn. By reducing leaf litter this work significantly lowers the risk of an uncontrollable fire, yet the number of days on which it can be carried out is circumscribed not just by the weather but by Environment Protection Authority regulations which forbid burning off on still winter days with high smog potential—exactly the right conditions for a hazard reduction burn. Those who decry this important aspect of fire management should remember that for 50,000 years the Aborigines burnt the bush, and as a consequence fire-tolerant species have tended to flourish at the expense of rainforest species. The amount of air pollution created by burning off is minuscule in comparison with that created by a uncontrolled bushfire, and usually there is no risk to life or property. Ultimately the community and our brave firefighters are much safer as a consequence of this activity.

Glenhaven Brigade also performed with distinction fighting fires at Wyong in early November, in the aftermath of the recent hailstorm event in the eastern suburbs where they put in more than 800 man-hours, and during last week's wind storms which cut a swathe through much of the north-west and left some houses without power for a week. One of the homes the firefighters were called to was Mr and Mrs Robertson's house on Old Northern Road, Castle Hill. A large tree was resting on another and threatening to fall on traffic on this major arterial road. The trees were felled in an operation spearheaded by the State Emergency Services [SES], which partially closed Old Northern Road for several hours.

It was, however, beyond the mandate of either the SES or the RFS to clear up the mess left in the Robertsons' front garden. About 1.5 metres of debris covers the entire front lawn. Mr Robertson is aged 81, he is on a war veteran's pension, and he cannot afford to have this mountain of material moved, while Baulkham Hills Council is forbidden by law from so doing unless a special resolution authorising the work is passed. I have written to the council asking that such a motion be passed to deal with this matter. I ask the Minister for Local Government to consider altering section 67 (2) of the Local Government Act, with the assistance of the Minister for Emergency Services, to streamline ways in which an authority can take action to assist those of limited means not just to secure their homes but to clear up the debris in exceptional circumstances such as these. Not only is the mess in the Robertson's front lawn unsightly; when it dries it will become a fire hazard. I would hate to think that the Glenhaven Rural Fire Brigade will be called out again to the Robertsons' home, this time to put out a fire.

In concluding, I commend the dozens of past and serving members of the Glenhaven Rural Fire Brigade for the tremendous job they do and have done in protecting our community. In particular I pay tribute to Phil Willsallen, who announced last Saturday night that he will soon stand down as brigade captain after eight years sterling service. Phil Willsallen has been threatening to resign every year for the past eight years but this time I understand that, unfortunately for our community, he means it, though he intends to remain a member of the brigade.

NEW LAMBTON HEIGHTS INFANTS SCHOOL FIFTIETH ANNIVERSARY

Mr MILLS (Wallsend) [5.59 p.m.]: On Saturday 27 October my wife, Trudy, and I had great pleasure in attending the fiftieth anniversary celebrations of New Lambton Heights Infants School. It was a great celebration of 50 years of public education for the district. "The Family School" is the school's motto description of itself. It is particularly apt, and I will return to that theme in a little while. There was a celebration committee

of parents and staff of the school and a fete was held. A special celebration assembly was held at 10 o'clock and afterwards there were classroom visits. The most popular part of the fete was the old school photos going back over 50 years. People identified themselves, various families, children and grandchildren and met up with friends and the parents of friends. At 1 o'clock there was an auction and the day of celebration finished with a cocktail party in the evening. The student masters of ceremonies at the assembly were Ashleigh and Samuel. In view of the fact that they were students at an infants school they performed their roles extremely well.

The principal, Jennifer Corford, and the president of the parents and citizens association, Lisbeth Herrington, also welcomed us and outlined the role taken by the parents. The district superintendent of schools in Newcastle, Laurie Tabart, also addressed the assembly, as did Newcastle Lord Mayor John Tate, who was there with his wife, Cathy. They had a special appreciation of the day because they used to live close by and their children attended the school. There were three class items by each of the three classes—kindergarten, year one and year two. They gave a tremendous demonstration of movement, music, rhythm and teamwork. The current students are a great crop and they give all members of the community a feeling of optimism about future generations of Australians. I also was able to speak to the assembly.

I note that New Lambton Heights Infants School is one of only 17 surviving autonomous infants schools in the State. The school priority is to provide a sound foundation for the students, and the people there believe that the first seven years of life are the most important. The school opened in 1951 with 28 students. The original building had two large classrooms. One of the classrooms was divided into two or smaller rooms when student numbers increased. I said that the motto was "The Family School", and some 10 of the class of 1951 were there for the celebration. Interestingly, of those people who came, all but one is still living in the Hunter region. One came down from the Gold Coast for the celebrations. Indeed, most of the class of 51 who were there lives within a couple of kilometres of the school still. So it is a family school and there is continuity in the district.

Importance has been given to environmental programs at the school over the past three years. This is particularly apt because the school is located directly opposite Blackbutt Reserve, the big 640-acre recreation reserve run by Newcastle City Council. I recall the late Helen Barnett, a good friend of ours, when she and her husband Don were active in leading the Society for Growing Australian Plants, planting the first native gardens at the school in the early 1970s. That trend has continued. The school has always enjoyed a close community atmosphere. It recognises the importance of continued participation and interest by parents in early education. Parental involvement in the activities of the school is therefore encouraged and valued. It plays an integral role in the school as a learning community.

Major fundraising by parents over recent years has provided the school with a library, shade shelter and extensive playground equipment, in addition to quality classroom resources. I congratulated the parents for their generosity and commitment. The New Lambton Heights community can be proud of 50 years of strong support for public education. Public education is the cornerstone of Australia's free, democratic and pluralist society. The teachers and staff have done a great job over all these years. The fiftieth anniversary committee also deserves congratulations. It did a great job in dressing up the school, which looked a picture on a bright sunny morning. I trust that New Lambton Heights Infants School will survive, thrive and prosper for another 50 years.

Mr FACE (Charlestown—Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development) [6.04 p.m.]: I thank the honourable member for Wallsend for raising this important issue in the Parliament this evening. The New Lambton Heights Infants School, which is now in his electorate, was for a time in my electorate. For many years it was in the electorate of the honourable member's predecessor, the late Ken Booth. When the school was built in 1951 many schools were being built in the Hunter region as a result of postwar reconstruction and urban sprawl extending into what were then fairly sparsely populated suburbs.

To cater for the increasing population of children in the area an infants school was also built at Adamstown Heights, in my electorate, and another little school was built at Whitebridge. But those three schools and others in the region never got full status; they remained infants schools and were feeders to the schools further afield. It was felt that the children who attended them were too young to travel by bus to schools further away. New Lambton Heights Infants School is probably a bit of an oddity: all the other ones I spoke about have disappeared. It is one of the very few left.

Mr Mills: Seventeen.

Mr FACE: There are only 17 of these infant schools left in the whole of the State. It grew from two rooms. During the 1980s when it was in an area represented by me it was still a flourishing infants school

feeding in mostly to nearby New Lambton and, in some circumstances, to Cardiff. It has played a vital role in the last 50 years and had a great heritage. Many of the young people who attended the school have become leading citizens in the region. I am happy to add my congratulations in relation to the 50 years of public education at New Lambton Heights Infants School.

DIXONS LONG POINT RIVER CROSSING

Mr R. W. TURNER (Orange) [6.06 p.m.]: This afternoon I raise an ongoing issue in my electorate, the Mudgee to Orange Road that crosses the Macquarie River at Dixons Long Point. It is 70 years since the first discussions about completing the road. At the moment four-wheel-drive vehicles can cross the river when it is low. At the best of times it is rather dangerous and quite a few four-wheel drives have become stuck in the middle of the river when they have underestimated the depth or strayed off the crossing marked by rocks in the river. Every now and then the media raises the issue. It is acknowledged by the local government areas of Mudgee, Orange and Cowra and the Cabonne shire that it is imperative that the road allow two-wheel drive access. This would involve the construction of a low-level bridge over the Macquarie River to make the crossing passable except when the river is in flood.

Prior to the recent Federal election, the Federal Government promised to allocate \$3 million towards the construction of a low-level bridge, provided that the State Government matched that amount. The State Minister for Transport, and Minister for Roads dismissed that proposition as an election ploy, but the Federal Government has renewed its commitment since the election. That money is available as long as the State Government comes to the party and matches it on a 50:50 basis. For many years local government areas have supported the provision of that road, but it is beyond their capacity to provide it. Mudgee Shire Council has sealed a four-kilometre section and Cabonne Council has sealed a one-kilometre section. However, the rather steep inclines on either side of the river and the river itself have contributed to the problems. The upgrading of the road will help tourism.

Local government and the wine industries have dedicated that road as the wine highway linking the Mudgee, Orange and Cowra wine districts. It will give travellers from Sydney an opportunity to do something different. People who have visited the Hunter Valley a few times would enjoy a different venue. If people travelled to Mudgee, Orange or Cowra for a weekend or a long weekend it would be an enormous economic boost to those areas. An upgraded road would provide an easier access between Canberra and Newcastle, cutting 65 to 70 kilometres off the trip. Currently people travelling from Orange to Mudgee are forced to go via Bathurst or Wellington, and they would save 65 to 70 kilometres on an upgraded road. It is a major impediment that people are forced to travel 80 kilometres between the crossing at Mudgee and the crossing at Wellington on the Macquarie River. In no town in New South Wales with a reasonable population are people forced to travel 80 kilometres to cross a major river.

People in the Mudgee area who travel to Orange for medical services are forced to travel that extra 80 kilometres. If a crossing were provided for two-wheel-drive vehicles they would be able to travel more safely and more quickly. An improved crossing would be a great boost for tourism. The Minister said that the Government has no funds for that crossing but he has announced that tenders are to be called for the Parramatta to Chatswood rail tunnel. The Government has the money for projects in Sydney, but not for projects in the bush. I call on the Minister to reconsider, to support the Federal Government and to match its \$3 million so that a crossing can be provided across the Macquarie River at Dixons Long Point. It would enhance the tourism prospects of the area.

HANNANPRINT DUBBO PLANT CLOSURE

Mr McGRANE (Dubbo) [6.11 p.m.]: Today during question time I asked the Minister for Local Government, Minister for Regional Development, and Minister for Rural Affairs what the Government was going to do to avoid the closure of Hannanprint in Dubbo. The proposal to close Hannanprint, causing the loss of 200 jobs, will have an extraordinarily frightening consequence. It will give the wrong message to investors who are contemplating investing in regional New South Wales or Australia. Hannanprint has been in Dubbo for more than 10 years, having bought an existing operation founded by the Armati family. Since that time Hannanprint has been a great corporate citizen of Dubbo. In the past five years Hannanprint has spent more than \$30 million upgrading its facilities to create a state-of-the-art printing works. However, there has been a downturn in the print industry worldwide because of the 11 September terrorist attacks in America.

Further, with anthrax being sent through the mail, the junk mail business has ceased to exist in America. That has placed enormous pressure on the print industries in America and in South-East Asia, where

some printing is done for America. Consequently, the South-East Asian printing business wants to move to Australia, and that has put more pressure on the print industry in Australia. Hannanprint is one of the biggest printing firms in Australia. Its directors are a mix of the Hannan and Fairfax families and others who have been involved in the print industry for a long time. They know their business and they have been putting money into upgrading the Dubbo facility to take it to a world-class standard. If that industry leaves Dubbo, if the Hannan and Fairfax families leave regional New South Wales, that will send terrible vibes to investors.

If companies take their business to Sydney, we might as well pull down the shutters on regional development. All members of Federal and State parliaments know that regional New South Wales represents 90 per cent of the land mass of the Commonwealth—90 per cent of the population lives in 10 per cent of the land mass between Adelaide and Cairns, within 40 kilometres of the coast. In that area there is not much industry apart from the great rural and mining industries. We need industries such as Hannanprint. If it has to close and move to Sydney it will send the wrong vibes to investors. They will believe that it is not worth investing in businesses in regional areas because, in due course, they will have to go back to where the population is: Sydney and Melbourne. The closure of Hannanprint will have frightening consequences on more than just the city of Dubbo.

Private members' statements noted.

BILL RETURNED

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

Liquor and Registered Clubs Legislation Further Amendment Bill

[Mr Deputy-Speaker left the chair at 6.18 p.m. The House resumed at 7.30 p.m.]

BILLS RETURNED

The following bills were returned from the Legislative Council with amendments:

Crimes Amendment (Sexual Servitude) Bill
Justice Legislation Amendment (Non-association and Place Restriction) Bill

Consideration of amendments deferred.

WORKERS COMPENSATION LEGISLATION FURTHER AMENDMENT BILL

Second Reading

Debate resumed from an earlier hour.

Mr HARTCHER (Gosford) [7.31 p.m.]: On behalf of the Coalition I speak to the Workers Compensation Legislation Further Amendment Bill. Earlier this afternoon I placed on record, but I will reiterate now, the circumstances under which this bill is being debated in the Legislative Assembly. The notice of motion of introduction of the bill was given to the House prior to question time today, which commenced at 2.15 p.m. Immediately after question time the Government moved a motion to suspend the standing orders to allow the second reading debate to commence with the Minister's second reading speech. Debate was adjourned at approximately 4.00 p.m. and the Opposition was required to have its response commence at 7.30 p.m. I protest this flagrant breach of parliamentary procedure, which normally requires that notice be given on one day, that the bill be introduced the following day and that the Opposition be allowed five days in which to consider its response.

