

LEGISLATIVE ASSEMBLY

Tuesday 7 May 2002

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

Mr Speaker offered the Prayer.

OFFICE OF THE PRIVACY COMMISSIONER

Report

Mr Speaker tabled, pursuant to the Privacy and Personal Information Protection Act, the report entitled "Complaint by Student A and His Father Against the Hon. John Aquilina, MP, Mr Walt Secord and Mr Patrick Low", dated 7 May 2002.

Ordered to be printed.

ASSENT TO BILLS

Assent to the following bills reported:

Anti-Discrimination Amendment (Drug Addiction) Bill
 Courts Legislation Amendment Bill
 Appropriation (Budget Variations) Bill
 First Home Owner Grant Amendment Bill
 Motor Accidents Compensation Amendment (Terrorism) Bill
 Road Transport (General) Amendment (Operator Onus Offences) Bill

STATE CORONER

Report

Mr Debus tabled the report entitled "Report by the NSW State Coroner into Deaths in Custody/Police Operations 2001".

VARIATIONS OF PAYMENTS ESTIMATES AND APPROPRIATIONS 2001-02

Mr Aquilina tabled variations of the receipts and payments estimates and appropriations for 2001-2002, under section 26 of the Public Finance and Audit Act 1983, arising from the provision by the Commonwealth of specific purpose payments in excess of the amounts included in the State's receipts and payments estimates.

Mr Aquilina tabled variations of the payments estimates and appropriations for 2001-2002, in terms of section 24 of the Public Finance and Audit Act 1983, flowing from the transfer of functions between the Attorney General's Department and Treasury (Office of State Revenue).

OFFICE OF THE OMBUDSMAN

Report

Mr Speaker announced, pursuant to section 31AA of the Ombudsman Act 1974, the receipt of the report entitled "DOCS—Critical Issues: Concerns Arising From Investigations into the Department of Community Services", dated April 2002.

Ordered to be printed.

AUDIT OFFICE

Reports

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

State Debt Recovery Office—Collecting Outstanding Fines and Penalties, dated April 2002
 Roads and Traffic Authority—Managing Environmental Issues, dated April 2002

PETITIONS

Australian War Graves French Airport Proposal

Petitions asking that the House join with the Federal Government in lobbying the Government of France to stop development of land occupied by Commonwealth War Cemeteries containing Australian war graves, received from **Ms Meagher** and **Mr O'Farrell**.

North Head Quarantine Station

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

Callan Park Trust Legislation

Petition asking the House to support the Callan Trust Park Bill, which seeks to protect the heritage site in perpetuity for the people of New South Wales, received from **Ms Nori**.

Freedom of Religion

Petitions praying that the House retain the existing exemptions applying to religious bodies in the Anti-Discrimination Act, received from **Mr Brown**, **Mrs Chikarovski**, **Mr Cull**, **Mr George**, **Mr Gibson** and **Mr Tink**.

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**.

National Parks and Wildlife Service Prosecutions

Petition asking that the National Parks and Wildlife Service be directed to redress the injustice suffered by the Basic family and to ensure that future prosecutions under the National Parks and Wildlife Act are properly and responsibly based, received from **Mr Rozzoli**.

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**.

Oallen Ford Road Upgrading

Petition asking that Oallen Ford Road, a major thoroughfare between the Hume Highway at Marulan and the M92 already under construction, be upgraded, received from **Mrs Hodgkinson**.

Tumbarumba to Jingellic Highway Upgrading

Petition asking that the Tumbarumba to Jingellic section of State Road 85 be sealed, received from **Mr Maguire**.

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 support the rectification of grass surfaces at John Fisher Park, Curl Curl, and oppose any proposal to hard surface the Crown land portion of the park and Abbott Road land, received from **Mr Barr**.

Hawkesbury-Nepean Catchment Management Trust

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

Queenscliff Geographical Names Board Classification

Petition praying that 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**.

Currans Hill Public School

Petition asking that airconditioning be installed in all demountable classrooms at Currans Hill Public School, received from **Dr Kernohan**.

Ardlethan Policing

Petition asking the House to review current limited police presence and availability in Ardlethan, Riverina, received from **Mr Armstrong**.

Beat Policing

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

Casino Policing

Petition requesting increased police numbers at Casino and that the police station be manned 24 hours per day, received from **Mr George**.

Malabar Policing

Petition praying that the House note the concern of Malabar residents at the closure of Malabar Police Station and praying that the station be reopened and staffed by locally based and led police, received from **Mr Tink**.

Wentworthville Police Station

Petition asking that any move to scale back or close Wentworthville Police Station be opposed, received from **Mr Tink**.

Monaro Policing

Petition asking that a police officer be appointed to frequently patrol rural areas of the Monaro and surrounding regions, received from **Mr Webb**.

QUESTIONS WITHOUT NOTICE

COMMISSIONER OF POLICE RECRUITMENT

Mr BROGDEN: My question without notice is to the Premier. How does the Premier justify his position in publicly endorsing Ken Moroney for the position of Commissioner of Police when he has responsibility for ensuring the process is independent of government? Is the Premier, as the Director of Public Prosecutions said this morning, potentially corrupting the process?

Mr CARR: A remarkable question! The appointment of the Commissioner of Police by the Government is independent of government? I have news for the inexperienced Leader of the Opposition. The Government appoints the Commissioner of Police. Who else appoints him—the Vatican, the Archbishop of Canterbury?

Mr Knowles: The Dalai Lama?

Mr CARR: Or the Dalai Lama?

Mr Knowles: The Grand Lodge Master?

Mr CARR: Or the Grand Caliph? No. We are the Government of New South Wales and—surprise, surprise—the Government appoints the Commissioner of Police. That has always been the case.

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

Mr CARR: What a remarkable proposition! In fact it is totally contradicted by his shadow Minister. Let me quote what the shadow Minister for Police said on 20 April when he was asked about this. He said:

I don't think it's a big deal. They're not saying—

that is me and the Minister for Police—

that Mr Moroney will be the next police Commissioner.

Mr Souris: He is not in charge of appointing him. You are.

Mr CARR: That is what the shadow Minister is saying. When asked about this very matter on 20 April by a reporter from the *Australian* the shadow Minister for Police said:

I don't think it's a big deal. They're not saying that Mr Moroney will be the next police Commissioner. Given the recent events they would want to be giving the impression that they are prepared to work with the new Commissioner and until then the acting Commissioner.

I could not have put it better myself.

CIVIL LIABILITY LEGISLATION

Mr COLLIER: My question without notice is to the Premier. What is the latest information on public liability in New South Wales?

Mr CARR: Today I released the Government's draft Civil Liability Bill. This bill will implement stage one of the tort law reforms I announced on 20 March. The bill tightens controls on the calculation of damages. It fixes the maximum amount of damages for pain and suffering and for loss of earnings. It prohibits the award of interest on damages for non-economic loss. It provides for the reduction of damages for economic loss to better take into account the uncertainties of life. It prescribes a more realistic rate for damages and prohibits the courts from awarding exemplary or punitive damages.

Mr Tink: Point of order: The Premier is clearly making a ministerial statement. He is talking about what the Government will do. He is anticipating Government policy. He is making a ministerial statement and it should be done as a ministerial statement so that we have the opportunity to respond.

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

Mr CARR: The only members of the Opposition who are smiling are the honourable member for Kuring-gai and the honourable member for Baulkham Hills. They have all gone glum. The shadow Minister for Police should let the Leader of the Opposition know, before his leader asks those questions, that they are contradicted by what the shadow Minister said.

Mr Tink: Point of order: The Premier does not understand that support for the Acting Commissioner of Police in his present job should not be confused with endorsement of him for the job of Commissioner of Police. That is the difference. That is why what I said is okay, and what the Premier says is corrupt.

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

Mr CARR: As my old friend Golda Meir used to say, "If you've got to explain, you've lost already." The bill introduces greater consistency across all categories of damages for personal injury. The bill also imposes additional requirements on lawyers to ensure they are punished if they encourage unmeritorious claims. The bill prohibits barristers and solicitors from providing legal services to a plaintiff if they have no reasonable grounds for believing that the claim could succeed. A breach of this prohibition could constitute professional misconduct. Plaintiffs' lawyers will be required to certify that there are reasonable grounds for believing that the claims could succeed before they lodge the claims.

The bill also limits the costs plaintiffs' lawyers are allowed to charge for smaller claims. This will stop over-servicing on small claims. It will prevent legal costs forming such a large proportion of small claims and driving up insurance costs. The Government recognises the importance of achieving as much national consistency in this area as possible. Today I wrote to my counterparts in all other States, the Territories and the Commonwealth. I have sent each of them a copy of the Government's bill. I have encouraged them to adopt as much of the bill as is relevant to their jurisdictions.

The Treasurer will also distribute the Government's bill through the consultation process arising from the forum held on 27 March and endorsed by the Council of Australian Governments. A number of stakeholders have already made important contributions to the development of Government policy. They include the Chief Justice of the Supreme Court, the Chief Judge of the District Court, the Law Society, the Bar Association, the Insurance Council of Australia and the Local Government and Shires Association. We have sent them each a copy of the Government's bill. The Government will introduce the bill, taking any comments into account, in the next sitting week.

As I said last week, the reforms in the bill will apply from 20 March—the day I announced this package in the Chamber. I warned the ambulance-chasing lawyers not to go around bustling to get people to sue, in some imagined window of opportunity, between the announcement and the enactment of the legislation. I warn them again that they will be wasting their time. Go to the New South Wales Government homepage and read the bill. They will see that these reforms apply to all claims commenced on or after 20 March. The Government's bill is only stage one of our tort law reform program. As I announced on 20 March, we will be pursuing broad-ranging reforms to the law of negligence in the next session.

Mr Hartcher: Point of order: Mr Speaker, rulings from the Chair, and your own rulings earlier, indicate that announcements that are predicated on future Government initiatives and future Government legislative response to problems are ministerial statements. They are your rulings. I would ask, in the interests of consistency from the Chair, that you rule the answer given thus far by the Premier to be a ministerial statement, and therefore capable of attracting an appropriate response under the standing orders.

Mr SPEAKER: Order! The honourable member for Gosford has selective amnesia about my earlier rulings. There is no point of order.

Mr CARR: The Government's bill is only stage one of our tort law reform program. As I announced on 20 March, we will be pursuing broad-ranging reforms to the law of negligence in the next session. Every day we are seeing further evidence of the law being distorted. We have got far-fetched claims against schools, government and non-government. People are being invited to go back and sue the school system—sometimes years after the event—for anything that went wrong while they were at school.

As I said last week, all of us could think of things that were deficient in our schooling. But we cannot unravel the past—least of all with cash payments. We are also seeing serious problems in health care, with

medical negligence claims apparently one of the causes of the collapse of UMP. As a community, we cannot allow unrealistic judgments and huge-quantity payouts to undermine health services that we need today. So the Government will be pursuing a principled approach to restore sense and balance in litigation, in the law of negligence in particular. We need broad and sensible principles that will apply across the full range of claims.

I draw the attention of honourable members to a speech on the law of negligence given by the Chief Justice of New South Wales on 27 April. The speech is available on the Supreme Court web site. The Chief Justice points to a number of problems in the law of negligence. The Attorney General has had discussions with the Chief Justice about these problems, which we will address in stage two of our reform package. The Chief Justice points to the 1967 decision of the Privy Council in a New South Wales case as the most likely "single point of departure for the imperial march of the tort of negligence". This decision, arising from an oil spillage in Mort Bay, has been followed by Australian courts and has caused many problems. The Privy Council's decision has been used to suggest that only the most far-fetched risks could be disregarded. This has led to very remote risks being held sufficient to establish a duty of care.

Whatever the words used by the courts, the reality is that it is no longer enough to avoid reasonably foreseen risks. Now, we are all expected to avoid every conceivable risk, no matter how unlikely the risk really is. If we could have avoided the incident that actually occurred without too much expense, the law requires us to do so. It is no excuse that the incident was incredibly unlikely. It does not matter that it would have cost a fortune to avoid a thousand other conceivable but equally unlikely incidents that might have occurred. This whole drift in the law—the invitation of judges to act as Santa Clauses, the invitation to lawyers, that noble profession, to act as ambulance-chasers, and the invitation to clients to throw money on the roulette wheel, as it were—is unsustainable. We cannot allow the law to judge an incident with the benefit of hindsight, ignoring likelihood and ignoring probability. This is a problem for local government. We will address this in stage two of our reforms.

A number of others will be included in stage two. We will ensure that risk warnings can operate as a good defence for risky entertainment or sporting activities. A risk warning is enough to establish a credible defence. If people choose to participate in dangerous activities for fun, they should do so at their own risk. They should not expect the rest of the community to pick up the tab when the obvious danger leads to injury. We will address the test for professional negligence, including medical negligence. It should not be sufficient for a plaintiff to show that there was some other possible way the procedure could have been performed that might not have caused the plaintiff's injury. Rather, if the doctor or other professional acted reasonably in the circumstances, then the plaintiff must fail.

Stage two of the reforms will also ensure that public authorities have a good defence to a negligence claim if they comply with standards set for the particular activity. Stage two will include special protections for good Samaritans. Stage two will also stop people claiming special consideration because they were drunk when they were injured. It will stop people suing for injuries they sustained while committing a crime. We will also address structured settlements and a wider range of options for damages awards.

The stage one reforms extend the health care liability provisions for structured settlements to all personal injury cases. We will expand on this in the stage two reforms. The Commonwealth has promised to fix its tax laws so that they no longer penalise structured settlements. New South Wales will continue to push for this change to be introduced as quickly as possible so that Commonwealth laws will not undermine our reforms in this area. This bill will introduce important tort law reform. It complements what the Government has already done in restricting lawyers' advertising. It builds on the Government's work with the insurance industry and other jurisdictions to find solutions for people affected by the public liability crisis. I look forward to introducing the bill in the next sitting week. I look forward to introducing stage two of the Government's reform program in the next session.

Mr Debnam: Too late!

Mr CARR: You are an idiot. You were quoted in the paper yesterday as saying the legislation would not be seen till June.

Mr Debnam: Too late for small business and too late for the community.

Mr CARR: We are ahead of every other jurisdiction in Australia. What a pathetic performance by someone who purports to be the shadow Treasurer. He makes the former member for Hornsby look a dynamo. I repeat: I look forward to introducing stage two of the Government's reform program in the next session.

EVANS HEAD CABINET MEETING

Mr SOURIS: My question is directed to the Premier. Why did the Premier refuse to meet farmers at last Tuesday's Cabinet meeting at Evans Head and instead sneak into the meeting place by a side entrance when they sought to inform him of the extent of their concerns about his anti-farming legislation, which threatens the whole community?

Mr CARR: What a ridiculous question! In the first place, I entered by the front door of the school. In the second place, the Minister for Agriculture had a meeting with the farmers.

Mr Souris: Why did you not meet them?

Mr CARR: I understand the Minister for Agriculture did, and they did not convey that wish to me. The little stunt of the Leader of the National Party failed to dampen the spirits of the entire Evans Head community, delighted as they were with the Cabinet of the Government of New South Wales meeting in their community and choosing to meet in their brand new community school. Was that not a great initiative when Cabinet goes to rural New South Wales? As we did at Dubbo, we met at Evans Head in the splendid school that we gave them. We built the school at Dubbo. We built it; it was constructed as a result of our initiative, but now the Opposition wants to rewrite history.

