

LEGISLATIVE ASSEMBLY

Tuesday 9 April 2002

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

Mr Speaker offered the Prayer.

DEATH OF POLICE CONSTABLE GLENN McENALLAY

Mr SPEAKER: I know that members will join me in remembering the supreme sacrifice made by Constable Glenn McEnallay, whose funeral is being held today at Taree. Constable McEnallay joined the New South Wales Police Service five years ago after initially training as a marine mechanic in the Forster-Tuncurry area. After graduating from Goulburn Police Academy he first served as a police officer at Manning-Great Lakes, then went to Mascot and then to the City Transit Police. He joined the highway patrol in February 2000. Constable McEnallay was just 26 years of age when he was callously shot in the line of duty. For six days Glenn fought in hospital against the odds before he died on 3 April. Constable Glenn McEnallay was a respected police officer, fondly known for his work in the community. Wherever Macca, as he was known, went he made his mark as an outstanding man and a fine police officer. I ask members to observe one minute's silence in memory of Constable Glenn McEnallay.

Members and officers of the House stood in their places.

DEATH OF HER MAJESTY QUEEN ELIZABETH THE QUEEN MOTHER

Mr SPEAKER: Members will recall that there was a service today at St Andrew's Cathedral for Her Majesty Queen Elizabeth the Queen Mother. I remind members that there is a condolence book in the foyer which is available for use by members and the public.

ADMINISTRATION OF THE GOVERNMENT

Mr SPEAKER: I report the receipt of the following message from the Administrator:

ADMINISTRATOR

OFFICE OF THE GOVERNOR

The Honourable Justice Keith Mason, President of the Court of Appeal, Administrator of the State of New South Wales, has the honour to inform the Legislative Assembly that, consequent on the Lieutenant Governor of New South Wales, the Honourable James Jacob Spigelman, being absent from the State, he has this day assumed the administration of the Government of the State.

2 April 2002

Mr SPEAKER: I also report the receipt of the following message from the Lieutenant Governor:

LIEUTENANT GOVERNOR

OFFICE OF THE GOVERNOR

The Honourable James Jacob Spigelman, Lieutenant Governor of the State of New South Wales, has the honour to inform the Legislative Assembly that he re-assumed the administration of the Government of the State on 4 April 2002.

4 April 2002

Mr SPEAKER: I also report the receipt of the following message from Her Excellency the Governor:

GOVERNOR

OFFICE OF THE GOVERNOR

Professor Marie Bashir, Governor of the State of New South Wales, has the honour to inform the Legislative Assembly that she has re-assumed the administration of the Government of the State on 9 April 2002.

9 April 2002

VARIATIONS OF PAYMENTS ESTIMATES AND APPROPRIATIONS 2001-02

Mr Aquilina tabled variations of the payments estimates and appropriations for 2001-02 in relation to the Attorney General's Department and Treasury (Office of State Revenue) under section 24 of the Public Finance and Audit Act, 1983.

PETITIONS

North Head Quarantine Station

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

Freedom of Religion

Petitions praying that the House retain the existing exemptions applying to religious bodies in the Anti-Discrimination Act, received from **Mr Crittenden, Mr Cull, Dr Kernohan, Mr Lynch and Mr O'Farrell**.

Arson Sentencing

Petition praying that arsonists be placed on the front line with firefighters instead of being imprisoned, received from **Mr Crittenden**.

Hazardous Material Burning

Petition asking the House to amend legislation in relation to the regulations governing the burning off of hazardous material, received from **Dr Kernohan**.

Wilderness Access

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

Manly JetCat Services

Petition seeking reversal of the decision by Sydney Ferries to stop JetCat services to Manly at 7.00 p.m., received from **Mr Barr**.

Lane Cove Tunnel Works

Petition praying that the House initiate a review of Lane Cove tunnel works, received from **Mr Collins**.

Cammeray Traffic Arrangements

Petition praying that pedestrian traffic signals be installed at Raleigh Plaza on Miller Street, Cammeray, and that the 1997 traffic study be implemented, received from **Mr Collins**.

Inner Eastern Suburbs Light Rail

Petition praying that a light rail transport system be established throughout the Sydney's inner eastern suburbs to service Moore Park, Centennial Park, Fox Studios, Sydney Football Stadium, Sydney Cricket Ground, the University of New South Wales and Randwick Racecourse, received from **Mr O'Farrell**.

Sydney Harbour Bridge Toll

Petition requesting that the Sydney Harbour Bridge toll not be increased, received from **Mrs Skinner**.

Pambula River Bridge

Petition praying that the bridge over the Pambula River be replaced to provide a permanent, flood-free access over the Pambula River, received from **Mr R. H. L. Smith**.

M5 East Tunnel Ventilation System

Petition praying that the Government review the design of the ventilation system for the M5 East tunnel and immediately install filtration equipment to treat particulate matter and other pollutants, received from **Mr J. H. Turner**.

Manly Lagoon Remediation

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

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**.

Queanbeyan Preschool Services

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

Queenscliff Geographical Names Board Classification

Petition praying that Queenscliff be reinstated as a suburb by the Geographical Names Board, received from **Mr Barr**.

Northbridge Primary School

Petition seeking permanent classrooms to replace temporary demountable classrooms at Northbridge Primary School, received from **Mr Collins**.

Beat Policing

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

Gordon Policing

Petition praying that Gordon police station be upgraded and that the number of police operating out of the station be increased, received from **Mr O'Farrell**.

DISTINGUISHED VISITORS

Mr SPEAKER: I acknowledge the presence in the gallery of the former member for Bankstown, Doug Shedden, his wife, Pat, and Kevin McCormack, the President of the Bankstown Sports Club. I welcome them to Parliament.

QUESTIONS WITHOUT NOTICE

POLICE OFFICER MURDER SENTENCES

Mr BROGDEN: My question without notice is directed to the Premier. Following the murder of six police officers in the last seven years, including Constable Glenn McEnallay last week, will the Premier, in a bipartisan manner, support the Coalition's policy of compulsory life sentences for people who murder police officers in the line of their duty?

Mr CARR: I approach this matter with all of the sobriety and gravity that is due to it on a day when a community, indeed all of the State, mourns the murder of a fine young police officer. I believe the House should be very conscious that even as we speak a funeral service is taking place. I want those who murder police officers to go to gaol forever. I want those who murder police officers to go to the dingiest, darkest cell that exists in a prison system. But there are real problems with mandating a life sentence for one category of murder and not, for example, for the murder of a two-month-old child bashed to death, for the murder of a nurse killed in the line of duty and for the murder of a 90-year-old woman in a wheelchair by a vicious intruder.

The law has to be very careful, even in these times and even on a day like this, about making a commitment for one category of murder. There is the additional consideration—a very real one—that when a

maximum sentence is mandated, juries have been shown to be reluctant to find an accused guilty. They have done that because they know that if they find the person in the dock guilty, that person will face a mandatory life sentence. Very often in systems with mandatory sentences juries have opted not to do that, looking at all the circumstances of the case. I do not want murderers to walk away free because a jury says, "We are reluctant to find someone guilty because that means a mandatory life sentence must begin."

Mandatory sentences are flawed and they have failed in many jurisdictions. The only logical way forward for the Opposition would be to introduce mandatory life sentences for all murders, but this involves huge difficulties with the law. The Leader of the Opposition, who says we need more liberal drug laws, cannot mount a case logically, drawing on precedent and looking with compassion at circumstances like those we face today, for a complete mandatory sentencing package. Any one of us today would say that the person or people responsible for the callous murder of Glenn McEnallay should be put away for life. I hope that is the outcome of the trial that will take place, but it behoves all of us to recognise, even in an emotion-charged atmosphere like the present, the extreme difficulties that reside with a mandatory sentencing regime.

GRAFFITI

Mrs PERRY: My question without notice is to the Minister for Local Government. What is the latest information on the efforts to curb graffiti?

Mr WOODS: I commend the honourable member for her commitment to fighting graffiti both now and, prior to becoming a member of Parliament, as a councillor with Auburn Council, which, along with other councils, has a commitment to fighting graffiti. The State Government is also committed to fighting graffiti. Graffiti costs the community up to \$100 million a year and the Government has announced a number of new initiatives to combat this problem. Experience and research have shown that the most effective way to frustrate offenders is to remove graffiti as quickly as possible and to keep removing it when it reappears.

The State Government already spends up to \$60 million a year cleaning graffiti off trains and railway corridors. We have provided \$25,000 graffiti blasters to 13 councils. They are Auburn, Bankstown, Blacktown, Blue Mountains, Campbelltown, Gosford, Hornsby, Hurstville, Lake Macquarie, Penrith, Ryde, Sutherland and Wollongong councils. Through Juvenile Justice we provide clean-up crews to assist councils in graffiti removal. From July to December last year clean-up crews spent 16,000 community service order hours removing graffiti. There is also the \$900,000 Beat Graffiti program covering legal graffiti art, development of graffiti prevention plans, and removal of graffiti from business and residential property. Some 42 councils have received funding under that program.

Honourable members will recall that last year the Government amended the Local Government Act to enable councils to enter into agreements with private landowners to remove graffiti swiftly. The amendments were received favourably by local government and the community. Councils such as Auburn Council, Blacktown City Council, the Council of the City of Sydney and Newcastle City Council are using the laws. However, graffiti remains a problem. It is a blight on our landscape. It has been raised with me that councils support additional powers to help remove graffiti without the constraints of red tape. While many property owners readily enter into agreements for the removal of graffiti, there are a number of situations in which there can be undue delay.

Swift removal of graffiti is important where the graffiti is of an obscene, sexist or inflammatory nature—for example, if it vilifies a certain race, such as anti-Jewish or anti-Asian graffiti. Presently, if the owner of the affected property refuses to remove such graffiti, it takes some time to get approval through the New Anti-Discrimination Board or the Administrative Decisions Tribunal. The Council of the City of Sydney has indicated that it has utilised last year's changes and has reached agreement with the Roads and Traffic Authority, EnergyAustralia and Australia Post. However, it says it has been difficult to deal with graffiti on commercial properties. The council has attempted to negotiate agreements with private property owners but says that some owners are not necessarily concerned with removing graffiti from the walls of commercial buildings.

Delays have also been encountered when residential properties affected by graffiti are rental properties and there is difficulty in contacting the owner or managing agent. We plan to amend the Local Government Act to enable councils, without the agreement or prior notification of the owner, to remove graffiti from property that bounds a public place and that is accessible from a public place. These changes will result in the laws coming into line with other international cities such as Chicago and Los Angeles. The provision will be limited to situations where graffiti is visible and can be removed from a public place. In other words, council officers

will not be able to enter the property to remove graffiti without the consent of the owner or occupier. This minimises the interference with property rights. On the other hand, the provision will facilitate the removal of graffiti from surfaces that generally are visible from public land and are particularly attractive targets for graffitiists.

This action will give councils a new power, a power that they themselves have asked for. However, with that power comes a new responsibility in that councils will be liable if any damage should arise from the removal of graffiti. Councils must also notify in writing affected owners or occupiers of their actions. This will provide owners with an opportunity to raise any matter with council concerning the work. The State Government will continue to explore all measures to tackle the problem of graffiti and will continue to come up with innovative solutions to community problems. Working in partnership with local government, business and the wider community we can win the fight against graffiti.

RURAL CRIME

Mr SOURIS: My question is directed to the Premier. Will the Premier support the Coalition policy to establish a specialist rural crime squad consisting of additional police officers for non-metropolitan local area commands to combat increased stock theft and other rural crimes?

Mr CARR: This is a recycled question. The Minister for Police addressed precisely this question in another place a month ago.

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

ROZELLE HOSPITAL SITE

Mr THOMPSON: My question is directed to the Minister for Health. What is the Government's response to the Coalition's announcement yesterday about psychiatric services at Rozelle Hospital?

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

Mr KNOWLES: The Coalition has announced that it intends to build a mental hospital at Rozelle.

Mr Carr: It pleases the honourable member for Port Jackson; she likes it.

Mr KNOWLES: Indeed it does. The details as outlined are that the Coalition wants to build a 400-bed mental hospital—a mega mental hospital—at Rozelle. This is clearly an idea on the run. It is certainly not policy and it is certainly not a solution. The Opposition's proposal will mean a return to the bad old days of the Callan Park asylum. Remember that? Remember the royal commission into the impact of agglomerating large numbers of people with mental illness on the one site?

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

Mr KNOWLES: I want to be clear about this. Under the Opposition's idea Sydney will be locked out of the site. The walls will go back up and, if the article in the *Sydney Morning Herald* is correct, those walls will be privatised. Make no mistake, under Coalition policy the concept of public-private partnerships is code for privatisation. This will be the Port Macquarie of mental health services. It is worth noting that not even Ron Phillips, in the heady days of private negotiations about Port Macquarie, included mental services in the contract. He specifically precluded them for a very simple reason: those with long memories will recall clearly the implications of Chelmsford and the provision of mental health services by private operators. Back then Chelmsford was enough to stop Ron Phillips from going down that path of madness.

It seems that the Opposition has forgotten those lessons. The New South Wales Opposition wants to turn a public hospital site into a privately built and operated mental hospital. We are talking about 400 mental health patients—all types with all levels of acuity—and for obvious security reasons the site would have to be off limits to the public. There would be no more walking or jogging tracks for the good people of Balmain and Rozelle.

Mrs Skinner: Come off it.

Mr KNOWLES: No. We recognise that in the current climate of national summits about public liability any private operator put into that site would, for reasons of public liability and risk alone, not allow any member of the public onto the site.

Mr SPEAKER: Order! I call the honourable member for Ku-ring-gai to order.

Mr KNOWLES: A 60-hectare—that is the total area of the site—mental hospital at Rozelle would mean no public access and no foreshore park as we have proposed. It would lock up the site in a way that is totally against the principles of contemporary mental health provision. Centralising services in the middle of central Sydney removes services from where people live. It might be okay for a psychiatrist whose back fence abuts Rozelle and who wishes to walk to work. But it will do absolutely nothing for people who live in other parts of the State and who have historically had to travel to access centralised services, which we are now decentralising across New South Wales. This Government has moved facilities to where people need them. In the past two years I have opened brand-new mental health units at St George, Tweed, Manning Base, Coffs Harbour, Port Macquarie and Campbelltown hospitals. We have expanded facilities in Western Sydney and Tamworth.

Mr SPEAKER: Order! The Premier will remain silent. I place the honourable member for Coffs Harbour on three calls to order, which is a warning to other honourable members who wish to interject.

Mr KNOWLES: We are building new facilities at Kempsey, Liverpool, Wyong and Dubbo and refurbishing the Mandalla Unit at Gosford. We are building new child and adolescent facilities at Newcastle and providing extra beds at Wollongong. There will be a new acute psychiatric unit for the Blue Mountains, not to mention the new facility at Concord.

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

Mr KNOWLES: That is good policy: it makes sense and is about putting the beds and the services where people live rather than agglomerating them on one site in the centre of Sydney. That is not new thought or new policy and in the health area it is essential. Other people have had the same idea. The honourable member for Willoughby is one of them. In his micro reform document, "The Achievements of the New South Wales Health System", he used the Royal Alexandra hospital at Camperdown as an example. He referred specifically to it as the equitable solution to relocating services from inner-city real estate in order to provide new facilities in the precise area where they are needed: where people live. It is commonsense to reinvest in new facilities that are located closer to where people live.

Rebuilding a 400-bed hospital for the mentally ill on one site in central Sydney is very bad public policy. It is bad clinical practice. It is inequitable because it is nowhere near where the majority of potential patients and their carers live. It will lock up the site—the majority of which should be returned to the people of Sydney as a park—and it fails to recognise the value of the site by reinvesting old health assets in new assets. This occurred with the Children's Hospital at Westmead and the Royal Hospital for Women at Randwick and Paddington. It is plain bad policy.

Think what plonking a 400-bed hospital smack in the middle of the area will mean for residents of the Balmain and Rozelle peninsula. It would be like dropping St Vincent's Hospital, Darlinghurst in the middle of that site and locking it up forever. The hospital would operate for 24 hours a day, seven days a week, every day of the year. Imagine the thousands of cars that would enter and exit the site every day. Imagine turning what should be a park into a car park. Imagine the crowded side streets and the wailing sirens as ambulances bring mental health patients to and from the site from outlying regions. All this because the Opposition has decided that this is where it wants to establish a privately operated mega mental hospital for the people of this State. The locals will get absolutely none of the benefits and all of the problems. It would be a very long journey for anyone suffering from a mental illness if mental health services were centralised in central Sydney. This is not a policy but an idea on the run and it should be recanted immediately.

DEPARTMENT OF COMMUNITY SERVICES DIRECTOR-GENERAL

Mr BROGDEN: My question is directed to the Premier. Following comments by the Director-General of the Department of Community Services on *60 Minutes* promoting the kidnapping of children at risk in situations where DOCS has failed to intervene, will he sack the director-general and immediately establish a royal commission into DOCS?

Mr CARR: I find it interesting that any member of the Coalition could ask a question about the Department of Community Services when faced with the record of the Greiner and Fahey governments in that area.

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

Mr CARR: The Director-General of DOCS did not in fact say that. Why can we not have recognition from the Opposition about the inherently difficult work of a DOCS worker? The DOCS worker in the front line works with dysfunctional families and must be involved in making that most awesome of decisions about when a child should be taken from a family, with all the risks and difficulties involved in that, and placed in foster care or in a public institution. This is inherently difficult work, and it was made more difficult by what the former Coalition Government did. We will look at what it did.

Mr SPEAKER: Order! The Premier is entitled to answer a question without the Opposition trying to prevent him from providing further information by yelling and shouting. If other members attempt to do so, I will place all members of the Opposition on three calls to order.

Mr CARR: One thousand positions from the Department of Community Services were slashed in the first year of the Greiner Government. One thousand front-line DOCS jobs were abolished. The Greiner Government abolished the jobs of those people, the sort of people who would go out and help a family or rescue a child. It closed 23 Community Services offices, almost one-quarter of the total number. That was the Government in which the Leader of the Opposition worked as a ministerial adviser. That Government axed the positions of 77 child protection workers; that is, the positions of 77 front-line DOCS employees specialising in child protection were abolished. Those jobs were done away with. Three police child mistreatment units were disbanded. That is the record of the Coalition in this area of policy when last in government. I have spoken in this House before about how we, a Labor Government, steadily and painstakingly rebuilt DOCS.

Mr Hazzard: Point of order: The question to the Premier was when will he sack the Director-General of the Department of Community Services for today's failures, not those of 10 years ago.

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

CABRAMATTA ANTI-DRUG STRATEGY

Ms MEAGHER: My question without notice is to the Premier. What is the latest information on the implementation of the Cabramatta anti-drug strategy and the recommendations of the Legislative Council's Cabramatta policing report?

Mr CARR: I am very happy to answer this question. I know that the answer will interest all members of the House. In March last year I announced an \$18 million comprehensive plan to tackle the drug and crime problem in Cabramatta. The strategy included more police powers and resources, compulsory treatment for drug users, the City Watch program to bring police and the local community together, the Gateway program and the Department of Community Services street team. There we are basing DOCS at Cabramatta Police Station to work on the street and save kids in trouble. That is in vivid contrast to the record of the Greiner Government, which axed front-line child protection workers employed by DOCS. Since 1 January last year a total of no fewer than 75 drug houses in Cabramatta have been shut down. For the most part, they were shut down because of the increased police power we have provided. Fifteen drug houses were shut down only because of the increased police power; 50 people in Cabramatta have been charged with being in, entering or leaving a drug house; and 14 people in Cabramatta have been charged with organising or conducting a drug house as a result of our new legislation.

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

Mr CARR: The move-on power that we gave police to deal with the problem of people touting for drug sales in the streets of Cabramatta has been used on no fewer than 2,500 occasions. We gave the police an additional power, and they went out and used it to clean up the streets of Cabramatta. That is exactly the effect the Government, in particular the honourable member for Cabramatta, wanted. The extra police presence has been noted and appreciated by local residents. To date, five of the 10 new drug detectives have been appointed, the rapid response bicycle squad has been increased from six to 12 members, and 13 police have graduated from the specialised TAFE course, which includes language skills, cultural awareness training and interview

techniques. I will quote some statistics. I do so with all due caution; I do not do it with a sense of complacency. The problems will continue to be worked at. No-one is naive enough to suggest that the problems have been erased altogether.

In Cabramatta between January 2000 and December 2001 motor vehicle theft declined by 37 per cent, stealing from a motor vehicle by 24.8 per cent, robbery with a weapon that is not a firearm by 7.1 per cent, and robbery without a weapon by 4.9 per cent. Weapons offences in general were down by 19.2 per cent. The evidence also indicates that the heroin drought and the work of local police are having a dramatic effect. Heroin possession offences have fallen by 63.9 per cent, and the number of needles and syringes dispensed to drug users has dropped from 40,239 to 9,900 in January this year. The Police Drug Bail Scheme and the Magistrates Early Referral Into Treatment program [MERIT] have been operating since July last year. To date, 28 offenders have been accepted into the MERIT program, 15 offenders are currently in the program and eight have graduated. Thirty-three offenders have been ordered by police to attend drug treatment and assessment as a condition of bail.

One of those people referred by police is a woman called Rhonda. Rhonda is 17 years old, homeless and a regular user of heroin. Police referred her for assessment under the Police Drug Bail Scheme. The Cabramatta street team helped her through the assessment and negotiation of a treatment plan. She was admitted to the Corella Lodge detoxification unit and whilst she was there the Street team arranged for a local youth recovery service to provide her with ongoing support. Rhonda has now completed her detoxification and is undergoing residential rehabilitation treatment. Obviously, one of the keys to success is access to local drug treatment services. Already 100 drug treatment places have been made available at Liverpool Hospital, and this has met demand to date. The honourable member for Cabramatta has made it clear that the people of her electorate do not want treatment facilities in commercial or residential areas. The Government is working with Fairfield City Council to identify an appropriate site for a treatment facility away from such areas.

The City Watch program, an initiative of the honourable member for Cabramatta, has been operating since July last year. This program is designed to bring local police, business and the community together to develop solutions to local crime. The City Watch council has met five times and will meet again on Thursday night. A number of community link groups have been set up and new groups to be set up in the future will involve business, students, Lao and Khmer communities. Since 1 July the Department of Community Services [DOCS] street team has been operating out of Cabramatta police station seven days a week. This is a good example of a whole-of-government approach. The street team goes out into the streets, finds homeless people in danger of drug abuse and reunites them with their families or brings them into drug and alcohol treatment. This innovative street team, which is tough on the causes of crime, has conducted 547 patrols. DOCS workers go out of the police station and go around the streets engaging with people at risk. They have made contact with 377 people on 708 occasions.

People in need have approached them on 128 occasions. They have received 171 referrals from local police. They have referred 219 people to accommodation and drug and alcohol services. Honourable members have heard me speak about the Gateway program in schools. So far 43 students have received individual case management and 31 have completed TAFE and work skill courses. The work in Cabramatta on all these fronts is not easy, and it is not over. We are working through the recommendations of the Cabramatta policing report, which endorses most of the recommendations. For example, the committee recommended that the Government release the drug law enforcement performance indicators. I do so today. We are adopting other recommendations by different means. We are making progress, but we cannot for a moment be complacent. There is still a lot of work to do in Cabramatta. If heroin starts to flood back through our porous borders it will make the job even more difficult. This is a big task that requires a genuine effort by everyone involved, and a genuine commitment to work together. I seek leave to table the report published by the Government entitled "Cabramatta—A Report on Progress", and the report of the New South Wales Police Service entitled "New South Wales Illicit Drug Law Enforcement—Performance Indicators", both dated April 2002.

Leave granted.

Reports tabled.

COMMISSIONER OF POLICE LEAVE OF ABSENCE

Mr COLLINS: My question is addressed to the Premier. Once he became aware of the problem of gang violence on the streets of Sydney, rising crime and the tragic murder of Constable Glenn McEnallay, why did he not immediately recall the Commissioner of Police, Peter Ryan, and cancel his overseas leave?

Mr CARR: I have addressed this question at a press conference and I have addressed it in several interviews. Let me rehearse the arguments. First of all, the Commissioner of Police visited the family and the hospital on, I am advised, two occasions. He did that before going to Athens. He went to Athens because Athens has asked him, in view of the brilliant success of security during the Olympic Games—

Mr Brogden: We need him here.

Mr CARR: He is back here. He is at the funeral today. That is where he is. He was at Mascot Police Station yesterday. He is at the funeral today. Why was he in Athens? He was there because the International Olympic Committee [IOC] has paid Sydney the huge compliment of saying: You ran the best Olympics in history. You got security absolutely right. And just how right might be suggested by contemplating for a moment what happened on September 11. We got security absolutely right during the Sydney Olympics. So the IOC says: We will have you advise us on security for Athens. It is a compliment to Sydney that the Commissioner of Police was there.

COALITION FUNDING COMMITMENTS

Mr BLACK: My question is to the Premier. What is the Government's response to community concerns about recent funding commitments by the Coalition and related matters?

Mr CARR: I am being asked by both sides to fill every gap in this question time, but I am very happy to do it. Referring to the Leader of the National Party, our old friend George Souris, I think we will call him Jodee before this question time is over, on 2 April our old friend was interviewed by James O'Brien. The question was:

While you were Assistant Treasurer and Minister for Finance you more than doubled tax on bank accounts, is that true?

Jodee's answer was:

Well, you see, what they're talking about is a collection from those taxes, and they are simply based on the volume of transactions, the activity level in the statement.

Mr Souris: That's right.

Mr CARR: That is wrong, It did not go up 100 per cent because of activity levels. It went up 100 per cent because you increased the rate by 100 per cent. George, you don't get very far by telling little fibs. Here we go. On 27 December 1992 the Leader of the National Party, who was then Minister for Finance, said that the changes, the increases, meant that customers would pay an extra \$55 million in the first year. On 1 January 1993 he increased the rate of debits tax by 100 per cent. Then he put up stamp duty on motor vehicle registration by 25 per cent. Then he increased tobacco fees by 50 per cent—that was probably a public health measure. Then liquor license fees went up 30 per cent. He moved the legislation in the House. It had nothing to do with economic activity levels.

Mr Souris: On behalf of the Treasurer.

Mr CARR: More of that in a moment. We will see what else he did on behalf of the Treasurer. In fact, let us skip all the intervening material and get straight to what he did on behalf of the Treasurer. That was a helpful interjection because we are forced now to come to the subject of Luna Park. His appointment as shadow Treasurer liberates me to release for the first time all the documentation and all the letters on Luna Park. While the honourable member for Willoughby—our old friend newly reinstated—was Treasurer, the then Minister for Finance could not get more than \$25 million to sink into Luna Park. But then the honourable member for Willoughby, the Treasurer, went away on a holiday. He went away from 22 November to 29 November. When the cat is away, what happens?

Three days after the honourable member for Willoughby takes off as Treasurer, the Acting Treasurer writes a letter—to himself. He writes as Assistant Treasurer and Minister for Finance to the Treasurer. He is acting as Treasurer. He writes requesting the go-ahead to have a government company called Luna Park Amusement Ltd borrow money to build a roller-coaster at Luna Park. When Jodee got the letter that he himself had signed do you think he wrote, "Dear Minister for Finance, I reject that"? No. He quite cleverly varied the handwriting and the man who made the application was the man who gave the approval. They got the approval. Let us cut to the bottom line: Luna Park losses went from \$25 million to \$50 million—I understated his contribution, I am trying to round off—in fact, it was \$54 million by March 1995. This is the Jodee Rich of State politics making the request. Jodee Rich did not try anything so over the top! He would not have tried anything like writing himself a letter and sending back an approval while the Treasurer was out of the country.

This is the man the Leader of the Opposition says ought to be in charge of the \$30 billion business that is New South Wales. The Leader of the National Party, of course, was a senior member of the Government—Minister for Finance, in fact—when the Port Macquarie hospital deal was entered into, and when the airport rail link was entered into. They were beauties! James O'Brien on ABC regional radio asked him about that, and the priceless reply from the Leader of the National Party was: "Well, I had nothing to do with any of those—not that I'm saying there is anything wrong with them." Nothing wrong with them! The airport rail link cost taxpayers \$700 million. That was after his colleague Bruce Baird stood up here and said it would not cost taxpayers a cent. The Leader of the National Party was then Minister for Finance.

On the privatisation of Port Macquarie hospital, the Auditor-General, in his 1996 report, said it all: "The Government is in effect paying for the hospital twice and giving it away." By the way, on my last visit to Port Macquarie the local member demanded that I nationalise the hospital; that I take it back into public ownership. I had to explain to the local media and to the local member that, given what the Auditor-General said, that would be the equivalent of the public sector paying for the hospital three times! It would surprise absolutely no-one that with the Leader of the National Party as shadow Treasurer all restraints are off. In the last two weeks the Opposition has made a grand total of—wait for it—\$2.8 billion over four years in promises, in fiscal commitments. I repeat that: \$2.8 billion over four years.

There is the old-fashioned mental hospital at Rozelle and the \$227 million the Health Department says that would cost. There is the tunnel underneath the Spit Bridge—\$1.5 billion over four years if no toll is imposed. If there is to be a toll, it would be a beauty—\$15 each way. There is abolition of the premium property tax, costed by Treasury at \$53 million over four years, and there is the scrapping of the Harbour Bridge toll, costed by the Roads and Traffic Authority at \$112 million over four years. There is \$2.8 billion over four years in unfunded promises. The shadow Treasurer is ticking it off. Jodee is ticking it off. Jodee is saying, "Spend, spend, spend" because the commitment includes his favourite project of all time, the tunnel through the Blue Mountains, which the Leader of the Opposition endorsed in his first interview on Orange radio. What we read about in the paper today, the \$227 million for the mental hospital at Rozelle, is the capital cost, not the recurrent cost, and that \$227 million is only the tip of the iceberg.