This bill has been gagged through the Parliament in the most outrageous way, not untypical of the methodology and conduct of this Government. It is not only a flagrant disregard of the principles of parliamentary scrutiny but a flagrant denial of the right of injured workers to have their future, which this legislation represents, promptly assessed and debated by their elected representatives. Members of the Labor Party who are complicit in this ramming through of major legislation must stand accused before their electorates of irresponsibly denying injured workers the right to full scrutiny by the Parliament—and subsequently by the courts—of legislation affecting them and of claims they might wish to make. New South Wales Labor is in crisis in health, education and police.

In addition, there is a serious crisis in the continuing haemorrhaging of WorkCover, the State-run scheme that operates workers compensation insurance in New South Wales. As Jeff Kennett said when he visited New South Wales some years ago as Premier of Victoria, workers compensation insurance in New South Wales is a black hole that will eventually obliterate the Carr Government. That prophecy is coming true. The Labor Party, under Mr Carr, has appointed John Della Bosca, the Minister for Industrial Relations, and Special Minister of State, as Mr Fix It.

The remark has often been made about how he fixed motor vehicle accidents and denied thousands of people the right to any entitlement to proper recompense for injuries suffered in a motor vehicle accident. Despite that, he has failed to bring down the cost of green slips in any systematic or sustained way. Both drivers and injured persons afflicted by motor vehicle accidents have lost out. That has been the impact of Mr Fix It on motor vehicle accidents. I will say more about that at another time. This is Mr Della Bosca's third attempt to try to rectify the continuing haemorrhaging of workers compensation in this State.

I shall start with a few simple, basic facts. The workers compensation scheme is now losing almost \$3 million a day. The deficit as at December 2000 was \$2.18 billion. The deficit as at 30 June 2001 was \$2.76 billion—an increase of \$577 million in just six months. Even allowing for the normal standards of mismanagement for which Labor governments are quite justifiably famous, this extraordinary loss is somewhat of a record. It is estimated that the scheme will be \$3.2 billion in deficit by December 2001. That was confirmed by the scheme's actuaries, Tillinghast Towers Perrin, in testimony to General Purpose Standing Committee No. 1 on Wednesday 21 November. They projected an average increase in deficit per year of \$500 million over the next five years. Tillinghast Towers Perrin also confirmed that the deficit will reach \$5.5 billion by June 2006 if no remedial action is taken.

It is clear that remedial action should be taken but whether this Government is competent to take such action and whether the proposal it now presents and gags through the Parliament is the appropriate remedial action is a moot point. The failure of the Government to properly consult parties interested in its legislation shows that it is unwilling to take the community into its confidence. It demonstrates also that it is interested only in trying to put through a legislative scheme that it believes will be successful, regardless of the views of other interested parties in our society. Many faults have been identified in the current WorkCover scheme.

The principal fault outlined by Mr Grellman last week in evidence to General Purpose Standing Committee No. 1 is that nobody owns it. The Government, insurance companies, workers—25 per cent of whom are represented through the trade union movement—and employers do not have any feeling of ownership of the scheme. Not only does no-one accept responsibility for the scheme, but management of the scheme is poor, to say the least. The *Daily Telegraph* of 27 July quoted Ms Kate McKenzie, the General Manager of WorkCover, as follows:

A lack of management had allowed the NSW workers compensation scheme to fall into a depressed state, the WorkCover chief said yesterday.

Kate McKenzie told a WorkCover conference the scheme was plagued by increased claim costs, and unacceptably high levels of disputes and associated legal costs

Her comments came just weeks after the Government pushed through its controversial workers compensation reform package and violent union protests effectively shut down NSW Parliament for an afternoon.

The general manager said that her organisation was appallingly managed—if she was quoted accurately by the *Daily Telegraph*. Labor has had almost seven years in which to manage WorkCover. It has only itself to blame for WorkCover's spiralling deficit. Labor allowed WorkCover to be run by its mates, including Barrie Unsworth, who was chairman for a while. A number of other people were placed on the board to oversee WorkCover—they were not chosen for their financial expertise but for their past political loyalty. The most ambitious attempt to examine WorkCover in this State—the Grellman report, which was released in 1997—has been largely ignored by this Government. The advisory council that it recommended was established, but its advice has largely been ignored—just ask members of that council, who believe that their views and input are scorned by this Government.

Another recommendation of the Grellman report, the private underwriting aspect that the Government enacted, has been deferred twice this Parliament. The Government has twice forced through the deferral of private underwriting, and what was to be a cornerstone of reform—the eventual ownership of the scheme by insurance companies and the transformation of the insurer from a simple claims manager to an entity responsible for issuing policies and managing and honouring claims—has been destroyed. The Government now seeks in schedule 6 of the bill to repeal the private underwriting program that it enacted previously.

The Opposition intends to move an amendment to the bill in Committee. We will vote against schedule 6 to the bill. The Opposition amendment relates to new section 248A, "Review of Act". We will seek to omit subsection 248A (2) and insert a new subsection, and in new section 248A (3) (a) to insert the words "before 27 February 2003" after "House of Parliament". We will also seek to insert in new section 248A (4) the words "and before 27 February 2003" after the words "copy of the review". The tranches of reform that have come before Parliament are yet to be tested. It is extraordinary that when the second tranche of reforms was passed in June no actuarial evidence was presented as to the impact of those reforms on premiums. We have also received no actuarial evidence about how this tranche of reforms will impact on premiums. We are being asked to whistle in the dark. We have been given no basis for making an evaluation as to how the premiums will be controlled or whether they will fall or stabilise. The Government has only wishful thinking.

The Government has its own actuaries and has had every opportunity to come to Parliament and set out what the actuarial evidence suggests will be the impact on premiums. However, it has declined to do that. The Minister's second reading speech was a standard speech, outlining the problems that the bill sought to address and the mechanics of doing that. The Government has not given the people or Parliament any actuarial evidence or findings upon which one would expect this bill to be based if it is to win popular support. The Coalition parties state now, as we have done repeatedly, that we will support any legislative reform to WorkCover that is sensible and fair and that will decrease the cost of premiums. That is surely the Government's aim also.

We are prepared—we have said this in the past—to offer bipartisan support to any measure that will make WorkCover an affordable scheme that cares for and rehabilitates injured workers and ensures that employers can run their businesses without paying crippling WorkCover premiums. Yet this Government has made no attempt to present to Parliament—either to the House or to General Purpose Standing Committee No. 1, which is chaired by Reverend the Hon. Fred Nile—the actuarial evidence that supports the claims that these legislative changes will stabilise or reduce premiums. The new scheme will have a considerable impact on injured workers in this State. It has been opposed by the New South Wales Labor Council. On 21 November the *Newcastle Herald* carried a report, which stated:

NSW unions may take industrial action to oppose a second wave of workers' compensation reforms set to go before Parliament.

The NSW Labor Council yesterday embarked on an advertising campaign opposing the changes, which they labelled as government experiments on workers' body parts.

NSW Labor Council Secretary John Robertson said the Government should not underestimate the gravity of trade union concerns.

He said industrial action in the lead-up to the Bill going before Parliament next week had not been ruled out.

"There is no way that we are going to allow them to treat workers like guinea pigs or lab rats," Mr Robertson said.

So far Mr Robertson's actions have not lived up to his brave words. The New South Wales trade union movement, spearheaded by the New South Wales Labor Council, has gone very quiet on this issue. Left-wing unions such as the Construction, Forestry, Mining and Energy Union have been muted in their protest, as have right-wing unions such as the Transport Workers Union under Mr Sheldon, who claimed to be the vanguard in the fight for workers rights in this State. If the trade union movement is to justify its claim of representing the best interests of the 25 per cent of workers who are union members, it will need to do a lot better. It will have to articulate its case and establish its claim if it is to make good its determination to ensure that workers are not disadvantaged by the workers compensation changes when all the evidence offered by impartial bodies such as the New South Wales Bar Association and the New South Wales Law Society suggests that workers will be disadvantaged by the proposed changes.

One can only wonder where the trade union movement is and why it has not been prepared to state its views more articulately. There is speculation that the Hon. Michael Costa's elevation to the ministry owes more to his work smoothing out trade union protests than to his knowledge of or skill in managing the New South Wales Police Service. That remains to be seen. The legislation has been analysed by the New South Wales Bar Association, and several points must be made. The Bar Association states:

- (a) The Bill will impose a very high threshold of impairment (ie. impairment of 15% of the whole person) on the exercise of common law remedies, which in practice will be passed by a bare handful of seriously injured workers.
- (b) The Bill will penalise any seriously injured worker who is able to pass the threshold and who succeeds in action for damages, by removing all that worker's damages and statutory entitlements to:
 - (i) compensation for future medical expenses;

- (ii) compensation for future care and treatment expenses;
- (iii) compensation for future voluntary domestic assistance;
- (iv) access to employer injury management programs; and
- (v) compensation for lost wages which has already been received by the worker.

The Bill introduces substantial and at times apparently irrational reductions in workers current workers compensation entitlements. Two examples in the area of Lump Sum Non-Economic Loss show this:

- (a) A 10% whole person impairment threshold for compensation for pain and suffering is introduced by the Bill, which sets a new high barrier against workers claiming such entitlements;
- (b) Under the Bill compensation will only be payable for permanent impairment which results from psychological or psychiatric injury which is not secondary to a physical injury. A major and genuinely debilitating psychiatric condition which is triggered by a physical injury will in future be assessed for pain and suffering, as if only the physical injury existed.

The loss of workers entitlements through the high threshold of impairment—originally proposed by the Government to be 25 per cent, then recommended by Justice Sheahan to be 20 per cent, and now down to 15 per cent in this legislation—means that few workers will pass that threshold. We are all familiar with the fact that the 10 per cent whole-of-body impairment figure imposed on motor accident claimants massively reduced the number of people entitled to claim under the motor accident compensation scheme. The intent of the 15 per cent figure is likewise designed to massively reduce the number of injured workers who can make a claim.

The intent is not to look after injured workers; it is to reduce the numbers who can claim and, accordingly, reduce the numbers of those who are taking money out of the pool of funds established by the WorkCover fund. The legislation is further objected to in regard to its retrospective impact. It is worded to commence from 9.00 a.m. on the day of its introduction into Parliament—that is today. Even though I am now speaking at 8.00 p.m. this legislation, once passed, will be deemed to have commenced some 11 hours earlier. The Bar Association in its analysis said:

Even Justice Sheahan said in his Commission of Inquiry Report (page 39) that led to this legislation, that amendments affecting common law remedies should not commence before 31 December 2001.

Justice Sheahan said the legislation should not commence before 1 January 2002. But the Labor Party has ignored his recommendation and will make it commence on 27 November. The Bar Association went on to state:

The introduction of the Bill containing these retrospective provisions is firstly leading to chaotic but avoidable problems in the courts with the filing of legal process. Second workers are not being given a reasonable opportunity to make decisions about pursuing their rights under existing legislation before those rights disappear.

People have come to my electorate office after having received letters from solicitors. Last Friday a woman came to see me after receiving a letter from her solicitor advising that the new legislation effectively abolishing her right to a commutation of her claim would come into force on 27 November. The letter contained the offer of a paltry figure in settlement of her claim and her solicitor said, "We have no option but to strenuously advise you to accept this in view of the legislative changes soon to be enacted by the New South Wales Parliament." Ordinary people are frightened by this new legislation. Thousands of people have rushed to their solicitors to make claims. Court registries have to be kept open until 7.00 p.m. to handle the vast number of claims. Thousands of people now fear for their rights and, tragically, those fears are not without justification. The Bar Association continued:

In 1999, the Government introduced a similar system of whole person impairment for motor accident claims but set the level at 10% of whole person impairment. As at March 2001 in the motor accident scheme no victim of a motor accident had in fact received a medical assessment in excess of 17% whole person impairment. Research conducted by the Motor Accident's Scheme identifies only one single example of a motor accident victim likely to satisfy an assessment with 20% whole person impairment.

... A statutory requirement of a threshold assessment of 20% whole person impairment will mean that only a bare handful of the 2% of workers who now qualify to make a common law claim under the current scheme would be able to satisfy the new threshold that the Government wants to introduce.

Under the Government's original figure of 20 per cent the Bar Association estimates that only 2 per cent of claimants would satisfy the requirement. The threshold has now come down to 15 per cent. One can only wonder at the number of people who would satisfy that requirement bearing in mind that only one person reached 17 per cent under the motor accident scheme. This means that tens of thousands of workers are to be

denied their reasonable entitlement from what they thought was a workers compensation insurance scheme. The compilation of commutation is bad actuarially. David A. Zaman Pty Ltd, Consulting Actuary, has written to Reverend Fred Nile, the Chair of General Purpose Standing Committee No. 1, in a letter dated 27 November. He states:

I qualified as a Fellow of the Institute of Actuaries... in 1979 and I gained my Fellowship of the Australian Institute in the same year.