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

Mr CARR: I have to say that the only person who is being grumpy about that community consultation, which is what the Evans Head Cabinet meeting was, is the Leader of the National Party.

MEDICAL INDEMNITY INSURANCE

Mr McMANUS: My question without notice is to the Minister for Health. What is the latest information on the issue of medical indemnity?

Mr KNOWLES: I thank the honourable member for his question. I advise the House that yesterday I met with Mr David Lombe, the provisional liquidator for United Medical Protection [UMP] and its insurance arm, AMIL. The purpose of the meeting was to obtain a sense of the options that the liquidator may have in dealing with obviously complex issues. The purpose of meeting with the liquidator of Australia's biggest medical insurance company—which I would have thought would be matter of some importance to the House—was to discover, if possible, what the liquidator intended to do with a complex range of issues. It is fair to say, and he would agree, that time is not on his side. The Commonwealth Government's last-minute undertakings to the medical profession run out on 30 June. Certainly, if stability has not been restored by then, it is fair to say that the medical profession will inevitably move down the path of chaos.

There are a number of fundamental issues. I was advised yesterday that the liquidator is required to maximise assets and minimise the liabilities of United Medical Protection and there is a need for him to consider whether to establish a further call on UMP's membership to increase revenues. Of course, that would mean increasing doctors' premiums. I want to be very clear. Yesterday I advised the liquidator that if that were to occur, it would almost certainly lead to doctors walking away from their profession, especially those in the upper end of the risk categories. In simple terms, many doctors are presently paying unaffordable premiums following a call by UMP a little over a year ago. A further increase by way of a second call is simply and frankly unsustainable. Equally, if the liquidator seeks to minimise liabilities—that is, cut down on the payouts they make by not paying claims covered by UMP's discretionary arrangements as distinct from insurance policies issued by AMIL—the doctors who are the subject of those claims will be left highly exposed.

Mrs Skinner: Point of order: This is a very serious issue, and this is a ministerial statement. I believe that it is appropriate for the Opposition to have an opportunity to place on the record its position in relation to this matter and to particularly draw attention to the fact that this Minister told doctors in March that he knew that UMP was insolvent.

Mr SPEAKER: What is the point of order?

Mrs Skinner: He thought of pulling the plug in February but did not, because of obvious political ramifications. This Minister is avoiding that question.

Mr SPEAKER: Order! There is no point of order. The honourable member for North Shore will resume her seat.

Mr KNOWLES: The Opposition wants to place its position on the record. Members opposite have not been heard of for the past three weeks while this has been going on. Again I make the point that if the liquidators issue a call—that is, increase premiums—doctors will walk. If the liquidators also seek to minimise liability to the creditors by not paying claims for compensation under the discretionary component of UMP's portfolio, equally doctors will be left very exposed. Yesterday I spoke to a western Sydney surgeon who is considering the transfer of his assets to his wife—that is, removing all of his assets away from himself to somebody else. That occurs in America, and I think that it would be a tragedy if the Australian medical profession went the same way.

The other fundamental issue is the matter referred to as the tail—the historic liability for occurrences that have not yet become reported claims. They are commonly known in the industry as incidents but not reported [IBNR]. Inevitably in this matter, the Commonwealth Government will most certainly need to intervene. When the liquidators determine the amount of the IBNR exposure, they will know the size of the problem. But the practical effect of an indemnity provider being unable to cover the liability tail means that doctors must work with the uncertainty of claims being made against them for their past work in private hospitals. Of course, unless someone picks up the tail, those doctors will remain entirely exposed. I remind the House that the New South Wales Government picked up the tail—the past, present and future liabilities for a doctor's public work in the public system—just before Christmas.

None of the other medical defence organisations [MDOs] that are currently seeking to pick up business as a result of the collapse of UMP are offering full and comprehensive cover for the tail. Although I am aware of discussions with some MDOs that are offering very limited coverage of the tail back to 1 January 2001. Given the uncertainty associated with potential claims which in some cases possibly extend back 20 years—for example, in obstetrics—the vast majority of MDOs will be unwilling, for obvious and necessary prudential reasons, to take on that part of the business. Or, alternatively, they will have to price their products to a level that they will be unaffordable and unacceptable for the medical profession. That leaves doctors very exposed and very nervous. It is the reason why many organisations have been calling for the Commonwealth Government to work with the liquidator and other organisations to keep the existing structure of UMP intact and to take it through the transition from a discretionary mutual organisation to a properly controlled and prudentially regulated entity.

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

Mr KNOWLES: By all means it is essential to reform the management and to do whatever is necessary to ensure that there is stability and continuity beyond 30 June because, for the 32,000 doctors who are insured with United Medical Protection, there are currently few alternatives. Also, it would be dangerous to allow the health system of this country to take the route of allowing smaller medical indemnity organisations to cherry pick the lower end of the risk category specialties, for example, by offering lower priced premium packages for non-procedural general practitioners or low-risk doctors. While it may be good for business and good for the low-risk specialties, it would leave high-risk specialties, such as neurosurgery, obstetrics, orthopaedics and now vascular surgery it would seem, in very exposed circumstances, and they will be more exposed in the future than they are presently. While we in this State have regulations in place designed to discourage that kind of commercial conduct, this is a national issue and must be monitored carefully. The liquidator and the Commonwealth Government must watch the issue very carefully.

If the Commonwealth fails to act beyond 30 June, it will mean more of what we saw last week. Doctors will either refuse to work in the private system, where they will be exposed to possible claims, or doctors will transfer their work to the public system, where they are covered in this State. Either situation is unacceptable. Loading up the public system from the private sector because doctors are not confident of getting coverage in the private area makes an absolute mockery of the Prime Minister's efforts to build a private health insurance system. Approximately \$2.5 billion of taxpayers' money has been spent on a private health insurance system. Statistics show that 46 per cent of people carry private health insurance.

We now have to ask the question: If we carry private health insurance to use in the private health system and doctors are unable, because they cannot get coverage, to work in the private health system, what is the point in having private health insurance in the first place? What is the point of \$2.5 billion of taxpayers' money going into health insurance company coffers to prop up the private health sector when doctors are unable

to work in that sector? This policy dysfunction at a national level needs to be addressed. Yesterday I undertook to give all assistance possible at a State level to the liquidator. As I said earlier, the liquidator has a tough job and a short time within which to do that job. Inevitably he will require further support from the Commonwealth Government beyond 30 June.

If there is a further call on doctors, if the tail is not covered and if the reinsurers of United Medical Protection choose, because of the appointment of a liquidator, not to renew their insurance or indeed withdraw it, the problems that we saw last week with doctors downing tools in the private sector will again occur. It occurred right across the State—it was not a political push; doctors were just very anxious about whether they were covered. If those matters are not addressed in triple quick time and without a plan beyond 30 June, what we saw last week will be minuscule in comparison to what will happen from 1 July.

STUDENT VIOLENCE MINISTERIAL STATEMENT

Mr BROGDEN: My question without notice is directed to the Minister for Land and Water Conservation, the former Minister for Education and Training. In view of the revelations in the Privacy Commissioner's report, which was tabled today, which prove that the Minister's actions breached the privacy of the student at Cecil Hills High School last year, will he now apologise unreservedly to the student and resign from the ministry?

Mr AQUILINA: I reiterate an apology which I made in this place on 29 May last year in which I said, among other things, the following:

I wish to apologise to the student and his family on my own behalf and on behalf of the Government for any distress caused by the release of incorrect information contained in my statement.

That apology was in addition to a number of separate apologies, both public and private, about these events. On my behalf and on behalf of the Government I once again apologise to the student and his family. I regret any hurt that the incident has caused the student concerned and his family. I have made apologies as follows: On 20 April last year a public apology when I was in London; on 3 May last year a public apology by way of media statement and press conference; on 7 May last year a public apology by written statement to the student and his family; on 29 May last year a public apology in this Parliament; on 23 August last year a personal apology and a visit to the family by me; and on 18 October last year a personal apology during a conciliation meeting with the student and his father.

It needs to be noted that the Independent Commission Against Corruption has already investigated this matter and issued a report in August last year. The Independent Commission Against Corruption made no findings that any person engaged in corrupt conduct in relation to this matter. I acted at the time in a way that I thought was right, based on information I received from my senior media adviser, which I believed at the time to be correct. The Independent Commission Against Corruption found that I was entitled to rely on the information I received. On the Crown Solicitor's advice, the New South Wales Government rejects the conclusion that the State Government impinged on the student's privacy or breached privacy guidelines.

At no time did the Government or a member of ministerial staff name the school or the student either on the record or at off the record briefings. The Government rejects the assertion that the student was constructively identified. The Crown Solicitor, in advice to the Privacy Commissioner, advised that he had "insufficient basis to conclude that the Minister had violated or interfered with the privacy of the student by merely referring to a 16-year-old male removed from a New South Wales high school". In fact, the Privacy Commissioner, on page 31 of the report, acknowledges:

There is no evidence that Mr Aquilina, Mr Secord or Mr Low provided the name of the school to the media.

In January 2002 the Deputy Director-General, Dr Alan Lachlan, announced changes to the reporting of serious incidents, including streamlining the decision-making on which reports would be sent to the State office from the various districts. The director-general of the Premier's Department indicated that he would give due consideration to providing information or facilitating training for ministerial staff on the issue of privacy. The State Government rejects the Privacy Commissioner's recommendation that he be given more power and that he should be able to investigate third party complaints. In conclusion, I also ask that members of the media respect the Privacy Commissioner's request that they restrain from directing further attention to the student and his family.

WINDSOR ROAD UPGRADE

Mr GIBSON: My question without notice is directed to the Minister for Transport, and Minister for Roads. What is the latest information on Windsor Road?

Mr SCULLY: I am happy to oblige the honourable member for Blacktown by updating the House on the upgrading of Windsor Road. Honourable members would be aware that, just over a year ago, the Premier, on behalf of the Government, committed \$323 million to upgrade Windsor Road. I would like to report on the progress. A year into this five-year commitment we have finished a quarter of the work. Approximately \$74 million worth of projects have been completed or are under construction. Planning has started on much of the remaining sections of Windsor Road—projects worth \$249 million. I am happy to inform the House that by 30 June this year the Government will have spent about \$45 million.

I know that the Minister for Land and Water Conservation was pleased to hear—I told him a short while ago—that I have approved additional expenditure in the coming financial year to take that up to \$56 million for the old Windsor Road corridor. We are getting on with the job. On 26 March the Minister for Land and Water Conservation opened the recently completed 2½ kilometre section of dual carriageway on old Windsor Road between Sunnyholt Road and the Windsor Road intersection at Merrivale Road. Let me put that into context. How do the comments of members of the Opposition fit in with their record and the record of this Government? I think the House should be aware of that. The honourable member for Baulkham Hills said in the *Sunday Telegraph* of 7 January:

Its roadworks on the drip-feed and \$200 million over 10 years is simply inadequate.

What was the record of the former Coalition Government? In one year we spent on one project roughly three times what the former Coalition Government spent in its last three years in office.

Mr Merton: Point of order: The Minister is misleading this Chamber. The money for the upgrade of Windsor Road is coming from the developers of the north-west sector who are paying \$35,000 per hectare for land. The money is not coming from this Government.

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

Mr SCULLY: John Fahey obviously had the same problem. Where do you start and finish with the honourable member for Baulkham Hills? No wonder the Leader of the Opposition got rid of him. The notion that \$323 million is being raised by developer contributions is absolute and unadulterated garbage. The honourable member for Baulkham Hills believes that I am misleading the House, but he has just told the biggest porky I have heard in a long time. Yes, the developers are making a contribution, but it is only a very small contribution; it is not even a minor percentage—

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

Mr SCULLY: When the whole of the north-west is developed, it is probably in the order of about \$70 million, if we are lucky—and that does not take into account the extra money we are spending on the transitway in the north-west, which, as the honourable member for Blacktown knows, will add up to about \$600 million. So do not let the honourable member for Baulkham Hills tell us that \$70 million is paying for a \$600 million development.

The honourable member for Baulkham Hills tells us that the \$200 million commitment we made before the last election was chickenfeed, that it was inadequate, that it was appallingly low. So I checked the records. What did the former Coalition Government spend on capital works along Windsor Road in 1993? Nothing; not a cent! What did it spend on capital works in 1994? Nothing! What did it spend on Old Windsor Road traffic management in 1992? Nothing! What did the former Coalition Government spend on Old Windsor Road maintenance in 1992? It spent \$1,500.

As members will be aware, the budget papers show three noughts at the top. I thought, "It has to be \$1.5 million," but no, it was \$1,500. It is insulting. Local members on the other side of the House released thousands of home sites. One wonders how this could have happened. There are three possible explanations. They had Tony Packard, with all his problems, so that explains that seat. Then they had Michael Richardson. Enough said. Then there is the honourable member for Baulkham Hills, who has spent all his time running his legal practice, apart from the nine months he spent in Cabinet. Then there is Kevin Rozzoli, who has lived in Bowral for the last 20 years and would not know Windsor Road if you gave him a Gregory's street directory.

We rebut the Coalition's claim that we have not done the right thing by the people along the Windsor Road and Old Windsor Road corridor. We are spending more funding on one project in one year than the former Coalition Government spent on all of its projects in three years. We are getting on with the job. The recently opened Sunnyside Road to Windsor Road section features new traffic signals at Windsor and Old Windsor roads, divided carriageways, and a higher road surface to prevent flooding. I would be happy to take the honourable member for Hawkesbury on a tour of Windsor Road in his electorate, to demonstrate all the things we are doing.

[Interruption]

Where is he? He is still in the Southern Highlands. I am told he loves the M5 East. When he departs this place on a Thursday afternoon, it cuts 20 minutes off the journey to his home in Bowral. The Old Windsor Road upgrade will improve traffic flows and safety, particularly during peak periods. Work is under way on the Old Windsor Road and Seven Hills Road intersection, and on the Merriville Road to Schofields Road section of Windsor Road. Work is also under way on the Henry Road to Curtis Road section of Windsor Road. Planning is well advanced on another 15 kilometres of upgrades. We have started even more work. Road pavement construction and intersection upgrade work started on 10 April on the next major project, a \$10 million construction of a new northern carriageway between Norbrik and Celebration Drive on Old Windsor Road. This means that the entire length of Old Windsor Road will be four lanes by the end of this year. I think that is a terrific achievement.

The honourable member for Londonderry, the Minister for Land and Water Conservation, and Minister for Fair Trading, and the honourable member for Blacktown have strongly advocated the need to not let the Coalition get away with the appalling planning decision it made when in government to simply draw a big circle on a map of the north-west and release it for housing, without due regard to the transport infrastructure that needs to be put in place to ensure that people have a good quality of life and are able get to work and get their kids to school safely. We are doing it right—unlike the former Coalition Government. One project has been completed, another project is under way, another contract has been awarded, tenders are open on yet another project, and the transitway planning is well under way. We are doing for the north-west and for Liberal Party constituents what the Coalition parties could not do when they were in government.

SOUTH COAST CHARCOAL PLANT

Mr R. H. L. SMITH: My question without notice is directed to the Premier. Will the Premier now apologise to the 17-year-old cadet journalist from the *Eurobodalla Sun* newspaper for allowing his office to falsely accuse the cadet journalist of making up a statement by the Premier that the Mogo charcoal plant was "going ahead—end of story", when evidence of a statutory declaration and a witness shows that the Premier did make such a statement?