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

Mr CARR: Think about Luna Park. Think about the Leader of the National Party and the \$54 million he threw at Luna Park. I think the people of this great State are going to say: "George, you are not going to use the budget of this State as a roller-coaster. You are not going to use the fiscal policies of New South Wales to go across the harbour and have a bit of fun."

OVINE JOHNE'S DISEASE VACCINE

Mr ARMSTRONG: My question without notice is directed to the Minister for Agriculture.

Mr Carr: Why don't I get a question?

Mr ARMSTRONG: Because you would not know the answer. Will the Minister for Agriculture support the Coalition's call to release the ovine Johne's disease [OJD] vaccine, Gudair, to the owners of affected sheep and allow vaccinated sheep to be traded?

Mr AMERY: I welcome the honourable member for Lachlan back to the agriculture shadow portfolio. The only change the Opposition did not make in the last couple of weeks was to make him Leader of the National Party. From what we have heard today about what has been going on, it is quite obvious that the only people who need vaccine are members of the Opposition. They need vaccine to protect them from their past. The new shadow Minister for Agriculture has been making comments throughout rural New South Wales about OJD but I think the National Party and the Opposition should make a clear statement about where they stand on supporting the National OJD program, of which vaccination is an important component.

In his very argumentative question the shadow Minister for Agriculture asked whether the Government would support the Coalition's call. Frankly, it is the Labor Government in New South Wales that has been furthering the campaign to expand the vaccine program from day one. It is this Government that has been attempting, with the Federal authorities, to get the National Registration Authority to open up the vaccine to wider use and allow the trading referred to by the shadow Minister. By way of background, more than 260 properties in New South Wales are using the OJD vaccine. The current National Registration Authority permit provides for the administration of 450,000 doses of vaccine.

This is not a vaccine that one can buy over the counter or have prescribed by a veterinary officer. It is not a vaccine that is registered for general use in this country. Its use is only permitted for research purposes and it has to be ticked off within the OJD program. It has to be ticked off under the national program by the National Registration Authority. Of the 450,000 doses, 300,000 have already been administered, leaving 150,000 in reserve. Understandably, demand has fallen off recently due to seasonal conditions. I think the honourable member for Lachlan will agree that it is anticipated that the National Registration Authority will allow—or we hope it will allow—wider registration of the vaccine in mid-April to late April. That will in turn allow wider use of the vaccine.

Crucially, it is not a vaccine that sheep producers anywhere in Australia can obtain from a veterinary officer for use in their own flocks. It has to be ticked off by the National Registration Authority and has to be a part of the national OJD program. The honourable member for Lachlan—he should be the Leader of the National Party—and the honourable member for Burrinjuck have been making statements to the effect that the New South Wales Minister for Agriculture should allow expanded use of the vaccine. They are lying to and misleading their own farming communities. They either are lying or are ignorant of the fact that neither this Government nor I as Minister can approve wider use of the vaccine outside the approval process of the National Registration Authority.

The OJD vaccine, administered by way of the Spanish Gudair pill, is a key strategy to combat increasing mortality. It is the subject of an extensive research program under the national business plan. A primary aim is registration of the vaccine for commercial use. I think that is where the honourable member for Lachlan is coming from. Currently, use of the imported vaccine must be accompanied by a permit from the national body. Lambs on three research properties are now being closely monitored. Monitoring of the flocks will continue for the next four years. I am pleased to announce that the first results from these trials are quite promising. I must sound a word of warning in relation to the possibility of infections such as abscesses showing up on the carcasses at the vaccination site. Although these sites are on a less valuable part of the sheep carcass, the situation needs careful monitoring.

A number of producers have raised this issue. Overall, the recommendations from the workshop will be progressed by New South Wales Agriculture through the national veterinary committee and the national OJD program. Of course, the recommendations will be endorsed without much delay. In relation to wider vaccine use, the department has already initiated discussions with the NRA to ensure that necessary changes to the vaccine permit can be expedited. This is where we are coming from. However, it is emphasised that strict guidelines will continue to be required for approval to vaccinate flocks, including permanent identification of vaccinated animals and completion of a signed undertaking under the Stock Diseases Act. Adequate stocks—about 200,000 doses—of vaccine are currently held in Australia to enable early implementation of the proposed strategies. I could go on to give more information on that issue.

[Interruption]

I reject that call for more detail. To summarise, there is no credit for the Opposition in trying to get on the bandwagon in relation to the push by the industry and the department to get the NRA to allow an expanded use of the vaccine. The sheep industry knows what the industry OJD program is, and that it is a program supported by the Government. What the industry does not know is the clear position of the Opposition on the OJD program in general. The honourable member for Burrinjuck is saying something that is contrary to what is being said by the majority of the industry. There is an obscure web site comment that the Opposition supports the program. Comments made by the new shadow Minister for Agriculture add a further component to the whole debate. What we need from the Opposition is a clear statement about where it stands on the whole OJD program. The sheep industry demands it and for proper public debate we should have it. I ask the new shadow Minister to make sure that it is one of his high priorities in his new portfolio area.

Mr ARMSTRONG: I ask a supplementary question. In light of the Minister's answer I ask him to inform the House when the first sheep vaccinated will be allowed to be traded.

Mr SPEAKER: Order! That is not a supplementary question. It does not arise from the Minister's answer.

HIGHER SCHOOL CERTIFICATE EXAMINATION REVIEW

Mr ASHTON: My question is to the Minister for Education and Training. What is the Government's response to Dr Geoff Masters' review of the new Higher School Certificate [HSC].

Mr WATKINS: Late last year I advised the House that an independent review of the new Higher School Certificate would be undertaken by the end of March so that any improvements needed could be implemented for this year's HSC. Dr Geoff Masters, an independent expert from the Australian Council for Educational Research, has spent the last few months collecting and analysing data and information. His report stretches to more than 80 pages. Today it is being publicly released—fair and meaningful measures. Dr Masters' key findings are that there is widespread support for the reforms underlying the new higher school certificate; there is widespread support for the HSC examination system; there is a general expectation that further refinement of the exam will occur; the 2001 examinations ran relatively smoothly; and there is strong support for the move to standards referencing.

Dr Masters has made 20 primary recommendations and a range of other secondary suggestions throughout the text of his report. Today I can inform the House that after endorsement earlier today by the Board of Studies the report will be fully implemented. The 20 recommendations cover issues relating, firstly, to the content of the 2001 exams. Four specific recommendations are made in this area, with a number of other suggested improvements. Secondly, the report dealt with the nature of the marking guidelines and how consistently they were applied. Three specific recommendations are made, and other improvements are suggested. Thirdly, the report dealt with the outcomes of the new "standards referenced" approach. There are six specific recommendations and other improvements are suggested. Fourthly, the report dealt with matters relating to the actual marks awarded and adjustments to school assessments. Six specific recommendations are made in this area.

Dr Masters said that the most significant concern raised with him about the new HSC was about the relationship between HSC marks and the university admission index, [UAI]. His specific recommendation about this relates to better education—for students, parents and teachers—to explain the relationship between the HSC and UAIs. This will obviously be a priority between now and the 2002 HSC. Dr Masters has fairly described and reported on the concerns expressed by teachers, students and parents in the lead-up to and in the wake of the new HSC. He accurately describes those concerns and provides recommendations for actions. The Government will follow those recommendations. As a consequence of Dr Masters' report, students sitting for the 2002 HSC will face an even better exam, thanks to the lessons learned. The Board of Studies will report to me monthly on implementation of the report's recommendations.

DEPARTMENT OF COMMUNITY SERVICES CASE OFFICERS PORNOGRAPHY TRANSMISSIONS

Mrs LO PO': On 27 February the honourable member for Wakehurst asked a question about the status of DOCS officers involved in the unauthorised transmission of material by email. I am advised that of the four officers charged with disgraceful conduct under the Public Sector Management Act one was dismissed on 25 January 2002 and a further two officers were dismissed on 7 March 2002. A final decision on the remaining officer will be made no later than the end of April, under the Public Sector Management Act discipline procedures.

PRISONERS DRUG TESTING

Mr AMERY: I have a supplementary answer to a question asked of me by the honourable member for Davidson on 21 March 2002. At the time, and later in the day, I indicated that I would have the matter investigated and report back to the House. The question was:

Has the Minister asked his department to investigate allegations that 27 inmates at Long Bay gaol who were tested for drugs on one day late last month all tested positive but the results were suppressed so that the prisoners would not lose their access to day-release programs?

Honourable members might recall that when the question was asked I repeated it in a way that suggested that I thought it was unbelievable. I had and still have no evidence of any allegations relating to drug tests. I am advised that the senior ranks of the department were also unaware of any allegations being made in relation to this matter. Clearly, the honourable member for Davidson and the State Opposition must have information available to them which is not available to the department or my office. The honourable member for Davidson offered to provide me—informally when I sat down—with the names of people associated with the incident. Later that same day I formally wrote to him accepting his offer to provide the names.

Mr Humpherson: Table my letter.

Mr AMERY: I do not have it with me but I will table your letter. He replied that same day saying that he would "endeavour to obtain the names of these inmates which were on computer records". He also suggested

an investigation be undertaken "of all urinalysis records for February 2002". Early investigations revealed no evidence to support the drug test allegations. I wrote to the then Leader of the Opposition, Kerry Chikarovski, and since then have written to the new Leader of the Opposition, John Brogden, seeking further information. I still have not received any further information or evidence which would support the allegations. Despite an informal offer of assistance, the honourable member for Davidson has not provided any names. In fact, the only evidence I currently have suggests that this whole episode has been a total fabrication by the Opposition.

Urine tests for drugs are carried out on a regular basis in all Corrective Services establishments. Day release inmates are tested after they have been away from a centre, and in Long Bay there are just 16 day release inmates. The honourable member for Davidson suggested that 27 positive tests were suppressed on one day late in February. However, there were not even 27 positive tests for the whole month: there were only three. Two positive results were as a result of inmates taking prescribed drugs and one related to an inmate who has since been discharged.

All urine tests are conducted by an independent laboratory based in North Ryde. That laboratory records each test on an individual form and sends the form to the Silverwater complex, from where it is faxed to Long Bay and other relevant centres. I repeat: there were not 27 positive tests for the whole month for day release inmates, there were only three. The Long Bay records can be verified by the paperwork at Silverwater. No computerised information is involved, contrary to indications from the honourable member for Davidson. At Long Bay the urinalysis co-ordinator refers any positive drug test to the governor, who then decides on an appropriate penalty for the offending inmate. This is a very serious matter.

The allegation points to one individual officer and, if true, would result in criminal charges and a possible sentence of imprisonment. The allegation also mars the integrity of all prison officers. If the allegation is not true—as currently appears to be the case—and the Opposition member did not cower behind the privilege of Parliament, he would be at serious risk of defamation. Opposition members and the media are proud that they have informants inside the Corrective Services system. However, the credibility of those informants must be tested. People making public statements must be sure of the facts before throwing out irresponsible and potentially defamatory statements.

Mr SPEAKER: Order! The Minister for Energy will remain silent.

Mr AMERY: I am aware that the Opposition member's allegations were picked up by at least one media outlet. I have been unable to find any media release to follow up those allegations outside the privilege of the parliamentary Chamber. I again ask for the evidence, because I want to investigate this case. If any person is covering up I want that person charged. If the honourable member for Davidson has any evidence to support his allegation he should pass it on to the Independent Commission Against Corruption or to my office. If there is no evidence the Opposition should offer a public apology, in this House, to Corrective Services officers.

The new Leader of the Opposition should ensure that such cowardice—that is, hiding behind the privilege of Parliament—is not repeated. I again call on the Opposition, through the new shadow spokesman, if it has any information to substantiate the allegations, to please make it available. It is clear from the specific nature of the question that the Opposition has some information that no-one in the department or at the laboratory has. I want that information.

[Interruption]

I do not know whether it was put out by Senator Heffernan—maybe he wrote it. I want that information and I want to carry out that investigation. In response to the interjection by the honourable member for Davidson. I seek leave to table his response, which clearly indicates that he offered to give me the names of the people involved.

Leave granted.

Document tabled.

Questions without notice concluded.

LEADER AND DEPUTY LEADER OF THE OPPOSITION

Mr BROGDEN: I inform the House that on 28 March 2002 I was elected as Leader of the Parliamentary Liberal Party and Christopher Peter Hartcher was elected Deputy Leader.

DEATH OF Mr SAM FISZMAN

Ministerial Statement

Ms NORI (Port Jackson—Minister for Small Business, and Minister for Tourism) [3.24 p.m.]: I am prompted to make this ministerial statement by a very sad occurrence: the death of Sam Fiszman. Present in the gallery today are members of Sam's family, including Esther, his wife of 55 years, Robert, his son, Mia Price, his daughter, and Josh Price, his grandson. I also acknowledge Eddie Price, his son-in-law, and Tull, his grandson, who were unable to be present today. The condolences of the New South Wales Government and of this House go out to his family. Sam Fiszman's life was not only a great migrant success story but that of a great Australian.

The next time any one of us feels that life has dealt them a bad hand, they should just think for a moment about Sam Fiszman. As a Jewish boy in Nazi-occupied Poland Sam helped saved lives of Jewish orphans by leading them out of the hell of the Warsaw ghetto. His brave actions led to the Nazis murdering his mother and sister in an attempt to hunt him down. Towards the end he joined the Red Army and fought with that army and was decorated. Surviving the war he migrated to Australia with his young wife, a survivor of Auschwitz, and their baby. Rather than live his life with anger and bitterness, his life in his adopted homeland was one of tremendous generosity and goodwill.

With a young family to support, just £3 to his name, and in a new country, Sam became a successful businessman. However, his contribution to his new country was tenfold what he received from it. He was a passionate and proud Australian. Sam gave to New South Wales his time, his energy, his intelligence and all the skills that had made him a successful businessman. A few of the organisations that were recipients of Sam's skills and hard work are the Bet Aleph Nominees, the William McKell Foundation, the Palestinian-Australian Education Program, the Darling Harbour Authority and the Australian Tourist Commission. Sam was both chair of the board of Tourism New South Wales and the inaugural chair of the New South Wales Major Events Board.

This House would be aware of the importance of tourism and major events in creating jobs and bringing money into this State. One example of a major asset that Sam was actively involved in winning for New South Wales is the 2003 Rugby World Cup, the world's fourth largest sporting event. I am very pleased to announce that in recognition of and with gratitude for Sam Fiszman's contribution to tourism in New South Wales an award will be given in his name to the tourism trainee of the year. That award, which will have a scholarship component of \$1,500, is only one of the legacies of Sam's life. His other legacies will continue to benefit those communities to which he dedicated so much of his life and the industries to which he contributed so much of his talents. Sam once said that Australia had given him everything. I can now add that Sam gave back even more. Sam will be greatly missed, and on behalf of the people of New South Wales I acknowledge his efforts.

COALITION FUNDING COMMITMENTS

Personal Explanation

Mr SOURIS, by leave: Today in question time the Premier answered a question during which he made comments relating to my involvement with Luna Park. I wish to correct the situation portrayed by the Premier. It may have been very amusing and theatrical of the Premier to claim that Luna Park had lost a mythical \$50 million. The Minister for Information Technology had a culpable role in it. He should listen and learn what happened. The first \$25 million was provided by a vote of this Parliament after a controversial period involving the future of Luna Park. Public opinion ultimately led to this Parliament voting to restore Luna Park to its former traditional arrangements and voting to allocate \$25 million out of the Public Heritage and Open Space Fund of the Department of Urban Affairs and Planning.

Mr E. T. Page: Tell us what you did wrong.

Mr SOURIS: Shut up and listen, you nutty professor.

Mr SPEAKER: Order! A personal explanation must be brief and confined to the allegation of which the member complains. The member is at liberty to show how his character or political integrity has been reflected upon or impugned. I suggest to the Leader of the National Party that he comply with the standing orders. The honourable member for Coogee will remain silent.

Mr SOURIS: It is important that I explain the financial arrangements of Luna Park, in which I was partly involved.

Mr SPEAKER: Order! The standing orders do not allow the Leader of the National Party to do so. He may seek leave to move a motion and, if the House grants him leave, he may explain those matters in the debate that will follow. However, the standing orders do not allow him to do that during a personal explanation.

Mr SOURIS: I need to explain the role I played in Luna Park. If I am not permitted by this House to explain it, then a member's personal explanation itself is impaired. It requires me to explain the role I played in Luna Park and I am doing precisely that.

Mr SPEAKER: Order! The standing orders specifically preclude the Leader of the National Party from doing so.

Mr SOURIS: If you allow me to explain my personal position I think you will find that I will be speaking within the standing orders of this Parliament.

Mr Fraser: Point of order: Mr Speaker, today you put members on three calls to order for two interjections. You ruled that any Opposition member who interjected would be placed on three calls to order and then removed from the House. The interjections from the Government benches have gone unheeded by you in the majority of cases. I ask that you give equity to all honourable members when a member is trying to make a personal explanation.

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

Mr SOURIS: My involvement in Luna Park occurred virtually at the conclusion of the heritage restoration, of which some \$25 million had been allocated by this Parliament. Indeed, the current Premier voted in favour of doing precisely that.

Mr E. T. Page: Point of order: The Leader of the National Party has not indicated how his reputation has been impugned. He must do that before he can make a personal explanation.

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

Mr SOURIS: My reputation has been impugned by the Premier in his answer to a question during question time today. I had no involvement in Luna Park at any stage during its restoration. My reputation has been impugned because it is alleged that some \$50 million was lost—whatever that might mean—in the restoration of Luna Park. My reputation has been impugned because it was, indeed, after the change of government that the current Treasurer and Premier, Mr Egan and Mr Carr, destabilised Luna Park by closing it. That closure led to a major public protest, which caused them to reopen Luna Park. My reputation has been impugned because the process ought to be the subject of a discussion rather than any involvement I had in the heritage restoration of Luna Park. The Premier and the Treasurer continued to destabilise Luna Park—they closed it a second time, removed the rides operator, Mr Wittingslow, and assumed a \$25 million debt in respect of that.

Mr Ashton: Point of order: Mr Speaker, you have ruled several times about what the Leader of the National Party can say. He is debating the issue.

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

Mr SOURIS: My reputation has been impugned by the Premier, who maliciously twisted the facts relating to Luna Park to imply that I had some involvement. I did not. It is all very well for the Premier to make a theatrical performance of it all, but he should stick to the truth and to the facts. I did not close Luna Park; the current Government closed Luna Park. I did not assume the \$25 million debt referred to; the current Government did.

CORRECTIONAL CENTRES

Personal Explanation

Mr HUMPHERSON, by leave: Pursuant to standing orders 70 and 73 I would like to point out that some of the facts given by the Minister for Corrective Services a short while ago were incorrect. He misrepresented—

Mr SPEAKER: Order! That is not a personal explanation.

Mr HUMPHERSON: In accordance with standing orders 70 and 73 and rulings from the Chair, which state that a personal explanation can be used to place on the record that certain facts attributed to a member were not correct—

Mr SPEAKER: So long as it is brief.

Mr HUMPHERSON: That is what I am seeking to do. The facts were not correct. I said that I will endeavour to obtain the names of inmates from the records. I have endeavoured to get those names. The sources from which I sought to get those records have advised that the records have since been removed, both computer records and a file containing those results at Long Bay prison. I advise the House that I have referred the matter to ICAC and I hope that the Minister will fully co-operate.

CONSIDERATION OF URGENT MOTIONS

Department of Community Services Child Abuse Notifications

Mr HAZZARD (Wakehurst) [3.46 p.m.]: My motion is urgent because child abuse notifications have skyrocketed in New South Wales during the term of the Carr Labor Government—almost a decade. In the 2000-01 annual report of the Department of Community Services [DOCS] 107,000 child abuse reports were recorded, compared to 33,000 in 1995-96. My motion is urgent because, sadly, the true figures are even higher. Internal DOCS sources and the Public Service Association confirm conservatively that 130,000 reports of child abuse will be received this year. The Minister for Community Services, despite her denials in this House last year, indicated that at least 3,400 and up to 6,800 notifications were being made to the help line each week. Therefore, conservatively, 176,000 reports are expected in the current 12-month period. My motion is urgent because front-line staff are not fully trained to deal with the problems and there are often insufficient staff to deal with the workload to address child at-risk reports.

Early intervention is failing at-risk families under this Government. My motion is urgent because the Families First program is being used selectively and politically to intervene with families. Often DOCS officers report to me that Families First officers are being used to serve care proceeding orders. It is urgent because the union and internal DOCS sources confirm that nine out of 10 cases of child at-risk reports are not investigated. The Minister and the director-general say, "We do things with regard to them" but, of course, all they do is make a phone call or the matter is passed from the original officer to the DOCS officer. A fair dinkum investigation does not happen in nine out of 10 cases. In fact, a few weeks ago an internal DOCS conference was told that 39 out of 40 children—

Mr Martin: Tell us why it is urgent.

Mr HAZZARD: If you want to stand up and ask why it is urgent when children are dying I would be happy to hear your words. Last year 21 children died, yet Labor members opposite are making superficial, trivial and puerile interjections. Last year reports went through the roof and 21 children died. On Sunday night we saw the spectre of the Director-General of the New South Wales Department of Community Services blame-shifting to the families who sought the help of that government agency, which is tasked with assisting such families. Family members told me after the event that when they heard the Director-General's comments they could do nothing but cry. They sought the help of the director-general and DOCS.

Mr Martin: Point of order: We agree that this is a serious matter, but the honourable member for Wakehurst is supposed to be arguing why it should be considered urgently.

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

Mr Martin: It goes to relevance. The honourable member for Wakehurst should explain why the motion is urgent, not use the time allotted to him to put on the record facts and figures that he believes to be correct. He has not said why the matter should be considered urgently. We all agree that this is a serious matter. In fact, the Government takes it much more seriously than those opposite because we have put resources into this area that the previous Government took away.

Mr SPEAKER: Order! The point of order is upheld. The honourable member for Wakehurst has the call.

Mr HAZZARD: It is time for a royal commission into the Department of Community Services. When members such as the honourable member for Bathurst rise in this House to attack a serious motion such as this—

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

Mr HAZZARD: The motion calls for a full inquiry—a royal commission—into what is going on in the Department of Community Services. When children are dying, when there are thousands upon thousands of reports of child abuse—we know that nine out of 10 such reports will not receive assistance from DOCS, the agency vested with that responsibility—and when we know that the Government is spending quite a bit of money on the problem but doing nothing in terms of serious management, it is time for a full investigation. The Wood royal commission recommended a full review of DOCS. We urge the Government to support our call for a royal commission. [*Time expired.*]

National Australia Bank Branch Closures

Mr W. D. SMITH (South Coast) [3.52 p.m.]: My motion is urgent because the National Australia Bank cannot be allowed to get away with closing 56 rural branches across Australia, 14 of which are in New South Wales. We should debate this matter today because 2,500 jobs will be lost as a result of these closures. This matter should be considered urgently because my constituents in Milton and in six other regional communities will be left without a bank branch. This matter is vital to the people of rural and regional New South Wales.

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

NATIONAL AUSTRALIA BANK BRANCH CLOSURES

Urgent Motion

Mr W. D. SMITH (South Coast) [3.52 p.m.]: I move:

That this House :

- (1) calls on the National Australia Bank to immediately scrap its decision of last week to close 14 branches in country New South Wales, including Milton, Culburra and Bomaderry branches in the Shoalhaven;
- (2) expresses its support for the 2,050 workers who were yesterday forced onto the unemployment line by the National Australia Bank; and
- (3) notes that studies have shown closing rural bank branches leads to a population decline in these small towns.

The National Australia Bank [NAB] is a disgrace. For too long the banks of Australia have had it all their own way. Now the National Australia Bank has seen fit to close 14 of its vital country branches in New South Wales and a total of 56 branches across the nation. Apparently the \$2 billion profit that the National Australia Bank made last year is not enough and closing a few country branches is the way to go. That is how the bank believes it will ease the pressure on its bottom line. How much profit is enough? A \$2 billion profit is apparently not enough for those running the National Australia Bank. The citizens of New South Wales who contributed to the bank's profit have been slapped in the face for their loyalty. The National Australia Bank's decision is tantamount to economic vandalism in country New South Wales.

Country people have a strong sense of loyalty to their banks and they have been betrayed. With these bank branches will go the fabric of small country communities. Banks are integral to the existence and survival

of country towns. The ability of small business to operate and attract people to these towns will suffer, as will the ability of the community to access adequate banking services. The bank's spokesperson, Tamsin Beale, told the *Sydney Morning Herald* on 4 April:

No country community will be left without access to banking facilities.

Tell that to the people of Milton in my electorate, who will be left without banking services when the National Australia Bank moves out. Ms Beale should also speak to people in the neighbouring communities of Ulladulla, Manilla, Gunning, Wialla, Boggabri, Baradine and Culburra, all of whom will be in the same dire situation. Those seven communities will have no bank branches and must depend upon at best unreliable telephone and Internet banking services. Residents of those seven communities will be left without access to small business loans and home loans and will be unable to discuss their day-to-day banking issues with anyone face to face.

Make no mistake, local businesses will suffer as a result of this decision. Many business owners to whom I spoke yesterday expressed their anger at the National Australia Bank. Some of them had moved their business and family accounts to the National Australia Bank because of the convenience of banking in their local communities, and they now feel very let down. For example, the town of Gunning has a population of 600, two pubs, a post office and a Chinese restaurant. It also used to have a bank. The townspeople fear that they will lose their livelihoods when the NAB branch is closed. The proprietor of Gunning general store, Marilyn Lawton, is one business operator who fears the worst. She is quoted in today's *Australian* as saying:

I'm worried people from outlying areas won't come here anymore.

Businesses, such as the local butcher, closed their doors after pensioners were forced to drive 50 kilometres to Goulburn or Young in order to access their bank accounts. I am sure honourable members on both sides of the House agree that the National Australia Bank has committed an act of sabotage in these communities. Their economic growth and development relies on adequate access to services—particularly the financial services offered by the banking sector. These communities will be left without facilities vital to sustaining new businesses.

Another eight bank branches will be closed in the towns of Gulgong, Urunga, Brunswick Heads, Bangalow and Molong. The National Australia Bank has called this process of ripping branches out of country areas its "positioning for growth" strategy. What a ridiculous term! The only things growing in these communities is pain caused by the closure of those branches and anger towards banks in general. The bank has paid little attention to small communities across the country that will be left without any bank branch. It has paid even less attention to the almost 2,500 workers in its worldwide operations whose jobs will be axed. The only thing the bank has paid real attention to is the needs of its wealthy, mainly city-based customers.

It is all about the bottom line. In a recent statement the National Australia Bank Chief Executive Officer and Managing Director, Mr Frank Cicutto, claimed that these cost-cutting measures would save the bank some \$370 million. So to improve the bank's bottom line NAB executives have started slashing. A total of 56 rural bank branches will close and the jobs of almost 2,500 people will go with them. Banks were once the cornerstones of rural communities. The local bank manager was respected in the town and the tellers knew each customer by name. This is the type of service that banks used to deliver to country communities and it is the type of service that country people deserve. I am particularly concerned about the impact of the closures on the elderly in country communities. For the elderly, a trip to the bank serves several purposes. It is a social outlet: an opportunity for them to chat with a teller whom they know well. Pensioners who choose to walk to the bank will get some exercise.

Elderly people might meet with friends at the bank and have further social conversations. In these ways the bank is very important to their existence. Further, the elderly do not like the notion of going into a post office, which is a very busy area, and doing their private and personal business across a counter within earshot of others. The organisational arrangements in banks precludes that happening. People can conduct their banking in privacy and not have their business spread across the community. That is a matter of significance to the elderly in our community. The time is long past for big financial institutions, such as the NAB, to take corporate and social responsibility. Mr Tony Beck, the National Secretary of the Finance Sector Union, has never uttered truer words when he said that these closures were about nothing more than greed. Mr Beck told ABC radio on 4 April:

Our concern clearly is going to be for our members' jobs and employment, but as importantly it will be the service and customer contact and access issues for customers in rural and regional Australia.

The union's concern is shared deeply by Country Labor and the people of my electorate. Mr Beck also pointed out that while country branches were being closed left, right and centre, top executives would not be taking a pay cut. He said:

The executives are being paid extremely well, and yet they are going to do more of the same in terms of cutting jobs and cutting services.

I cannot help but be reminded of that great Australian film *The Bank*, in which a bank was taken over and all the executives were shown the door. Perhaps it is about time that the highly paid executives at NAB got a taste of their own medicine. It is hardly surprising that they are not putting up their hands and claiming responsibility for their own mismanagement. Rather, they blame 56 country communities and on a whim decide that those branches should be closed. It is nothing short of a disgrace. A staggering 2,000 bank branches have been closed in the past 10 years. It has also been an era of staggering bank profits.

For the year to September 2001 NAB made a \$2.08 billion profit. Obviously, this enormous profit is not enough to sustain the greed and egos of the directors of the National Australia Bank. I was heartened by radio reports this morning that the ANZ Bank is looking to buy the 56 country branches from the NAB. That is the type of corporate confidence and leadership country people are looking for from the banking sector. Unfortunately, the offer has been rejected. I strongly urge the NAB to reconsider the offer. I hope that the NAB directors will heed the needs of our country communities and reconsider the ANZ offer. The NAB is trading off people for profit—it is as simple as that.

Mr SLACK-SMITH (Barwon) [4.02 p.m.]: In support of this motion I express my extreme disappointment at the decision of the National Australia Bank [NAB] to close its branches in small towns throughout regional New South Wales. With the closure of these 56 branches, 2,500 people in small communities throughout Australia will lose their jobs. In New South Wales 14 branches will be closed. Why was this decision made? Obviously, the loss of \$3.6 billion through poor investments overseas has forced the National Australia Bank to try to recoup some of that money by picking on people in regional New South Wales. The poor investments in its United States of America subsidiary HomeSide Lending, with a loss of \$3.6 billion, has instigated the decision by the National Australia Bank.