... For those 16 years, I have specialised in advising on self-insurance matters and I would be the prime actuarial advisor to the self-insured employers in NSW.

He is the principal adviser as an actuary to the New South Wales self-insurers. He has assessed this scheme on its commutation and found it wanting. He said:

I state that commutation should be kept as part of the NSW workers' compensation system and be as unfettered as possible. Flexibility is needed to handle the variety of individual circumstances that may arise.

... From my work with self-insurers, the commutation facility has reduced their liability for outstanding claims and reduced their budgeted "premium" cost for each year into the future. I estimate the elimination of the commutation facility will increase overall annual costs for self-insured employers by around +20%, with some variation around this figure depending upon circumstances of the particular self-insurer.

The actuary for the self-insurers believes that the compilation of commutations as proposed by this legislation estimates that the effect will be to increase costs by 20 per cent. This is not a reduction of the costs of workers compensation premiums; it is a 20 per cent increase for self-insurers who are known, reputed and regarded as the most efficient managers of workers compensation insurance. Their actuary is saying that the cost will go up by 20 per cent. So much for Labor's proposal that this legislation is designed to bring down costs. Mr Zaman goes on to say:

I have no doubt that the elimination of commutations will increase workers' compensation costs for self-insurers. Any claim that may endure on weekly compensation must be costed and recognised for that potential liability in full. There will be no choice in this matter. The actuarial estimates for valuation purposes are expected to increase if the draft legislation is passed by Parliament.

... Yet the Government and WorkCover believe commutations create significant problems and are actually adding costs to the workers compensation system. It appears their concern is directed at the WorkCover Managed Fund. There does not appear to be any consideration for self-insured employers, the coal miners fund, the specialised insurers nor the Treasury managed fund.

Accordingly, this legislation is catching other successful schemes, such as the Coal Miners Fund, the Treasury Managed Fund and the self-insurers because of the gross mismanagement of the WorkCover fund; mismanagement that Kate McKenzie, in evidence—quoted in the *Daily Telegraph* of 27 July—attributed to the management of WorkCover. People are suffering and successful managers of workers compensation funds are losing because of the mismanagement of WorkCover. Fundamentally the massive mismanagement of the WorkCover scheme is not only catching out the self-insurer but will impact upon the workers of this State who will be caught up by the scheme. Mr Zaman goes on to say:

The assertion there is a computation problem in the Managed Fund (but I state not with the self-insurers) implies the fund managers are incorrectly and inappropriately settling claims.

This is the only actuarial evidence that has been produced. The Government has not presented to the Parliament any actuarial evidence on which it based this legislation. Let the Government now answer Mr Zaman's letter. That letter is public and has been sent to the chairman of the committee. Mr Zaman is a qualified actuary who has been in business for 16 years and is the principal adviser to the self-insurers. He regards this commutation as increasing, not reducing, premiums. He says that it does not reflect any program for controlling costs, it simply reflects the mismanagement of the WorkCover fund by the WorkCover Authority. If I could table that letter I would. I make it freely available to any member who wishes to see it.

I do not intend to prolong the debate. Other Coalition speakers will address the many issues that are raised by this legislation. I have addressed the impact of workers benefits, the issues of retrospectivity and commutation and the poor defence by the trade union movement of workers rights. I spoke this afternoon about the spinelessness of members of the Australian Labor Party who hold their hands on their hearts and pretend to stand up for the worker, yet who sell the worker out at virtually every opportunity. I include members of both the left and right wings of the Labor Party, who are more concerned with gaining office and hanging onto it than with those they have pledged to protect. Members on this side are concerned with the rights of injured workers. The Bar Association, in its assessment, reported on a worker who is injured under this legislation. The Bar Association stated:

A single worker, a labourer, aged 35 earning \$400 net per week who sustains a severe low back injury in January 2001 resulting in a one level disc injury sustained as a result of the negligence of the employer and resulting in spinal surgery and consequent incapacity for labouring or similarly heavy work would currently expect to satisfy the threshold for recovery of common law damages.

The amount calculated in that case, including economic and non-economic loss, is \$315,000. The Bar Association continued that, under this legislation, the same worker would not satisfy the 20 per cent or even the 15 per cent whole body impairment threshold and could not pursue a common law claim for damages. The worker would be entitled only to a lump sum benefit for loss, impairment and pain and suffering of somewhere between \$30,000 and \$35,000, the award rate of pay for 26 weeks, and thereafter \$191.00 per week. That worker is certainly not better off. Those are the facts. I do not ask anyone to take the word of the honourable member for Gosford. I have presented to the Parliament the letter of Mr Zaman, an actuary of 16 years, and the Bar Association assessment of the legislation as it relates to injured workers. That assessment was presented to me by Michael Slattery, a highly reputable Queen's Counsel from the New South Wales bar.

Let the Government answer these allegations and show that its legislation will reduce, rather than increase, premiums. Let the Government show that workers will be better off, not worse off. Let the Government show that retroactive legislation is fair when it is rushed through Parliament and deemed to start at 9.00 a.m. this very day. Let the Government show that its workers compensation policy is in the interests of the people of this State, not in the interests of the Government. The Government is battling crisis after crisis, in police, health, education or roads. It is now faced with another crisis and has reacted in a knee-jerk manner. The Government believes that if it denies workers their rights and denies community consultation and if it prepares a scheme presented to it by its bureaucrats—the same bureaucrats who have mismanaged the WorkCover scheme for the past six years—somehow all will be well. One can only wonder at such an approach.

The Coalition will not oppose the second reading of the bill. However, we will move in Committee to support the amendments of which I have given notice. We will allow this legislation to go through because the Government believes it will reduce premiums. Let us see the premiums fall. In June and July 2002, when the employers of this State receive their premium notices for the following 12 months, we will see whether the premiums have fallen. The Labor Party members who represent seats around the fringes of Sydney—electorates that voted massively for the Liberal party on 10 November—will tremble. They know that not only have they failed to deliver to employers by not reducing premiums, but they have failed to deliver to the workers of this State, the people they claim they are pledged to protect.

Mr KERR (Cronulla) [8.05 p.m.]: It is on record that no member of the Government has provided any justification or rationalisation for one of the great betrayals of the working class. I will be interested to see if any member of Parliament from the shire defends this atrocious piece of legislation. I say "atrocious" because of the sorry plight that workers in New South Wales face as a result of the legislation. Like the honourable member for Gosford, and I believe many other members, I have received anguished phone calls from people with workers compensation claims. Those people were in a state of distress because, despite their pain and suffering, they did not know what was going to happen. Their legal advisers were unable to assist them, so they rang electorate offices. They rang my electorate office, the electorate office of the honourable member for Gosford and, no doubt, electorate offices across the State.

I will give a brief history of workers compensation in this State. The highly successful scheme commenced in the 1920s and was administered by Labor and non-Labor governments through the decades. It is to be noted that it was a self-funding scheme and, by and large, delivered a great deal of justice to workers. In theory, the scheme should not have been able to be abused, because for decades it worked well. And why not? When there is an industrial accident, the facts are usually self-evident. Both the employer and employee have a vested interest in determining what the injury is, how long it will take to get the injured worker back to work and, if the worker cannot return to work, how much compensation he should receive. The Workers Compensation Court was designed to hear cases that involved a real issue of fact or law. Only a small percentage of matters went to court. Most accident cases were resolved quickly, and the income from the scheme matched the expenditure. That was until the Wran Government came to power.

The Wran Government, wanting to keep premiums down and buy votes, decided to extend the table of maims without adjusting the premiums. That situation went out of kilter. Then along came the man in the cardigan, former Premier Barrie Unsworth. He was confronted with, once again, an enormous amount of unfunded liability. The solution would have been to increase the premiums, but that would result in a flight of industry to Queensland and Victoria from New South Wales. What was his solution? His solution, like the solution of the present Government, was to stick it to the workers, so to speak, and reduce the benefits to get rid of common law rights. A number of Government members of this House, before they were elected in 1998, took part in demonstrations against the Unsworth reforms.

Unsworth had a mate who was the secretary of the Labor Council, and he was therefore able to get his reforms in. At that time the Unsworth Government controlled the numbers in both the Legislative Assembly and the Legislative Council. There was then a reduction in workers rights and benefits so that employers could be insulated against the increases in premiums. As I said, at that time members of the present Government took part in demonstrations against the Unsworth reforms. But because John McBean was the Secretary of the Labor Council and was instrumental in getting Unsworth in as Premier, the industrial arm of the Labor movement acted in collusion with the political arm, in order to prevent jobs going to Queensland and Victoria.

We on this side of the House promised the restoration of workers rights. When Greiner came to office I was part of a scheme that was set up under the chairmanship of John Fahey to look at the restoration of workers rights. We received advice from about three actuaries. It was interesting to hear the comments of the honourable member for Gosford about the scarcity of actuarial advice provided to the Government. However, as a result of the committee's work common law rights were restored and the scheme began to operate again. In fact, not only was the scheme self-funding but it showed a surplus of some hundreds of millions of dollars during the time of the Greiner and Fahey governments. Upon the return of a Labor Government in 1995, suddenly we again had problems with the workers compensation scheme. One of the great difficulties in this debate has been the Government's lack of explanation for what went wrong. Its first explanation was the old whipping boy that it is the lawyers who have taken this from the workers. Ironically, a number of Labor lawyers were named and received publicity relating to how much the legal profession was taking. Unfortunately, when the Law Society researched this, took away the prejudice, simply looked at the empirical evidence and had that evidence published, the Government had to switch its line of attack. That research showed that legal costs were only a small percentage of the costs and certainly could not account for the shortfall in the scheme.

The Government then turned its attention to the traditional enemy of the New South Wales Labor governments of recent origin—the working class. In fact, it instituted a propaganda campaign that there was so much roting and fraud going on that it had blown out the costs. That sort of propaganda exercise showed very little faith in the workers of this State. We now have legislation by ambush. Only a few hours ago the bill was outlined in the second reading speech. After only a few hours notice, the Opposition and the community are expected to make a decision in relation to this legislation, without it being exposed for public debate and without various stakeholders having an opportunity to make a reasoned judgment on it.

I referred to John McBean's role in betraying the workers in relation to Unsworth. A similar saga has unfolded under the present Government. Who should have been the custodian of workers rights? Should it have been the New South Wales Labor Council, or perhaps Michael Costa? We saw a demonstration outside this Parliament, and during the course of that demonstration we saw what the Premier thought of the working class. Imagine the outrage that would have occurred if a Liberal Premier had made that sort of signal of his or her estimation of workers from the balcony of this Parliament. No doubt when this legislation came before caucus, after caucus had finished its usual weekly hymn of "What a friend we have in Bobby", it justified what it was going to do with the workers and all caucus members went along with it. But no-one is going to say publicly why they are in favour of what they are doing to the workers.

After that gimmicky demonstration, Michael Costa said, "Look, we have made our point. Life moves on. We just have to accept that as part of life. We just have to accept the infliction of pain and suffering on the working class under this Government." Lo and behold, when everyone on this side of the House was expecting the honourable member for Swansea to get a ministerial guernsey at the next vacancy, he is overtaken by the honourable member for Cabramatta. Just like the working class, the new police Minister has crossed the line in pursuit of his personal ambition; in other words, he has sold his soul.

Michael Costa once wrote a book entitled *The Bonsai Economy*. He might think of writing another book dedicated to the workers compensation scheme under this Government, entitled "The Bonsai Benefit", because that is about all that will be provided under this legislation. When one considers the people who have been excluded from this legislation, it is probably the most sustained and greatest betrayal of the working class we have ever seen, and it has been done by a class action of the caucus. Whatever faction people belong to, they have joined a class attack on the most vulnerable people in our society.

Mr Stoner: Shame!

Mr KERR: It is a shame, and it is an act of treachery. It will be interesting to see how many members of the Government are prepared to support the legislation and how many members representing electorates in the Sutherland shire are prepared to speak on behalf of the thousands of people in that shire who will be affected

by this legislation. People have been robbed of their rights and their dignity. The honourable member for Gosford stated accurately that the tragedy is that this is all being done on a premise that may prove to be totally false. We will be in a position to know that within the next few months. As I say, this is a particularly sad day for the labour movement in this State.

Mr OAKESHOTT (Port Macquarie) [8.20 p.m.]: I also express concern about this legislation. I reiterate the ongoing concerns that the Coalition has in relation to aspects of workers compensation in New South Wales. There are three clear principles about which members of this House are seeking direction. One is a reduction in the debt—the extent of which the Government seems unwilling to reveal. The second is a reduction in the premiums faced by the small business community in particular, but by business in general. The final principle is the loss of workers' entitlements. I believe that those three principles could be delivered by reforming the workers compensation scheme. Honourable members would agree on the need for reform within the guidelines and principles of reducing the debt, reducing premiums and protecting workers entitlements. Unfortunately, we on this side of the House are of the view that the reform process being undertaken by Mr Della Bosca will achieve none of those principles. We do not believe we will see a reduction in the debt. What tranche are we up to?

Mr Kerr: We have lost count.