Mr CARR: No.

EXCEPTIONAL CIRCUMSTANCES ASSISTANCE

Mr HICKEY: My question is directed to the Minister for Agriculture. What is the Government's response to a Federal Government proposal to shift funding for exceptional circumstances onto the State and Territory governments?

Mr AMERY: Last week a ministerial council meeting of Agriculture Ministers from around Australia was held in Hobart and chaired by the Federal Minister for Agriculture. Country Labor should take note of the fact that the agenda included issues such as exceptional circumstances, our preparation for foot and mouth disease, a progress report on ovine Johne's disease, and egg industry labelling. If Country Labor has any idea about talking to rural media and rural communities about the priorities of the National Party, particularly the National Party leader, it may be interested to know that the question of which gate the Premier went through when he attended the last Cabinet meeting was not on the agenda of the primary industry Ministers conference held in Hobart last week. So much for the priorities of the National Party and the issues that are confronting rural New South Wales.

An issue that is confronting rural New South Wales is the exceptional circumstances program—or perhaps, as far as this State is concerned, the lack of success in having any of our events declared by the Federal Government as exceptional events. The Exceptional Circumstances program aims to provide financial support to

primary producers who have experienced serious and sustained impact on the viability of their farming enterprise as a result of an exceptional event, such as sustained drought, severe flooding or severe bushfires, such as those that occurred in the Crookwell area a couple of years ago.

Primary producers in New South Wales have experienced several exceptional events in recent times, the most severe being the Newcastle disease outbreak at Mangrove Mountain in 1999. Applications by those primary producers for exceptional circumstances assistance were rejected by the Federal authorities after an extremely protracted delay—and, I might say, after the local community was encouraged by various Federal Ministers to lodge applications for exceptional circumstances assistance. The New South Wales Government has argued for reforms to the exceptional circumstances package to eliminate such a state of affairs recurring in the future. A working party has been developing proposed reforms that would improve the package significantly. However, the Commonwealth Government has also proposed that the States be required to pay more for the important business support part of the program. This provides a subsidy of some 80 per cent on borrowings.

The Federal Minister for Agriculture has demanded that the States' contribution increase from 10 per cent to 50 per cent overnight. Like several of the other States, New South Wales is strongly opposed to the Federal Government's plans. As I said, the issue was raised at the ministerial council meeting in Hobart last week. The Federal Minister made it extremely clear at that meeting that there would be no negotiation from the Commonwealth on the issue and that he would be writing to State Treasuries to get an increased contribution from the States. As I said to the meeting last week, now is hardly the time for the Federal Government to try to squeeze more funding from the various State governments.

This follows the recent news that the Federal Minister wanted more co-operation from the States and more money, and the other recent news that New South Wales will pay an estimated 37.6 per cent of national GST collected by the Commonwealth but that Canberra will hand back only 30.5 per cent of the GST revenue. On those figures we will be handing over \$2,556 million by way of subsidy to the other States. In addition, the Commonwealth announced in March that grants to the States would be cut by \$166 million next year—with New South Wales' cut being something like \$55 million. As I say, it is hardly the time for the Federal Government to seek co-operation from New South Wales and also expect an increase in funding for the Exceptional Circumstances program.

After ripping millions in funding from all the States, the Commonwealth has the nerve to send Agriculture Minister Warren Truss to the Primary Industry Ministerial Council meeting with no authority to negotiate an outcome with the States on exceptional circumstances [EC] funding—just a demand to increase our funding. This is particularly disappointing, given that a number of workable reforms are on the table that could make the EC program far more acceptable for everyone. These reforms include shorter processing times of applications, buffer zones to ensure that no deserving primary producers are left out, and a greater emphasis on consultation. In any event, the interest rate subsidy is scheduled for a review in the coming months. This means that any decisions on EC funding would be premature.

The Commonwealth's position on EC is completely at variance with the working group's recommendations. Honourable members may be aware that a similar recent approach by the Commonwealth to National Heritage Trust funding has also been vigorously opposed by the States. It is time that the Commonwealth ceased abrogating responsibility for such programs to the States and used some of the windfall gains from its taxation regime to assist rural and regional areas in times of severe hardship. I thank the honourable member and Country Labor for their interest in this program. I call on the Federal Government to give rural communities a better shake when assessing these applications in the future.

PROBATIONARY POLICE CONSTABLE RESIGNATIONS

Mr TINK: My question is directed to the Premier. How does he explain that 30 per cent of the officers featured on the most recently published Police Service resignation list are probationary constables with less than one year's experience?

Mr CARR: I will seek advice and report to the House.

Mr TINK: I ask a supplementary question. When will the Government provide adequate support and supervision to ensure that these most junior police officers stay in the service?

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

RURAL JOB CREATION

Mr BLACK: My question without notice is to the Minister for Regional Development, and Minister for Rural Affairs. What is the latest information on State Government assistance to create jobs in Macksville, Batemans Bay and the Riverina?

Mr WOODS: The New South Wales Government is working hard with regional businesses right across New South Wales to help them to expand. Under our range of programs, including the regional business development scheme, we have been able to support many new business ventures across the State and we have been able to help existing businesses to expand. I want to inform the House of three new projects that we have been pleased to support.

The first is Ultimate Off Road Campers in Batemans Bay. There was a real chance that this company would relocate to Queensland, but with the assistance of the regional economic transition scheme the company has invested \$1 million in the Eurobodalla region. Currently, Ultimate Off Road Campers employs 24 people, building high-quality trailers complete with lounge, king size bed, wine racks and refrigerator. It is building two of these trailers each week. There is a six-month backlog and the company is confident that it will have to increase its work force to 70 by 2005. That will create 50 new full-time jobs. The company has outgrown its current factory and has leased a second site nearby.

Another company we have assisted is Swanbank Joinery, which is now called Glen Gray Furniture Company. It produces prestigious redgum furniture. In 2001 the company relocated from Edenhope in Victoria to Barham, west of Deniliquin, and it is now part of the Bonum Sawmill. This has meant local jobs for Barham, which has a population of under 1,000 people. In a smaller venture we have provided assistance to a dental products company in its relocation to Macksville in the Nambucca region. The move is creating seven new jobs in Macksville. Erskine Dental has developed its own range of goods for distribution in Australia and is currently seeking export markets into the United States.

Finally, I would like to update the House on a project I related to the House in 2000. At that time the Minister for Mineral Resources officially signed the lease for a new multimillion-dollar tin mine in the Riverina town of Ardlethan. The company is now expanding the Ardlethan tin project by 140 per cent of its original design capacity. This will mean increased employment in a township of 400. Currently 26 people are employed on the site, and a further 20 are engaged in construction. The tin is exported to Malaysia. It is a great result for Marlborough and the people of Ardlethan.

Questions without notice concluded.

PARLIAMENT HOUSE HERITAGE LISTING

Ministerial Statement

Dr REFSHAUGE (Marrickville—Deputy Premier, Minister for Planning, Minister for Aboriginal Affairs, and Minister for Housing) [3.26 p.m.]: Today I am pleased to inform honourable members that Parliament House has been officially added to the State Heritage Register. As I have said before, our Parliament House is rich in history and is a heritage icon. While we inherited our parliamentary system from England, New South Wales was a trailblazer in the democratic traditions we take for granted. We had universal manhood suffrage in New South Wales in 1858. This was not granted in England until 1914. The secret ballot was also introduced in 1858, while voters in England had to wait until 1872.

Women have enjoyed the right to vote in New South Wales since 1902, but women in England had to wait until 1918. However, it was not until 1925 that the first woman was elected to the Legislative Assembly. Millicent Preston-Stanley, whose portrait we see in this building, was a strong feminist who campaigned on issues such as women's mortality in childbirth, child welfare, care for the mentally ill and custody rights in divorce. The first two women were appointed to the Legislative Council in 1931. Catherine Green and Ellen Webster were both Labor representatives at the time of the Lang Government.

Members of the New South Wales Parliament served their country with bravery and distinction in both world wars. Two members gave their lives at Gallipoli in 1915—Sergeant Edward Larkin, the Labor member for Willoughby, and Lieutenant-Colonel George Braund, the Liberal member for Armidale. During World War II, more than 100 members and future members served in the armed forces. Our Parliament House has witnessed

the likes of key political figures such as Sir Henry Parkes, Jack Lang, Sir William McKell, Neville Wran and now the ascendancy of the Carr Government. We have a wonderful building in which to serve the people of New South Wales. Today we can celebrate our parliamentary history and this important addition to the State Heritage Register. I am pleased to advise the House that this listing brings the number of items on the State Heritage Register to 1,615. I conclude by thanking the presiding officers, the Hon. John Murray, the Speaker of the Legislative Assembly, and the Hon. Dr Meredith Burgmann, the President of the Legislative Council, for their support and assistance with this historic listing.

Mr HUMPHERSON (Davidson) [3.29 p.m.]: The Opposition is pleased to give its bipartisan support for the addition of Parliament House to the State Heritage Register. As the Minister said in March, that is important to the history of this State. This building has seen a great deal: it housed the first Parliament in Australia. And the New South Wales Parliament is the longest continuously operating Westminster-style Parliament on the planet. In fact, the building is also significant—the Minister may not know this—to Aboriginal Australians because it was the first building in Australia to be dedicated as a parliament.

As many members may know, the history of this Parliament goes back to 1812. The first section of this building was constructed between 1812 and 1816 but not for parliamentary purposes. The building was not used for parliamentary purposes until 1829, when the first Legislative Council met in a room just off this Chamber. The Legislative Assembly Chamber was built in 1843. In 1856 the Legislative Council moved into a new Chamber at the other end of the building, and since that time New South Wales has had a bicameral parliamentary system. One interesting feature of this Chamber is the royal coat of arms that hangs above the Speaker's chair, which is the result of the Chamber's brief occupation by the Legislative Council. Most lower Houses in the Westminster parliamentary system do not have a coat of arms on display.

The Opposition is keen to support the addition of Parliament House to the State Heritage Register. It acknowledges the manner in which the heritage of the front section of the building has been preserved and maintained. When the new section was added to the rear of the parliamentary precincts, much of the work was done by the Liberal Minister for Environment Control, Jack Beale. The mid to late nineteenth century character of the front of the building has been preserved. One moves through the foyer area into the newer section of the building. The preservation of the building and its rich history are important to the history of this State, and I am pleased that Parliament House has been acknowledged in this manner.

PROFESSOR BEVERLEY RAPHAEL

Ministerial Statement

Mr KNOWLES (Macquarie Fields—Minister for Health) [3.31 p.m.]: This week the Director of the New South Wales Centre for Mental Health, Professor Beverley Raphael, was awarded another distinction. The University of Newcastle presented her with an honorary Doctorate of Psychiatry. This latest accolade for Beverley is evidence of the tremendous regard in which she is held by her professional and academic colleagues in Australia and internationally. The people of New South Wales are blessed to have a scholar of Professor Raphael's prodigious capacities. She is one of the leading psychiatric experts in the world today. She is also a great humanitarian who has devoted her life to easing the suffering caused by mental illness.

Beverley is a towering figure who, in my view, ranks with Fred Hollows and Victor Chang as heroic contributors to caring for cruelly afflicted people and alleviating their suffering. Beverley is an Emeritus Professor of Psychiatry with the University of Queensland and holds professorial appointments at the University of Sydney, the University of New South Wales and the University of Newcastle. She is a fellow of the Royal Australian and New Zealand College of Psychiatrists, a fellow of the Royal College of Psychiatrists, a fellow of the Academy of Social Sciences of Australia and a fellow of the American College of Psychiatrists.

Professor Raphael was appointed as Director of the Centre for Mental Health in January 1996. She has worked on the world stage from this position with the production of a mental health training manual for the 2000 Olympic Games to equip mental health workers to deal with disasters or terrorism. The manual was adopted and used in America following the events of September 11. She has been a consultant to the World Health Organisation and an invited consultant to the American Government for the National Institute of Mental Health and the American Department of Defence on mental health responses to mass violence.

Throughout her career Beverley Raphael has worked to improve the understanding and care of people with mental health illnesses. She has contributed extensively to mental health research in bereavement,

psychological trauma, disasters, child and adolescent mental health, HIV-AIDS, depression, domestic violence and mental health aspects of physical illnesses, including respiratory disease, cancer and stroke. She entered psychiatry in 1964 after five years in general practice. She was the foundation Professor of Psychiatry at the University of Newcastle from 1978 to 1986. She then became the Professor of Psychiatry and Director of Mental Health Services at the Royal Brisbane Hospital in Queensland.

Professor Raphael was awarded an AM in 1984 and a top 10 Australian achievers Australia Day award for her work in 1994. She has delivered numerous orations and keynote addresses to distinguished national and international groups. She has more than 200 scientific publications and has published two books and edited three others. I am sure I speak for the entire community and the Parliament in offering my heartfelt congratulations to Professor Raphael on behalf of the New South Wales Government and all the people of this State.

Mrs SKINNER (North Shore) [3.34 p.m.]: I join with the Minister in congratulating Professor Beverley Raphael on receiving an honorary doctorate from the University of Newcastle. I contacted Professor Raphael in relation to a mental health matter in my electorate; she was most helpful, and I am extremely grateful for that. Professor Raphael has a great deal of academic credibility and a great skill in the field of psychiatry. The only thing I would ask of Professor Raphael is that she co-operate fully with the Legislative Council inquiry into mental health, because to date the material and data provided by her in her capacity as the Director of the Centre for Mental Health has been wanting.

That is probably a reflection of the Government's failure to keep adequate records relating to the shortage of mental health services in this State, and particularly the tremendous shortfall in bed numbers, including non-acute beds for people with psychiatric illnesses. It is probably a reflection also of the Government's failure to provide sufficient resources to meet desperate needs in the community for a range of mental health services in psychiatric hospitals, psychiatric wards, general hospitals and the community sector.

A person of the stature and standing of Professor Raphael would find it difficult not to provide information to such an important committee so that members of this Parliament are able to make some serious and considered recommendations about the way ahead. That would mean that we would no longer hear heartbreaking stories about patients and their families not being able to access treatment, and about mental health patients who are admitted to hospital and then discharged in the middle of the night, sometimes many kilometres from home, without any reference to a family member or support person and usually without the proper support and community-based mental health care they need to survive in the community.

The Coalition congratulates Professor Raphael on her academic achievements. On a personal level, I thank Professor Raphael for her assistance in relation to the constituent matter relating to mental health. Shame on the Government for not providing Professor Raphael with resources to enable her to provide services for those who so desperately need them in New South Wales. I hope Professor Raphael has better luck in being allowed to provide such information to the committee in the future.

EAST TIMOR EDUCATION FUND

Ministerial Statement

Mr WATKINS (Ryde—Minister for Education and Training) [3.37 p.m.]: Yesterday all State schools began a three-week campaign to build on the relationships they forged with the newly independent East Timor some two years ago. Last week the New South Wales Teachers Federation and I issued a joint memorandum inviting schools and TAFE colleges to join in the fundraising campaign, which will continue until 20 May, East Timor's Independence Day. To coincide with independence, we cannot forget the pressing education opportunity needs of the young people. In this context I have re-established as a joint initiative with the New South Wales Teachers Federation the Helping our Neighbour: East Timor Education Fund.