The proposed closures follow the loss of many essential and vital services which have been taken out of small towns by both the State Government and the private sector. It was not long ago that Westpac Bank did exactly the same thing as the National Australia Bank intends to do. I am very disappointed with this decision, as there was a guarantee in 1991 that no NAB branches would be closed in regional New South Wales. Government departments have been taken away from regional New South Wales. The Department of Agriculture cut 450 jobs and the Department of Land and Water Conservation also cut jobs. The Castlereagh local area command in my electorate has already been reduced by 11 police officers. That means 11 families leaving the towns. Teachers, police, nurses and tradespeople have helped the economy in these small, vulnerable towns and created spin-off trade. These types of people have been a vital part of many of our small communities. If they leave, other people will leave as well. I am very critical of the National Australia Bank taking this very short-sighted step.

The National Australia Bank has decided that it will allow Australia Post to take over its business in many of these small communities. However, the withdrawal cash limit from such outlets is \$1,000. That will not be sufficient and people in these small communities will be without a service at all. When this sort of thing happens, people who want to come to a town to start a business, to retire or to live will ask whether the town has any banking facilities. When the answer is no, they will go somewhere else. A lot of small communities are doing it tough. I endorse what the Federal Minister for Agriculture, Warren Truss, said last week: that commodity prices have improved and a recovery phase is on the way. He believes that the actions by the National Australia Bank have been very short-sighted. I join the Federal Minister's call to the NAB and other banks to carefully consider any further service withdrawals in country New South Wales.

John Shaw, a friend of mine, said that this is another nail in the coffin for the town of Boggabri. The town has just lost its chemist and the bank closure is a huge disappointment. He said that the town has been trying to keep its business sector and there had been no mention of this closure. The Boggabri bank branch operates three days per week and employs two staff members. That does not seem like very much, but the loss of two staff members from a small country town is equivalent to the loss of thousands of jobs in Sydney. Those people are vital to the economy of the town. Another friend of mine, Mayor Cheryl Randall from Manilla, said that the NAB sub-branch closure is another example of the service that has been taken from the town without any regard for the social and business impacts it will have on the community. Councillor Randall said, "Even

when it has become a restricted service of 15 hours per week, the business customers remain very loyal. But now it means that another building in a town like Manilla, which is a beautiful little town, is now closed." The loss of another business will send the wrong message to people coming to Manilla.

Warialda economic development officer Sam Barwick described the news as another kick in the guts for the town. He said that the town has no alternative facility other than the Westpac agency or a limited service at the post office. When the NAB closes on 3 July Warialda residents will have to travel 70 kilometres to Inverell to go to a bank or credit union. These are just a few of the small country towns that are having this situation thrust upon them. It will be a very sad day for the 14 towns in New South Wales that will be affected. These small towns are on the point of recovery with better commodity prices. The National Australia Bank has been very short-sighted in taking this action.

The proposed closures are a knee-jerk reaction to poor overseas investments—United States HomeSide lending—which resulted in a loss of \$3.6 billion. That is hard to accept. It is sad to note that not only government but also the private sector have been taking services away from small towns. A couple of years ago we chastised Westpac in this House for doing exactly the same thing as the NAB is doing. At that time the NAB said, "We are here for the long term, we are here for agribusiness, we are here because we back the farmers and the industries, and we support businesses in rural and regional New South Wales." But it has now decided to take the easy way out. Previous speakers have mentioned the profits made by the National Australia Bank. I have no problem with profits, because if you do not make a profit you will go broke. If a bank branch anywhere in New South Wales is not making a profit, of course it should close. I have no problem with that. But the National Australia Bank is continuing to make a profit, as Westpac did.

Many people in our small communities will change banks. It is remarkable that the ANZ Bank, which previously closed some of its branches, has offered to purchase the NAB branches that are earmarked for closure. I can only wonder about the sincerity of the ANZ Bank. People will no longer be loyal to lending institutions. Many people are now looking around for the best deal. The loyalty that banks have built up in their clients over the past 20 or 30 years is quickly disappearing. Banks have adopted a hard-nosed attitude and it has taken some time for country people to believe that their banks are no longer loyal to them. Therefore why should they be loyal to the banks? These closures are being driven by hard-nosed, economic gurus in head office who believe that closing bank branches will result in greater profit margins. I do not believe that. With the resurgence of agricultural prices, our dollar being in the right place and our performance overseas—we are going gangbusters—those in regional New South Wales are, for the first time in a long while, repaying loans. The closures are a retrograde step by the National Australia Bank.

Mr COLLIER (Miranda) [4.12 p.m.]: The National Australia Bank is clearly beset with problems. It has a management problem, a leadership problem and, more important, an attitude problem. The attitude of its leader, Mr Cicutto, and its management to the workers and to the ordinary people of rural and regional Australia is nothing short of contemptible. This bank made a profit of more than \$2 billion last year, yet it proposes to shut 56 branches across Australia—14 in New South Wales—cut 2,050 jobs and tear the heart out of country towns. Australia's largest bank, and one of the world's top 100, is making millions of dollars in fees and charges, but it intends to force its loyal customers to use post offices, automated teller machines [ATMs] or branches in other country towns.

Why? The answer is profit. The bank's Chief Executive Officer, Mr Cicutto, whose salary package is around \$2 million a year, has vowed to increase the bank's share prices. That is fine, but it should not be at the expense of thousands of direct and indirect jobs, rural families and country towns. It is no secret that the NAB has a management problem. It lost \$3.6 billion as a result of a poor investment in the United States of America, the so-called HomeSide disaster. What does the bank do? It decides to claw that back and cut its costs by a wholesale shutting down of branches across Australia. Country towns and families are paying the price for NAB's poor management decisions and they are meeting the costs of its overseas failures. It is all part of Mr Cicutto's vision statement that he calls "positioning for growth".

This decision by the NAB shows no vision, no loyalty and absolutely no faith in the people of New South Wales country towns. In its usual hypocritical way the NAB claims that customer service will not be affected. In the past two years five bank branches in my electorate have closed, including two National Australia Bank branches. That claim is just plain rot. Ask the people and the shopkeepers of Kirrawee, who lost their only bank after 47 years, or the people of Jannali and Gynea who lost two branches each and then had St George become a clayton's bank, how it affected them! What about the people of Gunning, who, following today's announcement by the NAB, will for the first time in 127 years have no bank?

It is all very well for Mr Cicutto and the NAB to say, "Use your local ATM, use your local post office." But an ATM is not a bank, nor is a post office. You cannot discuss your mortgage with an ATM; you cannot leave your valuable documents at the post office. People, particularly the elderly, want full face-to-face, over-the-counter service from banks. Shopkeepers want the same. Mr Cicutto said on ABC radio that services will improve; this is a good news story. It certainly was not a good news story in my electorate, and it will not be a good news story for small businesses in country towns or for bank workers and their families. People shop where they bank. If they have to travel to a larger town or to the next suburb to bank, they will do their shopping in that town or suburb. That is what happened in Jannali, Kirrawee and Gymea. If bank branches are shut small business declines, country towns have fewer job prospects and the children move away.

Recent research from the University of New South Wales shows that contrary to the NAB claims, the number one service that those in small business need is their bank and their bank manager, whom they know and with whom they can communicate. Despite that, Mr Cicutto and his management team want to shut branches. They have absolutely no loyalty to the towns or the customers who have supported their shareholders and investors over the years. The ANZ Bank has offered to buy the NAB branches and offer a full range of services. But the dog-in-the-manger, disloyal NAB management says "No." Why? Presumably because the ANZ wants to take over the NAB customers. What is wrong with that? It is usual business practice: if you buy the business you buy the goodwill. Perhaps the NAB has no goodwill left.

The NAB is closing branches, kicking rural communities in the guts and sending locals to other towns, ATMs and post offices. Yet it continues to expect people to be loyal. What hypocrisy! If honourable members believe the bank has a management problem, they should think about this: it is closing branches as a result of a cost-cutting drive. The ANZ wants to buy the branches and offer a full range of services. The ANZ spokesperson, Paul Edwards, said that the ANZ sees an opportunity to expand but the NAB simply wants to close branches. It is time the NAB put "national" into National Australia. It must change its contemptuous attitude to ordinary, decent people, the ordinary men and women of country New South Wales and country Australia.

Ms HODGKINSON (Burrinjuck) [4.17 p.m.]: I support the intent of the motion, which calls on the NAB to take up this morning's offer by the ANZ to take over its 14 rural branches and expresses support for the workers who will lose their jobs. I note that studies have shown that closing rural bank branches may lead to a population decline in small towns. We must be ever wary and vigilant to show our discontent when these sorts of things occur. It is extremely disappointing—having regard to the negative publicity generated by Westpac, the ANZ and other banks that have closed branches in country areas—that the NAB has decided once again to get on the bandwagon. It is unbelievable that it has taken such action. I share the disgust and outrage of many members in this House at the actions of the NAB. If this decision was taken for the benefit of the shareholders, it is interesting to note that the NAB share price fell by 48¢ yesterday.

Much has been made of the fact that the NAB will close its branch in Gunning, which is in the electorate of Burrinjuck. Gunning is close to home; my grandfather had a local business there. The branch has been located in Gunning for something like 127 years and the locals and the business people are extremely upset about what is going on. We have been worried for some time that the NAB would close the branch, but when that shell hit, it hit hard. We are disgusted by the attitude of the NAB in closing that particular branch. With so few services left in the town, the closure will encourage local people to shop elsewhere. As a member of Parliament representing a country electorate I am continually advocating that the local dollar should be spent in the local community. It is becoming extremely difficult to keep selling that message when banks close their doors on local communities.

I believe that Warren Truss summed it up fairly well last weekend when he said that the NAB grew up on the sheep's back because country people supported their local banks. I spoke to the business community when the same thing happened with the ANZ, and I spoke at a forum in Boorowa when Westpac closed its doors there. The local community in Boorowa was also outraged by that decision. I said that we have supported these banks for many years and they repay our loyalty by shutting their doors. I believe these banks, which have been supported for so long by farmers, country people and businesses, have a community service obligation to put back into the community some of what they have taken out of it. When one remembers that it is difficult for people to move all of their accounts out of a branch where they have banked for many years, it is obvious that the loyalty factor has been left behind.

Alan Willoughby, a retiree aged 76, has been a customer of the Gunning branch of the NAB for more than 50 years. That is a sort of loyalty that people display to their local banks, particularly in country areas. We

rely on them and when they turn their backs on us we are very upset. It is appalling and it is greedy. All of these things have been mentioned in the course of this debate. Honourable members have all read today's press reports and have been listening to the radio. There have not been any positive comments whatsoever about these closures since the announcement was made. It is disappointing for the 2,000 or so people living in the Gunning shire that their last-remaining fully functioning bank branch will disappear. I am sure it is equally disappointing for Baradine, Boggabri, Gulgong, Urunga, Warialda, Coolamon, Manilla, Brunswick, Bangalow, Culburra, Molong, Milton and Bomaderry, each of which will lose its National Australia Bank branch. I condemn this move. Taking services out of country areas, which have supported them for so many years, can be regarded only as an act of bastardry by the banks.

Mr HICKEY (Cessnock) [4.22 p.m.]: I support this urgent motion relating to bank branch closures. As my Country Labor colleague the honourable member for South Coast and the honorary member of Country Labor, the honourable member for Miranda, so clearly put it, this action is nothing more than an absolute disgrace. It was good to hear the honourable member for Barwon and the honourable member for Burrinjuck speak in support of the motion. I well understand the feelings of anger and disgust directed by members of the community towards these financial institutions, which believe they are head and shoulders above their customers. The National Australia Bank made a record \$2 billion profit and then closes its doors on rural and regional communities across this great State. I am absolutely disgusted at its actions and the way it is forcing rural and regional communities of New South Wales to use EFTPOS machines and to bank at post offices and newsagencies. The bank has stated in the media that there will be no loss of services. It is extremely difficult for a customer to go into the local newsagent and negotiate a home loan or anything of that nature. The banks can say what they like, but there will be a loss of services.

I draw the attention of honourable members to a motion that was debated in this House last March. The motion, which was moved by the Minister for Regional Development and supported by a majority of members, called on this House to note that at the same time as the four major banks were making record profits they were continuing to close branches across the State and to increase fees and charges. The motion also called for the introduction of a minimum level of service for banking, particularly for pensioners and low-income earners. The motion also welcomed the Federal Opposition's policy of a legally binding social charter that included a six-monthly community consultation period on bank closures and an increase in banking services in regional areas.

We have not moved forward from that position. The Federal Government, which is in a position to make a difference so far as this issue is concerned, has not done anything. This motion has been well supported by my Country Labor colleagues and by other members on this side of the House. That begs the question as to where the National Party stands on this issue. Some members of the National Party have supported the motion, but where does the Leader of the National Party stand on this issue? He has not spoken to the motion, although he has lost at least half a dozen bank branches from his electorate. Still he says nothing.

Why have the Liberal and National parties ignored the cries for help from rural and regional communities that will continue to suffer the devastating effects of branch closures if we continue to allow these financial institutions to chart their own path of slashing and burning? The time has come to put a stop to the greed of the banking industry and to ensure that banking services are both affordable and available. The Federal Government must play a role. It holds the power to control banking policy and is in a position to impose conditions on the banking industry. The time has come for the National Party and the Liberal Party at a Federal level to stand up to these institutions to ensure that rural and regional New South Wales has access to appropriate banking facilities.

It is unfortunate that neither the Leader of the National Party nor the Leader of the Liberal Party is here to support this motion. Country Labor regards this as a very important issue and it is at the forefront of trying to address the problem and trying to put pressure on the Coalition at a Federal level. The principles must be adhered to and honourable members opposite should understand those principles. Too often we hear of the Coalition's prowess at supporting small business. I regret to inform honourable members opposite that, once again, they are failing their constituency by allowing their Federal colleagues to dance to the tune of the banks.

Mr W. D. SMITH (South Coast) [4.27 p.m.], in reply: I thank the Opposition for its bipartisan support of this motion. I believe that every member of this House would support it and that at a Federal level both the Government and the Opposition would condemn the recent actions of the National Australia Bank. I thank the honourable member for Miranda, the honourable member for Cessnock, the honourable member for Barwon and the honourable member for Burrinjuck for their contributions to the debate. I know that the honourable member for Miranda has certainly been down this path before with five bank closures in his electorate. Yesterday I

visited the three communities in my electorate that will lose their banks: the communities of Bomaderry, Culburra and Milton. The degree of anger, frustration and continued disillusionment with the banks was well and truly evident yesterday both from those in small business and members of the general community alike.

I launched a petition calling on the NAB to immediately drop its plans to close bank branches, particularly in the Shoalhaven. As I asked business owners whether they were happy for me to put a petition on their counter they almost ripped it out of my hand: they were so frustrated by what the banks have done to communities across New South Wales. Customers overheard what I was saying and wanted to sign the petition before it was even placed on the counters. A common theme from the speakers in this debate has been loyalty. The NAB does not understand that to country people loyalty is a big issue. They have done business through local bank branches for many years and feel that they are part of the branches. It is a real slap in the face for them that the NAB has not reciprocated their loyalty. ANZ spokesman Paul Edwards said that ANZ regards the recent events as an opportunity to expand its branches in regional areas. He said:

We've had a moratorium on branch closures in rural areas for about three years now and we certainly see this as an opportunity to expand by those customers who are served by those branches.

The ANZ is not squeaky clean on this matter; it closed branches in the early 1990s. Perhaps it has seen the light. I call on the NAB to re-examine the offer put to it this morning. The *South Coast Register*, my local newspaper, referred in its edition of yesterday, Monday 8 April, to the remarks of Steen Pedersen, President of the Bomaderry-Nowra Chamber of Commerce. He said:

There are about 100-150 small businesses in Bomaderry. Many of them use the National Bank.

When the Commonwealth Bank closed in Bomaderry a lot of these businesses looked at getting a community bank established here, but the NAB said it was going to stay so we pushed to keep businesses using the local branch.

So a guarantee was given to the Bomaderry Chamber of Commerce president that the branch would be kept open and there would be no need for the establishment of a community bank because the NAB would be there for them. But look what happened yesterday. Mr Pedersen said:

Businesses changed accounts to the NAB because they said if we supported them they would support us.

But now the NAB is closing, where do all those businesses go?

This highlights how little NAB understands about banking in rural and regional New South Wales. Mr Pedersen went on to say:

We now have to go into Nowra, but where will the extra parking spaces come from, and who is going to serve all the extra customers in the bank?

It takes nearly an hour for us to go to Nowra to bank after we try to find a parking space, join the long queues in the already small banks.

If Nowra is going to have to accommodate all these extra businesses and people, who is going to fund the extra car parking spaces and other needs?

Mr Pedersen said that the Bomaderry Chamber of Commerce received a letter from NAB chief executive Mike Pratt last year stating that the bank would not close its regional or rural branches and it was only looking at consolidating its metropolitan businesses. What the NAB has done to rural and regional communities across New South Wales in the last 24 hours is a disgrace. [*Time expired.*]

Motion agreed to.

REGIONAL TOURISM

Matter of Public Importance

Mr MARTIN (Bathurst) [4.34 p.m.]: Today I raise an issue that is important to regional New South Wales and the Central West of New South Wales in particular. Close to my electorate and further west there are some really wonderful natural formations that have major tourist potential. Some are already part of our extensive tourism network but people west of the Divide take the opportunity to reflect on them as often as possible. I refer particularly to the caves system in the Central West. In my view these speleological specimens are one of the great wonders of the world. Jenolan Caves are located in the neighbouring electorate of Blue

Mountains, which is represented by my colleague the Attorney General, Bob Debus. But the infrastructure that supports Jenolan Caves, including the administration centre and staffing, is located in Bathurst. Oberon is the closest centre and it derives a great deal of income from Jenolan Caves tourism.

Abercrombie and Wombeyan caves are also operated by the Jenolan Caves Trust. Wellington Caves are operated successfully by local government. That shows how local government can turn a natural formation into a viable tourist attraction. Yarrangobilly Caves are operated by the National Parks and Wildlife Service. Many people would not be aware that Jenolan Caves is the most popular regional tourist attraction in New South Wales. Its 39 cave tours are listed on the New South Wales Tourism Visnet service and 18 different tour companies visit the area. In the last full year for which figures are available, 2000-01, there were 221,744 visitors to Jenolan Caves. In the previous year, 1999-2000, there were 243,420. In 1998-99 there were 238,841, in 1997-98 247,992, and in 1996-97 264,118. The figures have been consistent but they vary slightly.

The disastrous recent Christmas and New Year's bushfires had a severe impact. Tourism New South Wales can play a role in that regard. When major calamities such as the bushfires occur people feel that they cannot move west. Although the upper Blue Mountains was not affected by the fires, tourism died off. The majority of people visiting Jenolan Caves travel through Katoomba, in many cases as an extension to visits to other parts of the Blue Mountains. During the bushfire period there was a dramatic decline in tourist activity at the caves and the associated income dropped by 60 per cent on the comparable period last year. The peak period for Jenolan Caves is during the summer months. Those who operate the caves are working with Tourism New South Wales and other organisations such as Explorer Country to improve the situation but what has been lost will not be recovered.

The spectacular formations in Jenolan Caves were discovered in the nineteenth century. A limiting factor in tourist access is the road in from the Katoomba side. It used to be known as Five Mile Hill. Five miles is about eight kilometres. It is a dangerous and winding road with sheer drops. It is used by large tourist buses and this makes it difficult for vehicles to pass each other as there is insufficient room to pull off the road.

Another problem at Jenolan Caves is deterioration of the Grand Arch, that magnificent natural formation that can be viewed when approaching from Hampton. Over the years the arch has deteriorated because of carbon monoxide from vehicle exhausts. I have attended many functions including classical concerts in the Grand Arch, which has magnificent acoustics. The Jenolan Caves Trust is working on an ambitious program to install a cable car. People will be able to park their cars on the top of Five Mile Hill, which will have associated tourist facilities, and take a magnificent cable car ride down to Caves House and the entrances to the many caves.

That will enhance the attractions of Jenolan Caves manyfold. However, big dollars are involved and the caves organisation is self-funding. Caves House is let out to a private operator, previously to Peppers, but it has changed hands a couple of times. The trust has asked for expressions of interest to run that facility and I hope that its negotiations with Treasury will come up with a suitable scheme. Tourism New South Wales and tourist operators should be aware that Jenolan, Wombeyan, Abercrombie and Wellington caves could be packaged together into a very attractive proposition for tourists.

The Jenolan Caves Trust is looking at setting up self-guided tours. When I first heard that suggestion I was a bit worried, because I would hate to get lost in the River Cave, or any other cave. The tours would be run professionally, and would be an exhilarating experience. The trust has a good reputation, its board works very hard and comprises capable people from the local area and from outside industries as well as tourist operators. This wonderful resource is a real attraction in the Central West. Visits to the caves, the Oberon shire and Wellington can be linked via the Explorers Way Touring By Car Campaign. Currently, the only way that people can access Jenolan Caves is by car or bus. That campaign has raised more than \$5 million.

Outside the coastal strip and the metropolitan area there are not many man-made tourist attractions. The big selling point of Jenolan Caves is its wonderful, natural speleological formation. Some members may disagree with me, but I believe that the formations at Jenolan Caves are unique. For more than a hundred years visitors have been able to gain access to the caves. Many people return time and time again, because they never get bored with visiting the six or eight caves that are always open for inspection.

As well, there are the natural wonders of the surrounding bush and the ecotourism associated with the Jenolan and Wellington caves to be enjoyed. That is a big selling point for tourism. Ecotourism is very popular with international visitors; they like to experience the Australian bush. They can do that within the confines of

the cave systems throughout central-western New South Wales. We need to promote this area time and again and encourage tourist operators, particularly Tourism New South Wales, to make sure that they emphasise the attractions of the central-western area and give prominence to the wonderful cave systems.

Mr R. W. TURNER (Orange) [4.43 p.m.]: As the member representing the electorate adjoining that of the honourable member for Bathurst, who raised this matter of public importance, I believe that the caves in my area play a very important part in tourism, although they are not as outstanding as the Jenolan Caves. I agree with the honourable member for Bathurst that we need to link together the facilities for visiting the caves. People who enjoy caving should be aware of how different each cave is. Most caves at Jenolan are still active. I remember that when I was a child living in Sydney I visited the Blue Mountains, stayed overnight in Caves House at Jenolan and looked at two caves one day and three caves the next day.

I am still in awe of the majesty of those caves with their stalactites and stalagmites. I cannot comprehend how many thousands of years it took to form those caves that we went through in an hour or so. Other caves in the area include Abercrombie caves, Wombeyan caves, Borenore caves outside Orange, and Wellington caves alongside the phosphate mines and run by the Wellington council. While those caves are not as important as the Jenolan Caves they are an important part of the cave system throughout the Central West. In this Year of the Outback we need to get people over the mountains. While it is quite easy for tour operators to run one-day tours from Sydney to the mountains, they go only as far as the Three Sisters or Mount Victoria and return.

The tourists who do not go over the mountains miss so much—not just the caves but all the attractions in the Central West. If the attractions were linked together people could spend three or four days in the area. Members would have heard about the Bathurst car races. In a couple of weeks I will have the honour of opening the Martis Balloon Fiesta in Canowindra. During that weekend the population of 1,800 will swell to 30,000. The committee running the fiesta does a magnificent job. Visitors to Canowindra could be encouraged to stay a little bit longer if other attractions were offered. We need infrastructure to get people over the mountains. For a long time I have campaigned for a better road over the mountains. Government members have ridiculed my efforts but they should acknowledge that tourism will benefit if that road is upgraded.

The Government acknowledged that tourism is important to regional New South Wales. A new road over the mountains will get more tourists to the Central West right through to Broken Hill. I acknowledge that in the electorate of the honourable member for Broken Hill there is that wonderful man-made cave, the mine, which is a wonderful tourist attraction. In years to come that other man-made attraction, the Cadia goldmine, will be a tourist attraction. In a couple of weeks the Premier will visit Orange to open the Ridgeway underground mine, another future man-made tourist attraction.

Other attractions could be linked to the caves system. Not everyone wants to go down into the bowels of a cave by the light of a lantern. Today I read that another 26 caves have been found in the Borenore system. The caves are dry and the cave system is no longer growing. If one does not mind darkness, one can visit that system. However, most people like to visit caves in relative safety and in good light, sometimes in coloured light. Children enjoy that visual attraction. We do not exploit that attraction as much as we could. In the past some caves have been damaged. The honourable member for Bathurst spoke about damage to the Jenolan system.

I spent a wonderful afternoon listening to a choral group at the Abercrombie caves and the acoustics were magnificent. I also witnessed the damage caused to the ceilings of those caves by former convicts and bushrangers, who used to light fires in the caves. Other tourist attractions in the Central West include the Food of Orange promotion, which includes a 10-day feast of wonderful food. Chefs will travel from Sydney to cook in local restaurants using local food. I congratulate Gordon Muir, the president of that food group, and his team on attracting thousands of visitors to Orange. In this way many will be able to sample the wonders of our local wines, berries, beef, lamb, venison, apples and cherries.

We should also encourage those tourists to look at the caves system at Wellington, which are supported by Wellington Council. Many years ago I stayed in cabins at those caves to take part in the annual Apex debate. Representatives from 14 Apex clubs participated. One must witness the beauty of the caves to appreciate fully their wonderful acoustics for choral groups and orchestras or merely for public speaking. I encourage people to partake in this unforgettable experience. I believe also that the goldmining caves are not sufficiently promoted. Cabonne Council, because of insufficient State or Federal government funding, may pull out of an area where the first payable gold was found in Australia. Some of that gold was used for Olympic medals. It is a shame that

neither the State Government nor the Federal Government places sufficient importance on ensuring that this area remains a shrine to Australia's history. Thousands of migrants came to the country hoping to find riches. Some did, but others left disappointed. Australia changed forever following the discovery of gold, yet this area is not being properly promoted.

I acknowledge the assistance given by New South Wales Tourism and the State Government to support explorer country. However, small businesses such as bed and breakfast establishments and other tourist attractions, or major attractions such as Martis Balloon Fiesta or wineries with open door sales are being threatened because of public liability insurance. The State Government cannot tell people how to run their businesses but it can help to solve the public liability insurance crisis and assist with promotion. Coastal areas can afford big dollars to promote business, either through the print or through electronic media, but small companies in the Central West do not have the ability to promote their businesses overseas. Therefore, the State Government should provide more dollars to assist those companies. Tourism is important to the Central West and it should be encouraged so that it can continue to be a significant employer into the future.

Mr BLACK (Murray-Darling) [4.53 p.m.]: I am more than delighted to speak to this matter of public importance moved by the honourable member for Bathurst, a Country Labor member. I acknowledge that some weeks ago the Minister for Land and Water Conservation, and Minister for Fair Trading spent three days in the real outback, the best portion of New South Wales, and that he will return for another three days during the winter recess in this Year of the Outback. I appreciate the comments made by the honourable member for Orange. The honourable member for Wagga Wagga was born and bred in Ivanhoe. He is the only Liberal member to come from Ivanhoe, a hub of the outback. When he was younger he was nicknamed Jack Dempsey. I acknowledge the presence in the gallery of the Mayor of Cobar, Lilliane Brady. I wish to take up some of the comments made by the honourable member for Bathurst and the honourable member for Orange.

The outback is booming this year. I have not seen the rail travel figures for this year because they are not yet available. However, on the Great Western Railway there are two Indian Pacific trips per week and one Ghan per week. For 2000-01, travel on the Gold Kangaroo Service from Sydney to the west has increased by 35 per cent and on the Red Kangaroo Service by 16 per cent. Return trips have increased by 23 per cent and 18 per cent respectively. Those huge increases are being mirrored this year, indicating a huge increase in visitation to the outback. I refer in particular to the Outback Adventure Train, an event organised by the Lachlan Shire Mayor, Terry Brady, another great Country Labor member. That will be a nine-day trip, including a visit to "Kilferra" at Ivanhoe. I will have the privilege of not only welcoming that train but also opening the agricultural fair. I am looking forward to that nine-day trip in September and October.

In this Year of the Outback the Easter weekend at Broken Hill was the best we have had in a long time. The Third Outback Band Festival and Military Tattoo fielded bands such as the Enfield Brass Band, the Salisbury City Band, the Mad Brass Band from Mildura and the Tanunda Town Band from South Australia. Also in attendance was the Lower Blue Mountains Band and the Australian Youth Band, Southern Stars. This function was organised by Pauline Rauert, a great organiser—indeed one of the best—and I congratulate her and the 90 volunteers who organised the event. The Australian Youth Band, Southern Stars, led the march. Many honourable members would be familiar with this band because it performed at the Olympic Games opening. The event commenced with the street march on the Saturday, followed by the military tattoo on the Saturday night, competitions during Sunday and a wonderful concert on Sunday evening held in the Broken Hill Civic Centre.

Other events during the Easter weekend included the Oxley Gymkhana, the Bourke Fishing Challenge, the Wanganella Outback 2002 Dance and the great Yabby Races at White Cliffs. As well, there was the launch of the book *A Journey of Colour* by author Len Cram of Lightning Ridge. Other functions were the Homebush Gymkhana and the Cameron Corner Gymkhana, as well as the Higher Ground Music Festival at Hay. It was announced today that on 14 and 15 June—14 June being my birthday—there will be the reunion of the stars of *Mad Max II*, which was made in and around Broken Hill and became the biggest box office success in Japan. On Easter Sunday, Lightning Ridge held the Great Goat Race, a very successful event. Lightning Ridge owns the fastest racing goat—the goat is so good that last year it ate the \$10,000 winning cheque. This year the bet is for a 44-gallon drum of opal for anyone who has a goat that can beat the Great Goat of Lightning Ridge. I commend this matter of public importance.

[Discussion interrupted.]

BUSINESS OF THE HOUSE

Matter of Public Importance: Suspension of Standing and Sessional Orders

Motion, by leave, by Mr Whelan agreed to:

That standing and sessional orders be suspended to allow a further member to make a contribution of five minutes to the discussion on the matter of public importance.