Mr OAKESHOTT: We have lost count, but we do not believe that this bill will achieve anything on that front. That is emphasised by the Government's reluctance to reveal the true state of play in regard to the WorkCover scheme debt. I encourage the Government—through the Nile committee, a media release or a statement in this House—to reveal the true state of play so far as the debt to New South Wales is concerned. That would establish a starting point. However, the Government's reluctance to do so leads us to only one conclusion: that this legislation will not lead to any reduction in that debt. What we will see over the next 12 months in the lead-up to the next State election is a false reform package based on false figures—

Mr Kerr: Like the green slips.

Mr OAKESHOTT: Yes, like the green slips and like just about anything that Mr Della Bosca, in his capacity as Minister for everything and Minister for nothing, seems to have a habit of contributing to political life in New South Wales. The issue of premiums is of grave concern to many businesses in New South Wales, particularly to many small businesses on the mid North Coast. There is no doubt about the need for reform, but all we see from round one of Mr Della Bosca's workers compensation reform is a more complex system that is making life more difficult for small business on the mid North Coast.

Only two months ago the industry classification premium tables were released. They increased from three pages to 492 pages. That is the result of round one or tranche one of Mr Della Bosca's reforms. It was only when those premium tables had been released that small businesses on the mid North Coast began to realise that the so-called reform process, the simplification process, was complicating the issue even further. In many instances premiums went up significantly and paperwork has become even more complex. It was so absurd that one steel fabrication company in the Port Macquarie area complained that the extent of its premium changes was dependent on the type of steel it was using!

In any workplace involving fabrication, a whole range of steel is used, yet the Government—and Mr Della Bosca in particular in his naivete, knowing nothing about the implementation of life in a small business—was asking companies to try to identify the type of steel being used in the workplace at any one time in order to fit in with his table of industry classifications. As I said, that is just absurd. In addition, the engineering premium was increased by up to 7.19 per cent, having gone from one line in a table of engineering premium tariff rates to 150 pages of a breakdown. Small business should not have to put up with that on a daily basis. Small business should not have to work through that to find out where it fits into Della Bosca's premium tables.

We have already witnessed premium increases in areas such as clerical and financial institutions. Their premium rate of 0.58 per cent has become 30 pages of possible premiums, including: motor vehicle hiring rates, 2.7 per cent; boat and ferry hiring, 5.41 per cent; plant and machine hiring, 6.74 per cent; sign writing, 9.86 per cent; security and investigative services, 4.48 per cent; pest control, 3.12 per cent; and cleaning services, 10.06 per cent. These are all important to small business in a community such as Port Macquarie in an area such as the mid North Coast. Small businesses are now faced with a significant increase in paperwork—up to 30 pages. On the old scale it was one line on a tariff rate; they could find it easily and work out what rate was involved. Now they have 30 pages to deal with. Now they have to go to the absurd level of working out what type of steel they are using to fit in with Della Bosca's compensation scheme.

Here we see the implementation of round one of the so-called reforms, yet the system is becoming more complex. That is not reform; that is a Minister who is not in touch with what is happening in small business communities. It is not leading to a decrease in premiums, which was surely principle No. 2 that the Government and the Opposition were hoping, through this House, to see improved. We are not going to see a decrease in the debt. We might see it reported in the newspapers, with artificial figures being thrown around by the Government. We might see, in 12 months time, the artificial figure that was used as a starting point replaced with another artificial figure, so that in the lead-up to the next election campaign the Government can say it has done something about workers compensation debt in New South Wales.

If that is the case, the Government should release the actuarial figures so that we have a true starting point in New South Wales. As round one of the workers compensation reforms are being implemented, small businesses in New South Wales are saying, "Hang about. Our premiums have gone up and the paperwork has become more complex. What a great round of reform for New South Wales." Finally, in regard to workers entitlements, we have seen the so-called workers' party walk away from what should be its roots. The Federal election result, particularly with regard to Western Sydney, demonstrates that the Labor Party, this so-called workers' party in New South Wales and Australia, has forgotten where it came from.

The honourable member for Swansea is waving his hand. He is one of the so-called true believers, a so-called representative of the workers. I encourage the honourable member for Swansea to speak in this debate and to defend his position in respect of workers entitlements. That would be a start. What we will see in this debate in this Chamber tonight is a party walking away from the workers. I note the presence in the gallery of the recently-appointed Minister for Police, the 17-day police Minister, the man who led the protest out the front of this Parliament on this very issue of workers entitlements. He defended the cause on behalf of workers in New South Wales. Yet, suddenly, all was quiet at the Labor Council. This new Minister was appointed to the upper House to represent the Labor Party—a party he fought so hard to convince with regard to the need to defend workers entitlements. Suddenly he has become the new Minister for Police.

I ask the new Minister for Police to defend his position when the bill is debated in the upper House. I ask him to explain his position; how he came to do a 180 degree turn to become Minister for Police, after having been head of the Labor Council of New South Wales and having led the rally of workers in New South Wales, all of whom felt aggrieved by proposed changes to workers compensation legislation. I ask him to defend the position he now holds. First, I encourage the honourable member for Swansea and any other member of the Labor Party in this Chamber to defend their positions to their electorates and to workers in New South Wales.

Second, I ask the new, 17-day Minister for Police, who is sitting in the gallery, when this bill is debated in the upper House to explain his position as the former head of the Labor Council of New South Wales. I recall he led a rally in Macquarie Street when the Premier thumbed his nose at him and raised his fingers to him. This legislation should meet three principles. The Opposition wants a reduction of the debt in the WorkCover scheme, a reduction in premiums for small business in particular and a protection of workers' entitlements in New South Wales. However, the bill does none of that. I know that many members of the Labor Party are biting their tongues and sitting on their hands as this bill goes through this Parliament: it hurts them a lot.

Mr Orkopoulos: Your leader says you are going to vote for it.

Mr OAKESHOTT: I will respond to that interjection. This Government is trying to be in opposition. It has introduced absurd legislation. The Leader of the House has given the Opposition three to four hours to deal with this bill. We are not walking away from workers, a reduction in premiums or a reduction in the debt, but the Government is. The people elected this Government to fix the problems and the Opposition encourages it to act accordingly. And acting accordingly does not mean taking away workers entitlements. As we move towards the next election the Coalition will be putting an alternative to the people. We will ask those whose rights are being taken away and who protested in Macquarie Street so diligently with the new Minister for Police to vote for our package as an alternative to that presented by the Government today. We believe we will have a clear majority at the next election and at that time we will fix the Government's problems.

Several small businesses in the Port Macquarie electorate have been effected by these problems. Soft Edges Pty Ltd, which produced many Olympic uniforms including the women's basketball team uniform, is now exporting to Puerto Rico. It has excellent occupational health and safety standards. Its managing director, David Edgerley, is well known in Port Macquarie. He is head of an Australian business that has excellent work standards. Soft Edges has had no claims made against it yet its premiums have increased significantly over the past five years. I urge the Government to explain that and to do something about reducing those premiums. *[Time expired.]*

Mr STONER (Oxley) [8.35 p.m.]: This significant legislation arose as a direct result of the Sheahan inquiry into common law, following the passage of reforms to workers compensation earlier this year. Unfortunately, the bill was only second-read this afternoon. With undue haste the Government is seeking to ram through this bill despite serious concerns of workers, employers and the legal profession. In summary, the bill contains a number of common law reforms including the introduction of a 15 per cent threshold; the removal of non-economic loss payment entitlements from common law; a provision for economic loss in common law damages to be calculated up to retirement age; the removal of the election requirement, whether to proceed at common law or with the statutory scheme; a provision for limited future care costs for seriously injured workers; a provision for uninsured injured workers to have access to an uninsured liability indemnity scheme for common law claims; and new procedures for the making of a common law claim, including a requirement to notify the grounds for the claim prior to commencing court proceedings.

The bill contains also reforms to the statutory scheme. They include the creation of a formula to determine lump sum payment under the statutory scheme, depending on the level of injury. In addition, there will be no entitlement to psychological or psychiatric impairment unless one passes the 15 per cent impairment threshold. Further, the pain and suffering threshold will be 10 per cent. That is a very brief summary of a fairly complex bill. I do not intend to go over the ground covered so well by those honourable members representing the electorates of Gosford, Cronulla and Port Macquarie. However, it is clear from my perspective in the electorate of Oxley, on the mid North Coast, that workers compensation premiums are out of control, particularly as they relate to a number of rural industries. For example, timber mills have suffered significant premium increases, despite relatively minor claims histories. Compared with other States, particularly Queensland, New South Wales is an uncompetitive environment for employers.

There is a need for a substantial reform of workers compensation provisions, systems and policies in New South Wales. But this bill will not deliver that much-needed, critical reform. As I have said, there is widespread opposition to, or at the very least concern about, the provisions of the bill. As the honourable member for Port Macquarie mentioned, the unions and the Labor Council have had a protracted battle on the issue, as evidenced by the largest gathering, protest or rally that I have seen here at Parliament House, including the picket line that the Premier expected his members to cross against their beliefs while he sneaked in the back way through the hospital next door and down through the basement. In the *Daily Telegraph* today an article headed "Unions Continue WorkCover Battle" states:

Unions ... say the legislation still is flawed... Labor Council secretary John Robertson ... welcomed the latest softening of the proposal but said flaws remained throughout the package.

Labor Council officials have been lobbying crossbench MPs, who hold the balance of power in the Upper House and will continue the tactic.

So, regardless of what happens in this place, it seems that the real game will be played in the upper House. That is where the Labor Council is looking to in an effort to at least amend if not block the bill, which is out of touch with workers and trade unions. As has been put so eloquently, this is one of the reasons behind the problems that are facing the Labor Party in New South Wales. Another group with major concerns about the legislation introduced so hurriedly today is the Bar Association. A document dated 26 November from the Bar Association states:

The most seriously injured workers are likely to be the most financially prejudiced by this proposed legislation.

The community objective of an affordable workers compensation system is not in issue. The Government need not and should not seek to achieve workers compensation affordability at the expense of the most seriously injured of New South Wales employees.

Despite the rhetoric of the Labor Party that it represents the working class, unions and employees, there are widespread expressions of concern by employees, employers and the legal profession saying that the very people that the Labor Party purports to represent will be the most disadvantaged by this bill. In addition to the concerns already stated, there are three others. The first is the removal of the provision for private underwriting of the workers compensation scheme. The second is the elimination of commutations. The third is retrospectivity. Private underwriting was recommended by the Grellman report in 1997. The Government has twice deferred implementation of the recommendations of the report and it now proposes to repeal the provisions for private underwriting. This shows that the Government is determined to retain a State-run scheme despite its constant blow-outs.

Although there have been some problems within the private insurance industry in recent times, it would be ill-advised to shut the door on an opportunity for a fundamental reform, which is what private underwriting

would present. As the honourable member for Gosford indicated, the Coalition will move an amendment in this regard. Lump sum payments will be abolished; there will be only weekly payments. All honourable members would have received representations from injured workers who have not yet had their claims processed. They are extremely concerned about this proposal. I understand that the Government proposes to defer the elimination of commutations until 1 February 2002. It may well be necessary, depending on the volume of claims received, to further defer that provision. The Opposition does not want any worker to be disadvantaged by the abolition of commutations as provided in the bill.

The bill is retrospective to 9 o'clock this morning. We are almost in reverse time. Introducing legislation with effect in the past is extraordinary and undemocratic. It is not the norm in this State and it remains a concern of the Opposition. As has been pointed out by previous speakers, the Opposition is unconvinced that the bill or any of the other reforms introduced by the Government in relation to workers compensation will produce any savings or rein in the huge deficit in workers compensation, which is spiralling out of control. The Opposition will not oppose the bill—it does not necessarily support it—because it is the Government's initiative.

The Government has had ample time to consult and to consider the various solutions, including those offered by the Opposition. The Government has chosen to implement the reforms in this way. Whilst we will move amendments to improve the bill somewhat, the Government has made its bed and it will have to lie in it. That will be the case before the next State election in March 2003 when the workers realise—some Government members must be squirming at this time—what has been done, the way they have been sold out by a Labor Government. The chickens will come home to roost.

Mr WEBB (Monaro) [8.48 p.m.]: Like my Coalition colleagues, I do not oppose the Workers Compensation Legislation Further Amendment Bill but I have major reservations about its implications, particularly the retrospective aspects, should it be passed by both Chambers of the Parliament. The bill seeks to change workers compensation provisions in this State in several major areas. The Coalition, along with injured workers and those who could be injured, has major concerns about the abolition of common law rights that have previously been enjoyed by injured workers. It is shortsighted of the Government to write off private underwriting, which could provide an opportunity to reduce the burgeoning debt facing this State because of mismanagement of workers compensation over many years. Private underwriting could have been a saviour in the current workers compensation mess.

Part of the reason for the Coalition not opposing the bill but not supporting it basically is to allow the bill to pass through this Chamber almost unamended—although there are some matters that I will mention in a moment. Irrespective of the Government's plans to reform workers compensation in this State—despite having got everything that it wanted in previous tranches of reform and in the bill now before the House, in the face of opposition from the Coalition, the Law Society, workers and employers across New South Wales—the goals so desperately sought by the Government have not, and will not, be achieved by these amendments to the Workers Compensation Act.