The events leading up to the independence of East Timor have highlighted the desperate need of the East Timorese people. Nowhere is this more apparent than the urgent needs of the education system. During the recent conflict the university was destroyed and extensive damage was done to many primary, secondary and technical schools. Many secondary teachers have departed, leaving the secondary school teaching force seriously depleted. However, progress has been made in reconstructing the education system. Since November the drive to rebuild the education system has been led by Father Filomeno Jacob, the first East Timorese Education Minister, and his successor, the current Minister, Dr Armindo Maia.

Much remains to be done. Many schools are repaired only to a basic level. Many students do not have chairs or desks, and teaching materials are few and far between. In 2000-01 the Department of Education and Training placed two highly skilled English language teachers in Dili. They worked intensively with East Timorese high school English teachers, and they also helped with the establishment of the department of English in the new university. In co-operation with the New South Wales Teachers Federation, three shipping containers of education equipment and a bus for use by the university were delivered to the education authorities in Dili. I take the opportunity today to acknowledge the work of Angelo Gavriolatis from the New South Wales Teachers Federation, who continues to work energetically to improve educational facilities and teacher training in East Timor.

Under the original Helping our Neighbour-East Timor Education Fund, established in October 2000, public schools in New South Wales—with the support of the Teachers Federation and its members, principals, and most importantly the students in our schools—contributed \$70,000. The money was directed to the partial refurbishment of an Agricultural High School at Natarbora on the Southern Coast of East Timor. The rebuilding of the school was identified as a priority by the East Timorese. It has now been re-opened.

I must also say that assistance to education in East Timor has been given co-operatively across the whole education community in New South Wales. For instance, the Department of Education and Training, the New South Wales Teachers Federation and the Independent Education Union [IEU] have worked together to deliver education equipment to Dili. Teachers from our government schools and from Catholic schools have worked on secondment for varying periods over the past two years. Their employing authorities and their unions have supported them. The Australian Catholic University donated \$5,000 through the Minister's Fund for the new University Library. Hundreds of emergency classroom kits were assembled from Catholic schools. They were delivered by the New South Wales Independent Education Union [IEU] to schools in East Timor. Patrick Lee, from the IEU, the East Timor Project Officer, has been of great assistance in identifying areas requiring assistance from funding sources such as the previous campaign.

This effort is to the very great credit of our educational community. Yesterday's commencement of activity to re-establish the fundraising, in conjunction with the election of an independent government in East Timor, provides a perfect opportunity to build upon the relationships forged in the past two years between school and TAFE communities in New South Wales and the people of East Timor. This activity has the endorsement of the following organisations: the New South Wales Teachers Federation, the Independent Education Union, the Federation of Parents and Citizens Associations of New South Wales, the New South Wales Federation of School Community Organisations, the New South Wales Primary Principals Association, the New South Wales Secondary Principals Council, and the New South Wales Student Representative Council. A component of the activity will also include support from the Professional Teachers Council for teachers in East Timor. The precise application of funds raised will be determined after consultation with the Minister, the Director General Dr. Domingos Sousa, and the East Timorese Teachers Union in Dili.

It is a privilege for us to be in a position to assist East Timorese students in these devastated areas. I have further authorised the New South Wales TAFE system to contribute to the development of vocational skills as appropriate initiatives are identified. The department will also continue to support the delivery of educational equipment to Dili, in partnership with the teachers and their unions. There is much to be done but this House should recognise and strongly support the efforts that the New South Wales educational community is making to secure a better educational future for our East Timorese neighbours. I also take the opportunity today to announce I have approved a contribution of \$10,000 from my Discretionary Fund to kick-start the 2002 fundraising efforts.

Mr HAZZARD (Wakehurst) [3.42 p.m.]: In my capacity as Coalition spokesman on education I support the remarks of the Minister. The history of East Timor is both sad and courageous. In 1974 the Portuguese Government decolonised East Timor. On 7 December 1975 Indonesia invaded East Timor and the fight for independence was born. The history of that fight, by a people fiercely seeking their independence, is on the public record. During that long struggle many institutions in East Timor were destroyed, most significantly the educational institutions. The New South Wales Parliament is the oldest continuous democratic Parliament in the western world. In the Jubilee Room of this Parliament the words "Knowledge is the mother of wisdom and virtue" are inscribed. We should reflect upon and contemplate those words, for they should be the driving force for everything we and the people of East Timor do to recreate the educational and learning environment in East Timor.

Great efforts have been made by many people in the past few years to try to bring first a sense of independence, then actual independence and an ongoing capacity to preserve that independence, to East Timor.

Today the Minister talked about the efforts of the New South Wales Teachers Federation and government schools in the Helping our Neighbour Fund, which was commenced in October 2000 and raised \$70,000. Today the Minister also announced a much bigger and broader campaign in which government and non-government schools, the Teachers Federation, representing teachers in the government system, the Independent Schools Association and many other groups will together raise funds to buy necessary equipment and support education in East Timor.

The rebuilding of East Timor has been and will continue to be a huge community effort. The Deputy Leader of the Opposition informed me that Catholic parishes in New South Wales are busy raising funds to support East Timor and to restore the holy images that were taken during the occupation. Each of us can make our own small effort to restore a sense of a future to the East Timorese. A democratic system is based on sound education. Nothing safeguards democracy more than empowerment of people through education. For that reason the New South Wales Liberal and National parties are extremely supportive of this initiative announced by the Minister today.

We are glad that our young people will support the young people of East Timor. We are also grateful that so many leaders within the education system will use their leadership roles to raise funds and collect equipment for East Timor. Rotary and many other groups in New South Wales have been raising funds and doing good work to provide support and to secure an independent future for East Timor. The New South Wales Opposition supports all those groups. We look forward to continuing in a partnership of peace with the people of East Timor as they progress to a strong and independent future.

CONSIDERATION OF URGENT MOTIONS

Postage Stamp Price Increase

Mr MARTIN (Bathurst) [3.47 p.m.]: Earlier today I gave notice that I would ask the House to consider the urgent matter of an increase in the price of postage stamps because Australia Post has just submitted details of its proposed new pricing structure to the Australian Competition and Consumer Commission [ACCC], which will carry out an inquiry. The House should discuss this matter now and send a message about it, because the ACCC has set the wheels in motion.

Commissioner of Police Recruitment

Mr TINK (Epping) [3.48 p.m.]: My motion is urgent because of comments made by the Director of Public Prosecutions this morning on radio that statements by the Premier and the police Minister demonstrate clear and unequivocal support for one candidate and that influence over any other candidate is potentially corrupting the process. My motion is urgent because Mr Moroney is the only one of three declared candidates for the vacant commissioner's job who works under Minister Costa. The motion is urgent because Mr Costa's support for Mr Moroney, publicly declared before the job was advertised on 19 April, may have deterred other strong internal police candidates who also work under Mr Costa from applying.

The motion is urgent because when the present legislation covering the appointment of senior police was introduced into Parliament on 13 November 1996 as part of royal commission reform the then police Minister told Parliament that it will give the service no excuse for not selecting from the widest possible pool. What is Mr Costa's excuse now? Mr Moroney and the other declared contenders have all had long experience and would be strong contenders in any pool of candidates. The motion is urgent because that pool must be the widest possible.

I have supported Mr Moroney in the very important job that he is doing as acting commissioner. I am happy to say again, in Parliament, that I support him. He would be a strong candidate in any field and is an outstanding officer. My saying that, however, is very different from the Premier and the Minister for Police endorsing Mr Moroney for the job that is currently under consideration. That is the problem. What the Premier and the police Minister have done specifically breaches a number of ICAC guidelines for public sector recruitment that were released about a month ago.

All of those guidelines talk about maximising the pool of applicants, ensuring applicants are not discouraged from applying, ensuring that managers and supervisors do not make statements about the competitiveness or lack of competitiveness of applicants, ensuring that potential applicants are not deterred because of any perceived partiality to internal applicants, and ensuring that no-one gives internal applicants any expectation of success or failure or deters potential applicants because of perceived partiality. Those are the

ICAC principles. This motion is important and urgent because both the Premier and the police Minister have breached those principles. No less than the Director of Public Prosecutions has indicated his personal concern about this turn of events. The Director of Public Prosecutions also said publicly this morning:

To have people at the top of government, the top of a particular portfolio expressing strong views of endorsement must at least be seen to be potentially influencing the conduct of the independent panel selected. I think that's unfortunate indeed.

I understand there is a panel of three. I understand that one is Dr Gellatly, who reports to the Premier. Another is Mr Tree, who reports to Mr Costa. So a majority of that panel already are, under current arrangements, reporting to two people who have expressed a public opinion in favour of one candidate. And, of course, Dr Gellatly and Mr Tree rely for their performance reviews on the Premier and Mr Costa respectively. The second point made by the Director of Public Prosecutions also has extremely strong merit and ought to be of serious concern to this House.

We want the best and widest possible field from which the Government may choose the Commissioner of Police. We do not want a situation where comments made by the Minister particularly, and the Premier too, to a substantial extent warn off internal candidates from applying for the job. Indeed, the Premier's comments in the *Daily Telegraph* of 26 April talk about Mr McKinnon's application being "helpful in the selection process," suggesting that in some way Mr McKinnon is a pacer in the field against which to measure Mr Moroney. That is demeaning. It is a ridiculous proposition, and it is one that the Premier should not enter into. There should be no pre-emption of this process. The process was totally lost in Mr Costa's headlong rush to endorse a particular candidate before the advertisements were even placed in the newspapers. No wonder no other internal police candidates who report to Mr Costa put their hands up when Mr Costa said, before the advertisements appeared in the newspapers, "Mr Moroney is my man." [*Time expired.*]

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

The House divided.

Ayes, 49

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

Noes, 37

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

Question resolved in the affirmative.

POSTAGE STAMP PRICE INCREASE**Urgent Motion**

Mr MARTIN (Bathurst) [4.02 p.m.]: I move:

That this House:

- (1) notes Australia Post recorded a record net profit last year of \$274.5 million; and
- (2) calls on the Australian Competition and Consumer Commission to defer Australia Post's plan to increase the price of the basic postage stamp from 45¢ to 50¢—an 11 per cent rise.

On Friday 26 April Australia Post announced that it would seek approval from the Australian Competition and Consumer Commission [ACCC] to increase the price of the basic postage stamp from 45¢ to 50¢, which is an 11 per cent increase and well above the prevailing rate of inflation. This increase will raise a whopping \$90 million in additional profit for Australia Post. Immediately upon hearing the news, Country Labor members called on the Australian Competition and Consumer Commission to delay Australia Post's application for a 5¢ rise in the price of a basic postage stamp. At this stage I point out that no explanation was given by Australia Post for the increase but its rationale is that there has not been an increase in the cost of postage stamps since 1992.

One could deduce from that statement that over many years the standard postage stamp has been very much overpriced. Australia Post did not allude to any intention to expand services and people know very well that over the past six years Australia Post, in common with many corporatised government organisations, has been contracting its services, particularly those provided in regional and rural areas. In the absence of any credible reason for additional revenue raising to the tune of \$90 million, the announcement certainly sent shock waves through the New South Wales Labor Government, particularly Country Labor members.

Apart from a basic grab for additional revenue, what is the reason for the increase in price? It must be remembered that Australia Post recorded a whopping net profit for its most recent financial period of \$274.5 million, and Australia Post is not a corporatised government organisation that is in financial difficulty. If the increase is approved, it will be rural and regional families who will be hardest hit because they rely on postal services much more than do city people. The permeation of email and electronic forms of communication has occurred to a lesser extent in the bush and country areas than in city areas. Moreover, the use of electronic communication services linked to telephone services involves additional expense in country areas. For those reasons, the alarm bells went off in the heads of Country Labor members when the increase in the cost of postage stamps was announced.

Christmas time is when country families in particular use the postal service for communicating with families and friends, and the increased cost of postage at Christmas time and other festive periods will spike the already costly communications burden that is borne by country and rural families. In the light of the record profit announced by Australia Post of \$274.5 million for the previous financial year, the proposal to increase the cost of postage cannot be justified. Australia Post cannot cry poor, and the increase cannot be justified by Australia Post saying that the standard postage rate has not been increased for a decade. Those arguments are simply not sustainable. Members of the New South Wales Labor Government, particularly Country Labor members, are realists. We acknowledge that the price of a standard postage stamp cannot remain fixed forever.

However, ACCC should contemplate an increase only when Australia Post's financial circumstances change to the extent of justifying an increase, or when Australia Post can place on the public record its plans for an expansion of services which will require an increase in capital. Certainly under the direction of the current Federal Coalition Government, it does not seem likely that justification will be provided. The essence of the argument advanced by the New South Wales Labor Government is simply that now is not the time for an increase of 11 per cent in the cost of the standard postage stamp. The Federal Government, especially the Federal Minister for Communications, Information Technology and the Arts, Senator Richard Alston, has refused to criticise the planned increase, which indicates the Federal Government's implied acceptance of and support for the intentions of Australia Post's management team.

That can mean only that the Howard Government is 100 per cent in favour of the increase. The failure of the Federal Government to argue strongly against the increase—the silence is deafening—is proof that the Federal Government is failing people who live in regional and rural areas of Australia. It is those failures that have set off alarm bells in the minds of Country Labor members. The majority of people who will be affected by

the price increase are pensioners and families in receipt of low incomes—the people who can least afford the increase. I argue that they constitute the socioeconomic group that relies more on the postal service for communication than does any other sector of society.

The major reason why Labor members are incensed at the proposal by Australia Post to increase the cost of stamps is that Australia Post has claimed it needs the increase to offset an annual \$200 million loss in the reserved letters business. Why should private citizens subsidise the big end of town? It is not small businesses that have caused the loss in reserved letters business but, rather, the megabusineses that use bulk mail and mail discounting packages. Australia Post has been condemned by its own statement: it is imposing the increase to subsidise the big end of town and to meet the competition created by private mail service providers and junk mail distributors. This loss has not been created by small businesses, which will be hit with an average increase in costs of approximately \$350 annually if the 11 per cent increase is approved.

The Australian group manager of letters, Mr Gary Lee, has stated on the record that, despite the proposed increase, "deep discounts would continue to apply to business mail". As I said earlier, for "business" read "big business". The proposal is outrageous. I am sure that members opposite will support the passing of this motion. Mums, dads and pensioners should not be forced to carry the can. First and foremost Australia Post must provide a service for families because that is the whole basis of its community service obligation. These families should not be used to subsidise bulk mail for big business; it is as simple as that. Australia Post cannot justify this increase. In June the ACCC will release an issues paper and hold public meetings across the nation, with a decision due in September. Country Labor members will attend meetings and put forward their view. I urge everyone in this House to do likewise. The *Australian* of 27 April carried an interesting story about various people and their initial reaction to the proposed increase. The article stated:

The Coalition will not oppose Australia Post's application for a 5c increase in the price of a basic stamp—but it hopes to ensure the rise does not cut mail competition.

Honourable members can read into that statement what they will. The article continued:

Although the federal Government said it will "closely consider" any rise, Communications Minister Richard Alston did not criticise the application.

It appears that the Coalition Government in Canberra is happy for this increase to go through. I contrast that statement with the statement made by Opposition communications spokesman, Lindsay Tanner, who said:

The ACCC should look closely at the application because it was hard to justify. Domestic consumers should not be used to subsidise bulk mail for business.