REGIONAL TOURISM

Matter of Public Importance

[Discussion resumed.]

Mr McGRANE (Dubbo) [5.00 p.m.]: I thank the House for permitting me to speak in the debate on this matter of public importance that is vital to tourism in regional New South Wales, especially the central and western areas of the State. Tourism in this region has been one of the biggest growth industries of the past 20 years. Wellington Caves in my electorate are probably the best caves, apart from Jenolan Caves, in New South Wales. The radio telescope at Parkes in my electorate is a major attraction in the central west—especially since the release of the film *The Dish*, which has caused an increase in throughput at the Parkes telescope visitors centre from 65,000 to 120,000. Dubbo zoo has 250,000 visitors a year and the Government announced last week—it was the second time it had made this announcement but good news such as this deserves a second outing—that \$35 million will be spent on the zoo in the next 12 years. Dubbo City Council has in the heart of its central business district [CBD] one of the best tourist attractions of any CBD in New South Wales. As a consequence, tourist dollars are also spent at retail outlets in the CBD. Dubbo gaol is the only gaol in the State that people pay to enter and the generous citizens of Dubbo then let them out free of charge.

Many other tourist attractions in central and western New South Wales need government promotional support. Not enough money is spent in this important area. A small amount of the State's tourism budget is spent on promotions. That seems odd: our economy depends on tourism and promotion attracts tourists, but the Government is not spending enough in this area. The recent tourist drives were welcome but not enough money has been spent west of the mountains. The collapse of Ansett and the difficulties experienced by regional airlines has meant that tourists cannot afford to travel by air. Therefore, tourism in regional New South Wales depends on developing the road and rail networks.

I suggest that the rail network could stand a lot of improvement. Over the Easter long weekend I travelled to Albury by public transport. I caught a bus from Dubbo to Orange, another bus to Cootamundra and then the XPT to Albury. It is an excellent service that does not receive much promotion. The XPT service from Cootamundra is part of the Sydney to Melbourne service. It is a great way to travel to Melbourne at a reasonable cost but not many people know about it and its road connections. The New South Wales Government should spend money promoting its existing transport infrastructure. I am at a loss to know why it does not do so.

We all appreciate that there have been problems with our road network, but roads over the mountains have improved. A potential tourism source for regional New South Wales is the outer western suburbs of Sydney. Three million people live in that area, many of whom have not ventured over the mountains. The Government should spend more money promoting regional New South Wales in the western suburbs of Sydney. It need not allocate an extraordinarily large amount to this exercise, but we must send a message to those in the outer western suburbs of Sydney that regional New South Wales is a great place to visit and to holiday.

Mr MARTIN (Bathurst) [5.05 p.m.], in reply: I thank honourable members for contributing to the debate on this matter of public importance. It is evident from the speeches by the honourable member for Orange, the honourable member for Murray-Darling and the honourable member for Dubbo that there is a wide range of tourist attractions beyond the mountains that, as the honourable member for Dubbo said, we must do more to promote. I spoke at length about the Jenolan Caves, which are located close to where I live and whose infrastructure operates out of my electorate. It is an important business with a budget of \$5 million and 41 full-time equivalent employees. We would be delighted if every week we could attract to the bush a business that offers 41 permanent positions.

The regions of the central west offer tourists a diverse range of experiences that I think are the equal of any found elsewhere in New South Wales. That is evident from the contributions of other honourable members.

It was from the regional centre of Bathurst—which I happen to represent in this place—that much of the inland was explored and opened up by white settlers, so it has a link to the early years of settlement. The diverse nature of the tourism project in the region is an advantage but it has also made it difficult for the central west to develop a strong regional identity. Tourism district boundaries and so on have changed over the years and perhaps it is now time to refocus. We should concentrate our energies and formulate a tourism package that includes transport infrastructure. I agree with the honourable member for Dubbo that rail can play an important role. Tourist rail in my home town of Lithgow is starting to grow legs. For example, redevelopment of the link with the old zigzag railway into the Lithgow valley could act as a springboard for tourists to travel further west and to the wine areas of Mudgee—for the purposes of this exercise, I will include Mudgee in the central west region.

We have all the right ingredients but we need to maintain pressure on government by raising the issue in debates such as this, by talking to Tourism New South Wales and the private industry and by selling our wonderful tourism product. It is attractive to overseas visitors but, as the honourable member for Dubbo pointed out—the Jenolan Caves people also recognise this fact—our real market is those who live in the area that extends from the base of the Blue Mountains to the coast. Those three million to four million people are looking for tourism opportunities. The Explorers Way Touring by Car initiative was extremely successful because it targeted baby boomers aged 55 years plus who have opted for early retirement. People of this generation are more affluent than any other and have the means to explore their country.

It is a truism that many Australians spend more tourist dollars overseas than in their own country. I know people who have travelled throughout Europe and the United States of America and who talk about their wonderful overseas experience but who have not visited the Dubbo zoo or Wagga Wagga. We take it for granted that there is nothing to see in regional New South Wales but my colleagues on both sides of the House have amply demonstrated today that we have wonderful tourist attractions in the central west and west of the State—I will include the south and even the far South Coast so that the honourable member for Bega does not feel left out; I am sorry, but I cannot include Hornsby. We have a wonderful product and both Federal and State governments have a responsibility to allocate the necessary resources. Tourism is a regional industry. Many people think tourism is all gloss but it is an important industry in itself.

For years we have been told that we will live off tourism. We must improve the set-up and develop tourism on a more sophisticated basis so that more people will want to enjoy our tourism products. Coming together, talking about it, publicising it and applying pressure at the political level is the way to do it. I thank all honourable members for their participation in this debate.

Discussion concluded.

BUSINESS OF THE HOUSE

Bill: Suspension of Standing and Sessional Orders

Motion by Mr Yeadon agreed to:

That standing and sessional orders be suspended to permit the introduction and progress up to and including the Minister's second reading speech of the AGL Corporate Conversion Bill, notice of which was given this day for tomorrow, prior to the taking of private members' statements.

AGL CORPORATE CONVERSION BILL

Bill introduced and read a first time.

Second Reading

Mr YEADON (Granville—Minister for Information Technology, Minister for Energy, Minister for Forestry, and Minister for Western Sydney) [5.11 p.m.]: I move:

That this bill be now read a second time.

The AGL Corporate Conversion Bill introduces important changes for one of New South Wales oldest institutions, the Australian Gas Light Company. Since its inception in 1837 to light the streets of Sydney with gas, AGL has grown to be a major Australian company with operations throughout mainland Australia and in

other countries across the energy sector. The bill is to provide a mechanism to constitute the Australian Gas Light Company, or AGL, as a body corporate under the law of New South Wales with a modern corporate structure and to authorise the company, once incorporated, to apply to be registered as a public company limited by shares under the Corporations Act 2001 of the Commonwealth. This bill also amends the Gas Industry Restructuring Act 1986 to remove the 5 per cent limit on shareholdings in the company on its registration as a public company and, in the period to the removal of that limit, to strengthen provisions relating to the enforcement of that limit.

As members would be aware, on 2 April 2001 the Government announced that AGL would be converted to a Corporations Law company. The corporate conversion process is a pathway down which many other historic companies—such as the Bank of New South Wales and AMP—have proceeded. AGL will be one of the last organisations to achieve regulation as a company under the National Corporations Legislation scheme. The bill is a result of the joint implementation process established between the Government, its relevant departments and AGL. The AGL Corporate Conversion Bill deals with AGL as an entity. It is about the corporate structure and arrangements governing one of New South Wales oldest businesses. It is not about changing the regulatory framework for the electricity and gas sectors, nor does it alter the consumer and environmental protections or the economic regulation of the industry.

Today AGL is governed by a series of Acts, by-laws and other regulations put in place to regulate what was once a monopoly gas supplier. Many of these components date back to the first half of the nineteenth century. This bill will allow AGL to be fully regulated under the Corporations Act as a modern company and will replace its 164-year-old constituent documents with a modern constitution. AGL was formed in 1837 as a gas utility under the Australian Gas Light Company Act and was first listed in 1871. The 1837 Act and subsequent amending Acts, which included shareholding restrictions of 5 per cent and differential voting rights provided in the Gas Industry Restructuring Act 1986, were designed to prevent AGL, as the monopoly gas utility company, from falling under the control of any single shareholder or group of shareholders acting in concert. In essence, AGL was subject to company-specific regulation.

There are a number of important rationales underlying the Government's decision to enact AGL's corporate conversion contained in the bill. First, as a company governed by its own Act of Parliament, AGL is treated quite differently to its competitors and other listed companies. AGL's legislation provides it with a number of special powers, rights and obligations that were appropriate for a monopoly gas utility established under New South Wales law. In addition, AGL's legislation contains mechanisms restricting any one shareholder holding more than 5 per cent of its shares, provides for disproportionate voting rights, and allows it to make by-laws that have the effect of law. Moving AGL to the same corporate legislation platform as other companies is consistent with the policy position, endorsed by all governments in Australia, to have a National Corporations Legislation scheme.

Second, the Government has undertaken to reform the energy industry and the principle of competitive neutrality requires that AGL should be subject to the same restrictions, controls and rewards as other non-government owned energy corporations. Other companies with which AGL competes do not have special powers, rights and obligations or legislative shareholding limitation mechanisms. There is, therefore, no level playing field. There is no compelling policy or other reason why AGL should be regulated differently from other energy or publicly listed corporations, or why the New South Wales Government should have any significant role to play in the operation of AGL as a private sector company above any other energy company.

Third, the original justification for the shareholding control restrictions appears to have been a desire to prevent a private owner from abusing the position of AGL as a monopoly gas utility company that it historically enjoyed in the supply of gas to New South Wales customers. The implementation of energy full retail contestability and open third party access to gas networks, including all of AGL's networks, as well as the overarching regulatory framework provided by the Gas Supply Act 1996, remove this argument for a company specific limitation. In addition, shareholding limitations are not generally supported for other major Australian companies, except in limited circumstances and usually when they apply to all participants in an industry, for example, within the media. Fourth, AGL's existing shareholder voting rights, which give some shareholders more votes than others, are not consistent with modern corporate practice of most publicly listed companies on the Australian Stock Exchange.

I now turn to the detail of the bill. The bill has two aspects: first, the legislation enabling the conversion and, second, the compliance legislation to ensure no investor takes unfair advantage of the AGL corporate conversion reform package. I will address each of these in detail. At present, AGL is not incorporated. Its assets

are vested in the Company Secretary on behalf of the Company of Proprietors. Liabilities and claims can be recovered by action against the Secretary. The Corporations Act sets out the procedure which must be followed in order for AGL to become a company registered under that Act. Chapter 5B, part 5B.1 of the Corporations Act sets out a procedure whereby a body corporate that is not a company may be registered under the Corporations Act as, amongst other things, a public company limited by shares. While AGL is a registered body under the Corporations Act, it is not a company registered under the Corporations Act for the purposes of the Corporations Act.

In order for AGL to become a company which is regulated solely by the Corporations Act, enabling legislation must be passed which provides for the conversion of AGL into a body corporate. The method adopted is called the corporatisation method. AGL will be firstly converted into a body corporate under the bill. All assets and liabilities will be vested in the corporatised AGL. Corporatised AGL is, to the fullest extent possible, taken to be a continuation of the same company and the same legal entity as AGL. All officers and employees of AGL will be taken to be officers and employees of corporatised AGL. All contracts with AGL will be taken to be contracts with corporatised AGL. All references to AGL in any instrument will be taken to be references to corporatised AGL. The financial position of AGL and its accounts are taken to be the opening financial position and accounts of corporatised AGL. Corporatised AGL is then registered as a company under the Corporations Act.

To register a company as a company under part 5B.1 of the Corporations Law AGL will lodge an application with the Australian Securities and Investments Commission. Before conversion of AGL into a body corporate, AGL shareholders must approve the passing of a motion at a general meeting that resolves that AGL be constituted as a body corporate under the proposed Act, approves a constitution for AGL on its conversion into a body corporate and resolves that AGL be registered as a public company limited by shares under the Corporations Act. All relevant legislation governing AGL as a company is to be repealed. This is planned to occur in parallel with the commencement of the proposed legislation. The main legislation to be repealed includes the Australian Gas Light Company Act 1837, 1839, 1849, 1858 and 1883 and relevant sections of the Gas Industry Restructuring Act 1986. It is proposed that this will occur automatically upon the registration of AGL as a company.

If the Parliament accepts the Government's bill, and once I am satisfied the relevant provisions have been complied with, on application by AGL I will issue a compliance certificate and conversion order to AGL specifying the conversion date that AGL be registered as a company under the Corporations Act. This conversion date is expected to be one month after the passing of the relevant motion by AGL shareholders and is targeted to occur around 1 July 2002, the commencement of the new financial year. Under this process the bill will confirm AGL's ability to continue to do business after conversion. In addition, the bill also has the effect of strengthening the application of the current 5 per cent limit on the shareholdings in AGL for an interim period from the date of the public announcement of removal of the restrictions until AGL is converted into a body corporate and registered under the Corporations Act as described above.

Last year when I announced the Government's policy on AGL's corporate conversion I noted that, once the market became aware that the shareholding limits would be removed, there may be an incentive for some parties to attempt to illegally acquire a higher level of holding than 5 per cent prior to the relevant legislative changes taking effect. As I indicated last April, it is the intention of the Government that no-one should take financial advantage of the corporate conversion process. Retrospective measures are introduced in this appeal to tighten the prohibition on a person owning more than 5 per cent of the shares in AGL between 2 April 2001 and the date of AGL registering as a company under the Corporations Act. The Government has given a clear signal to the market that this will not be tolerated. It is proposed, therefore, to strengthen current legislation to remove any chance that a profit could be made or any advantage be taken during the interim period before removal of the 5 per cent limit.

This legislation will introduce a number of additional measures. First, the obligation imposed on AGL to monitor its share register and inform the Minister whether it suspects any breach of the 5 per cent limit is enhanced through a requirement that AGL report to the Minister in writing regarding its share-monitoring obligations within seven days after the date of assent to this legislation, and then seven days after the date of registration. Second, the penalty for contravention is significantly increased to include a significant monetary penalty of up to 5,000 penalty units—that is, \$550,000. Third, where the Minister has ordered a person to dispose of shares the Minister may also direct that the person pay to the Energy Corporation of New South Wales any realised capital gains on the shares. Fourth, the Minister may require AGL to provide further information on its share register. Fifth, the Minister may obtain expert advice concerning these provisions and their enforcement. Sixth, the Minister will have the power to request a copy of the share register and to inquire as to the beneficial ownership of shares held.

The above transitional compliance measures are in addition to part 4 of the Gas Industry Restructuring Act under which there are already a number of measures concerning shareholding limits. The Minister can decide whether there has been a contravention of the 5 per cent limit and order that the contravention be remedied. The Minister can order that the offending shares be sold and, if the order is not complied with, the Minister can direct that the shares be sold and the proceeds, after defraying expenses, are to be remitted to the Consolidated Fund. The Minister can direct AGL not to pay dividends or other sums in respect of offending shares. The Minister can require persons to furnish information in relation to shareholdings where the Minister believes there are reasonable grounds that a person has information. AGL can refuse to register a transfer of shares if the proposed transferee does not declare that the transfer will not result in a contravention, thus rendering those shares unsaleable, and AGL can restrict voting rights attached to shares if it is aware of a contravention.

This compliance legislation will apply retrospectively from the date of the announcement of AGL's corporate conversion, which was 2 April 2001, to the date of removal of the shareholding limitation. This will deter any potential illegal trading. The implementation process is also designed to avoid adverse consequences for AGL, its customers and shareholders as well as the New South Wales Government. AGL has formally advised the Government that the deal is acceptable to it. The bill is also important in achieving a level playing field between AGL and other energy companies in a competitive New South Wales energy market, and ensuring that AGL is treated in the same way as other companies that are regulated in the energy sector. Although the legislation deals with complex corporate regulatory issues, the policy is simple: AGL will become just the same as any other company participating in the energy sector. This is a good outcome for AGL, its shareholders and consumers because it reinforces a competitive market. Redundant and inappropriate provisions will be removed to better reflect the reformed gas, electricity and utilities market. I commend the bill to the House.

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

Pursuant to resolution business interrupted.

PRIVATE MEMBERS' STATEMENTS

LANSVALE TO LIVERPOOL BUS SERVICE

Mr LYNCH (Liverpool) [5.28 p.m.]: I draw to the attention of the House and, in particular, to the Minister for Transport, and Minister for Roads an issue identified by my constituents: the need for a bus service between Lansvale and the Liverpool central business district. The improvement of public transport between these two places would benefit both Lansvale and the Liverpool central business district. Lansvale, which I represent, is bounded by the Hume Highway on the west and waterways on its other sides—Prospect Creek, the Georges River and Cabramatta River. It is some distance to a train station and, thus, effective public transport requires adequate bus services. To some extent that stems from the geography of the area. One resident of Lansvale wrote to me in the following terms:

There should be a bus on the Hume Highway going to Liverpool. If you can't drive you can't get out.

Another constituent wrote:

The biggest issue is public transport to Liverpool as you can't get there without driving. There are a lot of people who don't drive and need to get there.

Another resident from Lansvale wrote to me in these terms:

There is no transport to go to Liverpool. Please, please do something about it.

The resident continued:

My kids need to go to a school in Liverpool next year but there is no transport. I don't drive and I can't have my kids catching a bus to Cabramatta, then a train to Liverpool.

Another resident recently wrote to a local paper on this topic and said:

I am writing to complain about the non-existent public transport and amenities in Lansvale. I have lived here for seven years after living in other Sydney areas with no trouble of getting about. Lansvale is half residential and half industrial, which makes for a lot of people in the area.

All I want is a bus to go down the Hume Highway to get to Liverpool shopping centre, and it could travel to Bass Hill shopping centre as well. Not everyone drives or has a car. I cannot get a licence due to medical reasons. But many people around here cannot get out. The only pathetic bus we have goes from Cabramatta to Fairfield.

This resident pointed out that the service that goes to Cabramatta is quite inadequate for her needs. Amongst other factors, the bus comes infrequently and has to go on a fairly long route. The resident continued:

We always hear about not using cars, so put on buses. Everything for me is in Liverpool but I am not in a position to move there. I also went to the Liverpool Parramatta transitway meeting and made my petition but, of course, when I was there it was all very helpful, only to receive a letter and map where this bus goes nowhere near Lansvale. I am still receiving every letter about the transitway which is very informative, if I could get anywhere near it. I would love to go to Parramatta, and I do, because I have to wait for my husband (whose factory is at Lansvale) to take time off work to drive me to Warwick Farm railway station and from there I get to Parramatta, Blacktown, Westmead and so on, all of which have excellent services. I have to go out a lot for medical reasons to Liverpool and Westmead hospitals.

There are a number of common themes from these different residents. Because of its geography Lansvale is separated from many services. Residents have to travel out of their suburb for a whole host of reasons—shopping, medical consultation and so on. Most of these residents seem to want to travel to Liverpool to access those sorts of services. Additionally, travelling to Liverpool allows them access to major public transport facilities, presently in particular the railway but in the future the Liverpool to Parramatta transitway. There is a very real equity issue here. Many families cannot afford a car or can afford only one car when they need two cars. People in such a position are condemned to a second-rate transport experience. They have less money and resources than others and therefore do not have the same quality of life because of the inadequacy of the public transport system.

There is also a very practical issue here. Some people do not drive and some people for medical or other reasons are unable to drive. Because of this, they are condemned to a degree of social isolation and a considerable degree of inconvenience. The category of practical issues, of course, includes schoolchildren, some of whom go to school in Liverpool. There are considerable inconveniences and difficulties in children currently getting to school in Liverpool from Lansvale. The current arrangement involves an unnecessarily lengthy and complicated journey about which some parents are apprehensive. Granted that Liverpool literally is just a bit down the road, it would seem a little silly to have to go through a comparatively lengthy journey involving both bus and train changes to get from Lansvale to Liverpool. The other side of this issue is not just what the residents of Lansvale are missing out on, but also what the central business district of Liverpool is missing out on. Presumably various opportunities are being missed in Liverpool because of this difficulty related to public transport. Accordingly, I would ask the Minister for Roads and Transport whether he can provide any assistance on this issue.

HORNSBY ELECTORATE WATER QUALITY

Mrs HOPWOOD (Hornsby) [5.32 p.m.]: The Sydney Water Corporation's recent announcement to provide a major upgrade to the West Hornsby and Hornsby Heights sewerage treatment plants [STPs] in my electorate of Hornsby has once again highlighted the importance of the protection of our local environment and in particular our waterways. Berowra Creek is of critical concern and has had a history of algal blooms and other problems associated with receiving additional polluted water: most phosphorus in the creek comes from urban run-off whereas nitrogen comes from the STPs. These upgrades can be highlighted with the following points: \$26 million will be expended in the work that is expected to be completed by May 2002.

More nutrients will be removed following completion—STPs currently meet the conditions set down by the EPA and the upgrades will make this better. Of course heavy rain continues to create a problem with run-off that does not occur in dry periods. The sewer pumping station at Hornsby Heights is being upgraded which will see extra storage and new pumps. The upgrades will increase the capacity for future growth. The major upgrade is encouraging. However, there are still a number of outstanding issues to be addressed by the Carr Government—namely, the abolition of the community-based Hawkesbury-Nepean Catchment Management Trust a year ago and the axing of the Berowra Creek Catchment Management Committee the year before. The decision to abolish the Hawkesbury-Nepean Catchment Management Trust is obviously a mistake.

The decision by the then Minister for Land and Water Conservation, formalised on 11 April 2001, was made on inadequate consultation and with total disregard for the wishes of the communities it has affected. Many committed people from the Hornsby electorate work hard as volunteers in bush regeneration and water testing. Students in our schools learn about the necessity for excellence in looking after our environment. The trust provided a valuable advocacy conduit and its work was well recognised. The trust was made up of

community groups and their actions led to an integrated, co-ordinated approach to bring together all the parties impacting on the catchment of the waterways. These groups included council, government, Sydney Water, and the Department of Urban Affairs and Planning.

The ethos of the trust was to clean up the Hawkesbury-Nepean river system to an agreed standard. This was a pioneering development due to the hard work of the honourable member for Hawkesbury, Kevin Rozzoli, and the Fahey Government, which established the Hawkesbury-Nepean Catchment Management Trust. It was environmentally irresponsible to sack the trust board, which was administering a very important adjunct to environmental protection. Berowra Creek is affected by pollution from stormwater as well as treated effluent from the two sewerage treatment plants. In the life of the management trust deteriorating water quality resulted in increased community concern and the development of a community contract to clean up the waterway. This is just one example of the excellent work carried out by the trust.

As a result of community dissatisfaction arising from the abolition of the trust an inquiry was established. The findings of the standing committee supported claims by the Opposition and others that there was no independent evidence to support the view that the trust was ineffective and failed to provide it value for money. The most significant impact of the decision to abolish the trust has been to damage the relationship between the Department of Land and Water Conservation and the community within the Hawkesbury-Nepean region. The committee recommended that local representation be reestablished to allow direct participation by the community in catchment management issues and that a new catchment management trust be established. Related to this the recent announcement by the Sydney Water Corporation of a major upgrade in the west Hornsby and Hornsby Heights sewerage treatment plants is encouraging given that protection of the environment and minimising impacts on local communities are vital components of the projects.

Berowra Creek is at the heart of concerns about improving water quality and is integral in Sydney Water's commitment under the Statement of Joint Intent—an agreement set up to ensure the environment factors feature largely in all decisions for the area. Residents of the electorate of Hornsby are alarmed at the implications for the environment following the removal of the catchment management trust. When speaking with local concerned people they are anxious that the trust be reestablished so that the delicate balance existing in Berowra Creek and surrounds can be maintained both now and in the future. They are adamant that the community must have a say in relation to the environment in which they live.

ROZELLE HOSPITAL SITE

Ms NORI (Port Jackson—Minister for Small Business, and Minister for Tourism) [5.37 p.m.]: In my capacity as the local member for Port Jackson I wish to respond to an announcement today by the new Leader of the Opposition, John Brogden, in respect of the Rozelle Hospital site. I am truly staggered by the position taken by the Leader of the Opposition in regard to this site. Quite clearly he does not appreciate the wishes of my constituents. I am surprised that he would think he has them on side and attempt to score some cheap political points by making the announcement he did. I do not believe he has understood that what the locals really want is to preserve as much open space as possible. There is no doubt that a good many of them think that the entire site should be open space. Let me take honourable members through the position as it stands at present. The site is roughly 60 hectares.

The master plan that is under way has certain conditions placed upon it as a threshold point and the most important and significant of those is the fact that 47 hectares of that 60-hectare site is to be guaranteed as open space. That is the amount of open space currently enjoyed by the local community. There will be no loss of open space. The foreshore will be protected. The heritage buildings will be protected—including the heritage Charles Moore gardens and the Japanese gardens. I have explored with New South Wales Health what it would mean to retain the hospital on the existing site because some constituents have, in my view erroneously, argued that by keeping the hospital there they will preserve the open space. In fact, the contrary is true. New South Wales Health's advice is that to maintain or regenerate a facility at Rozelle would cost some 10 hectares of the currently proposed 47 hectares of open space. Why would my constituents, or indeed anyone, support a reduction of open space to the tune of 10 hectares? Let me remind honourable members that the 47 hectares of open space that has been proposed by the Government is three times the size of Hyde Park.

In the current public liability environment I do not understand how, if there is a psychiatric mega complex established on that site, a future private owner of the site would ever take on the public liability risk of allowing kids in their on bicycles, people to walk their dogs, play games, picnic, et cetera. It is fairyland for people to think that in the future a privately owned psychiatric mega complex would be able to responsibly

countenance free entry of the public in the way that occurs at present given the current public liability landscape. The Minister did not mention this but if this plan were to go ahead and the site were to be established as a psychiatric mega complex, where would future growth and facilities be placed? They would have to be placed on land that was already set aside for that purpose.

When a new facility, units or beds are required in future locals would not want more of their public open space—presuming that they still have access to it—to be consumed by buildings for this mega complex. There are all sorts of other psychiatric units and facilities dotted throughout the city and the State. I concede that under this plan it would be logical to aggregate them on this site, including forensics. That would bring in a further security issue. This plan is totally ill-conceived. No person professionally involved in psychiatry would argue against the notion that modern best practice dictates the integration of psychiatric services into a general hospital, for a whole range of medical reasons but most importantly to destigmatise patients' need to access psychiatric facilities.

HARDEN SHIRE ROAD FUNDING

Mr ARMSTRONG (Lachlan) [5.42 p.m.]: I bring before the House on behalf of Harden Shire Council an issue raised in a letter to me from the council of 2 April, which reads:

Council would like to bring to your notice the situation facing the RTA and Councils regarding the expenditure of the special Sydney Harbour Bridge levy.

The RTA had contacted Council on 21 January 2002 requesting a submission by 8 February 2002 to complete an overlay of MR78 by the end of March 2002 valued at approximately \$600,000.

So the council was given three weeks. The letter continues:

As you can imagine, the extremely short timeframe to submit a contract to RTA specifications for the job as well as then carry out the works was very tight to say the least. In the end, Council regretfully had to decline the offer as it could not have carried out the contractual and physical works by the target date.

Council requested to have the job postponed to a later date when it could have carried out the project in the early part of the 2002/03 financial year. The RTA advised it could not postpone the works as it was directed to have the job done by the target date with no leeway.

It must be appreciated that Councils cannot drop a substantial works program at short notice, sufficient leadtime must be provided to enable an orderly planning and execution of projects to take place. In Council's case, it is heavily involved in FAG [Federal assistance grants] works, Road to Recovery projects which also have expenditure deadlines and the special project works on the Jugiong road. Council's own Shire roadworks program has been shuffled to cater for the aforementioned projects and the Harbour Bridge levy job was simply too much to do at such short notice. It is assumed many rural Councils would be in a very similar position re this particular grant.

It would be appreciated if representations could be made to enable the Sydney Harbour Bridge levy grants to be preserved for expenditure next financial year.

I make a special plea to the Minister for Roads, whom I hope to be able to see before the week is up, to consider instructing the RTA to make these budget components available in the next financial year when councils have found, because of physical difficulties and the short lead times they have been given to respond concerning the use of the funds, that they have been unable to respond to the RTA's requirements. It must also be remembered that in many cases, with winter coming on, it is simply impractical to carry out large roadworks in some areas because of climatic conditions. There may be fog or rain or cold. The Harden shire is in the southwest, which expects most of its rain during the winter months. Money is hard to come by, as we all know. I am sure that the Harden Shire Council is desirous of doing the work on the road. Main Road 78 links Harden with Young. The 6,600 tonnes of steelwork for the Olympic Stadium was prefabricated at Young. That amount of raw steel was carted to Young over the road and then that amount of manufactured steel was carted back over the road, so 13,200 tonnes of steel was carted over that country road as part of the Olympic program.

Young and Harden are appreciative of National Engineering having won the contract for the Olympics. It was an enormous boost for jobs and gave a financial kick to the region. It also gained prestige. National Engineering has gained an enormous amount of respect from doing major jobs over the years. It built a major bridge over the lake in Canberra and did most of the work for the new Museum of Australia. It is a major manufacturer that uses that road frequently. The road needs upgrading to service the local community and to enable that company to prosper into the future. It also serves the abattoirs and the 130,000 tourists who visit J. D. 's Jam Factory in Young each year. Harden Shire Council has requested that a carryover component of the funding be extended into the next financial year so that the money can be spent in the interests of the community. It will allow a country area of New South Wales to prosper and allow National Engineering and the community to continue to serve Australia.