The abolition of commutations certainly will affect injured workers. The honourable member for Oxley spoke about a day to remember earlier this year, when this Parliament was the subject of a major blockade and picketing. On that day question time was conducted at a later hour than normal and the Premier sneaked through the library portal into the parliamentary precincts, rather than entering this place, along with his colleagues, via Macquarie Street. That, regrettably, was a day to remember. An issue that has caused a major stir in the community is that the bill deems its provisions to be operational from 9 o'clock this morning. That is notwithstanding the time it might take for the bill to pass through both Houses, and notwithstanding any possible amendments or reconsideration of the bill per force of debate. In other words, the passage of this legislation is deemed a foregone conclusion.

Those are three issues of concern. The Opposition calls on the Government to revisit the private underwriting of workers compensation insurance. The whole issue of insurance, reinsurance, security of private property, security of workers entitlements and wages revolves around the current issue of international insurance. The potential for private underwriting of workers compensation insurance in New South Wales, I would have thought, would be an option for the Government to consider, rather than write it out of the Act by a provision of this bill. Further, the Government should insert in the bill a provision to allow for a thorough review of the operation of these measures within the next 12 months—certainly before the next election. A massive backlog in court cases has occurred over past weeks and months because potential litigants and beneficiaries have been using existing provisions of the Act to lodge their claims prior to the commencement date of these amendments, which is deemed to be 9 o'clock this morning.

A number of other workers compensation issues are not addressed by the Government in this bill. The first is that New South Wales does not have an insurance scheme at all. In fact, employers and employees in this State have a claims management system, and that is about all. Employers are paying high premiums in the expectation that injured workers will be compensated. High premiums are a major problem for New South Wales employers in carrying on their businesses. Premiums for those in the meat, agriculture, fisheries and forestry industries, as well as in fairly dangerous alpine tourist activities, have meant that many employers cannot afford to employ people. That makes a nonsense of the New South Wales workers compensation scheme.

There are anomalies in the workers compensation system related to partnerships. I could instance examples of one member of a partnership working in a forest logging team, or from an abalone diving boat, or out on a farm in the field, where the partners involved only in the administrative side of those operations are subjected to the same premiums and loadings. That is absurd. This bill raises concerns for workers employed in dangerous industries, such as are found in the Monaro and across the State. Regrettably, the retrospectivity provision, abolition of commutations and provisions denying injured workers proper recompense are matters of serious concern.

I note that schedule 1.1, which contains the amendments relating to common law damages, states that the worker will cease to be entitled to participate in any injury management program. Neither I nor other members on this side of the Chamber have had time to read through all of the amendments proposed by this bill and therefore understand them fully, but it seems that some provisions such as that I noted in schedule 1.1 seem to be shortsighted. They could hardly be said to be the nub of this legislation, which is supposed to be protection of workers across New South Wales.

The proposed aim of designing a better operational workers compensation system across the State and reducing the workers compensation debt that New South Wales faces at the moment could hardly be said to be addressed by this legislative scheme. The Coalition questions who are the owners of the scheme. How will they have input to it? I note that the provisions of the bill give the Minister complete control of the scheme. Again, that hardly encourages employers, workers and industry groups who are au fait with the bill to embrace it warmly or believe that it will do anything to reduce the workers compensation debt or put in place a workable insurance scheme.

The central plank of this bill, as with other workers compensation reforms, must be private underwriting of the scheme. Unfortunately, the bill entirely negates private underwriting of the insurance scheme. Privately underwritten insurance, along with the responsibilities and duty of care of industry participants, should rest with the employers, workers and industry groups. However, with this bill, the Government shoulders the whole of the responsibility for underwriting of the scheme. Debts will continue to spiral out of control. The quantum of the unfunded liability is unknown. The massive increase in court cases in the near future can only compound that unfunded liability and clog up the whole of the workers compensation system.

This bill does nothing to reduce workers compensation premiums. New South Wales has only a claims management system. Following a claim employers pay back many of the charges and costs associated with that claim. We have all heard and know of many cases of employers paying increased premiums of tens of thousands of dollars for some years following a substantial claim. Of course, such increased premiums do nothing to help solve the problems of the system. It is unfortunate that the Government has not thrown this proposal open to scrutiny by the whole of the New South Wales community, employers and employees, and taken on board their comments on many of the issues raised by this bill.

Perhaps the Government should have thrown the existing scheme out the window altogether and come up with a brand new workers compensation insurance scheme that is workable and of benefit to everyone in this State by resolving the debt problem. There are ways in which that could have been done. The history of this Government on consultation, not only in relation to workers compensation but other areas of reform within this State, is poor. Any level of reform involving the lives of workers and employers certainly would not be my way of dealing with the matter.

The Law Society of New South Wales and other organisations have emphasised that the current system needs reform. Prior to the last election, the Coalition's policy was to reform the system, but not to the detriment of injured workers. That is still the Coalition's policy. The removal of common law rights is detrimental to injured workers and will do nothing to resolve the problem. Viable solutions, such as arbitration models, have been provided to the Government to resolve the WorkCover deficit. Legislation could have been introduced to

give effect to those models. Systems could have been set up within the workers compensation system to resolve problems equitably without taking away commutations and the ability of injured workers to address their grievances through the common law.

It is unfortunate that the Carr Government seems to be unable to solve this major social issue. In parts the bill has been drawn up on the run and has done nothing but aggravate employees and baffle employers. It has failed to resolve the debt issues. My Coalition colleagues and I have put the Government on notice about our concerns. If the Government were to consult during the next 12 months it may be able to bring forward some initiatives to properly reform the workers compensation system. The Government should throw out this bill, start again, consult, and address the system's major shortcomings.

Mr D. L. PAGE (Ballina) [9.01 p.m.]: I will make a brief, and I hope relevant, contribution to this debate. In the 13 years that I have been a member of this House, workers compensation has occupied the minds of both employers and employees. As legislators, we have a responsibility to try to do something constructive about providing a solution to the problems of the workers compensation scheme. To do that, three key matters need to be addressed. The first is the deficit, which currently stands at \$2.6 billion, having grown by \$577 million in the past six months. We should be mindful that at the end of the day that huge ballooning deficit has to be funded by the taxpayers. The scheme must be self-sustaining, and at the moment that is not happening.

The second matter is the reduction of the level of premiums. Employers' premiums are far too high. I was formerly an employer: my small commercial laundry business employed 30 people. Workers compensation premiums were a major drain on that business and, therefore, we were not able to employ more people. That business had to pay high premiums, although not as high as those in the timber or chicken processing industries. I assure honourable members that the significant premiums that my business had to pay, varying from 9 per cent to 14 per cent, on top of wages, had a huge impact on my business. Employers want their employees to be covered, but they do not want to send their businesses broke or be unable to employ further employees because of the cost of workers compensation premiums. Therefore, the second most important element of a viable workers compensation scheme is premiums that employers can afford.

The third key element of a good workers compensation scheme is the provision of appropriate cover for workers who are genuinely injured. Many people forget that important point. People injured in the workplace should be appropriately compensated, because often the opportunities for re-employment are minimal. Injured workers need to be looked after and they need to have access to rehabilitation. If that is not possible, they need to have some reasonably dignified standard of living. The three ingredients of a good workers compensation scheme are a reduced deficit, reduced premiums for employers and reasonable and fair compensation for injured workers.

This bill does not deliver on those three ingredients. It will not reduce the deficit. It will not substantially reduce premiums, if at all. I am concerned about restrictions on payments that can be made to workers. What kind of a scheme might deliver those outcomes? My view is that we need a much more sophisticated scheme than we have at the moment. Currently employers are paying premiums far beyond those necessitated by their workplace accident history. In other words, we have cross-subsidisation: good employers are subsidising bad employers. We should have a more sophisticated arrangement under which those with a bad history in relation to work-related accidents should pay higher premiums. Currently that is not always the case.

We need a genuine insurance scheme. At present we have a delayed or time-payment scheme. If an employer makes a claim, the cost of that claim is built into the employer's premium on an experience arrangement over the next three years, so that the employer is required to pay the claim over the three-year period. The employer is not in an insurance scheme. The basis should be that the insurer will meet the claim if the employer has paid premiums in advance, often over many years. The employer should not be asked to pay the total amount awarded to the employee over the three-year period. That is wrong.

To have a genuine insurance scheme the option of the private underwriting must be kept open. When the GIO was privatised, the option of opening up motor vehicle third party insurance to the private sector was available and there was a reduction in premiums. We must forever keep open the option of competition in the marketplace to make sure that the private sector has an opportunity to play a constructive role in reducing premiums. The option of private underwriting should not be shut off. The Opposition does not believe that this bill will achieve what the Government claims it will achieve. However, we want something to happen and we are prepared to give the Government a chance.

The Opposition will not oppose the bill, but it is important that it include provision for a review in 12 months of whether the provisions of the bill have worked and within three months of that review the

Government should be publicly accountable. Our position is strong in the sense that we are prepared to give the Government a chance. We have better ideas, but we are prepared to let the Government try. We will assess—we will make it public—the Government's performance on this legislation in 12 months to see whether it has achieved the sorts of outcomes the business community and employees want. We do not oppose the legislation.

Mr GEORGE (Lismore) [9.09 p.m.]: I offer a few quick comments on the Workers Compensation Legislation Further Amendment Bill. It is typical of the Government that we received the bill at 4 o'clock this afternoon and we are supposed to have analysed it by 8.30 tonight. The Minister for Agriculture is well aware of my concerns about workers compensation. As other honourable members have said, it is the single biggest issue facing employers in this State—more so in New South Wales than in any other State because workers compensation premiums in this State are dearer than in Queensland. I have been trying to tell the Minister for Agriculture this since he visited the Northern Co-operative Meat Company, of which I was deputy-chairman, three years ago.

The Minister knows how those premiums affect that company as well as other major employers in my area, even down to the little sports store that employs two people. Over the past five years premiums have increased some 200 to 300 per cent. This is not on; small businesses cannot afford it. This bill provides for statutory scheme reforms such as the creation of a formula to determine lump sum payments depending on the level of injury. There will be no entitlement to compensation for psychological or psychiatric impairment unless one passes a 15 per cent impairment threshold. The pain and suffering threshold is to be 10 per cent. The part that I am concerned about, like other honourable members, is private underwriting. This was recommended by the Grellman report in 1997 but the Government has twice deferred its implementation. It now proposes to repeal the private underwriting provisions. What is going on? This is significant, as it shows that the Government is determined to retain the State-run scheme despite the constant blow-outs it suffers. The blow-out in this State will continue every day until the Government addresses it—and it needs to be addressed.

Mr Amery: That is what the bill is about.

Mr GEORGE: That is why we are letting it go through this House. We hope it will achieve its aim. We are letting it go through tonight unopposed to see how good the Government is at fixing this problem. The attraction of public ownership is that the Government can potentially manipulate the rates prior to the 2003 election. We have all been concerned about this. Commutations—lump sum payments in lieu of weekly payments—are to be abolished. Due to the huge number of applications filed recently and the backlog in dealing with them, the Government proposes to defer this until February 2002. There is some suggestion among stakeholders that the Government will amend the draft bill to allow for commutations in cases of serious injury. I am pleased that the Government has deferred the retrospectivity of this bill for another three months. My concerns need to be addressed.

Mr AMERY (Mount Druitt—Minister for Agriculture, and Minister for Corrective Services) [9.14 p.m.], in reply: I thank all honourable members for their contributions to the debate, and state the obvious. The Minister for Industrial Relations will take into account many of the views put by members of the Opposition this evening. The commencement of the new provisions is necessary as common law claims have been rising rapidly and are currently being filed at the rate of approximately 500 a month. The new system will apply to all claims after the introduction of the bill on 27 November.

The intention to reform common law has been known for at least seven months. The increase in common law claims over this period indicates that people had the opportunity to lodge applications under the old system if they considered it better met their needs. In cases such as this it is quite proper to name the commencement date of the introduction of the bill. This is standard practice for budget measures, and it was the case when the Health Care Liability Bill was introduced. When workers compensation benefits for pain and suffering were reduced in 1997, the lower benefits applied from a specified date regardless of when the injury occurred. The 6 per cent threshold for hearing loss applied from the date of announcement in 1995. The bill was introduced a month later.

It is also worth drawing attention to the claim by the honourable member for Gosford that there was no consultation on these reforms, despite what was said in the second reading speech. The commission of inquiry into common law was carried out in a highly consultative manner. Consultation occurred with key stakeholders, and an expert reference group was established to provide assistance to the inquiry. Since that time there has been further consultation with the advisory council, employer groups, and the Labor Council of New South Wales. This included the release of a draft bill two weeks ago to both the advisory council and the Labor Council. Significant changes have been made as a result of that consultation.

I also draw attention to the honourable member for Gosford's claim that the bill abolishes commutations. Schedule 8 to the bill does not abolish commutations, it simply targets them better. Research prepared by PricewaterhouseCoopers this year found that many workers who do not have entitlement to weekly benefits received a commutation, and workers who really needed a significant degree of help from the scheme were being short-changed by the commutation payments they received. PricewaterhouseCoopers also found that commutations are a significant net loss to the scheme. In the scheme's present financial circumstances such a huge continuing loss cannot be sustained.