That point should be made time and again. Once again, we are talking about domestic consumers subsidising big business, which is the rationale behind Australia Post's proposal. How will the increase affect Mr and Mrs Average? A Sydney nun, Mary Constable, was quoted in this article as stating that she buys about 100 stamps a month and many more at Christmas and that she would certainly feel the pinch. As I said earlier—and this might sound a little emotional—this price hike comes at a time when country people and all those who use Australia Post's services can least afford it. The message that must go back loud and clear to Australia Post is that New South Wales Parliament opposes this increase. That is the message we will take to the ACCC. I commend the motion to the House.

Mr SLACK-SMITH (Barwon) [4.12 p.m.]: I believe that the urgent motion moved by the honourable member for Bathurst has some merit. When I was a kid our mail was conveyed by the travelling post office to sidings in lead-sealed mailbags. We had to ride four miles to the siding to collect our mail. The cost of a postage stamp, 45¢, has not changed for at least 10 years. Labour-intensive systems such as mail sorting and delivery are now automated. One would not think that the more efficient use of automation is the reason Australia Post wants to increase the price of a postage stamp to 50¢. I believe that the present cost of 45¢ to post a letter is quite enough.

The honourable member for Bathurst referred earlier to discounts for bulk mail. If Australia Post did not offer such big discounts for bulk mail there would be no need for this postage stamp price increase. It is reasonably expensive to post a letter in country areas. I believe that Australia Post would make a large profit in the Sydney area if it increased the price of its postage stamps. Last year it made a profit of \$274.5 million, which is not too bad. At least Australia Post is not running at a loss. However, if it increases the cost of a postage stamp to 50¢ we should demand a much better service than we are getting at present.

In many country areas Australia Post guarantees delivery of express post articles the next day, which is a load of rubbish. That has never been my experience. Often it takes longer to deliver express post in country areas than it does to deliver normal post, which is quite unacceptable. We are paying more money for the express post service, but we are getting less service, which is totally unacceptable. Because of automation and other efficiencies achieved by Australia Post, now is not the time to increase the price of postage stamps. Earlier the honourable member for Bathurst said that members of Country Labor will attend a summit and express their point of view.

Country Labor did not have one representative at the rural doctors summit held in Tamworth recently. The honourable member might be making another false promise—something that Country Labor members are pretty good at. The National Party had seven representatives at that summit, and there were two Independents, but there was not one representative from Country Labor. One Minister who blew in and out was like a wet lettuce when he made his presentation. I would like to see members of Country Labor attend those summits and make a bit of noise about this proposed postage stamp price increase.

In country areas Australia Post does not have any competition. There are couriers in some areas in Sydney, but they are expensive as well. I believe that the price of a postage stamp should remain at 45¢. As I said earlier, Australia Post made a big profit last year. There is no reason to increase the price of postage stamps, unless Australia Post is planning huge improvements to mail delivery services in country areas. Post offices in many rural areas have been closed. In some small country towns post offices have either been put into private hands or they have been closed altogether because of the size of the population in those towns. Mail services should be available to everyone throughout Australia.

If the price of a postage stamp increases to 50¢ we should request much better services than we receive at the moment in many areas. Things have changed. As I said earlier, when I was much younger the mail was delivered by steam train and the mailman would get through to some country towns only once or twice a week. Stan Holland, a good friend of mine at home who was the mailman, used a pack horse and did a 12-mile run twice a week from Merah north along the middle route. Mail services have changed since then. He used to deliver the mail in the rain and at times of flood. Today, even though we have cars and everything else, we do not receive our mail when it rains, which is a shame. Often the efficiency of the mail service is determined by the weather and the state of some of our country roads.

I support the urgent motion moved by the honourable member for Bathurst. However, I do not believe that an 11 per cent rise in the cost of a postage stamp in Australia is acceptable. There have not been vast changes to the consumer price index since the price of postage stamps was increased to 45¢. I believe that Australia Post's proposal is a huge money grab. I want to know what improvements Australia Post is making to its country mail service. If the price of a postage stamp is increased to 50¢ it will cost \$1 to post two letters. I can remember when it cost only fivepence to post a letter.

The Australian Competition and Consumer Commission [ACCC] should defer the plan by Australia Post to increase the price of a postage stamp. The honourable member for Bathurst referred to discounts for large businesses. Members of Parliament send mail out to many constituents and receive a discount for bulk mail. But even allowing for that discount, Australia Post still makes a profit. We take the mail to the post office in special boxes that are marked with the relevant postcodes, and all Australia Post has to do is remove the mail from the boxes. With today's fully automated mail sorting, a lot of the hard work and time-consuming effort that previously went into the mail system has gone.

The Federal Government should delay this proposal unless Australia Post is able to show that postal services will be improved or that it will run at a loss in future. Given last year's profit of \$274.5 million, unless something drastic happens over the next few months Australia Post will make much the same profit as it made previously. Regardless of where people live, Australia Post's mail system is an important part of our way of life and it is important that it should run at a profit. However, if it is to make a net profit of more than \$200 million and it is not intended that that money will be put back into delivering better postal services to people in regional, rural and metropolitan parts of the State, the Australian Competition and Consumer Commission should be asked to defer the plan by Australia Post to increase the price of a postage stamp from 45¢ to 50¢.

Mr W. D. SMITH (South Coast) [4.22 p.m.]: I am pleased to support the motion moved by the honourable member for Bathurst, and I am pleased that the Opposition also supports it. The honourable member for Barwon and I have disagreed in relation to many urgent motions, but I am pleased that on this occasion we are at one. There is no doubt that country families will suffer most if Australia Post is allowed to increase the price of a postage stamp. Country people rely on postage much more than city dwellers. City people have the luxury of being able to readily access banking services and to pay a bill across the street or over the Internet.

However, that is simply not the case for country people. Recently in my electorate, unfortunately, three banks were closed. Thus services for the residents of my electorate were reduced. Australia Post is now seeking to hit country people again, this time with a cost increase in the price of a postage stamp. Country people have to contend with the tyranny of distance and the tyranny of our geography. Access to Internet and other communications services in the country still has a long way to go before it can compare with city access. Country people cannot always simply click onto a web site and do their banking or pay a bill by BPay.

I am particularly concerned about elderly people in country electorates. My electorate has a high proportion of self-funded retirees and retired pensioners who have had a lifetime of writing letters, licking stamps and plonking them on envelopes. That is the communications system they have been used to ever since day one. Many elderly people do not understand new technology, many do not feel comfortable using it, and many simply do not want to know about it. Those people now face the possibility of being hit with an increase in the price of stamps. Over the Christmas period many elderly people like to touch base with long-time friends, relatives and acquaintances by sending out as many cards as possible. The impost of a further 5¢ on each postage stamp would have a severe impact on those people.

Country people need postal services for both general communication and to conduct their day-to-day business. Clearly, there is no justification for the price of a postage stamp being increased from 45¢ to 50¢. There is certainly no problem with Australia Post's bottom line. It made a whopping \$274 million profit last year alone. This 5¢ increase would add a further \$90 million to that profit margin. This year's Federal budget will probably come in with a handsome surplus, and I therefore believe this proposal is callous and thoughtless. It seems that corporate greed has taken over at Australia Post, and now it is up to the ACCC to decide whether people should pay an extra 10 per cent for a postage stamp. Country Labor has called on the head of the ACCC, Professor Allan Fels, not to grant this price increase.

Unfortunately, but not surprisingly, we do not have the support of the Federal Government on this issue. Instead, it once again took the opportunity to raise the deregulation of Australia Post. In a media statement Senator Richard Alston blamed Labor for stopping its so-called "sensible postal reforms". That is an accusation that I am sure my Federal Labor colleagues would proudly admit to, as these reforms are far from sensible; they simply hurt people in country New South Wales. I am proud to say that Country Labor played a large role in preventing the deregulation of Australia Post; we stood up for rural and regional New South Wales.

When Senator Alston's deregulation idea first reared its ugly head, Country Labor immediately opposed it. In fact, the Minister for Regional Development was joined by the honourable member for Murray-Darling and the honourable member for Cessnock in condemning the idea of deregulating Australia Post. Again, country people would inevitably suffer most if postal services were deregulated and opened up to competition. The fact remains that we have one of the most efficient and profitable postal services in the world. There is simply no justification for tinkering with something that does not need to be fixed. The service is running extremely well, it is very efficient, and it is making a profit. An increase in the price of a stamp from 45¢ to 50¢ would impact severely on people in country New South Wales. It is simply a matter of fairness that needs to be addressed here.

Mr PICCOLI (Murrumbidgee) [4.27 p.m.]: Debate on urgent motions such as this give the Opposition a great opportunity to expose the hypocrisy and lack of intelligence of the Labor Party. The proposed increase by Australia Post in the price of a basic postage stamp by 5¢, or 11 per cent, is an issue for Federal Parliament, so I do not know why it is being raised in this House. The Labor Party is using this motion to attack the Federal Government. It claims it is sympathetic that the Aussie battler has to pay extra for his postage stamp. Of course, we are all sympathetic about cost increases; no-one likes them. But it is hypocritical for the Labor Party, particularly the pretenders in Country Labor, to whinge and moan about an 11 per cent increase. Let us look at some of the cost increases that have been foisted upon the people of New South Wales by the Government.

I am sure most members of Parliament, including Government members, have received numerous complaints from young New South Wales residents who have had to pay \$35 for the privilege of doing their test for a learner's licence. If they fail, they have to do the test again, and pay another \$35. When they do their final driving test, they have to pay another \$35, and if they fail they have to pay again. They even have to pay for a handbook from the Roads and Traffic Authority. The Labor Party increased the Sydney Harbour Bridge toll by 80¢. What about the promised cuts to the tolls? The Labor Party talks about the battlers in Western Sydney. When the Premier was Leader of the Opposition, he promised to cut the tolls on the M5 and the other motorways in western Sydney, but he did not do so. That has imposed a huge cost on Labor electorates in western Sydney, because the Premier not only failed to reduce the toll; he actually increased it. Metropolitan newspapers have also reported on the revenue raised by speed cameras, the double dipping by the Government on stamp duty and the increase in tip fees.

Public transport affects almost everyone in Sydney. The cost of using public transport has increased 48 per cent since Labor came to government. If members on the Government side are worried about an increase in the price of a stamp, surely this urgent motion should have addressed the implications for ordinary Australians of a 48 per cent increase in the cost of public transport, a huge cost for any Sydney family. Fishing licences and national park entry fees have been increased. One Country Labor member was bleating about the impact of this increase on those in the more remote areas of New South Wales, yet his Government increased distance education fees by \$750 per student for families who can least afford it.

Other increases include the Sydney parking space levy. Land tax has been a huge revenue boon for the Government. Workers compensation premiums have gone through the roof. That is affecting both businesses and employees. It is having a direct impact on the number of people businesses can employ and it is sending businesses broke. The price of a postage stamp is one of the things the Government should be least worried about. In the past five years the total revenue of the Government has increased by 30 per cent, and that excludes revenue derived from the GST. Members of the Labor Party, particularly those in Country Labor, should be ashamed of themselves for increasing all those fees and taxes on ordinary Australians.

Mr COLLIER (Miranda) [4.32 p.m.]: I am pleased to support the motion by Country Labor. One of Australia's icons, Australia Post, has joined the ranks of the corporate greedy and the corporate predators. A 10 per cent rise in the price of a basic postage stamp, from 45¢ to 50¢, simply cannot be justified. Australia Post is not struggling to make a crust; it is not struggling to make ends meet or being crushed by rising paper and ink prices. Australia Post has just announced a record profit of more than \$274.5 million. Australia Post is what economists would call a natural monopoly. It has no competitors; there are insurmountable barriers to entry by potential rivals. Australia Post enjoys massive economies of scale and it has a captive market. Raising the price of a postage stamp is nothing more than a greedy grab for cash. Australia Post has admitted that the price freeze on stamps does not affect its profit margins. The Chair of Australia Post, Linda Nicholls, said:

As we go into the ninth year of the price freeze, the surge in mail volume says that the model works.

She is saying that growth in volume alone is profitable in this captive market. Who is the biggest winner out of this? It is not the mums and dads, not the pensioners or the self-funded retirees, and it is not the large number of small businesses I have in my electorate. The winner is the Federal Government. It likes the idea of raising the cost of a basic stamp because its cut of the record profit of Australia Post is around \$100 million. This is the same Federal Government that lost \$5 billion on shonky foreign exchange deals. Now it wants to put the boot in and slug families with the cost of a basic postage stamp. What a shame!

It is good to hear that the honourable member for Barwon supports the Country Labor motion, but we do not know where the honourable member for Murrumbidgee stands. He never said whether he opposed the motion or supported it. All he did was take the opportunity to take a rather ridiculous swipe at the State Labor Government. He should be telling his mates in Canberra that he does not support Australia Post's greedy grab for profit. It is high time the Federal Government realised it is in office to serve the people, not to make profits. Sadly, like the banks, the Federal Government and Australia Post have both forgotten their community service obligations.

Australia Post is not a private multinational company; it is the people's company. It should act accordingly: It should act in the interests of all those who use its services, whether they are from the city or from the bush. This price increase could have serious consequences not only for the householder but for small business as well. The volume of postage generated by small business is obviously much higher than that of the average household, so the cost incurred will be greater. The increase is bad for business, bad for consumers and bad for country families. It only seems to be good for the Federal Government's bottom line. The honourable member for Murrumbidgee should be ashamed to talk about the social reform agendas of the State Labor Government or previous Federal Labor governments. It is the Government of his colleagues that is refusing to pay the relevant portion of the increase in wages for those who work in places like the Handicapped Children's Centre, the Southern Sydney Therapy Centre, Meals on Wheels and institutions for homeless kids. The State Government has offered to pay its share but the Federal Government has not done the same.

As for the GST, the honourable member has forgotten one simple fact. The State Government collected 37 per cent of Australia's total GST. How much does it get back? It gets back 30 per cent. We will get even in 2007. So the honourable member is wrong again. The honourable member should look at history. He will learn that from Whitlam onwards it is the Australian Labor Party that has undertaken the most sweeping social reforms in this country—not the Federal Government, not the Howard Government, but the Australian Labor Party. He mocks Country Labor but its members—not the National Party members—are out there listening to their constituents, the people of the bush. The National Party is a party in name only. The real party supporting country people is the Australian Labor Party in the form of Country Labor.

Mr MARTIN (Bathurst) [4.37 p.m.], in reply: I thank honourable members who have participated in debate on this urgent motion. From this side we have heard excellent contributions from the honourable member for South Coast and the honourable member for Miranda. I congratulate the honourable member for Barwon on his bipartisan approach. Unfortunately I cannot say the same for the honourable member for Murrumbidgee because, as has been pointed out, he did not address the issue at all and in his normal bovver-boy style he decided to use the debate to kick a few heads. That is what we have come to expect from the honourable member for Murrumbidgee, but deep down even he would support the honourable member for Barwon, who made an important contribution.

I disagree with the claim by the honourable member for Barwon that if the increase to 50¢ goes ahead we will get better service. Nowhere does this application from Australia Post talk about better service. It is all about increasing revenue. It says it wants this \$90 million out of the ordinary people to subsidise bulk mail for big business. That has nothing to do with increasing service. Nowhere does Australia Post talk about expanding the number of post offices. Like banks and other service providers, hundreds of post offices have been closed across Australia. Nowhere does Australia Post talk about increasing the range of services, particularly in regional and country areas. This increase is purely about maximising profits.