STOCKTON RIFLE RANGE

Mr BARTLETT (Port Stephens) [5.47 p.m.]: I recently attended the presentation night for the BHP Rifle Club at the Phoenix Club in Mayfield, a celebration of the best shooters in the club over a number of rounds of their competition. As a child during the 1960s I lived at Stockton and had a paper run to Fern Bay. I often heard the sounds of shot. It was part of the life of Fern Bay. The Stockton rifle range was constructed in 1939-40 in response to the growing likelihood of international conflict, coupled with the realisation that existing facilities in the Newcastle area would be inadequate to meet military training needs. The area around the Fern Bay-Stockton rifle range has a large amount of defence heritage from those days. To the north-east of the range there are large physical structures; they are higher than the picture of William Wentworth on the wall of this Chamber. The northern defence line for Newcastle was established to contain the armour proofing range where BHP steel was locked in place to test whether armour piercing shells or the steel would survive the testing.

It is a tourist destination just waiting to be developed on the back of a soon-to-be reopened Stockton rifle range. The range was considered one of the finest in Australia and, complemented by its proven military safety template, it has a 50-target width and is 1,000 yards long. There are not many in Australia of that size. The essential structures of the range include shooting mounds spaced at 100-metre intervals, a target gallery with its protective mantelet and the target pits and stopbutts, which are all still in place and in good condition, despite the fact that the range was closed four or five years ago.

A large shed that was used for target repair and storage was destroyed in the 1994 bushfire but the rail line that controls the targeting system is still there. Over the past three years little has gone on except repeated requests for the Ministry of Defence to take action. We have a benefactor waiting in the wings that is willing to fund the purchase of the site and give it to the Port Stephens Council to be cared for and controlled by the BHP Rifle Club. For more than three years plans for the sale of the rifle range to the council have been sitting on someone's desk in Canberra. My friend and colleague from the National Party, Councillor Jeff Titmarsh, and myself, representing Country Labor, have worked together on this proposal for years.

The stumbling block over those years has been the current Federal Member for Paterson, who continues to sit on his hands and produce little for Port Stephens. Whether it be the Kooragang Island international airport with 50,000 jobs, the Dolphin Interpretative Centre at Nelson Bay or the rifle range at Fern Bay, nothing ever seems to get done. If he could get the sale of the rifle range up and running that would at least be an achievement for Port Stephens. My suggestion to the Minister for Defence is to ignore the Federal Member for Paterson and deal directly with the Port Stephens Council and thus achieve a positive result for the BHP rifle club and its responsible members.

My military background and involvement in the Stockton and Singleton rifle ranges has given me a good understanding of those involved. They are extremely professional people and they are conservative shooters. The Government promised to look after them when the gun and rifle laws came into effect. I have supported their calls constantly. At its recent presentation night I was touched by the club's presentation to me of the Mandrake the Magician trophy in recognition of my involvement of nearly 10 years with the club and its attempt to secure the Stockton rifle range for its members. We are getting closer but we need the Ministry of Defence to agree to sell the rifle range to Port Stephens Council. The benefactor will fund that purchase for the benefit of all shooters in the Hunter region.

M2 AND F3 CONNECTION OPTIONS

Mr O'FARRELL (Ku-ring-gai) [5.52 p.m.]: I confess that last week I had feelings of anger, frustration, disbelief, unhappiness and, for a few moments, a sense of the sheer futility of life. I hasten to assure the House that those feelings had nothing to do with recent events in this place, but everything to do with a report in the *Sydney Morning Herald* concerning the push to connect the F3 and the M2. The report, on Thursday 4 April, indicated that the Federal Department of Transport and Regional Services had commissioned Sinclair Knight Mertz to investigate four options to connect the two roads. The article, referring to one option for an aboveground freeway, stated it would be from the end of the F3 at Wahroonga through South Turrumurra to the M2 close to the Pennant Hills Road intersection.

I place on record my utter rejection of any such proposal. Further, I condemn those responsible for including an option for investigation that has absolutely zero chance of being either the preferred option or ever being built. My anger, frustration and disbelief stemmed from the fact that, once again, residents in those suburbs are being adversely affected by the delusion of some Canberra bureaucrat. And make no mistake:

people will be hurt by this reckless announcement. Any residents of the area who are in the process of selling their property, or thinking about selling their property, will suffer until this nonsensical option is ruled out. It is not often that I agree with the Minister for Transport, but on this occasion he and I are at one. The Minister is quoted in the *Sydney Morning Herald* as stating:

The community has already rejected the notion of a surface link.

He is absolutely right. Along with the Minister and most residents of the area, and the motorists who would use such a link, I want a solution to be found to this problem, and found quickly. The absence of an F3 and M2 link creates enormous traffic problems for Ku-ring-gai residents as trucks and cars inundate the area every peak period, and increasingly outside those periods. It is obvious to everyone, including blind Freddy, that the solution lies in a fully filtered road tunnel, and not a surface road link. In 1996 the State Government removed the old road reservations, the B2-B3, a decision I applauded at the time. While I regret the delays by Ku-ring-gai Council and the Department of Urban Affairs and Planning in rezoning the land, and the fact that it has now been caught up in Ku-ring-gai's residential strategy imbroglio, the State Government has no intention of reinstating the corridor.

Both the Minister for Transport and the Minister for Planning have made that clear to me, and I have informed residents accordingly. Therefore, it is clear that if the F3 and the M2 are to be linked in that region of Sydney a tunnel is required. I have seen old working papers of the Roads and Traffic Authority in which a tunnel in the Wahroonga and Turramurra area was considered. Those documents make it clear that any tunnel, which would necessitate going under the Lane Cove valley, would emerge at Eastwood well south of the M2 and, therefore, would not meet the goal of linking the F3 to that road.

To many the most obvious solution, if the two roads are to be linked in this region, is a filtered tunnel under Pennant Hills Road. As the former member for an electorate which includes Pennant Hills Road from Pearce's Corner, which is the end of the F3, to the current M2-Pennant Hills interchange, I know too well the problems that adjacent communities have faced from the expansion of that road. As the honourable member for Epping has argued, the road is already under stress and is heavily trafficked outside peak periods. That is why I cannot understand why the proposal for further widening of Pennant Hills Road will ever be an option. Instead, if the area is to provide the link—and I am not convinced it should—a properly filtered road tunnel under Pennant Hills Road makes sense. It would run under an area already developed as a road, and it would help reduce existing surface traffic on that road.

However, I am yet to be convinced that this area is best placed to link the two roads. The Western Sydney Orbital is not a genuine orbital; it is merely a quadrant of an orbital. From Liverpool to Blacktown it genuinely meets the needs of traffic wanting to skirt Sydney. However, at Blacktown vehicles are to join the M2 and head east—I repeat east, not north—to join, as it currently stands, a link between the M2 and F3 in the vicinity of the existing Pennant Hills Road. If the Western Sydney Orbital were a genuine orbital link, after connecting with the M2 at Blacktown it should head north, involve a second crossing of the Hawkesbury, and then link to the F3.

Such a route would provide a genuine alternative for trucks and cars wanting to go around and not through Sydney. Such a route would also serve a fast-growing region of Sydney, an area where a city the size of Canberra is being developed as we speak. It would also avoid a problem I foresee with a link in the Pennant Hills Road area, namely, that there will be few inducements for drivers of trucks and cars to change their current habits. I do not want a situation to eventuate in which a link between the two roads is constructed and traffic continues to use either the Pacific Highway or Pennant Hills Road. That would be a pointless exercise.

I finish where I started by opposing the nonsensical proposition that a surface road link between the M2 and F3 should be built through Wahroonga and Turramurra. A surface link, which would affect the communities in North Epping and Marsfield, is unacceptable in this day and age. It is 1960s and 1970s style development gone mad. I have written to the Federal transport Minister pointing out the stupidity and impracticality of this proposal and sought its withdrawal as an option to be considered by Sinclair Knight Mertz. I want certainty for residents in the area. I want the shadow of road development lifted permanently. Above all, I want a commonsense and technological solution to the problem which I believe can be developed in a win-win situation for all.

CANTERBURY BULLDOGS SUPPORTERS BEHAVIOUR

Mr STEWART (Bankstown—Parliamentary Secretary) [5.57 p.m.]: Tonight I support the silent majority of Bulldogs supporters who were unfairly tainted and criticised as a result of the behaviour of some

people last Friday evening when the Bulldogs played the Rabbitohs at Stadium Australia, Homebush Bay. I stress that the incidents of that night do not reflect the majority of Bulldogs supporters, their background or their behaviour. It is unfortunate that once again the Bulldogs supporters have been singled out because of crowd behaviour, and unfairly so on that occasion. While I acknowledge the importance of the minute's silence as a mark of respect for the death of Constable Glenn McEnallay, a terrible tragedy, a number of matters involved in that minute's silence have not been painted as clearly as they should have been in the media. The Bulldogs chief executive officer, Bob Hagan, condemned the actions of some people in the crowd who were referred to on talk-back radio and in the press in the past couple of days. He said:

Given our problems in the past it is easy to label Bulldogs supporters as the sole offenders but it is incorrect and unfair to do so.

I agree with him. Mr Hagan also said:

Nobody in their right mind could condone the complete lack of respect shown by isolated individuals during the minute's silence for Glenn McEnallay.

Nobody would condone any crowd behaviour that showed disrespect during the minute's silence on that important occasion. I stress, and set the record straight, that the Canterbury Bulldogs League Club has put in place a number of measures to deal with crowd behaviour. The club has set the benchmark in setting standards for crowd behaviour. The maximum penalty for antisocial behaviour, which includes swearing, fighting or any form of behaviour deemed unacceptable under the legislation relating to Stadium Australia, is a life ban from attending all NRL games and criminal charges. High-profile players are used to educate fans, via video advertisements at games and at schools, on appropriate behaviour both at the ground and on trains afterward the game. I commend Hassan El-Masri, who has attended numerous schools in my electorate, as well as schools in the Canterbury and Liverpool electorates, to tell young people about acceptable social behaviour and accountability. That has had a positive impact on the young people he has spoken to.

Security guards from the Bulldogs club accompany patrons to railway stations. The number of police and the level of security is increased in direct proportion to the crowd expected at each game. Closed-circuit television and hand-held video cameras are in operation at the ground and on trains. Bags are searched at all entry points. Plastic bottles are not permitted at the ground and there is provision for the installation of a mobile charging station at the ground when large crowds are expected. The Bulldogs maintain constant liaison with a special police task force formed to deal with special events at Homebush Bay. A great deal is happening in regard to concerns about crowd behaviour. The Bulldogs football club, under the leadership of Chief Executive Officer Bob Hagan, has been instrumental in addressing the problem, which not only affects the Bulldogs but many other football clubs throughout New South Wales.

Once again, Bulldogs supporters have been stereotyped because people from ethnic backgrounds who attend football games are, unfortunately, singled out by the media. That is not in keeping with the notion of Australia as a multicultural country. The Bulldogs stress that any form of misbehaviour is regarded as unacceptable, and I support that view. Unfortunately, problems occur with large crowds and Bulldogs supporters are made easy targets whenever there are disturbances at a game. The media has shown a degree of irresponsibility in turning those disturbances into ethnic issues. We should deal with the problem at its source. It is only a minority that is causing the problems—and they are not Bulldogs supporters. That minority is not representative of rugby league in New South Wales or Australia. The Bulldogs are doing everything possible to eradicate bad behaviour, and I support them in their initiatives.

ORANGE TO LAKE CANOBOLAS WALKWAY AND CYCLE PATH

Mr R. W. TURNER (Orange) [6.02 p.m.]: I have pleasure in informing the House of the opening last Sunday of a new walkway and cycle path between Orange and Lake Canobolas. The project has been four years in the planning, and I was pleased when Orange City Council allocated \$40,000 towards it last year. The project consists of 500 metres of new pathway from the end of Woods Lane. A suspension bridge has been built. Even though it is not the biggest in the world, it has all the usual wobbles and up and downs to make it interesting for the kids. It is also wide enough for cyclists and pedestrians. Another 500 metres of trail have been developed through another block purchased by council that leads into Lake Canobolas, a scenic attraction for both residents of Orange and tourists. Lake Canobolas is stocked with trout and is, therefore, popular with trout enthusiasts.

The trail will now permit walking and cycling between Orange and the lake without the necessity to traverse any main road. It will make the path more pleasant and far more safe for all. They can either complete the lap and go back into town, which would be an 18-kilometre return trip, or they can join the path at different

entry points. My next aim is to develop the path further so that people can go from Orange to the top of Mount Canobolas, which is another 13 kilometres one way. People can drive to the lake, leave their car there and walk to the top of the mountain or they can enjoy a coffee at the lovely little coffee house on the way to the top or as a reward on the way back.

For many years Mount Canobolas has been part of the Canobolas Regional Park Trust, which has been administered by a group of local people and has received limited funding. It has always had problems with development and the eradication of blackberry. Wild pigs, dogs and cats endangered the lives of native animals within the park. Everyone in my area was reasonably pleased when the State Government announced that Mount Canobolas was to be taken over by the National Parks and Wildlife Service and would be administered as the Mount Canobolas State Recreation Area. Significant funding was promised when the announcement was made, but that funding has not been forthcoming.

Since the area has been under the control of the National Parks and Wildlife Service blackberries have overtaken many areas. Indeed, pathways that were previously accessible are no longer easily reached. Some of the paths were very scenic, and I refer particularly to the path that leads to Federal Falls and the Hopetoun trails. Even though the paths are fairly basic single-track paths, they were reasonably safe. Indeed, many people prefer those paths to those that are fully developed. They like to meander through the bush at their own pace. Unfortunately, because of a lack of funding people are no longer attracted to that area and that has had an adverse impact on tourism. The Orange Visitors Centre no longer encourages people to walk in that area, although they may choose to drive and enjoy the vista. More government funding should be made available to the National Parks and Wildlife Service so that the area can be properly developed and managed. *[Time expired.]*

OATLEY LIONS CLUB TWENTY-FIFTH ANNIVERSARY

Mr GREENE (Georges River) [6.07 p.m.]: Honourable members would be aware that in recent weeks the New South Wales Parliamentary Lions Club has been chartered, and with that in mind I refer to a function I attended on 26 March commemorating the twenty-fifth anniversary of the charter of the Oatley Lions Club. The function was held at Roslyn Gardens at Peakhurst and was chaired by the President of the Oatley Lions Club, Kevin Parker. This wonderful function was attended by representatives of many local clubs, including the St George-Hurstville, Lugarno and Sans Souci Lions Clubs and the Georges River Lionesses Club. It is important to note the attendance at that function of many original charter members of 25 years ago and other former members of the Oatley Lions Club.

The club originally had just over 20 members; it currently has 41 members. As well as supporting numerous community events, the club is noted for the annual spring festival, which is held each year in Oatley Shopping Centre. Last year was the twenty-fifth anniversary of that event. The club also supports Lions International through the Youth of the Year Quest. In February I attended the annual Youth of the Year Quest, which was organised this year by Heather Learmonth. I congratulate Heather on that achievement. I note particularly Bryan Pirie's ongoing commitment to Lions. He does an outstanding job for Lions and made a great contribution to the Oatley Spring Festival, which I mentioned a moment ago.

Oatley Lions also raises money by holding regular sausage sizzles. Last Saturday at Moore Reserve a great community event was held to celebrate the opening of the Moore Reserve wetlands, which were funded partly by Kogarah council stormwater trust grants and by foreshore improvement money. A number of Oatley Lions members were there supporting that community event with a sausage sizzle. They also hold regular sausage sizzles at Mitre 10 in Peakhurst in order to raise funds for their various causes. Oatley Lions conducts many raffles, and I note particularly the contribution of Wendy Cornish in this area. In February the Premier and I visited Oatley shopping centre as part of my regular schedule of shopping centre visits and we purchased some tickets in an Oatley Lions raffle. I congratulate Oatley Lions on its great fund-raising efforts.

I also note the support that Lions receives from the Oatley business community, particularly the Oatley Baker's Delight franchise. It is also involved with the Oatley newsagency whose owner, Mike Flanagan, is a great community contributor. The Humphreys family that owns and runs Oatley Hotel and has been in Oatley for 25 years also attended the anniversary dinner. I congratulate Oatley Lions on its involvement with local businesses and the local community. Oatley Lions is also heavily involved with Planet Ark's National Tree Day, which this year is on 28 July. I note that Oatley Lions member Mr John Dee instituted Planet Ark and National Tree Day, and he is still involved with that organisation.

Last Saturday I attended the official opening of the Belgreen Centre for the St George Disability Services group at which I met the immediate past president of Oatley Lions, Mr Ken Nimmo. Oatley Lions has been a great supporter of disability services, particularly St George Disability Services, and I compliment it on that involvement. Ken Marslew, from the Enough is Enough organisation, is an honorary member. On 28 March—two days after that event—I was honoured to be made an honorary member of Lugarno Lions. I am proud to have been recognised by that group in this way. Tonight members of the Georges River Lionesses will attend Parliament. It is another great organisation that is involved in many community events. The support of Lions International through local clubs helps to make our community a much better place. I thank them for their efforts and congratulate Oatley Lions on its anniversary. [*Time expired.*]

EMERGENCY SERVICES CALLS

Mr GLACHAN (Albury) [6.12 p.m.]: I draw the attention of the House to some problems that my constituents have experienced with the 000 emergency telephone number. Sometime ago I raised this issue with the relevant Minister, who investigated the incident. On that occasion a farmer at Brocklesby was shifting grain with his auger when he got his arm caught in the machine. His son, who was with him, rushed back to the house where his son's wife rang the 000 number and requested an ambulance. They bound the injured arm with a towel and, as they were a fair way from town, decided it would be best to drive to meet the ambulance. However, when they rang 000 to let the ambulance officers know to look out for them, the operator who took the second call could find no record of a request for an ambulance for Brocklesby. The Minister investigated this matter and I thank him for his correspondence.

However, there was another incident on 26 March when my constituent Mrs Heather Collis was involved in an accident while driving from Walbundrie to Albury. The accident occurred at about 2 p.m. when she was about four kilometres from Albury on the Urana road. It was caused when a 16-year-old unlicensed driver from Gerogery took his mother's car—she says without her permission—which was unregistered and uninsured. He drove to Albury in search of a job and on his way home lost control of the vehicle, veered across to the wrong side of the road and collided with the oncoming car driven by Mrs Collis. She was seriously injured and is currently in Albury Base Hospital, where she has been since the accident. She has multiple injuries, including head and chest injuries, injuries to her lungs and broken bones in both legs. Doctors recently reported that her heart is beginning to fail as a result of the stress that she is under. Mrs Collis, who is 61 years of age, has difficulty recognising family and friends. It is a very sad situation. Her husband is partially disabled, as is her 21-year-old daughter. Her 19-year-old son has employment.

Soon after the accident occurred, well-known local real estate agent Mr John Phegan arrived on the scene and dialled 000 on his mobile phone, requesting two ambulances—as two vehicles were involved—rescue services and the police. The operator who took the call asked for his location and Mr Phegan explained that he was on the Urana Road north of Albury. The operator then asked a series of questions, including the spelling of Urana Road—which he could not pronounce correctly. Mr Phegan explained that he was between Jindera and Albury but the operator did not understand him. He asked instead for the nearest cross street. The accident occurred in the bush where there are no cross streets within 10 kilometres on the Walbundrie side and four or five kilometres on the Albury side.

Mr Phegan tried desperately to explain the location of the accident and finally said, "For goodness sake, put me on to Albury police; they'll know what I'm talking about." However, the questions continued. Mr Phegan told me that he became quite annoyed and was sorry to admit that he used some bad language. He was extremely frustrated that he could not help this woman, who he knew instinctively was seriously injured—he could only hold her hand; he knew enough not to move her or try to get her out of the car—while being asked what he considered to be unnecessary questions. The Jindera Fire Brigade finally arrived, although the accident site was closer to Lavington. Even though he had done his best to explain that the accident had occurred four kilometres north of Albury, the person who took the message said it was 10 kilometres from Albury. Therefore, it was difficult for rescue services to pinpoint the exact location. Mr Phegan asked a police officer whom he would have spoken to on the telephone and was told that it could have been someone in Wollongong or perhaps in Perth. I do not know whether that is true, but if it is that is not satisfactory. The operator had no idea where the accident had occurred and that could have impeded rescue efforts.

HELEN JONES FRAUDULENT IDENTITY CLAIM

Mr McGRANE (Dubbo) [6.17 p.m.]: I put before the House a matter concerning my constituent Helen Jones. I wrote to the Attorney General about this issue on 22 March this year, but it must be resolved in order to

protect the names of ordinary Australian citizens. My constituent Helen Jones related this series of events to me in February this year. Last year a woman was arrested in Sydney and falsely gave her name as Helen Jones. It took her three attempts to get the birth date of the real Helen Jones right. She then incorrectly gave her age as 26 instead of 34, as the birth date indicated. Although she could not offer police any identification, she was charged under the name and birth date of my constituent.

The person charged did not attend court. My constituent received a summons at her Dubbo address, which led her, the real Helen Jones, to make inquiries. Ultimately she found out the events so far. Helen Jones from Dubbo has spent a number of months fearful that a simple procedure such as a random breath test could lead to her incorrect arrest. She has spent time and money with solicitors trying to have the criminal register changed, but to no avail. Five convictions are incorrectly recorded against her name. Police recognise that she was not the offender, but they say they cannot do anything to remove the convictions from her criminal record. My constituent has provided her fingerprints and a photograph to prove that she is not the person who was arrested and charged. She has not had these fingerprints or photos returned to her, as was stated at the time. My constituent has paid to defend herself against charges that were laid against another person.

Identification theft is becoming a serious issue in this age of modern transactions over the Internet and identification by card. There must be a better way to upgrade protection, which modern electronic record keeping requires. We cannot allow this situation to continue. I am sure that my constituent is not the only person who has had such an unfortunate series of events affect his or her name and livelihood. I ask the Attorney General to give this matter priority, because innocent people are being harassed by a criminal element using their names. For some unknown reason, a criminal record once entered against a name in the system cannot be changed. It is an intolerable situation in this country—with the technology we have at hand, with our police force and justice department—that when an error has been made, it cannot be rectified and an apology given to the innocent person.

Ms NORI (Port Jackson—Minister for Small Business, and Minister for Tourism) [6.22 p.m.]: I undertake to convey a copy of the honourable member's speech to the Attorney General for his reply.

Private members' statements noted.

[Mr Acting-Speaker (Mr Lynch) left the chair at 6.22 p.m. The House resumed at 7.30 p.m.]

ANTI-DISCRIMINATION AMENDMENT (DRUG ADDICTION) BILL

In Committee

Consideration of the Legislative Council's amendment.

Schedule of the amendment referred to in message of 20 March

Page 3, Schedule 1. Insert after line 13:

- (3) However, nothing in this section makes it lawful to discriminate against a person on the ground of the person having hepatitis C, HIV infection or any medical condition other than addiction to a prohibited drug.

Legislative Council's amendment agreed to on motion by Mr Whelan.

Resolution reported from Committee and report adopted.

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

COAL INDUSTRY AMENDMENT (VALIDATION) BILL

Second Reading

Debate resumed from 20 March.

Mr FRASER (Coffs Harbour) [7.32 p.m.]: The Opposition previously supported the Coal Industry Bill 2001, and does not find any material in the Coal Industry Amendment (Validation) Bill to be considerably different from the material contained in the Coal Industry Bill 2001. The Opposition supports the mechanical

purpose of the Coal Industry Amendment (Validation) Bill. It serves to correct an administrative error by the Commonwealth regarding the Coal Industry Bill 2001, which was designed to create two private corporations approved by the Minister for Industrial Relations to take over the functions of the former Joint Coal Board with respect to the provision of occupational health and safety, workers compensation and mines rescue services. This legislation was necessary due to the Commonwealth indicating its intention to withdraw from the Joint Coal Board's operations. The Commonwealth Coal Industry Repeal Bill 2001 was passed in both Houses of the Federal Parliament late last year.

Both pieces of legislation contain provisions that the Joint Coal Board's cessation and the transfer of its assets, liabilities and staff to the private corporations were to come into effect on the same date—1 January 2002. The error in this legislation has occurred because the Commonwealth's proclamation, having been made by the Governor-General in Council on 20 December 2001, was not gazetted before 1 January 2002. The effect of the Commonwealth's error is that the Commonwealth Act has not lawfully come into force and there is no dissolution date for the purpose of provisions under the New South Wales Act relevant to the dissolution of the Joint Coal Board and the transfer of its assets, liabilities and staff. The Opposition supports the Coal Industry Amendment (Validation) Bill, which is needed to complete the intent of the Coal Industry Bill 2001.

The Coal Industry Amendment (Validation) Bill is important because the New South Wales coal industry is a major employer in this State and is of significant value to the New South Wales economy. Approximately 9,500 workers are involved in the New South Wales coal industry, with coalmining accounting for more than 70 per cent of the total income from mining in New South Wales in 1999-2000. It is estimated that the State has 10 million tonnes of recoverable coal reserves. Coalmining is essential to the economies of regions such as the Hunter Valley, the Illawarra, Lithgow and Gunnedah. Because of the economic and social benefits yielded by the New South Wales coal industry, it is essential to ensure that viable future directions are immediately formulated for the coal industry, occupational health and safety, workers compensation and mines rescue functions.

Although the New South Wales coal industry has provided the State with important employment and financial benefits, the industry is also renowned for causing serious injury and disability to workers. Many fatalities have occurred over a long time. The Coal Industry Amendment (Validation) Bill is important because it formalises the removal of the Joint Coal Board and replaces core functions fundamental to the safety and wellbeing of coalminers throughout New South Wales. By doing so this will arguably provide coal industry workers with a more practical means of ensuring their occupational health and safety. I note that the Minister Assisting the Premier on Hunter Development is at the table. I remind him of old Peter Podmore from Kahibah who, for years, showed us a jar full of little bones that were pulled out of his back as result of the collapse of the Burwood colliery. I know that at times Peter was a bit of an adversary of the Minister, but he was a genuine advocate for the coal industry and for compensation.

The bill repeals the Mines Rescue Act 1994 and implements an industry-owned company to be known as the Mines Rescue Company, which will take over the functions of the Mines Rescue Board. That company will be responsible entirely for the provision of mines rescue services across the coalmining district of the State. It will also play a role in rescue operations at mines when the need arises. The Coal Industry Amendment (Validation) Bill has facilitated a major shift away from the joint government-owned coal board structure to a position where the industry will take a large step forward into the private provision of critical services, but with government oversight. The bill has been carefully crafted, negotiated and finalised in close consultation with the Government, industry and union representatives. This will have the desired effect of being more practical and applicable for the industry rather than being ideologically based by those who have formerly provided these services external to the industry.

The Opposition supports the bill because it is perceived to be the best possible way for new companies to operate free of government control. Although a degree of government oversight will continue, the companies are largely left to their own devices. The Opposition is satisfied that the companies constituted and validated under the bill will be financially and legally independent from the Government. We are also satisfied that the new arrangements leave in place a degree of government oversight that should provide the appropriate degree of scrutiny to ensure that the new arrangements are in the best interests of coalminers, coalmine owners and operators. The Opposition does not find this bill at all contentious. It validates the Coal Industry Bill 2001, which has been a long-awaited but well-formulated and important piece of legislation.

It is imperative that this legislation is validated to deliver the best possible outcomes for the New South Wales coal industry in regard to important issues of occupational health and safety, workers compensation and

mines rescue services. I was brought up in a coalmining town. I would suggest that at Kahibah, Dudley and Burwood we often saw many families in dire distress over the years as result of mine accidents. When you grow up in such a situation you appreciate the need for the industry to ensure that compensation and occupational health and safety are available to those families. Each miner has a family. Every day a miner goes underground he has a problem. Everyone knows the tragedy that occurs in the mining industry. I confirm the Opposition's support for the bill.

Mr FACE (Charlestown—Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development) [7.38 p.m.], in reply: I thank the honourable member for Coffs Harbour for his contribution to the debate. Under the bill, to the extent permitted by the legislative power of the New South Wales Parliament, and consistent with permission granted by Commonwealth validating legislation, past acts and things done on the assumption that the Commonwealth Act commenced on 1 January 2002 are valid. This, of course, involves the old Joint Coal Board, which the honourable member for Coffs Harbour and I, as people born and bred in mining areas, would be very well aware of. The Joint Coal Board provided many amenities for the coalmining areas that I represent, including many club and various other recreational facilities enjoyed by the local community. The Coal Industry Amendment (Validation) Bill is truly correctional in nature and follows in the wake of initiating Commonwealth legislation of like character.

I mention the passing of Bill Seward, whose funeral was held today. Bill Seward was the manager of the mine in the Cessnock area and served with distinction. He was highly respected and someone I knew very well. Unless they live in a mining area, few people appreciate the differences between mine management, the deputies and the miners who work in the various sections of the mine. Bill handled it well. I extend my condolences to Bill's wife Jean, who nursed him through a very sad period in recent years, and to his daughters Cynthia—who is a very close personal friend of mine—and Roslyn. I put on the public record his contribution to the mining industry and contribution of many others in what is a very hazardous industry. I thank honourable members for their support of the bill. I commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

ASSENT TO BILLS

Assent to the following bills reported:

Children (Detention Centres) Amendment Bill
Conveyancing Legislation Amendment (e-Plan) Bill
Sydney Bethel Union Extension Amendment Bill
Bail Amendment (Confiscation of Passports) Bill
Crimes (Sentencing Procedure) Amendment (General Sentencing Principles) Bill

BUSINESS OF THE HOUSE

Bill: Suspension of Standing and Sessional Orders

Motion by Mr Face agreed to:

That standing and sessional orders be suspended to permit the introduction and progress up to and including the Minister's second reading speech of the Gaming Machines Amendment Bill, notice of which was given this day for tomorrow.

GAMING MACHINES AMENDMENT BILL

Bill introduced and read a first time.

Second Reading

Mr FACE (Charlestown—Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development) [7.43 p.m.]: I move:

That this bill be now read a second time.