Accordingly, the bill seeks to target commutations better by requiring the worker to have a permanent impairment of 15 per cent. Further, there must be a demonstrated, existing and ongoing entitlement to commutation for the worker to be eligible. WorkCover will certify that these criteria have been met. It should be noted that most Australian States do not have commutations or, where they do exist, they are so heavily restricted that they do not compare with the New South Wales experience. For example, Victoria only allows commutations where the worker has an impairment of 30 per cent. This is a responsible package of amendments and it should be supported.

Various issues have been raised and they will be raised again in the upper House. To state the obvious, given its history this year, this compensation package has been contentious. It is an especially contentious issue for a Labor Government to introduce. The issue has been raised by a number of members of my community, trade unions and branch members. Many other members of the Labor Party in this House will attest to the same questioning, concern and, perhaps, opposition in their constituencies. I cannot go to a meeting of the Mount Druitt North branch of the ALP without having some strong views put to me by branch members such as Joe Fisher, George Jenkins and Vince Ross and others.

The Carr Labor Government would not push through this legislation in the face of strong opposition and concerns from its own constituency if it were not absolutely necessary. It is commonsense that no government would do that unless it were essential. The arguments and reasons are well known. I spoke on the matter when it was first debated this year and I do not intend to repeat those comments. The legislation is necessary because the scheme is getting into deeper financial trouble virtually day by day. The honourable member for Ballina and the honourable member for Lismore would acknowledge that. The premiums required to finance the deficit are a disincentive for employment and investment in our State, and, as some Opposition members have highlighted, our neighbouring States have far more competitive workers compensation premiums. This means it is more expensive to employ people in New South Wales.

As I said in my second reading speech, workers can get a better deal on benefits by changing from a system that helps the legal profession almost as much as it helps the injured workers, because such a system is not sustainable. The honourable member for Lismore, for whom I have a lot of respect, was previously a member of the Northern Co-operative Meat Co. Ltd. When I spoke to members of that company many years ago they were concerned about the high cost of employment and workers compensation.

That matter has been raised with me on many occasions by processing companies around rural New South Wales and I know that those organisations have lobbied the National Party. It begs belief that those members can complain in this House about the high cost of premiums and employment and its impact on rural communities, yet when this matter was debated in the House on the last occasion and in the Legislative Council those same members voted against the bill. The scheme has problems but when a solution is presented they vote against it.

Mr Oakeshott: It is not a solution; that is the problem.

Mr AMERY: That interjection is, of course, the old each-way bet. The Opposition suggests it is not a solution because it was introduced by a Labor Government. The Government is trying to address these difficult problems, to increase the money in the scheme, to ensure that workers get more of the pie, and to ensure a reduction in the cost of the scheme so that more people can be employed in New South Wales. Obviously the bill will be debated further in the Legislative Council. I thank honourable members for their contributions. The Government will oppose the foreshadowed amendments. I know that will come as a surprise to the honourable member for Gosford and I hope he has not been ambushed by that revelation! I will outline the reasons for that in Committee.

Motion agreed to.

Bill read a second time.

In Committee

Clauses 1 to 3 agreed to.

Schedules 1 to 5 agreed to.

Schedule 6

Mr HARTCHER (Gosford) [9.25 p.m.]: The Coalition does not support the inclusion of schedule 6 in the bill, which removes the private underwriting provisions, the result of the Grellman report of 1997. The Grellman report is a blueprint for reform for workers compensation. Although the Coalition does not endorse all of the Grellman report, it endorses the thrust of it, which is to try to establish a system of stakeholder ownership and to engender responsibility for the scheme. At present the Government, insurance companies, employer groups and trade unions all walk away from the scheme. Nobody feels that they have a responsibility for it, and the deficit continues to spiral.

There needs to be responsibility for claims. At present, once a claim is lodged the insurance company simply acts as an agent for WorkCover to process the claim and is paid a fee for processing it. The insurance company does not manage the claim in the way it would manage a claim involving a motor vehicle accident or a fire. In that case the insurance company would check out the claim, and pay the claim if it established it was bona fide; and the insurance company would lose money from its pool of funds. Under the present WorkCover structure there is no insurance company to lose money from its pool of funds so WorkCover loses money. The insurance company merely acts as an agent for the WorkCover Authority. That system is not working, and one of the many reasons is that nobody has an interest in stopping it from losing money. Insurance companies do not have the same interest they would have if they were managing the fund.

Accordingly, the Coalition supported the introduction of the private underwriting provisions and opposed the two deferrals by the Special Minister of State, the Hon. John Della Bosca. Yet the Government is now seeking not only to defer the provisions but to remove them altogether. Why is the Government seeking to do that? Why not allow the provisions to remain in the legislation, even if they are not activated? The only reason can be that the Government wants to have final control over the premium structure through its control over WorkCover. It wants to ensure that at the end of the day when the premium notices go out it has control over the rates that are charged, rather than the insurance companies having control through a licensing system.

It is reasonable to infer that the Government wants that power so that when the insurance notices go out in June or July 2002 it can, by whatever means, reduce premiums in an endeavour to influence voters in the 2003 election. The Australian Labor Party does nothing by chance or in the public interest. It acts only in its own interest, and there is nothing that focuses its interest more than a potential election, and particularly a potential election loss, as it is now facing on the last Saturday in March 2003. That will be a day of reckoning for every Labor member. The seat of Londonderry will be one of the first seats to fall. As the Federal member fell on 10 November, so will the honourable member for Londonderry fall like ripe fruit.

The TEMPORARY CHAIRMAN (Mr Lynch): Order! I ask the honourable member for Gosford to return to the matter before the Committee.

Mr HARTCHER: What is more significant is that this legislation has been cooked up by the Labor Party as part of its program to retain control of the premium structure so that Labor can use it for its own political purposes. We reject that. We will not be a party to it. We will fight it in this House and in the Legislative Council. We will also fight for the principle that private underwriting is one way that the scheme can be brought back under control, and the \$3 million a day being lost from the scheme courtesy of the Australian Labor Party's massive mismanagement of WorkCover can finally be brought to a halt. The workers compensation scheme is haemorrhaging, and the Labor Party has no mechanism to stop the scheme haemorrhaging other than its program to deny workers their rights.

Mr Oakeshott: And squeeze small business.

Mr HARTCHER: As the honourable member for Port Macquarie says, squeeze small business with escalating premiums. I will not repeat the points I made in my contribution to the second reading debate, but I will conclude on this point. Unless the Carr Labor Government is prepared to acknowledge that ownership of the scheme by stakeholders is fundamental to reform of the scheme and getting in on the right fiscal track, we

will go nowhere, no matter how many tranches of reform are proposed. That came out in evidence time and again during the Nile inquiry. Virtually every actuary and accountant, Mr Grellman and all those who presented professional, unbiased evidence to the Nile inquiry said, "Get some ownership in it."

The Wisconsin scheme, on which the Grellman report was modelled, is based upon the fundamental premise that those who own the scheme will look after it and ensure that it works. People who own a house ensure that it is properly maintained; people who rent a house do not have the same interest in ensuring that it is properly maintained. The analogy goes right across the board. Get this scheme under some system of ownership! Do not misuse or abuse the scheme, as the Government regularly and flagrantly does for its own political purposes. For once, the Government should act in the best interests of the State and the workers of the State. Accordingly, I indicate that the Coalition will not support schedule 6.

Mr AMERY (Mount Druitt—Minister for Agriculture, and Minister for Corrective Services) [9.31 p.m.]: The Government does not agree with the Opposition's contradictory argument that this bill is about preparing the Labor Party for the next State election. Earlier this evening some members opposite argued that this legislation will hurt the Labor Party at the next State election. There seems to be some inconsistency in the Opposition's rationale of what impact this legislation will have on the Government politically. Provisions relating to private underwriting were inserted into the legislation in 1998 following the Grellman review into the WorkCover scheme. The interim advisory council, which later became the advisory council, strongly supported the shift to private underwriting.

Although originally scheduled to commence on 1 September 1999, this has since been deferred indefinitely for a range of reasons but mainly because premiums would become unaffordable. The Government has decided that there is a need for a more fulsome review of scheme design to identify the best possible approach to provide that the underwriting arrangements of the scheme assist in delivering the scheme's outcomes. Issues that arose during the implementation phase for private underwriting, especially in relation to proposed premium levels, insurance performance on injury management and other issues, have highlighted the need for more detailed consideration of these issues. This review will occur probably during the first half of next year.

As to the issue of premium levels under a privately underwritten scheme, I draw the attention of members opposite to the premium levels that would have arisen had we moved to private underwriting in June 2000. In terms of average premium levels, the rate under a privately underwritten scheme would have risen at the time to approximately 3.5 per cent of wages, compared to the current 2.8 per cent. These estimates do not take into account the effect of the GST or the need to address the deficit. If honourable members support moving to a privately underwritten scheme at the current time, in effect they support higher premiums for employers. That is contrary to the argument put forward by the honourable member for Gosford.

The New South Wales Government has accepted this argument and has decided to amend the legislation to delete the provisions relating to private underwriting pending the further review which I have already indicated will probably take place next year. How can members opposite possibly argue for a position which will increase premiums and use as their argument the reason that premiums should be lowered? The Opposition's argument, based on the politics and substance of this debate, is simply mischief making and is inconsistent by any independent assessment. The Government will be supporting the schedule.

Mr KERR (Cronulla) [9.34 p.m.]: What the Minister has just said is contradictory in the sense that Opposition members have not been talking about politics. We have been talking about a scheme that has operated in a highly successful manner since the 1920s.

Mr Amery: Yes, for your profession.

Mr KERR: Mr Temporary Chairman, it seems that the Minister wants to attack your profession.

The TEMPORARY CHAIRMAN (Mr Lynch): Order! The Minister is not attacking the Chair.

Mr KERR: I am a little disturbed that the Minister would make a reflection on the profession of the Temporary Chairman. I am disturbed by what the Government is doing in this bill, because it has not followed the objective advice it received, as outlined by the honourable member for Gosford. I would have been more interested if the Minister had spoken about the Wisconsin scheme and the way the Grellman report was based on that.

Mr Amery: Objective advice from the honourable member for Gosford? Give me a break!

Mr KERR: The Minister might get a break at the next election. Some Labor Party branches are working on it.

The TEMPORARY CHAIRMAN: Order! The Committee will come to order and allow the honourable member for Cronulla to continue his speech.

Mr KERR: In the scheme that operated under both Labor and Liberal governments, provision was made for private underwriting, and the insurance industry had a significant part to play in that. We need to put back some stakeholding in the scheme. The history of this matter in terms of the Government's reform has been to provide a diagnosis of the problem that consecutively has proved incorrect. When the Minister responded to the honourable member for Gosford he used the theory of probabilities. He said we will probably have a review. There has been no guarantee.

Mr Amery: No, we will have a review probably early next year.

Mr KERR: I see. The Minister may come from the Egan school of prophecy: one gives a guarantee that legislation will be introduced—in the Treasurer's case it related to the Auditor-General—within a few months or a few weeks. However, we are still waiting for that legislation. The Minister has not done an Egan because he has not been absolute. If we are still waiting for the review in December next year, the Minister can say, "Well, I did say 'probably' at the time." The Minister has had some experience with the balance of probabilities in a previous life, and he has sought to address the Committee on that basis. However, if the Government wants to be sensible, if it wants to do the right thing by workers—there is always a first time for everything!—it would accept the removal of schedule 6. Of course, the Government is not interested in dealing with the matter.

Mr RICHARDSON (The Hills) [9.38 p.m.]: I want to address this issue briefly because I am concerned about the Minister's remark that the matter of repealing private insurance arrangements will be reviewed next year. If the matter is to be reviewed next year, one must ask why the Government has done such a comprehensive job of repealing any reference to "private insurance arrangements" within the legislation. There are four pages of omissions from the legislation. The Government has made sure that it has left no stone unturned and that every reference to private insurance arrangements will be expunged from the Act. When we consider that the projected liability of the WorkCover scheme is some \$2.76 billion and that WorkCover's auditor, Tillinghast Towers Perrin, has scaled down projected savings from the Government's reform package from \$250 million to \$215 million a year—which is substantially less than 10 per cent of the current projected liability—we must recognise that we might need to look at alternative arrangements some time in the future.

Why does the Government want to close the door on those alternative arrangements? It is not necessary or essential. It will not prevent the Government's proposed reform package from being accepted in this place or stop the \$215 million in savings—paltry as they are. We should leave our options open. I believe that would be an extraordinarily sensible approach for the Government to take. That is why the honourable member for Gosford has sought to remove schedule 6, why the Opposition supports that proposition and why it will continue to do so in another place. We do not believe that schedule 6 is necessary to the Government's reform package.

Question—That the schedule stand—put.

The Committee divided.