Australia Post argues that the price of stamps has not increased for 10 years. That is true, because the increase has not been warranted. One can only assume that people have paid too much for their basic postage all that time. It is important that we reinforce that message and take those arguments to the Australian Competition and Consumer Commission inquiry. I know the honourable member for South Coast and the honourable member for Miranda will join us in doing that. Country Labor will certainly be making a submission. It is important that we work together. If both sides of politics are singing the same song, I think the ACCC will listen. We have reasoned arguments but Australia Post does not. It is all about Australia Post subsidising part of its business by whacking consumers. That has no merit in terms of community service obligations. I would think it is a hypocritical stance for Australia Post to take.

Mr W. D. Smith: It is the people's company.

Mr MARTIN: As the honourable member for South Coast says, Australia Post is supposed to be the people's company, so it should be acting in a manner that supports people. This grab for an 11 per cent increase is totally unjustified. If Australia Post wants to argue for an increase, it should put up some concrete arguments that we can look at objectively and say yea or nay to. It is not good enough for Australia Post to say that the cost of a postage stamp has been held at the same level for 10 years and it is time it was increased. Australia Post can only justify the increase if it needs the capital or is running at a loss. However, it has made a profit of \$274.5 million.

The Coalition in Canberra has been silent on this matter because it knows it will get its hands on part of that profit as a dividend from a Commonwealth-owned corporation. Senator Alston, by his silence or implied lack of criticism, is saying, "We see this as raising revenue not only for Australia Post but also for the Federal Government." The 11 per cent increase in postage is not necessary to improve the efficiency and effectiveness of Australia Post or to deliver better services to people throughout Australia. For that reason I ask honourable members to support this motion and send a very strong message to the ACCC.

Motion agreed to.

HOXTON PARK AIRPORT

Matter of Public Importance

Mr LYNCH (Liverpool) [4.41 p.m.]: I ask the House to note as a matter of public importance Hoxton Park Airport and the surrounding suburbs. Hoxton Park Airport is located within my electorate and it is the subject of considerable controversy. Both in terms of the safety of residents living around it and in the amenity of their neighbourhoods, a substantial number of people have been calling for the airport's closure. The suburbs surrounding the airport include Cecil Hills, Green Valley, Hinchinbrook, Hoxton Park and West Hoxton. I have called for the closure of the airport on previous occasions, and I restate that call today. I have raised this matter on a number of occasions in this House. Indeed, I debated an urgent motion on the matter in 1999. It is appropriate to raise the matter again today because only several weeks ago there was a further accident at the airport.

Hoxton Park Airport is a general aviation airport. It covers 85 hectares and has one sealed runway that is 1,098 metres in length. It is open 24 hours a day, seven days a week. However, circuit training is restricted to between 6.00 a.m. and 11.00 p.m. on Mondays to Fridays, 6.00 a.m. to 10.00 p.m. on Saturdays, and 6.00 a.m. to one hour after last light on Sundays. It caters to both fixed-wing and rotary-wing aircraft, that is, planes and helicopters. It is usually busier on weekends than on weekdays, which says something about the people who are using the airport to train. As I understand the evidence, an average of about six or seven planes are in the air around the vicinity of the airport at any given time.

The airport was originally constructed in about 1942 as part of a group of airfields to be used as aircraft dispersal fields in anticipation of a Japanese air attack. Others included Menangle, Bargo, the Oaks, Wallgrove, Fleurs, St Marys, Castlereagh, Pitt Town and Ettalong. Interestingly enough, none of those airfields is currently operating as an airport. RAAF pilots also used Hoxton Park Airport for training purposes and the like. After the war the airport was leased to the Hardy Rubber Company for use as a tyre test track. Eventually its use as an airport was resumed, but its current use is very different to what it was then. It is now used overwhelmingly for training purposes.

Training schools, which are private businesses operated for profit, predominate the airport's current usage. Some 90 per cent of its air traffic is training aircraft. This has a number of consequences. One is that much of the use of the airport is for circuit training, that is, planes and helicopters often fly around the same course continually and repetitively. Another consequence is that a significant proportion of the planes are flown by inexperienced people. As a matter of commonsense, that must dramatically increase the likelihood of things going wrong. After all, if all the pilots were perfectly experienced and perfectly capable, why would they need to train?

The amount of air traffic involved is significant. Indeed, Hoxton Park airport is the busiest airport in Australia without a control tower or radar. It is the busiest uncontrolled airport in the country. There seems to be no likelihood that a control tower will be installed, despite my calls for one. A control tower was constructed temporarily for the Olympics. As I have had occasion to say before, it is extraordinary that the aviation industry and authorities were prepared to provide a control tower for the Olympics but display such contempt for the people who live in my electorate that they will not have one for non-Olympic periods. Another interesting aspect is that the aviation industry itself—those who use the airfield—want the airport to remain uncontrolled. That is their preference; they oppose the installation of a control tower.

There has been a series of accidents and incidents at Hoxton Park Airport. I am aware of a number of them which have been reported in the media, and I understand that a number of other incidents have not been reported publicly, which obviously makes the situation more severe. The most tragic events have been those in which life has been lost. In recent times there have been two of these accidents, resulting in three fatalities. The first accident occurred on 6 June 1998 and involved a mid-air collision between two aircraft. One of the aircraft, a single engine Piper Tomahawk, left Bankstown Airport to go to Hoxton Park to do some training. Two people were in that plane. Another plane, a Piper Archer, left Hoxton Park for a private flight by way of Camden and Bankstown and return to Hoxton Park. At about 11.05 a.m. on Saturday 6 June 1998 the two aircraft collided.

As a result of the collision the Tomahawk lost a wing and plummeted to the ground, crashing into a house in Arnold Avenue, Green Valley. Tragically, the two people in the Tomahawk were killed. Thankfully, the house into which they crashed was unoccupied at the time. Also thankfully, the plane did not catch on fire, as that may also have potentially increased the number of injuries. Deputy State Coroner Stevenson, in her judgment at the inquest on 22 June 2000, ascribed the cause of the collision to human error. She was unable to positively ascribe blame to one pilot or the other. However, in the judgment she went on to refer to the "eternal problem with the uncontrolled airport at Hoxton Park". She noted that there was no tower controlling the airport and that it was the busiest uncontrolled airfield in Australia. She described the fact that the airport was near residential areas as "of grave concern". She observed that houses were very close to the airport and went on to say:

It is of grave concern that this has occurred without there being some better control, or better objective control, of the airfield than there is at present.

I can only agree with the Coroner. Obviously the proximity of the houses to the airport means that there is a great potential for things to go wrong through human error. The Coroner went on to say:

I do not really think in this day and age that it is suitable to rely purely on human nature.

The second fatal accident occurred on Wednesday 10 March 1999. This also involved a collision. One of the two planes was a bright yellow Pitts biplane used for aerobatic exercises which had been flown from Bankstown

to Hoxton Park. The other plane was a light plane flown by a 70-year-old student pilot. The biplane came in to land at Hoxton Park and collided with the other plane as it was taking off. The pilot of the plane taking off was killed. At the inquest there was some discussion as to whether nearby trees obscured the view of the pilot of the biplane. I cannot understand how there could be an uncontrolled airport where there is the slightest possibility of trees obscuring the view of a pilot landing.

The Coroner did not regard the trees as a cause of the accident. She was unable to definitively pinpoint the cause of the accident, although it obviously could have included inexperience or human error. However, the Coroner made some stinging comments about Air Services Australia. It changed the radio frequency for aircraft at Hoxton Park for the first time in 40 years. The Coroner said that she was "utterly concerned" about the role of Air Services Australia. She referred to incorrect advice about what the frequency was, and described the way in which the change in frequency after 40 years had been communicated as "bizarre, absolutely bizarre".

Those two accidents are the most notorious in recent years at Hoxton Park. However, there have been other accidents that emphasise the seriousness of the situation. On Monday 13 March 2000 a twin-engine Beechcraft plane crashed into a paddock near Washington Way, Cecil Park. The pilot suffered head and facial injuries, and was rushed to Liverpool Hospital. This was described as a severe crash. Witnesses were reported as saying that they saw the plane flying low through a cloud before it hit the side of a hill. Luckily it did not hit nearby houses.

Another incident occurred on Monday 28 August 2000. A 1947 Nord single-engine aircraft left Bankstown Airport with one pilot and one passenger. After about six minutes the plane started to lose power. The pilot tried to reach Hoxton Park Airport but was forced to make an emergency landing. The plane came down at Horsley Park inside the Olympic equestrian centre. The plane had 150 litres of aviation fuel on board. Thankfully, no-one was injured and the fuel did not ignite. However, as one witness was reported as saying, if the plane had been forced down 300 metres more to the east, it would have hit houses.

The most recent accident occurred literally only weeks ago. At approximately 11.45 a.m. on Wednesday 10 April an amateur-built, privately operated Stod-Ham Glastar aircraft crashed at Hoxton Park. Thankfully, the 73-year-old pilot escaped without injury. Apparently the pilot makes planes as a hobby and was taking his plane for a test flight when the engine cut out and he was forced to make a crash landing. The plane came down less than one kilometre from houses. There is an overriding sense that a much more serious event was avoided more by good luck than good management. In that case there is another additional disturbing aspect. The Australian Transport Safety Bureau [ATSB] has indicated it has no interest in investigating the accident. Its decision, and the basis for it, is quite concerning. In a letter to me dated 23 April the Executive Director of the ATSB said in part:

Under the Air Navigation Act 1920, the ATSB independently investigates aircraft accidents, incidents and safety difficulties. From among more than 6,000 such occurrences reported to us each year we investigate about 100 that are likely to have the most significance for future safety, with the safety of fare paying passengers a priority. The ATSB does not have the financial or personnel resources to attend every accident.

In my view the litany of accidents at Hoxton Park necessitates a somewhat sterner response than that. Moreover, the ATSB approach is biased against the safety of residents living in my area to the benefit of passenger airlines. The safety of the paying passengers is obviously important, but so is the safety of residents of southwest Sydney. As the Minister for Public Works and Services interjects, maybe the ATSB should actually get real. This sad and sorry litany of incidents and accidents leads to several conclusions. The causes of the various incidents include human error, mechanical failure and organisational incompetence. By their very nature, in practical terms those things cannot be prevented in the future. Events like this will inevitably occur again. The issue is whether the risk of these things happening, granted the consequences, can be accepted.

The risks in my view are increased by the absence of controls, notably and obviously a control tower and radar. The consequences are very severe. The number and proximity of the nearby suburbs makes the consequences just too great. In my view the airport should close. It is also worth noting that one of the relevant issues is that over time the situation is likely to get worse, not better. That is because there is already an underutilised capacity at Hoxton Park and because the Federal Government wants to change operations at Bankstown, which will lead to more training aircraft coming to Hoxton Park.

Mr DEBNAM (Vaucluse) [4.51 p.m.]: I appreciate the opportunity to speak in this debate today, which has obviously been prompted by the tragic accident last Sunday when a family of four were killed.

[Interruption]

The honourable member for Liverpool says it has not, but if one reads *Hansard*, every time there has been a light aircraft accident in surrounding airports the honourable member has spoken in this House about Hoxton Park. Be that as it may, in the tragic accident last Sunday four people lost their lives on approach to Bankstown airport. An official investigation into the accident is under way and it is not appropriate to make any further comments about it today. However, the honourable member for Wagga Wagga told me that the deceased family was returning from Wagga Wagga after celebrating a twenty-fifth wedding anniversary with cousins Frits and Yoka Sliker. The Opposition puts on the record its condolences to the family of the people killed.

I congratulate the honourable member for Liverpool on the number of times he has raised his concern about Hoxton Park airport. His point of view appears to be always the same—simply close the airport. Clearly that would affect a very large number of people, not just his constituents. I can understand the honourable member's concerns about light aircraft in that area, which he has eloquently put on behalf of his constituents. The airport was established for some time during the Second World War and there is a very real issue of the interaction between such a busy airport and the surrounding community. The issue to which he is referring is urban planning across the Sydney basin, and he should pursue with the Minister for Urban Affairs and Planning what the Government is planning for the greater Sydney area. It would seem to me that over a number of years very little has been done.

The honourable member is certainly right to continue to raise safety concerns whenever he has the opportunity, and he has done that. I am sure his constituents are actively lobbying him to do so. It is also worth noting—I think the honourable member mentioned it in passing—that the operation of the airport really does involve a large number of people in businesses in various aircraft operations whose interests also need to be taken into consideration in any discussion about the future of that airport. I am sure the honourable member has pursued this topic with the Federal Government on a number of occasions and that the Federal Government will approach those discussions very sensibly with him. I wish the honourable member well in pursuing those discussions.

The line I have suggested that the honourable member should pursue is the question of planning in this area. What has Department of Urban Affairs and Planning considered over the years? How has its policy changed over the years in relation to these sorts of operations and activities in the Sydney basin? That would be a more productive area to pursue, given the honourable member's State interests. As I said, I am sure the honourable member would get a very sympathetic hearing from the Federal Government about all his concerns.

Ms MEGARRITY (Menai) [4.56 p.m.]: As previous speakers have said, the tragic crash on the weekend in which four members of the one family were killed is of concern to all honourable members, and we extend our condolences to the family. The accident made me vividly recall a mid-air collision of another plane which left Bankstown to fly to Hoxton Park in June 1998. The honourable member for Liverpool reminded us today of the death of the two occupants of that plane, which crashed into an unoccupied house. The unsung story of that accident was that a child's birthday party was being conducted in the house next to the one that was demolished by the plane. Community concerns about these sorts of incidents are constantly before local members in the south-west of Sydney and certainly the western part of my electorate. They serve to bring home the danger that we face on a daily basis.

Issues in relation to Hoxton Park and Bankstown airports have been raised in his House before, and indeed they have because they are legitimate concerns of this House. On 3 June 1999 when Hoxton Park was being discussed the honourable member for Liverpool said there was no control tower at Hoxton Park and that planes fly without the direction of a control tower and according to visual flight rules [VFR]. The anomaly is that it was considered important enough to have a control tower for the Olympics but the day-to-day safety of the residents of those suburbs is not considered on the same scale, which is to be regretted.

On that day the honourable member for Wakehurst—the eminent authority on safety issues and plane issues—told us that he undertook his aircraft pilot training at Bankstown airport. He told the House that he took off in Piper Tomahawks from Bankstown airport—I wish I had known the exact occasions on which he did that—and landed at Hoxton Park airport. One can see that the suburbs in my electorate are directly affected by flights to and from both Hoxton Park and Bankstown airports. The honourable member for Wakehurst, informative as he always is, said that planes have blind spots, just like cars. He referred in particular to Piper Archers, Piper Cherokees and Cessnas.

Indeed, it is interesting to note that on that day in June 1999 he personally recalled a plane crash into a factory at Bankstown with six people aboard. He advised the House that he sent the May Day call because he could see smoke coming from the factory. I say that is interesting because obviously the tragic crash on the weekend of an aeroplane into a factory at Milperra echoes what the honourable member must have witnessed prior to June 1999, although that was not part of the media coverage of the events of Sunday. The honourable member also said:

I was flying above it because both aircraft had taken off from simultaneous runways.