On 26 July 2001 the Treasurer and I jointly announced the gaming reform package. At the time of that announcement it was recognised that the development of a new scheme for transferable entitlements for gaming

machines was such a significant reform that it was important to consult broadly in the development of that scheme. Over the next four to 4½ months there was extensive consultation with the club and hotel associations, as well as with community representatives. During the course of those consultations the initial broad principles were refined and modified further. In view of the complexity of the existing legislation, the opportunity was taken in drafting the gaming reform package amendments to transfer all gaming machine provisions relating to clubs and hotels from the Liquor and Registered Clubs Act and place them in a new Gaming Machine Act.

The scale and timeframe of the drafting exercise was such that it was inevitable that there would be some drafting issues identified at a later stage. Ever since the passage of the bill through Parliament in early December 2001 the Department of Gaming and Racing has been implementing administrative arrangements for the new transferable entitlement scheme and the allocation of hardship gaming machines. This process has resulted in all aspects of the new legislation being subjected to very close scrutiny, with the result that some flaws have been identified. The bill before the House today will rectify those minor drafting anomalies. One of the features of the new legislation was to require large-scale clubs—that is, clubs that have more than 450 gaming machines—to shed up to 10 per cent of their machines. However, the legislation does not currently require those clubs to also shed the relevant number of poker machine entitlements that are held in respect of those machines.

The bill before the House will rectify that omission. The bill includes several changes to facilitate the transfer of poker machine entitlements. One of these changes will allow hotels and clubs to transfer poker machine entitlements in blocks of two or three if that is their preference. However, it will still be a requirement that for each block transferred, no matter whether it is a block of two or three entitlements, there will have to be forfeiture of one entitlement. The practical effect of this change will be that hotels or clubs that are left with just two poker machine entitlements will be permitted to transfer one of those remaining two entitlements to another hotel or club, provided they forfeit the other one.

Another proposed amendment will allow the pooling of approved amusement devices [AADs] by hoteliers in order to facilitate the surrender of the required number of approved amusement devices that may be exchanged for poker machine entitlements. For example, the legislation presently provides that hotels in metropolitan areas may exchange three AADs in return for one poker machine entitlement. There may be cases where hotels are left with just one or two AADs that they are unable to exchange. The amendment will allow such hotels to pool their remaining AADs in order to allow an exchange for a poker machine entitlement. The bill replaces the current section 25—which deals with the transfer of poker machine entitlements if a hotelier's licence is removed to other premises—with a redrafted version.

This will rectify a technical difficulty which arises from the general requirement that entitlements may be held only in respect of premises that are currently subject to either a hotelier's licence or a certificate of registration. The bill includes a range of measures aimed at facilitating the lodgement and processing of hardship applications by hoteliers and prospective hoteliers. For example, the bill will make it clear that hardship applications may be made by hoteliers who do not currently have any gaming machines. This rectifies a problem with the current Act that suggests that only hotels that currently have between one and 14 gaming machines are permitted to apply for additional entitlements on hardship grounds. The bill will also make it clear that any hotel that was authorised to keep 15 or more gaming machines at the time of the commencement of the hotel gaming machine freeze will not be permitted to apply for hardship gaming machines.

It was clearly the intent of the current legislation to allow certain prospective hoteliers to apply for gaming machine entitlements on hardship grounds. However, the outcome has been that only a current hotelier can apply for hardship gaming machines. There are quite a few cases where persons had applied for a new or removed hotel licence prior to the freeze, but those applications have not been progressed in view of the uncertainty about gaming machine numbers. The bill will make it clear that prospective hoteliers—for example, persons who have a conditional grant for a new or removed hotelier's licence, or persons who applied before 19 April 2001 for a hotelier's licence—may make hardship applications.

The current legislation prohibits hoteliers and clubs from publishing any advertising that promotes participation in gambling activities involving gaming machines. However, the legislation does not presently prohibit other parties, such as gaming machine manufacturers or operators such as the TAB, from promoting gaming machines. The bill will amend the advertising controls to extend the prohibition on gaming machine advertising to all persons. The Act presently requires every hotelier and registered club with gaming machines to establish a self-exclusion scheme that patrons may avail themselves of. The legislation also provides indemnity from civil and criminal liability for a "responsible person" for any act done or omitted in good faith in

accordance with the section in relation to a self-exclusion scheme. The definition of "responsible person" includes only natural persons and not corporate bodies. Under this definition club entities are potentially exposed as they are, generally, corporations. The bill will broaden the definition of "responsible person" so that it includes registered clubs—a much-needed protection.

The current Liquor Act and Registered Clubs Act both include an offence for making a false or misleading statement in relation to applications. This offence applies to any application, declaration or affidavit that is made under each Act, and applies to gaming machine matters as well as to liquor matters. The offence has not been carried forward to the new Gaming Machines Act 2001. The bill will rectify that omission. The bill makes a number of other statute law revision amendments to the Gaming Machines Act 2001 that I will not go into in detail. The bill also makes minor amendments to various other Acts. For example, the Casino Control Act 1992 is to be amended to provide that any breach of requirements relating to promotional prizes and player reward schemes is an offence rather than a condition of the casino licence. This approach is consistent with the requirements for clubs and hotels. The amendments to the other Acts are in the nature of statute law revision.

The new Gaming Machines Act is, by its nature, a very complex piece of legislation. I am sure it will be the subject of very close scrutiny over the forthcoming months and years, and there is a very good chance that this House will be required to consider further amendments in due course as my ministry and the department have strict instructions to audit, monitor or overview what is happening with this very important piece of legislation. The amendment bill does not change the thrust or spirit of the Government's gaming machine reforms in any way. I commend the bill to the House.

Debate adjourned on motion by Mr Fraser.

GAME BILL

Second Reading

Debate resumed from 19 March.

Mr FRASER (Coffs Harbour) [7.54 p.m.]: I support the Game Bill but bring to the attention of the House that for many years the National Parks and Wildlife Service has not supported, does not support and I believe will continue not to support the reduction of feral animals within national parks. The majority of farmers whose land borders National Parks and Wildlife Service land have had a daily problem with livestock being killed, maimed and slaughtered by wild dogs. I am not talking about dingoes but dogs that have interbred with dingoes. They are extremely efficient killing and maiming machines. They come out of national parks and literally tear the bellies out of pregnant cows and sheep. Under this bill animals will still die in agony because the National Parks and Wildlife Service and the Government are not giving an opportunity for gun clubs and licensed shooters who know the game to reduce the animals stocks in national parks and State forests. It is an absolute tragedy.

The honourable member for Bligh was a member of the committee that looked into firearms legislation and the use of guns. She did not understand firearms and gave explanations to the media that were incongruous with the correct use of firearms. In the last week of sitting in this Chamber—in a high-pitched, impassioned and powerful speech—she blasted the Government for introducing this bill. That saddened me and, I think, every farmer and licensed shooter in New South Wales. I am the patron of the Coffs Harbour Gun Club, the Coffs Harbour Rifle Club, the Coffs Harbour Pistol Club and the Dorrigo Gun Club. All members of those clubs are responsible shooters. Some members just shoot clays and targets. The majority of members have shot safely and in the interests of the community. They have shot feral animals and culled kangaroos, as I did in my earlier days.

The Minister for Gaming and Racing, who is at the table, would remember the association between the Coffs Harbour Bowling Club and the Gulargambone Bowling Club. When I was 17 there was a cull of 400 kangaroos. At the end of the night the barrels of the guns glowed red. But kangaroos were damaging crops. Hundreds of thousands of dollars of production was lost to New South Wales. A 4,000 acre paddock was eaten in for 100 yards around the perimeter, from grass level to about knee height. The kangaroos did immense damage. The shooters who went out on those kills—and they were kills—did it humanely and properly. They ensured that whatever meat could be used for dog food or for human consumption was used. Farmers' livelihoods were protected. The Game Bill gives an opportunity for farmers to maintain an income in the face of native livestock that are ruining their livelihoods. Kangaroos can devastate crops. They breed only when they have sufficient food and water. After Cook discovered Australia and surveys were conducted across western New South Wales the population of kangaroos was estimated at about two million. It is now estimated to be 11 million.

The seasons are no longer relevant to kangaroos breeding. As long as they have food and water they will continue to breed. In a bad season a kangaroo will keep a joey in her pouch until the season comes good. Scientists do not understand the physiology that allows kangaroos to do that. We are providing kangaroos with food and water, and in return they destroy our crops. Unfortunately, the cockatoo, another native species, can destroy a sunflower crop overnight. When I lived at Moree I saw a 500-acre paddock of sunflowers at Biniguy that was absolutely decimated overnight by flocks of cockatoos. I do not know whether the Game Bill provides farmers with an opportunity to ensure that their production is protected from native animals that breed because we are providing them with food and water.

The National Party has said that if it were in government it would allow duck hunting. The rice growers in the Murrumbidgee area suffer immense financial losses when ducks gorge on their crops. Yet the extreme greens go to areas where the ducks are hunted in an endeavour to interrupt what they perceive to be the slaughter of ducks. Yet the ducks continue to proliferate. About 29 years ago I took my father to Garah, north of Moree, where we got a feed of beautiful black ducks. We came across a 4,000-acre wheat field and my father asked me to pull over the car because he saw some movement. He fired a .22 rifle across what appeared to be a paddock and little red whistling ducks, not a good eating duck, rose up in such huge numbers that they blotted out the setting sun—there were hundreds of thousands of them. Whistling ducks are now supposedly endangered or vulnerable. They bred in large numbers because our artificial dams and wheat crops provided them with water and food.

The honourable member for Bligh suggested that farmers and members of shooting clubs did not differentiate between feral animals and pest species. Her statement is totally unacceptable to me. My grandfather Ernest Raymond Fraser was an Australian crack shot. He won an Australian skeet championship against his brother, Archibald Fraser. My grandfather taught me to shoot properly. He always told me never to shoot what I could not eat or what was not a pest. The vast majority of shooters, especially under the current gun licensing regime, adopt that attitude. They will not kill for the sake of killing; they will kill either to eat or to rid a pest from their area. My next-door neighbour at Central Bucca, Alan Craig, has red deer on his property. They are the prettiest little creatures, but the market for them is not good. Alan loses a lot of deer, a lot of income, through wild dog attacks. Wild dogs are a mix of domestic dogs that have gone feral and dingoes, and there are many of them.

I suggest that people who want to stop recreational shooters or licensed gun club members assisting farmers by eradicating those pests from forests and stopping them from coming onto their properties have not seen the devastation that they cause. I have invited the honourable member for Bligh to come to my electorate, to go to Dorriggo or to go anywhere on the Northern Tablelands and look at what wild dogs and foxes do on a nightly basis. They literally rip the guts out of domestic sheep and cattle and they leave calves bleeding to death. Shooters on public lands help control the numbers of feral animals that run across private lands. I know that the National Parks and Wildlife Service officers in my electorate do not support recreational shooters going onto the national park estate. [*Extension of time agreed to.*]

The National Parks and Wildlife Service does not want the bill to allow shooting within the national park estate. I draw the attention of the House to the absolute slaughter of the so-called feral horses in the Guy Fawkes River National Park. There was a cover-up of immense proportions. Following a bushfire and under the auspices of the National Parks and Wildlife Service, supposedly trained shooters in helicopters, flying through dangerous country, shot at horses. I have photographic evidence—so far denied by the Government and the Attorney General, and Minister for the Environment—of the inhumane slaughter of horses. If horses are to be eradicated from the national park estate the job should be given to professional shooters, people who know what they are doing on the ground. They will do the job in a more humane way than occurred in the Guy Fawkes park. The number of horses slaughtered is still in dispute—but it was hundreds. I do not believe the report produced by Dr English on behalf of the Attorney General. It stated that no horses were inhumanely killed. I have the photographic evidence of horses pawing the ground for days after being mortally wounded by inhumane means by the National Parks and Wildlife Service.

Mr Stoner: Pregnant mares.

Mr FRASER: Yes, pregnant mares. I have photographs of the mares aborting after being shot. They died in agony. It would be a discredit to any member of a sporting shooters organisation to kill an animal in that fashion.

Mr Stoner: It was a botched job.

Mr FRASER: Yes, the whole exercise was a botched job, and that is being kind to the people involved. The full force of the law should come down on them. But, the Attorney General has a great conflict of interest because he is still the Minister for the Environment. He has allowed the National Parks and Wildlife Service to defend an action brought against it by the RSPCA for inhumane slaughter. The service is defending its actions on the basis that it is not an entity under the law. That is a disgraceful statement, it is a shame and a stain on the Government that the Attorney General would allow his department to mount such a defence in the courts and say that it is not an entity in an effort to disguise and hide the inhumane slaughter in Guy Fawkes River National Park.

I will not let that matter rest. As to the evidence of Dr English, I believe that the ammunition used was jacketed ammunition and that the wrong calibre of rifle was used. That resulted in holes being put straight through the carcasses of the animals, and they were left to die. Soft-headed bullets would have killed the horses, or at least brought them down quickly, and a second shot would have killed them. However, that was not done. The Minister has constantly denied that, but I believe that eventually the truth will out and that the National Parks and Wildlife Service will be found guilty in the action brought against it by the RSPCA. Hiding behind the claim that the National Parks and Wildlife Service is not an entity and therefore cannot be taken to court is a disgrace. Eventually the conflict of interest of the Minister will be outed. The people of New South Wales will realise that he is protecting an agency that has erred in the worst possible way by inhumanely slaughtering these horses, which have traces back to the First Light Horse Brigade in the First World War.

The Minister may wish to deny that or choose to adopt the sanitised reports of a government employee. I apologise to Dr English because I know he will take this as a personal affront, but veterinarians of great renown in my electorate disagree with his findings. If sporting shooters trained in bringing down animals—be they pigs, foxes, wild dogs or dingoes—in the most humane way were used we could all feel comfortable in the knowledge that these animals have been killed humanely. The livestock that cities rely on—the lamb and the beef—will be protected and, therefore, the livelihoods of farmers will also be protected. I commend the legislation to the House. I ask the Government to extend the provisions of the legislation so that the National Parks and Wildlife Service can allow recreational shooters into its estate, the breeding grounds of feral animals, to ensure that farmers and native animals are protected. Only then will we as a community be able to say that we are doing the best job possible to preserve our heritage.

Mr STONER (Oxley) [8.13 p.m.]: The New South Wales National-Liberal Coalition does not oppose the Game Bill in principle but foreshadows amendments to be moved in the other place to improve its operation. The Opposition does not oppose the bill because it allows skilled hunters to be used to help reduce the number of pest animals, such as a feral pigs, dogs, cats, goats, rabbits, hares and foxes on specifically declared public and private land. The objects of the bill are, first, to provide for the effective management of native and introduced species of game animals and, second, to promote responsible and orderly hunting of those game animals on public and private land and of certain pest animals on public land.

The bill seeks to create a Game Council comprising 16 members who will exercise functions relating to the objects of the bill. The background to the introduction of the bill is the increase under the Carr Labor Government of pest animals living and breeding on public land to unacceptable levels. That has resulted in significant environmental and economic damage throughout rural New South Wales. Land-holders are suffering economic losses as a result of wild dog attacks. In addition, feral animals, particularly pigs, increase the risk of disease transmission in the event of an exotic disease outbreak. Native species are being decimated by feral animals such as cats and foxes. Recently my chicken pen at my home near Wauchope was raided by a fox, resulting in the loss of my chickens and, therefore, eggs. My children were upset by that occurrence, which demonstrates that these days, even around rural areas such as Wauchope and Kempsey, foxes are very much part of the everyday life of rural residents. Feral animal control is one of the most pressing problems facing country New South Wales. The Game Bill will allow the skills of responsible hunters to be harnessed to help reduce the damage caused by pest animals in country New South Wales.

The Game Council will be responsible for administering the game hunting licensing system, which will comprise three new licences. The first will be a general game hunting licence for the hunting of game animals on private land. The second will be a restricted game hunting licence for the hunting of game animals on specifically declared public land as well as private land. The third will be an occupier's game hunting licence for the hunting of protected game animals on private land of the holder of the licence. The bill provides exemptions from the requirement to hold a Game Council hunting licence for various people, including people hunting pest animals on private land, people hunting game on their own private land and workers employed by any public or local authority, including rural lands protection boards.

For the purposes of the Game Bill public land includes Crown land and State forests, but does not extend to land managed by the National Parks and Wildlife Service [NPWS]. In my electorate on the mid North Coast it has been suggested that in some cases NPWS stands for the national pig and wild dog protection service. That reflects the reality of what happens in some national parks. Wild dogs, cross-breed dingoes, pigs and other feral animals are breeding in an uncontrolled way. Certainly in the Upper Macleay that complaint has been made to me on many occasions. In parts of the Hastings, in the Comboyne and Lorne area people are suffering devastating stock losses. In the Nambucca Valley similar circumstances exist. It has even been put to me that the lives of young children are at risk from the wild dog attacks. Indeed, they have charged at young kiddies on rural properties.

I refer to the sad experience of one of my constituents, Sharon Grady, who lives near Kew and had alpacas on her property. The alpacas were killed in the most cruel and horrible way. A pack of wild dogs came from national park land towards North Brother Mountain. Those raids continue upon domestic pets and stock in that area. This widespread concern has resulted in the alternative definition of the NPWS to which I referred. The bill identifies a game animal as any of the following living in the wild: deer, California quail, brown quail, stubble quail, pheasant, partridge, peafowl, turkey, hare, black duck, grey teal duck, wood duck and mountain duck, and as any of the following pest animals living in the wild: feral pig, feral dog, feral cat, feral goat, rabbit and fox.

I have received comments from a number of residents in the Oxley electorate, including the President of the For Australian Wildlife Needing Aid [FAWNA], Meredith Ryan, who requests that in the circumstances of the bill deer be classified as pest animals. There is certainly a significant problem involving feral deer in the Port Macquarie region and around the Camden Haven area. There have been a number of vehicle accidents involving deer, which are also causing havoc with fencing, in gardens and so on. They certainly belong in the pest category.

I was also contacted by Betty Landers, a wonderful lady and member of a family with a long history in the Upper Macleay near Stockyard Creek. John and Betty Landers have been farmers in the district for many years, as was their family before them. They love native wildlife, which is fairly abundant in the area. Betty has expressed concern about identifying bush turkeys as game birds. Although bush turkeys do not present any great problems they are regarded as fair game in the context of this bill. Several constituents have also spoken to me about the classification of hares in the bill as a problem.

Clive Bennett, a former national parks ranger with a great deal of experience with Australian wildlife, especially avian wildlife, has expressed concern about listing various birds as game birds, chiefly because shooters could mistake native species, such as quail and ducks, for introduced species identified in the bill. He makes the point, quite correctly, that native birds moult at various times of the year. This changes their feather patterns and increases the likelihood of their being mistakenly shot by marksmen. Mr Bennett's concerns are valid. He also points out that there are insufficient numbers of introduced bird varieties to cause a problem on a great deal of public land. He backs up his argument by pointing out that such species are ground nesting and that predation by Australian reptiles, particularly snakes and goannas, is high. The birds have a game smell that is easily picked up by reptilian predators. I pass on those comments and valid concerns about the classification of some game animals and birds and pest species in the hope that the Minister will take them on board.

The Coalition has consulted widely with several groups, including the New South Wales Farmers Association, shooters organisations and rural lands protection boards. Such organisations are generally quite supportive of the approach taken in the bill, but they have expressed certain concerns. Those concerns include the exclusion of land managed by the National Parks and Wildlife Service from the definition of "public land" and the possibility that that definition could be interpreted to include western lands leases. They are concerned about the power of entry by officers of the Game Council; the duplication of the general licence, as hunters must already possess a valid firearms licence; the duplication of the existing hunting and conservation program, which involves the Sporting Shooters Association of Australia; the duplication of the occupier's licence, as both the landowner and any other prospective shooter of protected game on a land-holding must have a game licence; the fact that the Director-General of National Parks and Wildlife rather than the Game Council has the power to set quotas for protected game; the fact that there is no provision in the bill for the Game Council to recognise additional species as either game or pest animals; and the exclusion of particular pests, including the English starling and sparrows. I must add to the list my personal favourite pest, the myna bird.

Mr D. L. Page: Don't pick on miners.

Mr STONER: I do not pick on miners, but I regard myna birds as pests and believe they should be included in the bill. [*Extension of time agreed to.*]

The rural lands protection boards wish to ensure that the Rural Lands Protection Act 1998 has precedence over the Game Bill. They have also expressed concerns about inconsistent terminology in the Act and the bill. There are several arguments in favour of the bill. Generally speaking, individual shooters and their associations have lobbied heavily in support of it. Most honourable members will have received a huge number of emails—I certainly did—supporting the bill, in spite of the inadequacies that I mentioned earlier. The bill allows for hunters to be used in pest animal control programs on private and public lands. Other jurisdictions including New Zealand and the United States of America have adopted a similar approach to game hunting.

However, the bill has several shortcomings. It creates an extra level of bureaucracy, extra licensing expenses for hunters and duplicates existing programs such as the aforementioned hunting and conservation program. Land managed by the National Parks and Wildlife Service is excluded from the scope of the bill, which limits the effectiveness of the provision allowing hunters to hunt on public land. Feral dogs are causing real problems in my local area on the mid North Coast. They breed by and large in the national park estate. State Forests lands are usually managed quite well. They are cleared and there is regular hazard reduction burning. There are timber trucks and forest workers in those areas and the dogs do not tend to frequent them.

Feral dogs are decimating our wildlife, including the quoll population. It is argued that we should not bait feral dogs, using 1080 or other substances, either aerially or through mound baiting in the national park estate because it could damage the quoll population. However I put it to honourable members that quoll populations in areas with feral dog problems are declining rapidly because of competition for food and the fact that those dogs will attack and kill anything. There is anecdotal evidence that quolls are able to sniff out baits that dogs are likely to take. If this bill were to apply to national parks I believe it would assist wildlife such as quolls, koalas and most other native species.

The Game Bill 2002 is a step in the right direction, but the decision by the Carr Government not to include national park estate land in the scope of the bill will limit its effectiveness. The Carr Government continues to lock up land without providing sufficient resources to control feral animals, noxious weeds and to introduce fire hazard reduction measures. As at 30 June 2002 the National Parks and Wildlife Service managed approximately 5.5 million hectares of New South Wales.

The continued exclusion of hunters from national parks will mean that pest animal infestations will remain unchecked in almost 7 per cent of New South Wales. That is why the Opposition will move an amendment in the other place to provide for a two-year trial to be conducted of the hunting of game in three national parks under the supervision of the National Parks and Wildlife Service. If that trial is successful, further national parks will be included in the definition of "public land". I believe that that commonsense suggestion will be supported by most of the community, including genuine conservationists. It has also been suggested that a game licence may be recognised as providing proof of having a genuine reason for hunting under the New South Wales Firearms Act. Such a provision could undermine gun and hunting clubs throughout New South Wales.

Concern has also been expressed to me about the possibility of Aboriginal representatives on the Game Council using the provisions of the bill to establish hunting rights in respect of certain species, and that those rights could then be used to pursue land title claims. I ask the Minister to rule out such a possibility under the provisions of the bill. As I have said, the Opposition will pursue a number of amendments in the other place in relation to the matters I have mentioned. Licensed firearms users are responsible and law-abiding citizens whose skills should be harnessed by the community. The bill will not be opposed.

Debated adjourned on motion by Mr Bartlett.

FIRST HOME OWNER GRANT AMENDMENT BILL

Second Reading

Debate resumed from 20 March.

Mr SOURIS (Upper Hunter—Leader of the National Party) [8.32 p.m.]: I have pleasure in leading for the Opposition in debate on the First Home Owner Grant Amendment Bill, in relation to which I say at the outset that the Opposition will not oppose. The bill is mechanically in nature. The First Home Owners Grant scheme is administered by the State and financially provided for entirely by the Commonwealth. The criteria for the scheme are provided by the Commonwealth and the funding associated with the scheme are provided by the

Commonwealth on a reimbursement basis. The purpose of this bill is to reflect the changes to the scheme that came into operation on 1 December 2001 and will come into operation on 30 June this year. The First Home Owners Grant Scheme has turned home ownership from a dream into reality for thousands of New South Wales residents.

The highly successful scheme was introduced on 1 July 2000 by the Federal Liberal-National Government. Since that time some \$700 million in grants has been delivered to New South Wales home buyers by the Federal Government via the Office of State Revenue in New South Wales. Thus far the scheme has assisted 8,616 applicants. That is 8,616 people who may not have become first home owners if it were not for the scheme. Not only has the Federal Coalition delivered this innovative scheme, it has provided the lowest interest rates in 30 years. That is a significant incentive for first home ownership. In addition, the scheme has spurred on building activity and generated many thousands of jobs in the building industry, which is a key sector in the economy of this State and of Australia. With those words, I am pleased to support this bill. The changes to the scheme, which have been brought about by the Federal Government's criteria, are reflected in this bill and will assist the New South Wales Government in its administration of the grants scheme.

Mr AQUILINA (Riverstone—Minister for Land and Water Conservation, and Minister for Fair Trading) [8.34 p.m.], in reply: The Government thanks the Opposition for its support of this legislation. We are pleased to introduce the bill, which will enable the First Home Owners Grant Scheme to assist a greater number of people.

Motion agreed to.

Bill read a second time and passed through remaining stages.

APPROPRIATION (BUDGET VARIATIONS) BILL

Second Reading

Debate resumed from 19 March.

Mr SOURIS (Upper Hunter—Leader of the National Party) [8.35 p.m.]: I am pleased to lead for the Opposition on the Appropriation (Budget Variations) Bill, and I indicate at the outset that the Opposition will not oppose it. The object of the bill is to appropriate additional funds from the Consolidated Fund for recurrent services, and capital works and services, for the financial years 2000-01 and 2001-02. In respect of the 2001-02 financial year, the Government seeks appropriations of \$288,834,000 in adjustment of the Treasurer's Advance, \$338,250,000 for recurrent services and capital works and services approved by the Governor under section 22 of the Public Finance and Audit Act 1983, and an additional appropriation of \$469,083,000 for recurrent services and capital works and services. In respect of the 2000-01 financial year the Government seeks an additional allocation for the Treasurer's Advance of \$115,819,000, and \$929,149,000 for capital works and services in accordance with section 22 of the Public Finance and Audit Act 1983.

The bill highlights poor or deliberately misleading budgetary assumptions and reveals a lax attitude to fiscal discipline with major overexpenditure. The Government's continues to overspend its budget by an average 4 per cent per annum. Labor is gearing up for a rash of pork-barrelling before next year's election. A recent Access Economics report has raised concerns about the Carr Government's lack of financial transparency and bias in forecasting. The report has called for a charter of budget honesty for New South Wales. Access Economics, in its February report into New South Wales of finances, gave the Carr Government brickbats for its fiscal reporting and said that the State is overdue for fiscal transparency legislation such as the Commonwealth's Charter of Budget Honesty Act. Access Economics also said:

Taxes grew more than expected (again) ... (with New South Wales to) ... benefit from a nearly \$1.2 billion windfall in tax collections and Commonwealth grants. Stamp duties in particular are up yet again ... insurance tax collections are on the rise in the wake of premium increases ...

The Access Economics report confirmed that the pattern of revenue windfalls underpinning increases in government spending has been evident for several years now, and that that pattern is unsustainable. Access Economics also found that New South Wales current fiscal reporting obligations are outdated and fall well short of the standard suggested by the International Monetary Fund's Manual on Fiscal Transparency or the discipline imposed by the Commonwealth's Charter of Budget Honesty Act. After seven years in office, the Government is clearly a high-taxing, poor-service regime. This year it will rake in more than \$34,000 million in taxes and

charges. Unfortunately, the Government takes with one hand but does not give back with the other. Services in our communities are in a terrible state. Education, police, health and roads are only a few areas that the Government has not properly resourced during its seven long years in power.

The Auditor-General's report on last year's debtors shows that \$573,909,000 of the Carr Government's debts were 90-plus days or not aged, which means that 55 per cent of debts were very overdue. This is \$104 million worse than the previous year when the figure was \$469,777,000. Last year the Government wrote off another \$55 million including \$181,000 in salary overpayments, \$7.5 million in public housing rents and \$2.1 million of unexplained miscellaneous charges. Other more general waste includes the Workers Compensation Scheme that has gone from a surplus to more than \$2 billion in deficit under Labor. The reconstruction of the Conservatorium of Music in Sydney blew out by \$75 million. The electricity industry has incurred significant losses, including State-owned Pacific Power's out-of-court settlement relating to a bungled contract deal that could cost the State more than \$600 million.

The construction of the M5 East, which was flagged by the Minister for Transport in this place as a project to the value of \$530 million, when completed had blown out to \$800 million. Yet it seems that this Government cannot find the money to properly resource basic services on which our communities rely. Last year the Carr Government's stamp duty impost exceeded budget by \$500 million because property prices soared. This year New South Wales Treasury expects stamp duty to exceed budget by more than \$600 million. Labor is profiteering from bracket creep as property values increase. On the one hand the Federal Coalition Government is providing the lowest interest rates in 30 years and funding a generous First Home Owners Grant Scheme, but on the other hand the Premier and the Treasurer have their hands in the back pockets of every New South Wales home buyer.

Research by the Real Estate Institute shows that the median price of a house in New South Wales has increased to \$266,500 and in Sydney to \$350,000. Home buyers pay stamp duty of \$11,240 on the median Sydney house price of \$350,000, and \$7,818 on the New South Wales median of \$266,500. Stamp duty on insurance, particularly public liability and professional indemnity, is another area from which the Carr Government is raking record revenues. The Morgan Deloitte Trowbridge 2002 interim insurance survey revealed that since the middle of last year average public liability insurance increased by 28 per cent, commercial and property insurance increased by 35 per cent and professional indemnity insurance increased by 20 per cent. Labor skimmed \$40.3 million in stamp duty on public liability insurance premiums in 2000 and around \$19.3 million on professional indemnity insurance premiums.