Ayes, 43

Mr Amery
Ms Andrews
Mr Aquilina
Mr Ashton
Mr Bartlett
Ms Beamer
Mr Black
Miss Burton
Mr Campbell
Mr Collier
Mr Crittenden
Mr Debus
Mr Face
Mr Gaudry
Mr Greene

Mrs Grusovin
Ms Harrison
Mr Hickey
Mr Hunter
Mr Knowles
Mrs Lo Po'
Mr Martin
Mr McBride
Ms Meagher
Ms Megarrity
Mr Mills
Ms Moore
Mr Moss
Mr Newell
Mr Orkopoulos

Mr E. T. Page
Mr Price
Dr Refshauge
Ms Saliba
Mr Scully
Mr W. D. Smith
Mr Stewart
Mr Tripodi
Mr West
Mr Whelan
Mr Woods

Tellers,
Mr Anderson
Mr Thompson

Noes, 30

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

Pairs

Mr McManus	Mr Armstrong
Mr Markham	Mr Collins
Ms Nori	Mrs Skinner
Mrs Perry	Mr Tink

Question resolved in the affirmative.

Schedule 6 agreed to.

Schedules 7 to 9 agreed to.

Schedule 10

Mr HARTCHER (Gosford) [9.52 p.m.]: I move Opposition amendment No. 1

No. 1 Page 57, schedule 10.2. Insert after line 20:

[4] Section 248A Review of Act

Insert "and the *Workers Compensation Legislation Further Amendment Act 2001*" after "*Workers Compensation Legislation Amendment Act 2001*" in section 248A (1).

[5] Section 248A (2)

Omit the subsection. Insert instead:

- (2) The review is to be undertaken as soon as possible after the period of 12 months from the date of assent to the *Workers Compensation Legislation Further Amendment Act 2001*, and is to be completed by 31 December 2002.

[6] Section 248A (3) (a)

Insert "before 27 February 2003" after "House of Parliament".

[7] Section 248A (4)

Insert "and before 27 February 2003" after "copy of the review".

The TEMPORARY CHAIRMAN (Mr Lynch): Order! The Committee will come to order. If honourable members wish to conduct private conversations, they should do so outside the Chamber.

Mr HARTCHER: The purpose of this amendment is simply to ensure that there is a reporting-back process in the legislation with which the Government must comply. The amendment provides for a report back after 12 months. The first part of the amendment changes the name of the legislation. The second part of the amendment provides a review that is to be undertaken as soon as possible after the period of 12 months from the date of assent to the legislation has elapsed and is to be completed by 31 December 2002. After that, the review comes back to Parliament. I am surprised that the Government will not accept this amendment. It is a simple amendment which is designed to ensure transparency of process. It is also designed to ensure that the Parliament, which is the responsible body for the legislation, is fully aware of how the legislation is being implemented.

The amendment does not change the operation of the bill and does not impact adversely on any government services associated with the bill. It simply ensures that people have a system whereby they know how effective or ineffective this legislation is. The only point is that if the legislation is effective, the Government can trumpet that to the world and say how effective it is. If it is ineffective, the Government will seek to amend it and perhaps that is why this Government is not prepared to accept the Opposition's amendment. This is a test of the Government's bona fides. If the Government is serious and bona fide, then it should be only too happy to come back to the Parliament and furnish a full report within 12 months after assent or at the very latest by 31 December 2002. If the Government is not genuine and not bona fide in this matter, then of course it will oppose this amendment. Accordingly, I commend the amendment to the Committee.

Mr AMERY (Mount Druitt—Minister for Agriculture, and Minister for Corrective Services) [9.55 p.m.]: The Government opposes the amendment. It is worth pointing out that the Workers Compensation Legislation Amendment Act 2000 already includes a review clause. This clause was included in the bill when it was introduced during the last session and it was the subject of amendments which were accepted by the Government. One has to question how serious the Opposition is about having a proper review. The amendment will require the review to start 12 months after the date of assent to the current bill. The review is to be completed by the Independent Pricing and Regulatory Tribunal [IPART] before 31 December 2002.

It is now near the end of the year and taking into account the time frame, the Government does not believe it is practicable to accept the amendment. The amendment is not about having a serious review of the implementation of this legislation. This is complex legislation. It will need a proper review so that the impacts can be properly monitored. The Government does not believe that the time frame for the Opposition's amendment is acceptable or achievable. As I said at the outset, workers compensation legislation already includes a review clause.

Mr HARTCHER (Gosford) [9.56 p.m.]: The real reason the Government will not support the amendment is that it will not want to reveal to the Opposition or to the public just four months away from an election how ineffective its workers compensation reforms are. If the Government were genuine, it would bring the results of the review back to Parliament and boast of its success. The Minister would say, "It is working and the premiums are under control. The premiums will fall." The Minister does not want that because he is frightened of the implications if the report were to come back to Parliament and show that the premiums had not fallen at all but, rather, had increased by as much as 20 per cent, as prophesied by the actuary for the self-funded insurers. The Minister has a lot to hide. The amendment exposes his fear that all the failures of the reforms will be revealed as a farcical exercise that achieved nothing. The Australian Labor Party is not genuine about these reforms. If it were genuine, it would have nothing to hide.

Mr Tripodi: That is not so.

Mr HARTCHER: The honourable member for Fairfield has something to hide. The person who has something to hide in this Parliament is the honourable member for Fairfield. He has plenty to hide and he would be well advised to keep quiet rather than have his reputation exposed in the Parliament. If the Government is genuine, the Minister will accept the amendment. If the Government is not genuine, the Minister will oppose it.

Question—That the amendment be agreed to—put.

The House divided.

Ayes, 31

Mr Barr
Mrs Chikarovski
Mr Debnam
Mr George
Mr Glachan
Mr Hartcher
Ms Hodgkinson
Mr Humpherson
Dr Kernohan
Mr Kerr
Mr Maguire

Mr McGrane
Mr Merton
Ms Moore
Mr O'Doherty
Mr O'Farrell
Mr Oakeshott
Mr D. L. Page
Mr Piccoli
Mr Richardson
Mr Rozzoli
Ms Seaton

Mr Slack-Smith
Mr Souris
Mr Stoner
Mr Torbay
Mr J. H. Turner
Mr R. W. Turner
Mr Webb
Tellers,
Mr Fraser
Mr R. H. L. Smith

Noes, 43

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

Pairs

Mr Armstrong	Mr McManus
Mr Collins	Mr Markham
Mrs Skinner	Ms Nori
Mr Tink	Mrs Perry

Question resolved in the negative.

Amendment negatived.

Schedule 10 agreed to.

Bill reported from Committee without amendment and report adopted.

NATIONAL PARKS AND WILDLIFE AMENDMENT BILL

Second Reading

Debate resumed from 16 November.

Ms SEATON (Southern Highlands) [10.09 p.m.]: I lead for the Opposition on the National Parks and Wildlife Amendment Bill. The bill aims to be a modernisation of the 1974 Act and to reflect the Visions for a New Millennium review process, which commenced three years ago. People in New South Wales need to be confident that their environment is being properly stewarded and cared for and that there is a formal reserve system representative of our ecosystems and biodiversity. Those who manage our parks and require compliance by others must be fully and reasonably accountable, and we must not rely on a formal reserve system alone to meet our conservation objectives.

Many respected academics, including the Director of the Australian Museum and CSIRO scientists, have made the point, which I endorse, that if we are to achieve a healthy maintenance of our biodiversity in New South Wales we must look beyond the formal parks system and find ways to conserve biodiversity in innovative ways. We must abandon the idea that the Government has a monopoly on responsibility and expertise in conservation and involve the private sector, farmers and private individuals in that effort. We must provide proper incentives for private landowners to participate or bear the burden of community conservation expectations.

Australian Museum Director, Mike Archer, argues that 300,000 hectares of reservation are required for each habitat type to even sustain the biodiversity existing in the 7 per cent of New South Wales that is in the formal reserve system. The CSIRO and other ecologists argue that between 20 and 30 per cent of original vegetation should be conserved on farms. The World Commission on the Environment and Development wants 10 per cent of land protection achieved worldwide. The present bill is a welcome attempt to introduce flexibility into the ways we achieve better conservation outcomes. It claims to introduce some accountability into the management of the reserve system. That would be good if only it were true.

However, there are some very disappointing aspects to this bill. The management principles and proposed statement of objects in the bill are general, lofty and full of motherhood statements, which are hard to argue with. However, tragically, there is no solid set of management principles that set out the obligations, responsibilities and performance targets expected of the National Parks and Wildlife Service, on behalf of the people of New South Wales, to achieve those outcomes. The recent "State of the Parks" report, released by the Government, is a good example of the current lack of accountability in the National Parks and Wildlife Service system management framework.

The Council on the Cost of Government [COCOG], the government-owned management consultant, in 1988 in its "Service, Efforts and Accomplishments Environment" report said, "less attention has been paid to developing indicators of government efforts and accomplishments relating to the environment." The Environment Protection Authority biannual "State of the Environment" report, which makes a start at measuring many changes in our environment, unfortunately does not link its measurements back to performance indicators in our reserve system and its management. For example, threatened species recovery programs are worthy objectives, but of the 707 recovery plans needed only 71 or so had been drafted by 1998. About half our parks and reserves still do not have a plan of management.

I am very disappointed that the Minister for the Environment is not in the Chamber for this debate. This is the first review of the National Parks and Wildlife Act in nearly 30 years. I thought that he would have been interested to participate in this debate. The fact that he is not here is a great indication of the Government's real credentials on the environment. The Minister, when he launched the "State of the Parks" report a week or so ago, called it "meaningful indicators for measurement and accountability". It is interesting to note that the National Parks Association called it a travelogue. I will not repeat what I called it. It is one of the most disappointing publications to have come out of this Government.

I will relate to the House an example of the lack of usable benchmarks in the report. First of all, it is generally true that in this entire report there is no quantitative data. It lists the types of plants and animals that can be found in each of the chosen parks or reserves, but a reader would not have any idea of the size of the population of each of those species, whether they are healthy and thriving population groups or whether they comprise a rare sighting of a particular species once in a blue moon. A specific example comes to mind of Lake Mungo National Park, a magnificent park I visited recently. I was told by the local parks officer, who was kind enough to show me around the park, including the spectacular dune formation and many aboriginal objects and places, that one of the species in the park was the dunnart.

The presence of a small terrestrial mammal would be worthy of mention in the "State of the Parks" report. Apart from its own intrinsic interest, the presence of small mammals would have been an indication of the ecological integrity of that area. Perhaps it would have been seen as a sign of success in the face of undoubted pressures from foxes, cats and other feral animals which would presumably prey on the dunnart. The "State of the Parks" report in the Mungo National Park entry is silent on the presence of dunnarts. This is a very disturbing flaw in the Government's methodology. The cynics amongst us might say that if the dunnart is not counted in an audit, there is less embarrassment for the Government if, and perhaps when, it becomes extinct in that area. You do not miss what you never knew you had.

The reason I am cynical is that, like many people in regional New South Wales, I am very aware of the growing threat of feral animals in our landscapes, both on and off reserve. I believe, as do many others, that the National Parks and Wildlife Service is not resourced sufficiently to manage feral animals on the land it controls, and that feral animal and weed control does not command a high enough priority on the parks agenda. Unless an integrated feral species control strategy is high on the agenda, there is ultimately little point in pouring lots of money into species recovery programs when the products of those programs essentially become fox food. In my area a very active group of people called the Friends of the Brush-tailed Rock Wallaby, who do enormously good work, are trying to restore habitat and reduce feral animals, particularly foxes, that prey on the brush-tailed rock wallaby.

The group has produced a short film, which is having its world premiere in Kangaroo Valley this month, as a fundraiser in an attempt to try to increase awareness in the public of the brush-tailed rock wallaby and the necessity to maintain its habitat. One of the problems the group is encountering is that the fox baiting protocols of rural lands protection boards prevent a certain level of success in fox baiting. We need to integrate all the fox baiting protocols amongst the different responsible agencies—the National Park and Wildlife Service, the Department of Land and Water Conservation and probably the Sydney Catchment Authority—so that we make a meaningful dent in fox numbers in the area. That is a practical example of integrated feral species control programs failing to do the job they are meant to do and failing to support a voluntary group of people doing its best to save a species.

What would be appropriate performance indicators for a national park? Would they be visitor numbers or parking revenues? If we truly expect our parks and reserves to play a conservation outcome, we must include performance indicators, such as the results of successful captive breeding programs, increases in wild populations of a particular native animal or reductions in feral pig numbers. I am disappointed that the objects and management principles in the bill do not include any evidence that the Carr Government expects the National Parks and Wildlife Service to truly come to grips with the issue. I am genuinely concerned, as I visit more and more of the national parks, that we risk the parks becoming much loved landscapes but empty of all but the most resilient of animal species.

To date only about 6,000 hectares are under conservation in the 72 or so voluntary conservation areas on private land. Voluntary conservation areas have the potential to help us reach broader conservation targets. I believe that the Government has a role to play in innovative conservation arrangements on the land it owns on behalf of taxpayers. I am pleased to see in the bill ways to achieve some conservation objectives on Crown land, which I will say more about later. If tough tests are to be applied to new conservation practitioners, such as private sanctuaries and those who manage private lands, so must those tests be applied to the existing public custodianship model, our national parks and reserve system. Much of this bill could be good if it were done properly. To its credit, the bill starts to open up broader expressions of conservation which I believe to be worthwhile, particularly the objective to find more flexible ways to achieve conservation outcomes beyond the reserve system, the National Park Estate.