The honourable member, in his attempt to justify the Hoxton Park arrangements, responded to statements made by the honourable member for Liverpool by saying the crash had occurred "despite the fact it was flying under supervision from the control tower at Bankstown". That is cold comfort to those affected by the crash, and it would ring hollow for the family and friends of the four members of the van Montfoort family who were killed on Sunday. But, politics aside, such incidents highlight the ongoing concerns of my constituents about the thousands of aircraft movements to and from Hoxton Park and Bankstown airports.

That is why, as I have previously said, to our astonishment, in December 2000 the Federal Government announced its intention to expand Bankstown airport. In March 2001 it announced its intention to sell Bankstown, Hoxton Park and Camden airports by a trade sale in the second half of 2002. Indeed, one private owner is proposed for all three airports. The Federal Government has consistently refused to shut down Hoxton Park airport or to take any significant steps to improve it. Like Hoxton Park, Bankstown airport operates 24 hours a day seven days a week. I must advise the House that, according to the latest advice I have received, the Bankstown airport tower operates between 6.00 a.m. and 8.00 p.m. so we are a little bit better off than Hoxton Park, but not much. In the time I have left I would like to record the advice I received today from Kim Ellis, the General Manager of Bankstown Airport Ltd, who said:

We were deeply saddened by the accident that claimed the lives of four people on Sunday. On behalf of the Chairman, Board, Management and Staff of Bankstown Airport, we extend our deepest sympathies to the family and friends of those who died.

The House echoes those sentiments. Both Hoxton Park and Bankstown airports need serious consideration by the Federal Government. [*Time expired.*]

Mr LYNCH (Liverpool) [5.01 p.m.], in reply: I thank the honourable member for Vacluse and the honourable member for Menai for their contributions to this discussion. I make the point that the tragic events of Sunday were not the prompt for my raising this matter. Last week I spoke to various people about raising the matter for discussion today. It was, therefore, an almost frightening experience, when I was looking through papers on Sunday to prepare some notes on what I would say today, that I heard what had happened at Bankstown airport. If anything, it re-emphasised the horror of the events that led to the tragic deaths on the weekend.

I would like to comment on some of the statements made by the honourable member for Vacluse. I thank the honourable member for a sensible and useful contribution to the discussion. He said that my response has simply been to call for the closure of Hoxton Park airport. At one level, that is quite right. But at various times I have suggested other alternatives. For instance, I put to the Federal Government a proposal to have an inquiry so that we might have proper discussion about whether there are any alternatives. That proposal met with a brick wall.

For some time I have complained about the lack of a control tower and the lack of radar at the airport. If there was the slightest suggestion that the airport would get a control tower with radar, I may well have a somewhat different view about the future of the airport. But, granted that there has been no serious attempt to look at options and that there has been not just a refusal to have a control tower but a campaign against one by the aviation industry, and given the circumstances I outlined when I moved this matter of public importance, it seems to me there is no option but to call for the closure of the airport. If someone were to offer an alternative, I would be very happy to have a look at it. But none of the alternatives that have surfaced have been accepted. That leaves us with the inevitable concern that Hoxton Park airport is the busiest uncontrolled airport in Australia, without a control tower, without radar and right next to residential developments.

The honourable member for Vacluse said that the livelihood of a number of people is based upon the operation of the airport. That is certainly true. But, on a simple assessment of what is more important—whether residents will be killed, or whether people's financial interests will be affected—it seems to me that there is no equation between the two considerations; it is just all one-way traffic in favour of protecting the residents. I should also make the point that whilst the number of people employed at Hoxton Park airport is quite

significant, the total number involved is nowhere near as large as the number at Bankstown airport. For example, Bankstown airport probably has a lot more community support than Hoxton Park airport. One reason for that is the significantly greater number of people employed at Bankstown airport and in the surrounding area than there are at Hoxton Park.

The honourable member for Vacluse was very optimistic in thinking that I might be having some success with the Federal Government in respect of these matters. Regretfully, I have to say that I have had no success at all despite raising these matters with the Federal Government. After I had raised the matters in May 1999, John Anderson, the Federal Minister for Transport, wrote back to me and made it absolutely clear that the Federal Government had no plans to close Hoxton Park Airport. He said so as bluntly as that. The only possible circumstances in which he said he could imagine Hoxton Park Airport closing would be if the Badgerys Creek proposal progressed, which would probably make it impossible for the Hoxton Park Airport to operate. But, apart from that one option, the current Federal Government sees no circumstances at all in which it would be prepared to close that airport.

It is interesting that, despite some of the rhetoric from the aviation industry—that the Hoxton Park facility is so critical it could never under any circumstances be closed, and that no-one had ever thought about that—any serious look at the Badgerys Creek proposal leads to the conclusion that the Hoxton Park facility must close. Therefore the Hoxton Park facility cannot be as critical as everyone makes out. In addition to that, Ralph Hunter, when he was Federal Minister, wrote letters to the effect that it was proposed that Hoxton Park Airport would close. So there has certainly been a strain, all through the history of this matter, suggesting that Hoxton Park Airport would close. As I say, that is a useful rebuttal of the rhetoric from some in the aviation industry.

Most of the people who use Hoxton Park Airport are not from my electorate of Liverpool. Whenever I raise this matter I receive a series of letters from people complaining and telling me that I do not know what I am talking about. They all tell me that they are not silvertails—but they all seem to have addresses in Willoughby and close-by areas, so I am a tad sceptical about their claims. Probably the most unique suggestion about saving the airport coming from the silvertails from Vacluse was to try to get it listed on the national estate due to its heritage significance deriving from the Second World War. The only problem with that proposal is that the really significant heritage items are things called revetments—structures to protect aeroplanes from being bombed. But the revetments are not actually on the airport; they are on environmentally sensitive land west of the airport owned by the Department of Urban Affairs and Planning. So one has to be a tad cynical about the misuse of the heritage process to try to save the airport. That proposal will not work. This airport must close.

Discussion concluded.

BUSINESS OF THE HOUSE

Bills: Suspension of Standing and Sessional Orders

Motion by Mr Iemma agreed to:

That standing and sessional orders be suspended to permit the introduction forthwith of and progress up to and including the Minister's second reading speech of the Olympic Co-ordination Authority Dissolution Bill and the Sporting Venues Management Bill, notice of which was given this day for tomorrow.

OLYMPIC CO-ORDINATION AUTHORITY DISSOLUTION BILL

SPORTING VENUES MANAGEMENT BILL

Bills introduced and read a first time.

Second Reading

Mr IEMMA (Lakemba—Minister for Public Works and Services, Minister for Sport and Recreation, and Minister Assisting the Premier on Citizenship) [5.08 p.m.]: I move:

That these bills be now read a second time.

The people of New South Wales—indeed the whole of Australia—benefited greatly from the wonderfully successful Sydney Olympic and Paralympic Games. These two cognate bills make arrangements for the future management of part of that benefit, because they concern some of the venues constructed or improved for those

great sporting celebrations. Members will recall that the Sydney Olympic Park Authority was established in July last year to manage not only the magnificent venues at Sydney Olympic Park but also 400 hectares of open space at Homebush Bay—a new regional park for western Sydney. The new authority is also managing the future commercial and residential development of Sydney Olympic Park.

These two bills deal with former Olympic venues outside Sydney Olympic Park and Darling Harbour. They make arrangements for the ongoing ownership and management of the Sydney International Regatta Centre and Whitewater Stadium at Penrith Lakes, the Dunc Gray Velodrome at Bankstown, the Sydney International Equestrian Centre at Horsley Park, the Ryde Aquatic Leisure Centre and the Blacktown Olympic Centre, as well as the Sydney International Shooting Centre at Cecil Park. In addition, the Olympic Co-ordination Authority Dissolution Bill provides for the closure of the last of the special-purpose entities—three statutory authorities and a company—which were established to organise and manage the Olympic Games and the Paralympic Games held just over 18 months ago. So while the two bills each deal with the future management of Olympic venues, in other respects they are different, and I will deal with them separately.

I will address first the provisions of the Sporting Venues Management Bill. This bill has three main objects, which are set out in the explanatory note. The most wide-reaching object is to incorporate the Minister for Sport and Recreation as a corporation sole with the title "Minister administering the Sporting Venues Management Act 2002". The bill gives the new corporation the power to manage and develop any land specified in schedule 1 to the bill. In the bill presented to the House, the only land specified in schedule 1 is the Sydney International Shooting Centre, but clause 8 of the bill provides for amendment to schedule 1 by proclamation from time to time. There is an important distinction between the land specified in schedule 1 to the bill and other land which may be held by the Minister representing the Crown. The powers of management and development conferred by the bill apply only to the land specified in schedule 1 and held by the newly established corporation.

The bill permits the appointment of rangers to assist in the care, control and management of the lands held by the new corporation. The powers of rangers will be specified in regulations to be made prior to the establishment of the corporation on 30 June, and will be similar to the powers conferred on rangers under recent legislation, including the Sydney Harbour Foreshore Authority Regulation and the Sydney Olympic Park Regulation, as well as the by-laws that apply to the Sydney Cricket Ground and the Sydney Football Stadium, which is now named the Aussie Stadium. From 1 July the new corporation will own the Sydney International Shooting Centre, a venue where Australia won four medals, three Olympic medals including one gold and one Paralympic gold medal. Like other important venues administered by the Sport and Recreation portfolio, including the Sydney Cricket Ground, the Sydney Football Stadium or the Aussie Stadium, and the State Sports Centre, the Sydney International Shooting Centre will be overseen by a trust.

However, as clause 2 of the bill indicates, it is not proposed to establish the trust on 1 July. The reason is that the Cecil Park Clay Target Club was granted a 15-year lease of most of the site in 1991. The club agreed with the Olympic Co-ordination Authority before development of the Olympic venue that the club would continue to have its lease after the Olympic and Paralympic Games were concluded. The bill honours this commitment and confirms a continuing lease of the property that has been transferred to the new corporation on the same terms as the 1991 lease. The Department of Sport and Recreation will commence negotiations with the club. As soon as a new lease is negotiated with the club, part 3 of the new Act will be proclaimed and in this way the Sydney International Shooting Centre Trust will be established.

The trust will consist of nine trustees. They will include representatives of the New South Wales Amateur Pistol Club, the Federation of Hunting Clubs, the New South Wales Small Bore and Air Rifle Association and the Cecil Park Clay Target Club, as well as a representative of local government, a trustee with commercial and business management skills, and an independent chairperson. The new trust will have six months to enter into a management agreement for the shooting centre to be operated by an appropriate venue operator. One possible operator is a committee of the trust itself. The new corporation, as site owner with the statutory responsibility for management and development, will also need to be a party to the management agreement. So the Sporting Venues Management Bill provides an ongoing structure for the management and development of key sporting venues in the sport and recreation portfolio, and also provides for the establishment of the Sydney International Shooting Centre Trust, with appropriate powers for the centre's ongoing management.

The proposals for the Sydney International Shooting Centre, and for the establishment of the trust, owe much to the contribution of the Hon. John Tingle MLC. I want to record and acknowledge that contribution to

the House. Under the Olympic Co-ordination Authority Dissolution Bill, the Government's interests in a number of other Olympic venues revert or transfer to the sport and recreation portfolio. These are the Dunc Gray Velodrome, the Sydney International Equestrian Centre, the Ryde Aquatic Leisure Centre and the Blacktown Olympic Centre. These venues are all operated by way of arrangements through local government entities.

I turn now to the cognate bill, the Olympic Co-ordination Authority Dissolution Bill. The Olympic Co-ordination Authority [OCA] was established on 30 June 1995. The Sydney Organising Committee for the Olympic Games [SOCOG] had been established under the Sydney Organising Committee for the Olympic Games Act 1993 after the Olympic Games for the year 2000 were awarded to Sydney. When the Minister for the Olympics, Michael Knight, introduced the Olympic Co-ordination Authority Bill seven years ago, he said that the OCA's function would be to build the theatre and SOCOG's function would be to stage the show. The OCA was an extraordinarily successful builder and organiser. The OCA completed its construction program at Sydney Olympic Park on time, on budget, and to environmental standards which have set new levels of world's best practice. In less than three years the railway was designed and built, and the first major development at Sydney Olympic Park—the Sydney Showground—was opened in time for the Easter Show in 1998.

The OCA not only ran the building program for the magnificent venues at Sydney Olympic Park; it supervised the development of the Olympic Village, which has now become the new suburb of Newington. It undertook extensive site remediation work and, under the Sydney Olympic Park Authority, a major regional park is being completed for the benefit of the people of Western Sydney and the people of New South Wales. Just as important, the OCA organised the citywide celebrations that were such a huge success during the Games when six Olympic live sites allowed hundreds of thousands of people to enjoy the city's streets and open spaces. The OCA also sponsored the establishment of the Olympic Roads and Transport Authority [ORTA], which was responsible for the massive public transport effort during the Olympic and Paralympic Games. Since the Games held their closing ceremonies in October 2000, the structures built to operate the Games have been wound down as efficiently as the Games themselves.

Other host cities have not been so fortunate. It is notorious that Montreal was still paying for its Olympic Games decades later. The cost of Sydney's Games were met as they arose, and on 11 April this year the Treasurer tabled in Parliament a report on the contribution by the New South Wales Government to the Sydney 2000 Games. There is no long-term funding burden left for New South Wales taxpayers. To take another example, completion of the winding down of the Atlanta Games has taken years. In contrast, Sydney was able to dissolve the Sydney Paralympic Organising Committee on 1 January last year, and the ORTA was dissolved on 31 May 2001. Then on 31 October last year, SOCOG was dissolved and its assets and liabilities were transferred to the OCA, as were the assets and liabilities of the Sydney Paralympic Organising Committee [SPOC] and the ORTA. The Sydney Organising Committee for the Olympic Games Act itself was not repealed: that is to be effected by clause 13 of the bill now before the House.

The Olympic Co-ordination Authority Dissolution Bill comes to the House at a time when there are few remaining assets or liabilities of any of the Olympic organisations. The most significant transfer of assets, as I have already reminded the House, was to the new Sydney Olympic Park Authority on 1 July 2001. The major assets still held by the OCA are the other Olympic venues, and between them the cognate bills transfer most of these to the new corporation constituted by the Minister administering the Sporting Venues Management Act 2002. The Government's interests in venues such as the Dunc Gray Velodrome, the Sydney International Equestrian Centre and the Blacktown Olympic Centre are transferred to the Sport and Recreation portfolio. In addition, clause 6 transfers the OCA's management arrangements for the Sydney International Regatta Centre and the Whitewater Stadium at Penrith Lakes to the Minister administering the Environmental Planning and Assessment Act 1979. This has been done to enable their inclusion in a comprehensive plan for the area, while safeguarding the important role they play as sport venues. This is not a transfer of land ownership, as the Penrith Lakes site has been held by that ministerial corporation throughout the Olympic Games period.

I will briefly summarise the effect of the other provisions of the Olympic Co-ordination Authority Dissolution Bill. Clause 11 of the bill transfers the planning administration for the new suburb at Newington to the same statutory structure as applies to other development in the State. The clause makes transitional provisions for the special planning regime for the Olympic Village and for Newington, which since 1995 has been operated by the OCA and then by SOPA, but is now to terminate. The OCA staff who have been working at Penrith Lakes are transferred to the Department of Planning. Other staff are transferred to the Premier's Department. The total number of staff involved in these transfers is 10. Some specified contractual assets and obligations of the OCA are transferred to the portfolio of the Treasurer. This involves about \$2.1 million in debtors and \$600,000 in creditors.