Given his platitudes on public liability insurance, the least the Premier could do is to get rid of this tax impost that makes it just that much harder for businesses and community groups to afford this essential insurance. This year the Government will raise \$965 million in land tax and more than \$2,000 million in other property taxes. Two years ago the Walton report highlighted problems in the valuation system, but the Government has not fixed them. Since 1995 the Carr Government has staged a major revenue raising operation to boost land tax revenue from \$510 million in 1994-95 to almost \$1 billion this year. The Premier increased the land tax rate from 1.5 per cent to 1.7 per cent while property prices boomed. In 1997 the Carr Government also changed the valuation system, and the community totally lost confidence in it.

The rate of payroll tax in New South Wales is 6.2 per cent, dropping to 6 per cent on 1 July, with a threshold of \$600,000. This tax is a major brake on economic development in New South Wales. We are not competitive in this area with the other States. Compare our payroll tax rates with the levy in Victoria, 5.4 per cent with a threshold of \$515,000; in Queensland, 4.8 per cent with a threshold of \$850,000, dropping to 4.75 per cent from 1 July; Western Australia, 6 per cent with a threshold of \$675,000; and South Australia, 5.75 per cent with a threshold of \$456,000, dropping to 5.67 per cent from 1 July. In 1995 the Treasurer said:

We're going to hack into payroll taxes as heavily as we can ... we want to get down to the Queensland payroll tax level very soon.

Mr Egan nominated 1999 as the year to achieve a reduction to 5 per cent and then a further cut to 4 per cent in 2000. It is not lost on the New South Wales business community that Queensland's rate will drop to 4.75 per cent on 1 July, while New South Wales will still be stuck on 6 per cent per annum. New South Wales has consistently higher workers compensation rates than the other States, which obviously acts as a brake on economic development. Workers compensation premiums are not only extraordinarily high in absolute terms, but they are high in comparative terms. Businesses in the four border regions find it exceedingly difficult to compete with businesses that are able to tender into New South Wales and that enjoy a workers compensation regime that is far more favourable than the regime that applies in New South Wales.

The Carr Government is outlaying, and has outlaid for seven consecutive years, about \$1 billion more than the budget predicted, which equates to \$6 billion or close to \$7 billion in budget overexpenditure. The Carr Government is deliberately suppressing its budget so that it appears to be a very conservative budgeting government. But it knows full well that its history and pattern of expenditure—a pattern that it has sustained for seven years—will exceed budget outlays by about 4 per cent per annum. The Government has relied entirely on the very favourable economic conditions that apply in Australia thanks to the Howard Government: a regime that sees low interest rates, low inflation rates, high employment rates and high growth rates, all of which have fuelled and sustained an employment and property boom in Australia for some time. It is extraordinary that because of those revenues the Carr Government can understate its anticipated budget revenues to such an extent year after year.

Despite the assumptions made by the New South Wales Government in its budget, it is very bad budgeting to continue to understate revenues to this extent. To understate expenditure and revenue in the certain knowledge that you will overexpend, hoping that the windfall will continue year after year and building that into a budgetary process, indicates a significant underlying structural problem. But the chickens will come home to roost when, eventually, the property cycle changes and significant assumptions about interest rates change. I assume from reports I have read, nothing more, that the Reserve Bank has been considering the upward pressure on interest rates for some time. It may be only a matter of time until interest rates are increased, and that will have a direct significant impact on the budget and the property sector. Revenues from that sector will undoubtedly contract. When that happens this overexpenditure the Government has been undertaking will be exposed.

The appropriation bill refers to two financial years. Part of it refers to the 2000-01 budget and part of it refers to the 2001-02 budget. The budget always has an item called the Treasurer's Advance. In the 2000-01 budget the Treasurer's Advance was \$170 million recurrent and \$40 million capital. Although there may be no written rules, generally speaking the Treasurer's Advance should provide a fund for unexpected emergencies and natural disasters such as bushfires. Yet this time last year, when the appropriation bill was brought forward, the Treasurer's Advance had been fully expended. This appropriation bill explains additional expenditure within the Treasurer's Advance for the period between this time last year and the end of the financial year. The unexpired three months of that year caused an overrun of the Treasurer's Advance by an extraordinary \$115 million. That is despite the amendments that would have been made to the Appropriation Bill at this time last year in respect of the previous financial year.

It really is extraordinary that this House should now be asked to approve an overrun in the Treasurer's Advance for the year 2000-01 to the tune of \$115 million. In addition, in respect of the current financial year, nine months of which has expired, we are at the same point I described for the previous year. Nine months into this fiscal year, with three months still to go, we see reported here the full expenditure of the Treasurer's Advance. This time around the Treasurer's Advance was \$250 million with \$40 million in capital. This bill, under the column headed "Treasurer's Advance", shows expenditure of \$288,834,000—let us say approximately \$290 million of the Treasurer's Advance as fully expended. What will happen in the next three months?

Undoubtedly, this time next year the government of the day will have to introduce another appropriation variation bill seeking approval for an overrun of the Treasurer's Advance account. This time it will be the \$290 million that has been virtually fully expended. In addition, under section 22 of the Public Finance and Audit Act there is a requirement for an additional \$338,250,000 for expenditure already approved in the nine months period of the current financial year. That is in addition to expenditure already budgeted for. In addition to that is a further appropriation, in anticipation, of \$469 million. Those amounts of \$338 million, \$469 million and \$115 million represent almost \$1 billion—and who knows what will occur during the next three months in relation to the Treasurer's Advance. It will undoubtedly be the case that this Government will once again overrun its own budget.

What appalling budgeting, in the certain knowledge that the Government will overrun that expenditure. This Government is living beyond its means in the hope that the property and employment boom that we are experiencing, and have experienced for quite a number of years, will continue forever. This bill completely destroys any semblance of credentials in fiscal management that the Government claims to have. It is extraordinary! I have never before seen this sequence or magnitude of overexpenditure in budgeting in New South Wales. I say, probably for the third time, that the prudent management of the Australian economy by the Howard Government provided the boom economic conditions that in turn have resulted in the windfall revenues that have enabled the Carr Government to spend like mad, as if there were no tomorrow and in the expectation that that expenditure will be covered.

These conditions will not last forever. The Carr Government has been exposed yet again for its fiscal imprudence, a feature highlighted by this year's appropriation variation bill, as it was highlighted in previous years and will no doubt be highlighted in the forthcoming budget. I predict that when the budget is delivered in a few months time it will appear to be fiscally conservative, but we all know that the Government will overspend by about \$1 billion and keep its fingers crossed that the revenue will continue to flow. What kind of economic management is that? What kind of Treasurer and Premier do we have presiding over this type of profligacy? They have been very lucky indeed, thanks to the actions of the Federal Government. The balloon will not stay inflated forever and the people of New South Wales will suffer the consequences of this lack of prudence and long-term planning.

Mr BARTLETT (Port Stephens) [8.54 p.m.]: I am not an accountant, but as I listened to what the previous speaker had to say about the Appropriation (Budget Variations) Bill I thought about the currency exchange dealings of the Commonwealth Government with losses to the tune of \$3 billion to \$5 billion. As I listened to his contribution I thought about HIH and its \$600 million loss, and what this Government will have to contribute to bail out in the State of New South Wales because the Federal Government cannot get around to running the insurance industry properly. I will deal with some of the points made by the Leader of the National Party in his contribution. He said that Queensland has 4.5 per cent payroll tax and New South Wales has 6 per cent.

He failed to mention that \$500 million a year is going out of New South Wales and into Queensland under the Commonwealth-State Financial Agreement, which permits that State to impose a charge of 8¢ a litre less on petrol, as well as 4.5 per cent along the border in payroll tax as against 6 per cent for New South Wales. Of the order of \$1.3 billion is going out of the State of New South Wales to the other States under the Commonwealth-State Financial Agreement. The Leader of the National Party also droned on for a little while about interest rates and the fact that New South Wales is going to get caught, but the Carr Government has delivered six budget surpluses in a row.

The interest rates on the debt inherited from the previous government have been reduced by something like \$600 million to \$1 billion. In its time in office the Greiner Government added \$6 billion to this State's total debt. As I said, this is the first government in the history of New South Wales to deliver six surplus budgets in a row. In contrast to the International Monetary Fund [IMF] rating referred to by the previous speaker, Standard and Poor's stated on 6 March that the credit rating for New South Wales was reaffirmed as triple-A. It said that the local currency rating was based on "good financial performance of the State's public sector and the strengthening of the State's already good balance sheets"—that is, debt reduction.

Standard and Poor's gave New South Wales a triple-A rating because of this State's debt-reduction programs and the good financial performance of the State public sector. Standard and Poor's stated that the triple-A rating was underpinned by the very strong fiscal position of the general government sector. The General Debt Elimination Act to which the Government is committed has a target of eliminating the State's debt by the year 2020. It took something like 12 years for Port Stephens Council to pay off a \$15 million debt. When I first became a member of that council it received \$6.5 million a year in income from rates but paid out \$3.5 million a year in loan and interest repayments.

By achieving a surplus year after year this Government is bringing down the debt burden that this State faces. The interest rate on that burden is therefore less and the Government ends up with more money to spend for the benefit of the people of New South Wales because it is not spending money paying off loans to overseas banks. The budget is presented under the principles of the Australian Bureau of Statistics and the Australian Accounting Standard so that the States can be compared with each other and with the Commonwealth. However, I do not think the Commonwealth has been shown in a particularly rosy light, in view of the currency exchange fiasco and the collapse of HIH. Since 1962—excluding this Government's six consecutive cash surpluses—only two other governments, for one year at a time, actually delivered a surplus. Every other government added to the State's debt. As I said earlier, the Greiner Government added \$6 billion to the State's debt when it was in office.

The economy is buoyant, based on conservative fiscal policies. We are the only government in Australia with surpluses on all three measures: a cash surplus, a net fiscal balance and a healthy operating balance. If we did not have the surplus we are running now, many of the items we are discussing in this appropriation bill would not be coming into the picture. A previous speaker mentioned how pleased he was to support the first home owners grants. That took care of \$142 million. Natural disasters, floods and Christmas bushfires took care of another \$135 million. There are big numbers here, adding up to the \$338 million he spent

most of his time talking about. Let us look at the things we are doing to improve conditions for the people of New South Wales. The \$70 million for maintenance to schools and minor capital projects came out of the Olympic dividend. An amount of \$23 million is going into tenders for student and teacher Internet and email services. There are transport services for children with disabilities. The extra revenue will allow us to do many things for the people of New South Wales. I have a great deal of pleasure in supporting the good financial management of the Carr Government and the Appropriation (Budget Variations) Bill.

Mr FRASER (Coffs Harbour) [9.01 p.m.]: I am amazed at the claim by the honourable member for Port Stephens about sound financial management by this Government. Schedule 1 deals with payments during 2001-02. I will pick out a few items. There is \$118,000 for North Coast flood operations. There is \$40 million estimated for natural disasters relief for 2001 floods for the Roads and Traffic Authority. Waterfall Way between Bellingen and Dorrigo and west of Dorrigo still has four sets of traffic lights. Local people are becoming extremely frustrated every day. The Government has collected the majority of the roads money from the Federal Government through the back door. It has failed to upgrade the road. It is now 15 months since the first flood, followed by the second flood a month or six weeks later. Apart from work on the kerbside at the Butter Factory at Bellingen and a section 15 kilometres west of Dorrigo—the locals tell me that it is vastly over engineered—nothing has been done. At least 20 minutes is added to the journey time up the mountain because of delays caused by traffic lights at roadworks. The works are necessary but when is the Government going to spend the money?

Mr Souris: When are they going to budget for them?

Mr FRASER: The Government does not budget for them; it pulls it out of additional allocations. There is \$112,000 for monitoring the operation of the drug detection dogs Act. We have seen none of that money in regional New South Wales. The allocations made under this Appropriation (Budget Variations) Bill in the main will go to Sydney, Newcastle and Wollongong. There is an assistance package for the Museum of Contemporary Arts of \$1,553,000. How about \$5,000 for the conservatorium at Coffs Harbour for people who want to learn music there? We cannot get it. The Premier said publicly he would not support the Museum of Contemporary Arts. He was convinced by his Labor mate Frank Sartor. One must wonder whether this \$1.53 million is a pay-off for him to run for Labor Party preselection. There is \$1.9 million for the Joan Sutherland Performing Arts Centre. If the Government is going to be serious about the performing arts and expenditure in the arts it should put some of it into regional and rural New South Wales. Give our kids and people in the bush the opportunity to join in with the celebration of the arts in New South Wales without having to travel to Sydney to do it. Walsh Bay redevelopment will receive \$4.197 million.

The banana black sigatoka eradication program will receive \$1,135,000. I welcome that. In the last month the Banana Industry Committee, under the auspices of the Minister for Agriculture, told us that the New South Wales Government has stopped funding to that program—the Federal Government has kept it up—which means that there is the possibility of black sigatoka creeping down into New South Wales and destroying the New South Wales industry. The Minister has not responded to questions about this. There is \$5.8 million for the fire ant eradication program. I have yet to see an outbreak of fire ants in New South Wales, and I do believe that we must keep them out of New South Wales.

Mr Newell: You would wait until they come here.

Mr FRASER: Napping Neville speaks up. It is nice to see him up and awake at this time of the night. It is nice to see him in the House. He is late for question time every day, as he was today. What is he doing about black sigatoka? Why has he not asked the Minister to continue the program? Because he does not have enough guts. The Banana Industry Committee and the Banana Growers Federation will know exactly what he is up to. Napping Neville is what he is called in the electorate and in this House. Money is provided for the reopening of Cooma gaol. At the last election when we put forward a policy to reopen Cooma gaol we were bucketed by the Government, which said, "Fancy opening that ancient edifice!" But the Government is now opening that gaol and the lies it put out at the last election are now being exposed.

An amount of \$65,000 is provided for a project officer for the National Parks and Wildlife Service for the managing of Sydney's urban growth project. The Government can always find money to slip in something for Sydney. With the Game Bill we could not find money to reduce feral animals within national parks in regional New South Wales. There is \$973,000 for the Royal Botanic Gardens and Domain Trust to meet a shortfall due to the impact of September 11 and the global economy slowdown. How the hell the Royal Botanic Gardens can claim a shortfall from the events in New York on September 11 is amazing to me. I ask anyone on the Government side of the House to explain that to regional and rural New South Wales.

Last week or the week before the Minister for Land and Water Conservation, and Minister for Fair Trading, who is at the table, waxed lyrical about fast-tracking the funding that has been on the drawing board since 1994, the \$36 million, which is only a third of the funding needed, for the water supply and sewage program in the Coffs Harbour area and in the Maclean area at Grafton. The Government has reduced the subsidy from a dollar-for-dollar subsidy to a third. It is now seven years behind with the project. I do not blame the present Minister. The previous Minister, Mr Amery, said that the Government was giving a million dollars a week to country town sewage schemes. But what he did not tell us was that it should have been \$2 million dollars a week. He did not tell us that the subsidy has been cut from 50 per cent to a third.

That grant to the Royal Botanic Gardens is ludicrous. There is a reimbursement for New Year's Eve costs of \$235,000. There is \$760,000 for the Domain car park dispute. There is \$2 million for the National Parks and Wildlife Service for the acquisition of wilderness lands and the Dunphy Wilderness Fund. The honourable member for Monaro is in the Chamber tonight. The National Party has been pushing for years—I drafted the legislation myself—to ensure that assessment of wilderness is done only on lands that can be claimed to be wilderness. Yet the Dunphy fund and the National Parks and Wildlife Service are allocating funds and assessing wilderness on private property which will never go to wilderness. It cannot go to wilderness because of the conditions of the Act.

Mr Webb: A waste of money.

Mr FRASER: Yes. I call on the Government to support the bill put forward by the honourable member for Monaro to ensure that when wilderness is nominated on private land freehold, rights prevail and the assessment process, which is costly, is not gone into. Then we would not need \$2 million for the Dunphy Wilderness Fund. The bill provides \$2 million to the Department of Information Technology and Management for increased mobile phone coverage in remote areas. Why is it that the Hon. Tony Kelly is always beating up the Federal Government, saying that it is not doing its job? Why does he call on the Federal Government to pay for increased mobile phone coverage? Where is that \$2 million going and why was it justified? I compliment the Government on allocating \$300,000 for the Kempsey Police and Community Youth Club, an amount which is sorely long overdue. Today the Government tried to play games by belting up the Leader of the National Party, a Minister for Finance in a former government. I remind the House that, in the Premier's words, that is ancient history—it happened 10 years ago.

The Government has allocated \$1.5 million for the Eastern Creek Raceway. Is that in the interests of regional and rural New South Wales? No, it is not. The Government has provided \$350,000 for the Commonwealth Games team, which is great. At the same time, kids in regional and rural New South Wales compete with Sydney, Newcastle and Wollongong for a miserable \$500 scholarship to bring them to the city to compete. Kids in Newcastle and Wollongong can jump on a train for \$4 and compete in Sydney, yet our kids cannot get any money. If the Government wants to give \$1.5 million to country kids to get them up to Commonwealth or Olympic standard, I will support that and commend the Government. But it has not done that.

This bill allocates \$100,000 for sponsorship of the ANZ Golf Championship. That is marvellous—I love golf and I used to play a lot of it in my early days—but I would rather have \$100,000 spent on kids in regional and rural New South Wales than on a golf tournament that is Sydney centric yet again. The relocation of the Department of Industrial Relations from Market Street to Oxford Street has been allocated \$1.7 million. Where is the justification for that in a budget variations bill? Under the Department of Transport, \$10.6 million has been allocated for pricing community service obligations for the State Transit Authority. At the same time, community transport in regional and rural New South Wales is bleating for money.

Community transport services are robbing Peter to pay Paul in order to provide a basic service—and the Minister for Fair Trading looks at me with a wry smile. The Minister should come up and see how country people get from A to B. He should come up to Dorrigo and see how people rely on a bus or a car sent to them from Coffs Harbour to deliver them to essential medical or legal appointments in Coffs Harbour, not on a public transport system. Keep the \$10 million and give us the \$600,000 and we will provide a Rolls Royce service to those people. This bill provides \$10.6 million just for pricing community service obligations for the State Transit Authority. I welcome the grain freight rebate of \$2 million, but I do not know what the relocation cost of \$7 million represents. I suppose it is for FreightCorp, but I do not know. That is a waste of money, made for a political advantage.

The Treasurer has already overrun his budget this year by almost \$800 million. In the 12 months leading up to the 2003 election this bill should be under the closest scrutiny by the media, by the Parliament and

especially by people in regional and rural New South Wales. The contribution by the honourable member for Port Stephens was a disgrace. The interjections by the honourable member for Tweed were disgraceful, and I hope they are recorded in *Hansard*. He will stand damned in his electorate and be known as Nasty Napping Neville Newell.

Mr WEST (Campbelltown) [9.15 p.m.]: As I said in my inaugural speech, this bill recognises that things change and we have to change the budget. This is about being open and accountable. Any plan is just that—a plan. It is based on a snapshot and forecasts. Sometimes plans have to change. I might plan to take my son to the park, but if it starts to rain I will change my plans. This bill is a recognition of what we all know: no-one can see into the future. Any business that has a budget knows that it may have to revise it in the future. This bill is also about sharing the benefits that the Government sometimes reaps. The bill provides \$40,000 to tackle salinity, which I would have thought would be a bipartisan objective. The bill provides \$210,000 for the Hornsby by-election, something that members on both sides never saw coming. An amount of \$118,000 has been allocated to help families and businesses get back on track after the North Coast floods.

The Western Sydney Arts Strategy has been allocated \$3.2 million for the Campbelltown Bicentennial Art Gallery, a recognition by the Government of the importance of arts to Western Sydney and to Campbelltown. It will further enhance our community. An amount of \$5.8 million has been allocated to head off fire ants, a dangerous and costly pest. I would much rather see the money spent now than after they get into New South Wales. To kick-start the Christmas 2001 bushfire relief appeal, \$1 million has been allocated to help victims of the fires that beset our community. The Government is sharing its increased revenue by providing \$56 million for maintenance projects in schools, including security upgrades, carpets and even tractor replacements. An amount of \$27 million has been allocated for CT scanners for rural hospitals and radiotherapy equipment for south-western Sydney—I would have expected everyone to welcome that. Campbelltown will get radiotherapy services for the first time ever.

An amount of \$2 million has been allocated to increase mobile coverage in remote areas and \$20 million has been allocated to provide country towns with water supply and sewerage. Recently sewerage services have been extended to parts of Wollondilly and the communities have enthusiastically welcomed it. The Commonwealth Games team contribution has been allocated \$350,000. That will allow Australians from Campbelltown, such as Bronwyn Eagles, to represent our communities and do us proud. In response to the collapse of Ansett and the events of September 11, \$4 million has been allocated. An amount of \$750,000 has been allocated for the bushfire relief tourism strategy and that will rebuild a sector that is important to our community. Provision has been made for the First Home Owners Grant Scheme, which is about helping people get into their first home—a welcome initiative. This is an open and accountable bill that recognises that things change and sometimes we have to change the budget.

Mr AQUILINA (Riverstone—Minister for Land and Water Conservation, and Minister for Fair Trading) [9.17 p.m.], in reply: I thank all honourable members for their contributions to this debate. I thank the Opposition for supporting the bill, although one would think otherwise from some of the comments that were made. I particularly thank the honourable member for Port Stephens and the honourable member for Campbelltown who gave very constructive comments and stuck to the topic of the debate. I was more than a little bemused by the comments of the honourable member for Coffs Harbour, who seems to know less about the budget and this bill than he does about fire hazard reduction in his electorate.

Mr Newell: He did not talk about that.

Mr AQUILINA: He did. He said that one of the reasons the Government has introduced this bill is because it increases provision for natural disasters. The honourable member for Coffs Harbour contributed to the natural disaster experienced earlier this year, which was one of the reasons these allocations are needed. The honourable member for Coffs Harbour decided to have a second go at a budget debate; he meandered quite widely from the topic and referred to the bill only in passing. Quite apart from the comments of the Leader of the National Party the bill entrenches the accountability of the Government to the Parliament.

It is important to place on the record that the additional expenditure includes \$142.3 million for the first home owners grant. It is ironic that the Opposition criticises the bill when legislation passed in this House previously enabled us to approve additional money for the first home owners grant. During the Federal election campaign the Howard Government decided that it needed to improve its election chances so it extended the provisions of the first home owners grant. Therefore, the State Government has to make increased allocations for precisely that purpose. That is why it has introduced this bill.

Mr Souris: Be fair. I did not criticise it.

Mr AQUILINA: No, but you criticised this legislation and you implied that the Government introduced this bill because it could not predict precisely how much money it would spend or that it had overexpended in some way. No government can predict everything—including the newfound affluence of a Federal Government going into an election and deciding to make promises that require State governments to make additional allocations to appropriate those funds.

Mr Souris: No, it is fully reimbursed. It is a neutral item and you know it. I did not criticise it.

Mr ACTING-SPEAKER (Mr Lynch): Order! The Leader of the National Party will come to order.

Mr AQUILINA: The Leader of the National Party would have us believe that the Opposition has a crystal ball and if it were in government it would have been able to predict the natural disasters of the December to January bushfires and the February to March floods. An allocation was made of \$135 million for natural disasters, including \$40 million for the February to March floods in northern New South Wales and \$95 million for the December to January bushfires. That is justification for allocating these funds. In addition, \$105 million was allocated to tackle backlog maintenance in housing and \$70 million was allocated for additional maintenance in schools. I did not hear a single member of the Opposition knock back the extra funding they received for school maintenance. Are they willing to knock back that funding? I would not think that the Leader of the National Party would suggest that country schools that benefit from the additional \$70 million for maintenance would knock it back.

This is a very worthwhile bill. It enables the Government to provide additional and necessary funds in the event of an unexpected disaster in the State. I note the comments of the Leader of the National Party, now shadow Treasurer, and the way in which he spoke about the New South Wales economy. He predicted a downturn in property values. He made the point that the New South Wales budget is holding up so well because property values have done the same. That will continue. However, the Leader of the National Party wants to talk down property values in the same way that he took much pleasure in talking up and promoting an increase in interest rates because that is what he would like.

Mr Merton: Point of order: The Minister is in a make-believe world. He should keep to the subject.

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

Mr AQUILINA: The honourable member for Baulkham Hills was not even in the Chamber when the Leader of the National Party was making his contribution so he would not have a clue what was said. The exact words of the Leader of the National Party in relation to the New South Wales economy were, "This is the balloon that won't last forever", hoping against hope that the New South Wales economy would have a downturn. I have news for the Leader of the National Party and the Opposition: The New South Wales economy is in a very healthy state and will continue that way. The rating agency, Standard and Poor's, throughout the term of the Carr Government has given New South Wales a triple-A rating, and will continue to do so.

Mr Souris: And the Greiner and Fahey governments.

Mr AQUILINA: One would think from the comments of the Leader of the National Party that the only reason New South Wales is doing well is because of the Howard Government. The Leader of the National Party just said that the Greiner Government also consistently had a triple-A rating, but during the time of the Greiner Government—and, indeed, the Fahey Government—Labor was in government federally. Is he suggesting that the Coalition did so well because of the Federal Keating Labor Government, because he suggests that New South Wales is only doing well now because of the Howard Government? I put it to the Opposition that New South Wales is the powerhouse of the Australian economy, as has been shown to be the case time and again.

Unemployment rates and interest rates in New South Wales have consistently been the lowest in the country. People should consider the standard of the New South Wales economy because New South Wales is leading the way on all the determinants of a viable economy. As distinct from the comments of the Leader of the National Party that the Howard Government is supporting and abetting the New South Wales economy, it is the New South Wales economy that is making the Howard Government and the Australian economy look good. The New South Wales economy accounts for 40 per cent of the total Australian economy. The Leader of the National Party also spoke about so-called tax hikes and said that New South Wales led the way and that this bad

Carr Government has somehow gone over the top with increasing taxes. Taxation revenues in 2000-01 reflect the following tax rate reductions: a reduction in payroll tax from 6.4 per cent to 6.2 per cent, effective from 1 January 2001.

Mr Merton: How does it compare with other States?

Mr AQUILINA: I am talking about what we have done in government compared to what you left us with. We phased out the \$43 third party motor vehicle registration levy, effective from 1 July 2000; we removed the surcharge on motor vehicle registration fees and transfer, effective from 1 July 2000; we introduced the first home plus stamp duty concessions for first home buyers, effective from 1 July 2000; and we lowered the insurance stamp duty rate from 11.5 per cent to 10 per cent, effective from 1 October 2000. With the exception of some minor changes to parking space levies, there were no tax rate increases or new taxes in 2000-01. Those are the facts and figures, and they are contained in the report of State finances introduced in a public document tabled in the House.

Leaving aside the fiction of the Leader of the National Party and looking at the facts and details, as they have been presented here and elsewhere, the Appropriation (Budget Variations) Bill has been introduced and is being debated because it will enable the Government to get on with the job of running the State in a fiscally appropriate way. I am not about hyperbole and making claims that cannot be ratified—unlike the Leader of the National Party, who has new-found enthusiasm for fiscal matters but who unfortunately lacks knowledge in that area. The details are set out and explained in the legislation and its schedules. Those details were also ably presented by the honourable member for Port Stephens and the honourable member for Campbelltown, in particular. It is about providing proper finances for the State in an appropriate, accountable and fiscally responsible manner. I commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

GAME BILL

Second Reading

Debate resumed from an earlier hour.

Mr WEBB (Monaro) [9.31 p.m.]: I commend the honourable member for Murrumbidgee, who led for the Opposition in this debate, for his well-presented summary of the bill. I confirm from the outset that I, like him and other Opposition members, support the bill although we have some reservations and will attempt to amend it in the other place. The bill appears to be a step to the right by the Government, and I commend it both for that move and for introducing measures to control feral and pest animals across the State. Like many other honourable members, I have received much support from constituents via email, correspondence and direct representation. People have been speaking to me for years about this issue and the possibility of winding back the more severe provisions of firearms legislation to address animal control in New South Wales effectively. Without legislation such as this the battle to control feral animals and pest species in this State would be very difficult. There is a demonstrated need for such measures within the agricultural fraternity and on public lands.

Feral animals and pest species probably do about \$1 billion worth of damage to the New South Wales environment every year. Damage caused by rabbits alone costs this country about \$600 million annually. Any costs associated with the risk of feral pigs transporting diseases such as foot and mouth would be met—and felt—fairly and squarely by people across Australian society. We must have proper control measures. Recent and current inquiries into feral animal control, including problems with wild dogs and brumbies in Guy Fawkes River National Park, offer good examples of the need to control feral animals across New South Wales. This bill could also have a real effect on fox and feral cat predation on native and agricultural species. Shooting is an obvious effective control option. There is much debate about feral animal control. The baiting of wild dogs and foxes is an effective control mechanism. Other poisoning options such as the use of 1080 and baited carrots to control rabbits and the baiting and trapping of pigs are effective in some cases. However, controlled shooting is certainly a humane and successful adjunct to such strategies.

Proposals are afoot to manage Australian pest species, particularly brumbies, in the Snowy Mountains area. While capture methods and the use of control products are cost effective, shooting is an alternative to those

strategies that must be considered and promoted where possible. It is a shame that we cannot make more use of hunt game. Kangaroos culled in the Royal National Park may be used for pet food but not for human consumption. There would be a major multiplier effect if we could offer that product for human consumption. Shooting is certainly a cost-effective control option that does not contaminate the product. This bill not only addresses feral animal control measures but promotes hunting as a viable sport and a means of returning dollars to New South Wales. Hunting could be promoted as a tourism strategy: overseas visitors will happily pay large sums to participate in their chosen sport while working in conjunction with local game industry operators to control pest species. Such tourism returns are certainly acknowledged in New Zealand, Canada, the United States of America and other countries.