However, the bill does not address the deficiencies in the National Parks and Wildlife Service management, which include a general lack of acknowledgement of the community's wish to access national parks and State recreation areas, and to enjoy the environment in a responsible and sustainable way. In fact, a reading of the bill suggests that the Government's real agenda is to provide fewer and fewer opportunities for sustainable access. The Coalition is very concerned about the wind-back in access opportunities. There has been little attempt to consult with user groups, whether they be horse riders, mountain bikers or other groups, to see what they are prepared to bring to the discussion in terms of innovative models to sustainably manage access. I can assure the Minister that there is great goodwill, good ideas and expertise among the stakeholders.

There is an inability to properly assess what the National Parks and Wildlife Service currently owns. I have just outlined some of my concerns about that in the context of a report on the state of parks. There is also a lack of commitment to properly monitor progress or success consequent upon previous reservation decisions. For example, we do not know what has been the effect of reserving, creating or declaring wilderness in certain areas. I would like to see a full independent assessment of the effect of that in a number of wilderness areas, so that we can truly understand whether responses have been worthwhile or beneficial, their effects and benefits, and whether there have been any downsides or a deterioration in the conservation values of those areas. We do not know. We are simply assuming that by creating a wilderness all will be better, but I am not sure that we should trust that assumption.

There is a lack of obligation to address the other end of conservation, which is actively managing feral animals and weed species, and enabling sustainable use by active management. It seems that there is a fundamental resistance to exploring what can be done with regard to the maintenance of good planning to enable certain types of access on a sustainable basis. A passive approach by the National Parks and Wildlife Service would ultimately result in the decision that even the lowest-impact activities, for example bushwalking, are unsustainable. Proactive management can make some things possible and sustainable that otherwise might not be. My disappointment is that there has been no attempt to put this sort of framework in place in the management principles. The bill provides a very general framework that absolves the National Parks and Wildlife Service and the Government of any real accountability.

The Coalition welcomes many of the provisions in the bill as they are sensible housekeeping measures that update the Act and replace or abandon out-of-date terminology. The destruction in the Kosciuszko National Park seen in the recent TransGrid land-clearing incident is still fresh in many people's minds, and I am pleased that this bill seeks to address some of the shortcomings in the existing legislation. Prompted by the TransGrid incident and the courts not having effective penalties available to them, the bill increases general penalties. The increase in maximum penalties from around \$4,000 to up to \$11,000 is welcome. The bill makes it an offence to remove water, soil, rock and so on from reserved land—again prompted by the TransGrid incident—and makes corporations and directors liable, and that is also appropriate.

The recent incident in which an overseas adventure magazine crew found its way to the holy of holies, the undisclosed Wollemi pines area, shocked many people. I believe that the provision to protect sensitive

information about the location of certain species by making those documents exempt from freedom of information is sensible. I was originally concerned about the revisions to the so-called 19 bird rule so that anyone who wants to buy, sell or hold a bird that is not exempt will now need a licence. However, I have discussed the issue with the Pet Industry Joint Advisory Council and it assured me that the new provisions require individual licences. The council also advised me that the new schedule of exempt birds has been extended to properly reflect the status of those species, thereby resulting in many bird keepers having simpler, or even no, licensing requirements. It is pleasing to see the closing of loopholes that have been used by unscrupulous people interstate trading in species such as the glossy black cockatoo.

I am also assured that the new provisions relating to cut flowers are sensible. I believe that it is important to encourage, where possible, the proliferation of native plant species that are available through legal commercial means. That will remove much of the temptation that some people feel to take rare plants from the wild. The more we can encourage people to be aware of and choose Australian native plants for their own backyards, in the greatest possible variety, the better, as we will be restoring native habitat and creating more opportunities for native animals to regain their place in our immediate environment.

The bill establishes a National Parks and Wildlife Service Advisory Council comprising 17 members, and, in each region across the State, a regional advisory committee comprising between 10 and 15 members. Both structures are deficient in that two major stakeholder groups—rural landowners and people with recreational interests—are not adequately represented. I have discussed this with the New South Wales Farmers Association and I know it shares this concern, especially on issues such as land management on national park boundaries and feral animal control. In another place the Opposition will move an amendment to require that the advisory council and the regional advisory committees have a member nominated by the New South Wales Farmers Association.

I have discussed recreational representation with the Hon. Malcolm Jones, who will move a similar amendment in respect of recreational stakeholders. The Opposition will support that amendment. I have discussed the bill with the National Parks Association, the Nature Conservation Council and the Colong Foundation. One of the issues they raised was the process by which plans of management are developed and approved by the Minister. It is not clear why plans of management, if developed at a local level, as they should be, will not be considered by the advisory council and why its advice will not be conveyed to the Minister. The original Act gave the advisory committee this power, but it is now gone. The Opposition has long advocated integrated natural resource management and the capacity of the advisory council to take a helicopter view. Surely it would be sensible to see how a particular plan of management fits into the whole scenario. Surely that is the sort of advice the Minister would want to hear.

The establishment of the management principles for each category of reserve is welcome, but, sadly, the drafted management principles are lofty and general. Whilst they talk of public appreciation and sustainable visitor use and enjoyment, they seem also to be framed so as to easily exclude sustainable recreation. "Regional parks" is the only category whose management principles define "recreation". The Opposition will positively consider amendments that are expected to be introduced in another place to ensure that the word "recreation"—meaning sustainable recreation—is restored to the management principles of each reserve category, except for nature reserves and Aboriginal reserve areas.

Many of our parks are still without plans of management. The bill is full of feel-good objectives with regard to plans of management, but there is a lack of any robust acknowledgement of the National Parks and Wildlife Service's management obligations regarding pests and weeds in reserves. The only reference to access in the plans of management is, "public understanding, enjoyment and appreciation". There is no recognition that the National Parks and Wildlife Service could, through proactive management and appropriate infrastructure, enable sustainable activities such as maintaining horse and bike trails. Without maintenance, most activities, including walking, could theoretically be deemed unsustainable.

There is no willingness by the Government for the National Parks and Wildlife Service to respond to the impact of activities to make them sustainable, and there is no recognition that some groups of users, for example mountain bike riders, would be prepared to accept agreements, possible user charges, or other models of reciprocal obligations that could help create sustainability without simply excluding an activity to achieve sustainability. Another concern is that the Minister can make minor amendments to plans of management without reference to a regional advisory committee or the public, and there is no detail as to what these minor amendments might be. They could seem minor to the Minister but seem major to certain stakeholders. I ask the Minister to outline clearly what he considers to be a minor amendment and what limits he would impose on his definition.

The Opposition will also positively consider amendments that would ensure that plans of management are available for public comment for 90 days, rather than 60 days as provided in the bill. The bill creates some new leasing and licensing models. Whilst I understand the concerns expressed to me by the National Parks Association, the Nature Conservation Council and others, I am pleased that the longer lease types are required to be consistent with a park's plan of management. That is an important principle.

Unfortunately, not all parks have a plan of management yet, and this will be a potential problem about which I will be keen to hear from the Minister. I am concerned that the seven-day short-term leases are not required to be consistent with the plan of management and, on my reading of the bill, those that take place on modified natural areas for less than seven days could include almost anything—even a pet show. I do not understand why short-term events would not be required to be not inconsistent with a plan of management. I have indicated that the Opposition is willing to consider amendments that would improve the compliance of short-term licences with plans of management.

I am pleased to see provisions that allow the Minister to enter into conservation agreements on Crown land and areas such as forestry land, with concurrence of the relevant Minister. However, I am concerned that there does not seem to be any acknowledgement of the people of New South Wales as stakeholders in this process. It is possible that a conservation agreement struck between two Ministers might exclude, for a long time, some other activity on the land that might produce equal or better conservation and economic outcomes. As forestry land is a potential place for conservation agreements to be established, I urge the Government to think carefully about the economic and employment needs of communities in those places and, if there is the capacity to achieve conservation and employment outcomes compatibly, that that not be missed.

It would be a tragedy to lock up an area in a conservation agreement and, in doing so, exclude the potential for viable and sustainable ecotourism, for example, or some sort of biotechnology or non-traditional forestry activity that can achieve conservation and employment outcomes, especially in areas where communities need new employment opportunities as a result of changes from traditional activities, such as logging. One of the major provisions in this bill is the conversion of every State recreation area to a new reserve category of State conservation area. At the outset I will say that the Opposition recognises the tenuous situation that the mining industry has been working with for several years, where it has lacked the certainty of a reserve category that specifically includes mining and exploration.

It is important to create that certainty, and I understand that that has been proposed through the new category. That means mining is no longer just an afterthought linked to land reserved for recreational purposes in natural areas. However, I would like to remind the Minister of the original intention of the Minister for Lands, the Hon. Tom Lewis, when he created this specific reserve category of State recreation area [SRA] in 1973. In his speech as Minister for Lands he said, on 11 October 1973:

It is proposed that State Recreation Areas will include the larger reserves established at inland water storage dams, high visitation areas near Sydney, coastal strips and areas with some geographical interest to the general public. These areas are intended for development as major tourist and holiday centres and it is proposed that emphasis primarily will be on their use by the public for recreation and enjoyment.

I stress his words "recreation and enjoyment". I consulted Mr Lewis as architect of that original classification and he told me of the importance he attached to recognising the need for recreational opportunities for the citizens of New South Wales when this category was created, and his preference at the time for a model that kept those sorts of reserves in the Lands portfolio. The Minister's office, in briefing me, expressed the view that SRAs are purely devices to enable mining, rather than recreation—a view the Opposition does not agree with. Their original purpose was recreation, as I have just indicated.

I acknowledge that the New South Wales Minerals Council is satisfied with the content of the Government's amendment, in that it gives that council the certainty it needs. The Opposition is certainly pleased to support that concept. However, I am concerned that there has been an erosion of the notion that sustainable recreation is a legitimate pursuit in this category, and that the loss of the word "recreation" from the name of this category is a backward step on this matter of principle. Accordingly, I foreshadow an amendment in another place that will restore the word "recreation" into the name of that reserve category. The New South Wales Minerals Council is not opposed to such an amendment as it does not alter the important certainty that it has gained in the creation of this category with its specific management principles.

I would caution the Minister that there are also dangers that in the proposed five-yearly review a decision could be made, once existing mining interests have expired, to reclassify the area as a national park at a

time when the mining industry, for economic or other reasons, is less interested than it might otherwise be in that potential resource. Once locked up it is gone forever as a mineral resource. I seek the assurance of the Minister that the mining industry will be adequately consulted and a sufficiently long-term view taken of the potential value of that resource, as there is currently no statutory requirement for that to be done.

I also seek assurances that sustainable recreation will not be dismissed in that five-yearly review process without appropriate consultation. I want to acknowledge the following stakeholder groups and thank them for their input into the Opposition's consideration of this bill—Mr Peter Knobbs, of the Pet Industry Joint Advisory Council; Susan Streeter, of the New South Wales Minerals Council; representatives of the National Parks Association, the Nature Conservation Council and the Colong Federation; Mr Terry Morrissy, a local orchid grower in the Kangaroo Valley and dedicated conservationist; the New South Wales Farmers Association; the members of SLOPES; and many private individuals who contacted me about this bill. I also want to thank Mr Ted Plummer for his assistance in answering my questions on details of the bill.

Before I close I note that I contacted the New South Wales Aboriginal Land Council chairperson—an important stakeholder in this process, I would have thought—who was somewhat taken aback to hear that the Government had introduced this bill without consultation with the land council. The land council first heard about the bill last Thursday when invited by the Government to a meeting on Friday. I also spoke with Mr Robert Lester, an Aboriginal land councillor. He has been a member of the working party involved in negotiations on the management of land by Aboriginal people. He is concerned that the Aboriginal Land Council has been inadequately involved in the process of the bill.

The land council will be at Glen Innes all this week on a meeting schedule and has not been able to look properly at the bill or comment on it, or to meet me. I am disappointed that the Government has taken such an approach to consultation with stakeholders. When I spoke with Mr Lester and Mr Downey they asked me to note their concerns in this respect because they had not been able to fully research or comment on the bill. I believe we need to achieve a dramatically increased rate of habitat and diversity retention; dramatically improved conservation and species recovery outcomes; restoration of trust in the Government as an environmental custodian and regulator; better accountability and benchmarking within management of the former reserve system; and the encouragement of non-government participation in these environmental outcomes.

We also need to acknowledge the social importance of sustainable recreational access to appropriate reserve categories, which I think the Government has deliberately tried to downplay or disregard in this bill. The Opposition will seek to move two amendments in another place. First to restore the word "recreation" in the name of the category of State conservation area; and secondly, to include a nominee of the New South Wales Farmers Association on the Advisory Council and the Regional Advisory Committees. The Opposition will also consider amendments from other members in another place that address the various concerns that I have outlined. The Opposition does not oppose the bill, but seeks the Government's attention to the issues that I have raised.

Debate adjourned on motion by Mr Stewart.

SPECIAL ADJOURNMENT

Motion by Mr Whelan agreed to:

That the House at its rising this day do adjourn until Wednesday 28 November 2001 at 10.00 a.m.

House adjourned at 10.40 p.m.