We must take feral animal control provisions further and apply them to our national parks. The National Party is promoting the idea of conducting trials in three national parks and many people have remarked to me that the strategy should be adopted throughout the country. Most people recognise that national parks and reserves provide a habitat for feral animals, which are largely uncontrolled and do significant environmental damage in such areas. Feral animals do not know where the boundaries of State forests and private lands lie; they do not know when they cross from wilderness areas into national parks. It makes sense to extend the hunting of pest species to national parks and to use the feral animal control methods outlined and allowed by the Game Bill in those areas for the benefit not just of shooters and shooting clubs but of the people of New South Wales and Australia as a whole. Such measures would help to preserve the environment and help native species that are being decimated by wild dogs, foxes, feral cats, feral pigs and other animals that destroy habitats in national park areas.

The Game Bill is heavy on definitions and control mechanisms. These are necessary in order to ensure that shooting occurs under controlled conditions and is undertaken by responsible people, who are licensed and who use registered firearms. Such people would undoubtedly be dedicated, semi-professional or experienced recreational shooters, with years of experience in the industry who have made a great financial investment in the sporting and recreational shooting and hunting fields. As we have seen in the fishing industry, controlled hunting can deliver enormous returns. When the Firearms Act came into force in 1996 firearms shops—an entire sector of the sporting industry—took a major tumble. Hunting would be conditional—that is obvious from the penalties already imposed by the numerous firearms Acts, the Prevention of Cruelty to Animals Act, the Weapons Prohibition Act and various other regulations regarding noise, assaults, trespass, creating nuisance and so on. The bill refers to the provision of inspectors and the powers that they will have to enforce these conditions and ensure that activities proceed properly.

There is opposition to the shooting concept in the bill. Unfortunately, those who oppose it simply do not understand the issues involved and the impact of pest animals on the environment. They do not realise the dollars invested by shooters. Recreational shooters are people like you and me, work colleagues and people we see walking down the street. They contribute in a major way to our society. They are prepared to contribute by assisting the Government, land management authorities, farmers and others in conservation measures to protect the environment. I applaud those who drafted the bill and those who are dedicated to making it an Act of Parliament.

By creating the Game Council the bill creates unnecessary layers of bureaucracy, and there are anomalies in the definitions. However, that is what legislation does—it creates further layers of bureaucracy—but we have to weigh those deficiencies against the pluses in the legislation, which relate to feral animal and pest animal control. The legislation provides for public areas to be designated and approved by the Minister. The bill includes provisions relating to animal quotas and defines the various game animals, such as pigs, goats, rabbits, foxes, feral cats, deer and horses. I have had a great deal of experience in land management over many years, including the control of rabbits, foxes, feral cats and pigs. I have used rabbit traps, 1080 poison and other methods, but I have found shooting to be preferable. One year we shot 3,000 rabbits by spotlighting one night a week. Almost all were head-shot and the majority of them were used for human consumption or for feeding farm dogs. Not only did we control the animals, we did it simply, effectively and humanely. This legislation provides for the control of feral animals by this method. Feral animals, regardless of their size, can be effectively controlled by the use of firearms.

The Game Council will comprise representatives from recreational and shooting clubs and sportsmen throughout the community, as well as representatives of the various Ministers who have responsibility for land management. I agree with the composition of the council. The council will have a voice through reports and recommendations to government about the effectiveness of the bill. The legislation will require some amendments. The honourable member for Murrumbidgee spoke about proposed amendments relating to

conducting trials in national parks. Clearly, feral animals are out of control in New South Wales. I am not sure whether the National Parks and Wildlife Service knows what to do about this problem. Perhaps some of its ground staff do.

Recently there have been reports of the killing of sheep flocks by wild dogs from national parks. I am not necessarily talking about dingoes. It is difficult to differentiate between dingoes and other feral dogs. Unfortunately, the message from the National Parks and Wildlife Services regional managers is that they do not believe the sheep kill counts. They do not believe that they are legitimate feral dog kills; they do not want to accept the extent of the problem. The Minister has told them that as far as the New South Wales Government is concerned the impact on the sheep industry is not significant enough to talk about changes to feral dog control, particularly in areas such as the Monaro region. Unfortunately, the regional managers—like those who object to this bill, particularly those in the cities—do not understand the impact of feral animals not only on sheep but on kangaroo species and many other native species.

Foxes, feral dogs and feral cats have practically cleaned out the native wildlife in many national parks. That is why they predate on sheep flocks, cattle and other animals. They have been known to kill dogs on the chain, not to mention ducks, chickens and other animals, within close proximity to country towns. This bill will enable a cost-effective method to control the feral animals. The National Parks and Wildlife Service uses helicopters and professional shooters, at great cost, to control feral animals and pest species across the State. The Game Bill will allow recognised expert recreational hunters to do the job at little cost to government. They are happy to do it for nothing. In fact, they are happy to pay to do it. That is one of the reasons why this legislation will be an effective tool in the control of animals across the State.

The sport of shooting is enjoyed by many people, such as farmers, legitimate recreational shooters, club shooters, young people and old people. For a time I enjoyed the sport as a member of a target pistol club. It is great form of relaxation. Shooting, like most sports, returns a great deal of money to small businesses throughout the State and to government by way of licences and dollars spent in pursuit of this hobby. This bill will go a long way towards satisfying those involved in this sport, which has a high rate of participation in New South Wales. This State, through this legislation, can show other jurisdictions how to do the job. The bill will have a major effect on the control of pest and feral animals right across New South Wales in all land tenures.

Mr NEWELL (Tweed) [9.46 p.m.]: The Minister for Agriculture introduced the Game Bill 2001 on 28 November last year. The bill lay on the table for a considerable time to allow public consultation, feedback and submissions from the community on various aspects of it. The Minister was prepared to go down that track rather than put the bill through the House quickly; he allowed a period of consultation. That process has been a feature of the Minister's approach to a number of matters. In many ways he has set a standard for dealing with contentious issues. The Minister took on board the submissions from the general community, groups and organisations for and against the bill.

In his second reading speech on the Game Bill 2002, the bill now before the House, which was delivered on 19 March, the Minister introduced a number of changes. Obviously a number of contentious issues were raised during the consultation period from November last year to March this year. Unfortunately, during that period a great deal of misinformation was aired about the nature of the bill and what could result from it. However, I compliment the Minister on the way in which he was prepared to openly discuss the issues with the many groups, organisations and individuals and allay their fears about where this legislation would lead.

One of the aspects of the bill I would like to speak about is the provision that will permit people with a game hunting licence to hunt on both private and public lands. The bill will provide more control over the whole process of game hunting. The previous speaker, the honourable member for Monaro, was keen to espouse the view that it could lead to an industry. I do not necessarily share his views, but I note that we all support this bill. The bill will require private game hunters to hold a licence when hunting designated game animals unless they have a good reason for not doing so. In his second reading speech the Minister expanded on those reasons.

The State Council of Rural Lands Protection Boards sought an assurance that the legislation would not prevent the control of pests under the Rural Lands Protection Act when such pests inhabit a proclaimed ecological community under the Threatened Species Conservation Act. The Minister advised that the bill will not prevent control of pests in those circumstances, provided that the control program was consistent with the requirements of the Threatened Species Conservation Act. There are groups in my electorate that strongly support the passage of the bill, but there are other groups that have reservations about its impact.

Earlier I said that the public consultation period produced claims about the content of the bill and what it will allow. One claim was that the bill will give a green light to recreational hunters to use any means at their disposal to injure, maim or kill cats, dogs, deer, pigs, foxes, goats or other animals that crossed their path. However, nothing could be further from the truth. The bill deals with the composition, activities and limited powers of a new statutory body, the Game Council, and consolidates some of the hunter permit systems currently issued by State Government agencies to provide recreational hunters with access to game and pest animals on public and private lands. The bill defines pest animals on public lands and a limited number of animals on private lands as game animals.

Some of the controversy surrounding the bill has undoubtedly been laid to rest, but whether that has been understood and whether people are prepared to support the bill in its entirety remains to be seen. Criticism has been levelled at the role and composition of the Game Council, but the bill deals with the hard issues, such as control of feral pests. We have a great deal of difficulty in controlling and reducing the number of feral animals. Most people would probably agree that we would like to have them eliminated completely from certain parts of our environment. But the way such pests are to be eliminated is where we strike differences of opinion. The bill goes a long way towards introducing a resource into the control program that, until this stage, has not been considered part of the regime to control feral animals.

Everyone acknowledges the immense damage that feral animals do to the environment and the need to control them in some way. We have used, and continue to use, various chemicals and guns to control feral animals. Those methods are not pleasant, but we must acknowledge past mismanagement and the mistakes of humans. We have allowed some of those animals to roam free, escape into the wild and propagate. Therefore, we must now make the hard decisions, and we must be prepared to support the bill to ensure that feral animals are brought under control. The bill has provoked various opinions, and there is no doubt that many people will keep a close eye on it to see how it works. I look forward to hearing comments on the operation of the bill.

Mr OAKESHOTT (Port Macquarie) [9.55 p.m.]: I wish to put on record some of the issues raised by this bill that affect the people of the mid North Coast. Sporting shooting is undoubtedly active on the mid North Coast. In the past two years the Hastings Recreational Shooting Complex has developed to become one of the better shooting complexes, if not the best complex, in regional New South Wales. In Wingham, in the Manning Valley, there is also a strong recreational shooting movement. I support recreational shooting as an activity that brings pleasure to many people on the mid North Coast. I also support the responsible actions of the local rural lands protection board in controlling feral deer in the Lake Cathie area. Feral deer are causing so much concern that the National Parks and Wildlife Service developed a deer-catching cage. Unfortunately, the cage seemed to catch everything but deer; it caught many native Australian species such as kangaroo and wallaby. The service will now have to consider a responsible culling program.

The rural lands protection board certainly has the power, with ministerial approval, to initiate responsible culling programs. I hope that the bill in no way dilutes or remove those powers, because in areas such as the mid North Coast it is an appropriate process. I certainly support a move by the Government to tackle the control of wild fauna and flora. I certainly encourage the investment of more time, money and resources by organisations such as the National Parks and Wildlife Service to deal with these significant issues. The land space dedicated to national parks and nature reserves in New South Wales has increased significantly. However, the speed of resourcing to keep pace with that growth is of great concern. Many of these parks have the potential to turn into feral animal and feral weed parks. As more national parks and nature reserves are developed, no-one in this Chamber would want that to happen.

In general terms I also support using hunters and appropriately qualified and accredited private citizens to deal with feral animal control. However, I am concerned that neither the Government nor the Opposition has raised concerns about the powers of investigators to be appointed by the Game Council. Eight of the 16 members of the council will be representatives of hunting organisations. The extraordinary powers to be given to inspectors are dealt with from page 24 of the bill. The bill gives individual citizens powers which in some instances exceed the powers given to police. Those powers include the power of entry to private property, the use of force on entry to private property, and the use of search warrants.

I am sure everyone who wants to be involved in supporting this legislation and the Game Council is well meaning. As to the make-up of the Game Council, I am sure everyone has good intentions. However, so far as enacting good law is concerned, there are grave concerns that under the provisions of the bill the New South Wales Parliament is legislating for a Game Council made up primarily of private citizens and it is conferring powers on citizens appointed by other private citizens that are equal to and potentially even greater than those conferred on police officers. That is of grave concern to many people. A range of potential incidents could develop as a result of this legislation.

The bill confers on individual citizens, who will be appointed by a council of other citizens outside of the public sector, the power to detain and search vehicles or vessels. The bill introduces powers of seizure. The provisions relating to the seizure of property are of concern. To the layman the bill reads as though it will result in many punch-ups around regional and rural New South Wales as inspectors appointed by the Game Council seize property from individuals who are under investigation because of concerns about potential aspects of this legislation. Individual inspectors will have power to obtain information, documents and evidence from private residents. They will have the power to demand names and addresses and to demand the production of game hunting licences.

In general I believe the entire section relating to investigation will be of grave concern to any member of this Chamber who wants to enact good law. It is all very well for us to support the use of hunters and private citizens to deal with feral animal abatement in national parks, nature reserves and State forests and on Crown land. Most people would support that general principle. However, hidden in the bill is another issue of concern relating to the implementation of good law in New South Wales. It confers on citizens outside the government sector powers that are potentially draconian. That will lead to difficult situations when those powers are exercised after this legislation has been passed by Parliament.

I express those concerns in the hope that out of this debate will come good law. I note that both the Government and the Opposition will support the legislation through this Chamber. That means it will go straight to the upper House. I hope that the upper House will consider making significant amendments to the legislation, particularly to the section dealing with investigators. I hope it will bring those powers under the umbrella of the police or the appropriate government sector, or at least clarify the powers as they relate to the right of the individual.

Mr GEORGE (Lismore) [10.04 p.m.]: As the honourable member for Murrumbidgee has already stated, the Coalition will not oppose the Game Bill, which provides for the effective management of native and introduced species of game animals, and promote responsible and orderly hunting of those game animals on public and private land and of pest animals on public land. We should support the principle of controlling pest animals on public land, while defending the right of landowners to control pests on privately owned land. I have some concerns about the bill relating to the duplication of licences, the lack of power of the Game Council, the effect of the bill on the Rural Lands Protection Act and the New South Wales Firearms Act, and the exclusion of national park estate land from the definition of public land.

Feral animal control on public land, particularly in national parks, is one of the biggest problems facing rural and regional New South Wales. Landowners whose properties adjoin national parks and other Crown land are suffering the most. Wild dogs are breeding and living on public land, where they are out of reach of landholders. These dogs then launch attacks on sheep and livestock, resulting in major economic loss for landholders. Feral pig numbers are certainly increasing in national parks and on other public land. Pigs not only cause significant damage to livestock, fences and crops, but also pose a real risk of spreading disease in the event of an exotic disease outbreak. We have already seen the effects of the outbreak of such diseases in other countries and we certainly need to keep that in mind in respect of the livestock industry in this State and in this country.

The Carr Government continues to display its ignorance about the control of pest animals on public land. The object of this bill, to promote hunting of pest animals on public land, recognises the problem being caused to landholders who own land that is surrounded by public land. The Coalition questions why the Game Bill excludes national park estate land from the definition of public land. The Coalition will move an amendment in the other place seeking a two-year trial of the hunting of game in three national parks. If that is successful, the national parks will be included in the definition of public land. It has been reported to me that wild dogs are moving unchecked out of national parks and into State forests and then onto private property, where they wreak havoc on the livelihood of farmers. We believe that the inclusion of national parks in the definition of public land will provide alternatives for the control of pests such as wild dogs and should therefore be supported.

I continually make reference to wild dogs because they are a major problem in areas of national parks and forests that surround private land. The National Parks and Wildlife Service [NPWS] should be able to use skilled and appropriately registered hunters as a cost-effective resource in implementing control and management strategies for pest and game species. When the cull of horses was taking place in the Guy Fawkes River National Park a constituent of mine, Dennis Betteridge, rang to offer his services to the NPWS. He is experienced, skilled and appropriately licensed. However, his services were knocked back. His idea was that he

could go into the national park, lay out blocks that would encourage the horses to come in and feed in certain areas, and then he would gradually take them out of those areas. The offer of his services was rejected by the National Parks and Wildlife Service.

It is clear that the Government has no regard for the losses that feral animals are causing land-holders in areas surrounded by national parks. As is typical of the Carr Government, it has ignored sporting shooters. It has not consulted the Sporting Shooters Association, which has 36,000 members in this country. This major organisation should have been consulted before the bill was drafted. It has a hunting and conservation program which organises hunting activities for members on private land and Crown land, mostly State forests. That mechanism is already in place and would have been available. The Carr Government would have known this if it had consulted the Sporting Shooters Association. So there is already a system in place whereby State Forests has liaised with the Sporting Shooters Association to facilitate hunting on land controlled by State Forests. This should be expanded to take in national parks.

I understand that the bill allows for land-holders to hunt pests on their own land without a licence. However, hunters will be required to apply for a general game hunting licence before they can hunt game animals on private land of which they are not the owner. Hunters who have gone through the process of becoming a licensed firearms owner should not be forced to apply for and pay for another licence to hunt game that is not protected game on private land when they have the permission of the land-holder. That is an important point. The land-holder should have the ability to grant permission for any licensed firearm user to hunt game that is not protected game on their land without either party having to acquire an additional licence.

In the event of a land-holder wishing to grant permission for a third party to hunt protected game on private land, the Game Bill prescribes that both a land-holder and the prospective hunter must be the holder of a game hunting licence. To avoid licensing duplication resulting from this bill the Coalition will move in the other place that the licensing system be consolidated. In order to overcome the concerns of hunting clubs and the Sporting Shooters Association and to provide them with some security I call on the Minister to guarantee that game licences will not be recognised as providing proof of a genuine reason for recreational hunting under the New South Wales Firearms Act. The responsible approach of hunting and other recreational shooting clubs has been integral to the process of firearms licensing and ownership reform in this State. Their good work should not be undermined by the introduction of game hunting licences.

Along with other members of the Coalition, I also ask the Minister to clarify two further points in relation to the operation of the Game Bill. First, the Minister said in his second reading speech that he will ensure that a regulation exempting land-holders from the need to hold a game hunting licence when taking part in joint pest control programs is made as soon as possible should the bill receive the support of Parliament. I place on record again the Coalition's support for such a regulation and call on the Minister to guarantee that the regulation will be made.

I also call on the Minister to explain why a person assisting another person hunting pest animals in accordance with a duty imposed on the person under the Rural Lands Protection Act 1998 or the Wild Dog Destruction Act 1921 is not exempt from the requirement to possess a game hunting licence. The damage feral and pest animals are causing in rural and regional New South Wales is one of the biggest problems facing country New South Wales, and the potential pest control benefits of this bill present the most compelling case for supporting it. Naturally, the Coalition will attempt to improve the bill by addressing some of the problems through the introduction of amendments to the bill in the other place.

Ms SALIBA (Illawarra) [10.13 p.m.]: I support the Game Bill, the objects of which are to provide for the efficient management of native and introduced species of game animals and to promote responsible and orderly hunting of those game animals on public and private land, and of certain pest animals on public land. Only a few months ago people from my community contacted me about land in the Mount Kembla area being looked after by the local Landcare group, which had spent many hours rejuvenating the site and putting in plants. Everything the Landcare group had planted was destroyed by introduced deer. I support the bill on the grounds that introduced animals are not part of the local environment and are not meant to be there. The Government has a responsibility to ensure that native flora and fauna are protected.

I spent a lot of time at Mount Kembla inspecting what was going on. It was recommended to me that the National Parks and Wildlife Service should hire people to cull the deer but the service was not in a position at that stage to do so. We have heard many stories about the effects of the bill. But the bill is not about allowing hunters the opportunity to shoot; it is about allowing the State Government to protect the environment. It is

about local farmers protecting their holdings and allowing local people to make decisions about their environment. Hunting is permitted in New South Wales under the Prevention of Cruelty to Animals Act. This bill does not amend that Act. It does not seek to legalise any form of hunting which currently is illegal. Moreover, clause 6 explicitly states that nothing in the bill exempts people from their responsibilities under the Act. The bill does not give a green light to recreational hunters to use any means at their disposal to injure, maim or kill cats, dogs, deer, pigs, foxes or goats or other animals that cross their path.

These animals cause environmental destruction and kill native fauna, to the extent that some are now endangered. I am sure that the Opposition agrees. We are not encouraging people to hunt but baiting can kill native fauna, which is irresponsible. The bill addresses the composition, activities and powers of a new statutory body, the Game Council, and consolidates some of the State Government hunting permit systems. The council will operate statewide so a game hunter who creates mayhem in one area will not be able to move to a different area without a record of his former behaviour. Pest animals on public lands and a limited number of animals on private lands are defined as game animals under the bill. The Game Council will administer a new two-tiered licensing system for hunters of game animals. Government agencies co-ordinate hunter access to game animals. This includes the National Parks and Wildlife Service, which will continue to have overall control of the hunting of ducks. It is necessary to have one authority with ultimate responsibility. The Government is not so much concerned about providing opportunities for hunters as about protecting our fauna.

In protecting our wildlife we often have to make hard decisions to cull animals that cause havoc within national parks and on private land. The bill constitutes a statutory hunting code of practice detailing the standard of behaviour expected of holders of a game hunting licence. One body will be responsible for providing those licences. People who hunt will be responsible to one body only, not to one body for a licence, another body for hunting and to a landowner who allows hunting in another area. Across the State one body will be responsible for this bill. One agency will be responsible for allowing people to hunt. The bill has one priority, and that is to protect our wildlife and national parks.

In Mount Kembla deer are chasing away the indigenous animals. The deer have destroyed the wildlife and desecrated the area. My local community has called on me to ask the National Parks and Wildlife Service to shoot those deer. While I am not a believer in killing for the sake of killing, I believe in protecting what we have. It is important to the Government and to my community to protect what we have, and the Government is acting responsibly by introducing this bill. I am sure that the Opposition would support that. To that end, it is important that one body ensures that hunters are licensed so that we can protect our wildlife and national parks.

Mr MAGUIRE (Wagga Wagga) [10.22 p.m.]: I support the general thrust of the bill. The Government's introduction of this bill is a recognition of a problem that has existed for many years. In fact, it has grown to unbelievable proportions in some rural electorates, many of which have been mentioned tonight. The objects of the bill are to provide for the effective management of native and introduced species of game animals and to promote responsible and orderly hunting of those game animals on public and private land, and of certain pest animals on public land. The overview of the bill states:

The principal features of the Bill are as follows:

- (a) Game animals for the purposes of the Bill are:
 - (i) native and introduced species (namely, deer, duck, quail, pheasant, partridge, peafowl and turkey), and
 - (ii) certain pest animals (namely, pigs, dogs (other than dingos), cats, goats, rabbits, hares and foxes living in the wild).
- (b) The Bill constitutes a separate statutory authority, to be called the Game Council of New South Wales, to represent licensed game hunters, to administer the game hunting licensing system and to exercise other functions relating to the objects of the Bill. The Game Council is to comprise persons nominated by hunting organisations, wildlife management scientists and representatives of the rural lands protection boards, of Landcare organisations, of the NSW Aboriginal Land Council and of the Ministers administering the proposed Act, the *Forestry Act 1916* and the *Crown Lands Act 1989*.
- (c) The Bill provides for the following game hunting licences and licensing system:
 - (i) A general game hunting licence ... A game hunting licence will not be required for the purpose of hunting certain pest animals on private land, for hunting on a person's own land and in other specified circumstances.
 - (ii) A restricted game hunting licence ... Hunting will not be authorised on national park estate land and will only be authorised in State forests, vacant Crown land and other public land if the Minister responsible for the land has declared the land to be available for hunting.

- (iii) An occupiers game hunting licence ... Annual quotas for the hunting of protected game animals will be set by the Director-General of National Parks and Wildlife and, in accordance with current requirements, will not be set to enable hunting for sporting or recreational purposes.
- (d) The Bill makes provision for the appointment of inspectors by the Game Council and for all relevant entry, inspection and other powers for the enforcement of the proposed Act.

I welcome to my electorate tools that will enable land-holders to bring under control problems of feral animals such as rabbits, wild dogs, pigs, goats, et cetera. It is no secret that in my electorate there is an enormous area of land under the control of the National Parks and Wildlife Service and State Forests. In fact, my electorate covers some of the Kosciuszko National Park. It has enormous plantings of State forests and private forestry as well as rural land-holdings. Because of the ongoing problems with feral animals a public meeting was called in Tumbarumba. To the community's credit approximately 50 farmers attended along with the relevant authorities including the National Parks and Wildlife Service, Pastures Protection Board, State Forests, et cetera at the public meeting held at the Tumbarumba bowls club.

All groups worked together in an endeavour to come up with a solution to the problem of wild dogs, the losses caused by feral pigs on farm animals, and the general overrun of rabbits, cats, et cetera, and their effect on the native fauna. At that meeting it was decided to formulate a working group. I pay credit to the Tumbarumba working group which consists of the organisations that attended the public meeting. When communities work together they can come up with solutions to problems. The Game Bill is another tool that the people of Tumbarumba can utilise to control this problem. The executive summary produced by the working group states:

The Dog and Fox Control Plan is the result of the co-operative efforts of the Tumbarumba Shire Feral Animal Working Group.

The group involves a number of local community members and representatives of the Hume Rural Lands Protection Board, National Parks and Wildlife Service, State Forests and Tumbarumba Shire.

The plan has been prepared in response to the fact that dogs are causing stock management problems for graziers since the arrival of domestic stock in the area and adjacent mountains in the 1800's.

Anecdotal evidence suggests that there has been an increase in wild dog attacks since 1999.

Some farmers in the Tumbarumba region are no longer able to farm their land because of the prevalence of attacks by wild dogs, particularly where farmland adjoins State forests, native wildlife reserves or national parks. The summary continued:

The Tumbarumba Shire has legislative responsibility under the Companion Animals Act for the control of domestic dogs.

State Forests is currently involved in a number of dog control and dog research activities in the Bago, Maragle and Munderoo Forests.

The NPWS is responsible for the control of wild dogs and the conservation of the dingo in NPWS managed lands.

Wild dog control has been carried out in the Kosciuszko National Park area by NPWS for many years, including trapping and baiting.

Once again anecdotal evidence shows that more resources need to be poured into national parks and State forests to provide the necessary tools to do the job, including appropriate legislation. The article continues:

The Hume Rural Lands Protection Board is responsible for all pest animal control on private lands and provides a significant service to achieve this aim.

Wild dogs have a significant negative impact on many agricultural enterprises as well as negative impacts on native fauna.

I have touched briefly on some of the problems experienced by land-holders, particularly with having to destock. The article further states:

The aim of the plan is to "provide a co-ordinated and effective wild dog and fox control program to minimise the impact of wild dogs and foxes on agricultural production and native animals."

It is proposed to achieve this aim through the implementation of a co-ordinated strategic dog control program. The main components of the program are 1080 baiting, trapping and monitoring.

The principal strategy is to prevent stock losses by establishing a buffer zone around the western side of the Kosciuszko National Park and the south of Bago State Forest.

It has been identified that national parks and State forests harbour these wild dogs and feral animals. The article continues:

The buffer zone includes some areas of private land.

Trapping will be principally when stock losses occur in areas already being baited or when agency representatives determine that trapping is necessary.

In the lead-up to winter, now is a particularly bad time for wild dog attacks. Given the necessary resources trappers will be able to put more results on the fences—and by that I mean more wild dogs will be trapped and hung on the fences to show their catch. The articles further states:

Monitoring using sand pads will also be carried out to provide data for an overall assessment of the movement and abundance of wild dogs and other species. Monitoring data will be used to bait station locations and other aspects of the program.

I have read that article onto the record to show that some communities are working positively to bring this situation under control. I have some reservations about some parts of the bill, and I refer to comments by the honourable member for Port Macquarie, who pointed out some sections that I, too, have concerns with from page 24 onwards. However, I understand those matters will be raised in another place and amendments will be moved. I seek balanced legislation that protects native animals and enables farmers and land-holders to bring this problem under control. I seek legislation that does not allow the indiscriminate shooting of animals but targets animals that need to be controlled.

I am a land-holder and in the last two years I have noticed an increase in rabbits and hares on my block. In fact, last weekend I spotted two foxes whereas previously I have not spotted a fox for years. On Saturday on the road to Holbrook I saw six foxes on the road. Whether they were shot or baited, I do not know, but it demonstrates their prevalence. I went to a public meeting in Wodonga which was attended by 450 people. They all expressed concern about feral animals on their land and sought to reach a sensible solution to the problem of feral animals, deer, goats, foxes, cats, and so on.

[Debated interrupted.]

BUSINESS OF THE HOUSE

Extension of Sitting: Suspension of Standing and Sessional Orders

Motion by Mr Whelan agreed to:

That standing and sessional orders be suspended to extend the sitting beyond 10.30 p.m.

GAME BILL

Second Reading

[Debated resumed.]

Mr MAGUIRE: Feral animals are costing farmers money, they are degrading the land, especially in the case of wild pigs, and having an adverse effect on native flora and fauna. People in the community have concerns about the bill. Although people consider deer to be friendly looking creatures—they may have pleasant thoughts about them wandering in the wild, or they may have affections for the cuddly rabbit or the cute fox—they are more than welcome to visit my electorate and see the devastation caused by these animals, in particular wild cats, which are killing machines that devastate native birds. They should be removed. If we are to preserve this land we call Australia for future generations we need balanced legislation that addresses those problems. We must ensure that this is done in a way that is controlled but which produces outcomes that preserve our native flora and fauna. We need legislation to attack the problem of the increase in feral animals at its heart. I know that the Tumbarumba working group would be more than happy to provide significant information to the House and those who believe the bill is unnecessary or goes too far. I believe the bill requires amendment but I understand that those amendments will be moved in the upper House. I hope that the result will be balanced legislation for responsible hunting and management of the problems I have identified tonight. I thank the House for its indulgence.

Debate adjourned on motion by Mr Whelan.

REGULATION REVIEW COMMITTEE**Membership****Motion, by leave, by Mr Whelan agreed to:**

- (1) That Kerry Arthur Hickey be appointed to serve on the Regulation Review Committee in place of Graham James West, discharged.
- (2) That a message be sent acquainting the Legislative Council of the resolution.

STANDING COMMITTEE ON PUBLIC WORKS**Membership****Motion, by leave, by Mr Whelan agreed to:**

That Graham James West be appointed to serve on the Standing Committee on Public Works in place of Kerry Arthur Hickey, discharged.

COMMITTEE ON THE INDEPENDENT COMMISSION AGAINST CORRUPTION**Membership****Motion, by leave, by Mr Whelan agreed to:**

- (1) That Barry Robert O'Farrell be appointed to serve on the Committee on the Independent Commission Against Corruption in place of Michael John Richardson, discharged.
- (2) That a message be sent acquainting the Legislative Council of the resolution.

BILL RETURNED

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

Motor Accidents Compensation Amendment (Terrorism) Bill

Consideration of amendments deferred.

The House adjourned at 10.38 p.m.