A number of insurance claims may still remain to be settled at 30 June. The only significant litigation is an appeal from a Supreme Court decision in favour of Mr Peter Zhu. The appeal should be heard in the second half of 2002. All known liabilities, actual and contingent, are adequately covered by the OCA's remaining funds. Finally, the Olympic Co-ordination Authority Dissolution Bill not only dissolves the OCA but also repeals its establishing Act, and also the SOCOG Act, with effect on and from 1 July. Thereafter the Treasurer will be entitled to enforce any residual entitlements arising from the Olympic or Paralympic Games and held by any of the organisations now dissolved, and any claim relating to the conduct of the Games may be brought against the Treasurer. These are residual provisions only, as it is clearly not appropriate to frustrate any claim that might otherwise be brought—but the Government is not aware of any such claims.

The residual transferee of the OCA entitlements is the Sydney Olympic Park Authority. Clause 6 (2) refers specifically to the Olympic Media Village site at Lidcombe, which is subject to a contract of sale, and also specifically to Olympic and Paralympic intellectual property and records. The result of this second provision is that the SOPA will be the Olympic point of contact within New South Wales and the New South Wales Government for Olympic matters. Members will be aware that SOPA maintains the web sites which are widely used by the public and in particular by schoolchildren to obtain information about Sydney's Olympic and Paralympic Games.

So these two bills complete a significant chapter in public administration in New South Wales. An integrated administrative structure was built rapidly, operated successfully, and dismantled quickly. The legislation necessary to provide the framework of public administration for the Games involved not only the legislation establishing the three authorities SOCOG, OCA and ORTA, but the Homebush Bay Operations Act, the Olympic Arrangements Act and the Sydney 2000 Games Administration Act as well as the Sydney Olympic Park Authority Act and these two bills. The task has been successfully completed and I commend to the House the Sporting Venues Management Bill and the Olympic Co-ordination Authority Dissolution Bill.

Debate adjourned on motion by Mr Maguire.

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

PRIVATE MEMBERS' STATEMENTS

BLACKTOWN TO CASTLE HILL BUS TRANSITWAY

Mr GIBSON (Blacktown) [5.22 p.m.]: Progress is often a wonderful thing. We all realise that it must occur, but sometimes it comes at a price. However, progress should not cause discomfort for those who will be affected by it. The State Government must be congratulated on its great foresight in providing bus transitways. Unfortunately, however, I have a concern about the construction of the Blacktown to Castle Hill bus transitway. It has been suggested that that transitway will run parallel to Sunnyholt Road which, apart from Windsor Road, is probably the most congested road in Western Sydney. It is a nightmare to be on that road at any time, but more particularly during peak hours.

The Government has to decide whether to build the transitway down the eastern side or the western side of Sunnyholt Road. There is a problem and a decision must be made. Tonight I place on the record my thoughts in relation to the transitway before a decision is made. I hope that, after talking with the Minister and with other people, I might influence the outcome of that decision and get them to take a long hard look at the proposed transitway. On the eastern side of Sunnyholt Road the Government will have to buy back 92 homes and on the western side it will have to buy back eight homes, which means that those families will be kicked out of their homes. The best option would be to build the transitway down the western side of Sunnyholt Road. However, the environmental impact statement and other studies will not be completed until the end of June.

Last Monday the Roads and Traffic Authority wrote to 92 people living on the eastern side of Sunnyholt Road and told them that it looked as though their houses would be resumed. As I said earlier, Sunnyholt Road is a congested road. Devitt Street, which is located on the eastern side of Sunnyholt Road, runs parallel to the railway line and then leads into the main part of Blacktown. A major set of lights will have to be installed at the intersection of Devitt Street and Sunnyholt Road. After the transitway is constructed between 18 and 36 buses will travel along that road every hour. Another set of traffic lights on this most congested road in Western Sydney to control the movement of buses in and out of Blacktown would make that road a living hell.

If the Government constructs the transitway down the western side of Sunnyholt Road there will be no need to cross that road. That would result in no congestion or interruption to traffic on Sunnyholt Road. I ask the Minister and the Government to look at east versus west before making this decision. If the Government decides to construct the transitway on the eastern side it will mean kicking 92 families out of their homes. There are commercial properties on the western side of Sunnyholt Road so it would probably cost the Government an additional \$25 million if it chose to construct the transitway down the western side of that road. We must take into account not only the monetary value when constructing this transitway; we must also determine what is the better route.

The Roads and Traffic Authority is pushing the argument that the east is where the population is located. However, population expansion over the next five to 10 years will be on the western side and that expansion will far outnumber the present population on the eastern side. Harry Searle came to see me the other day. He and his wife have lived in that area for 46 years. Harry's son and daughter-in-law built a home at the back of his block—a house that might now be bought back by the Government. Harry worked hard all his life, built a home and saved up for his retirement. He now finds that he might lose the whole lot and he might have to start again. It is all right to give these people market value for their properties, but they will be disadvantaged if they have to buy back into the market.

Barbara and her husband also came to see me. They worked for 10 years to build a new home, which they might now lose. I sent a survey to the 92 families who will be affected by this transitway. The surveys that have been returned to me reveal that those families are totally against the Government's buyback system. Not one family is in favour of this proposed construction. Earlier I applauded the Government on its foresight. I now ask it to show some compassion and to make the right decision in relation to this issue.

DISABILITY SERVICES FUNDING

Mr O'FARRELL (Ku-ring-gai) [5.27 p.m.]: A core responsibility of government is to care for those in our society who are disadvantaged or in need. Yesterday I received urgent representations from Hornsby Challenge—a not-for-profit charitable organisation which provides accommodation and employment services to 60 people suffering intellectual disabilities in the Ryde, Hornsby and Ku-ring-gai areas. The letter from the Hornsby Challenge Chairman, Dr Cecile Ferguson, states:

I am writing to express my grave concern at the impending funding crisis for non-government disability services within this State as a result of the failure of the NSW Government to recognise its obligations to contracted services to cover the new Social and Community Services (SACS) Award.

By way of background, I should point out that in 1993 the Federal and New South Wales governments entered into a Commonwealth-State disabilities agreement whereby responsibility for accommodation services for the disabled was transferred to the State Government and responsibility for employment services was transferred to the Federal Government. At that time the Commonwealth Government—the Keating Government—settled funding on New South Wales to help with the transition of this responsibility for these accommodation services. Last year a State industrial tribunal awarded workers employed under the social and community services award a 5.5 per cent to 7 per cent wage increase.

Dr Ferguson points out that the financial impact to service providers is greater than this percentage figure. She notes that this has been acknowledged by the State Government in its decision to increase by 14 per cent funding to those disability services covered by the award. Dr Ferguson estimates that the full increase in costs flowing from the wage increases and changes to award conditions is estimated to be between 15 per cent and 18 per cent for service providers. Remember that we are talking about costs faced by charitable organisations which rely heavily upon government funding sources to provide these contracted good works. Dr Ferguson's letter continues:

As Chairman of Hornsby Challenge... I am aware that the failure of the NSW Government to adequately cover the impact of this award will have very grave implications for the service and the people we support. The service is already suffering financially from the impact of implementing the award over the past six months. In the face of a possible full-year deficit on all our services of the order of \$600,000, it will be clearly impossible, and financially irresponsible, for Hornsby Challenge to continue to provide services to the people we currently support.

If the issue is not addressed immediately, it will be impossible for our service to renew our contract with the NSW Department of Ageing, Disability and Home Care when it falls due on 1 July.

That point must never be reached. The services provided by Hornsby Challenge, and similar organisations in other communities, are vital in ensuring that their clients are able to get on with their lives. They also affect the health of others, namely, the parents of clients who understandably worry about their children's prospects at the time when they, the parents, are no longer alive. It is clear that if the service closed, taxpayers would face more substantial costs in trying to provide similar services to the 60 people who rely upon Hornsby Challenge. Dr Ferguson wrote:

I am confident that this department, whose direct services for people with disabilities are clearly already stretched, would find it impossible to extend those services to the hundreds of people with disabilities who currently receive accommodation support from non-government services such as ourselves. The alternative prospect of hundreds of people with disabilities, who are already among the most disadvantaged in the state, suddenly being bereft of their day-to-day support to live in the community is too terrible to contemplate.

This matter requires urgent attention. The Minister for Ageing, Disability and Home Care must act to ensure that the funding that Hornsby Challenge and similar organisations receive is boosted to take account of the increase in award wages paid to those who are employed to provide services to the disabled. Hornsby Challenge should not be penalised for the wage increases awarded by a State Government industrial tribunal.

I am unfortunately aware that, to date, instead of accepting its responsibility and increasing funding, the State Government has preferred to engage in the time-worn game of blaming the Federal Government for the problem. The problem with this approach is that, as well as ignoring the 1993 history of the agreement, it leaves Hornsby Challenge and its clients in limbo. Worse, it threatens the continued viability of an organisation that provides services to people in need for a far lesser cost than if those services were provided directly by government.

I am appalled at the New South Wales Government's current intransigence. I urge it to accept its core responsibility to care for those who are disadvantaged and in need. I urge the Premier, the Treasurer and the Minister to show some compassion and avoid the disaster that would follow if Hornsby Challenge and its ilk are required to close their doors. If the Labor Party of this State wants to score political points, I urge it to do so by demonstrating a real commitment to the disabled in our community and increasing program funding to take account of the increase in wages as a result of the award increase.

It is unacceptable, whether in my community or in the communities of Hornsby, Ryde or other communities across this city, that contracted services for the disabled are in jeopardy because of a wage increase and a political argument between the Federal Government and a State government. Primarily, the losers in this are the clients, but it is also the public of New South Wales, who once again see what a terrible shemozzle the Federal and State constitutions have become and how much more easily Federal and State Ministers can hide behind the vagaries of this day.

AUSTINMER BEACH CLEAN BEACH CHALLENGE AWARD

Mr CAMPBELL (Keira) [5.32 p.m.]: I take this opportunity to congratulate the suburb of Austinmer. Last week, as part of the Keep Australia Beautiful Council's inaugural Clean Beach Challenge, Austinmer Beach, which is located at the northern end of the Keira electorate, was named as the cleanest beach in New South Wales. It is indeed an honour to represent the people of Austinmer, whose work has been acknowledged in such a tremendous way by the Keep Australia Beautiful Council. In presenting the award, the Premier said:

Make no mistake, Austinmer is one of the world's most beautiful beaches.

This is due in equal parts to its natural beauty and the care and dedication of the local community.

The Premier was quite fulsome in his praise of the location. He indicated that he recalled holidaying there as a young person, swimming in the surf and also in the adjoining rock pool. In winning the award, Austinmer Beach was recognised as a great example of a family beach. It was singled out for its access for the elderly and disabled, a community education program focusing on environmental awareness, and a close partnership between the surf lifesaving club and Wollongong City Council. It was a pleasure to be in the company of Tom Ellicott, the President of Austinmer Surf Lifesaving Club, and his wife, and Steve Perkiss, the secretary of the surf lifesaving club, and his partner, at the presentation evening last week. I appreciated the humble way in which Tom Ellicott accepted the award on behalf of the surf lifesaving club and the Austinmer community.

I should like to acknowledge a couple of people who have worked very hard in looking after the beach. Mr Jan Wilton has been a member of Austinmer Surf Lifesaving Club for more than 50 years, and his wife, Elaine, is the only female live member of the club. Austinmer is a little hamlet that is wedged between the ocean and the Illawarra escarpment. At its widest point, the distance between the beach and the escarpment might be only about 500 metres, so it is on a very narrow part of the coast. It is a place with a great sense of community. If time permitted, I would have liked to go through the history of the town. Originally there was a coalmine there. The railway station was opened in 1887. The coalmine closed in 1895. In 1909 the Austinmer Surf Lifesaving Club was formed. Not long after that, dressing sheds were built on the site. In 1912 the *Illawarra Mercury* reported that "handsome villas" had been built, mostly by Sydney people. It seems that things go round in circles. A number of people have recently taken up permanent residence in Austinmer, rather than simply going there for holidays.

In 1918 the Austinmer Progress Association purchased the foreshore land, on which it established a recreation reserve. In 1921 the progress association purchased the beach headland to headland. So the beach that has now been recognised as the inaugural winner of the State's cleanest beach was at one stage privately owned, and the community worked as a team to bring it into public ownership. Subsequently, obviously, ownership of the reserve and beach transferred to local government. That sense of the community working together and purchasing the land and the beach to bring it into public ownership also exemplifies the way in which the community of Austinmer continues to work together today.

The surf club is made up of local community members. It protects people, whether they be locals, the many tourists and day trippers who come to Austinmer Beach, or the local school community. Recently, Austinmer school's parents and citizens association, with the support of a Department of Sport and Recreation capital assistance grant, jointly funded an all-weather basketball and multipurpose court in the school grounds directly opposite the beach, for which it is to be congratulated. Through their joint efforts, the close-knit community of Austinmer, whether they be members of the surf club or not, have continued to look after their local environment and welcome people to the town as holidaymakers, daytrippers and tourists, and I congratulate them all.

Ms NORI (Port Jackson—Minister for Small Business, and Minister for Tourism) [5.37 p.m.]: I thank the honourable member for Keira for his contribution and congratulate him on acknowledging the importance of this award for Austinmer. I also express my envy that he has such a caring and dedicated community that has led to this prestigious award. As Minister for Tourism I am aware that this is an important achievement, not only in environmental terms but in branding the beach and giving people an additional reason for wanting to visit the area. There is nothing more precious than a brand that says: "This is the cleanest beach in the State." I congratulate all the locals, the surf lifesaving club, and everyone else who has been involved in making sure that the beach has been maintained in a condition that has allowed it to win this prestigious award.

RURAL DOCTORS SUMMIT

Mr CULL (Tamworth) [5.38 p.m.]: I wish to convey to the House the results of the Rural Doctors Summit held in Tamworth on 18 and 19 April. Firstly, I commend the Tamworth City Council for organising the summit. A great deal of organisation went into the event, with some 220 delegates attending. In particular, I acknowledge the efforts of Mr Warren Woodley and the original working committee, which was formed to investigate the establishment of a 24-hour medical centre in Tamworth. As the committee soon discovered, the real problem in establishing a 24-hour medical centre was the lack of rural doctors. The need to attract doctors into rural and regional areas then became the major priority.

The disappointing aspect of the rural doctors summit was the lack of support from the members of Country Labor. Where were they? The shortage of rural doctors and specialists is one of the major concerns throughout country areas. The National Party has identified the shortage as a primary matter of concern, yet Country Labor failed to acknowledge its importance and did not participate in the summit. So much for its support for rural New South Wales.

I find it difficult to believe that one of the reasons we cannot attract general practitioners and specialists to rural areas is lifestyle. Tamworth is typical of many country cities and towns bursting with opportunities and unique experiences that are not available in major cities. Country areas provide a wonderful environment to raise families; they provide a lifestyle that city people can only dream of. To find a solution to the shortage of doctors, first of all we need to recognise the problems and, in doing so, we have to accept that the blanket policy being administered across New South Wales is not working. There are barriers to country practices that are blocking or dissuading doctors from locating to rural areas. These barriers are often a result of internal politics within the medical hierarchy.

There is a definite divide between the needs of city doctors and the situation in rural areas. The blanket policies that have been applied by the city-based medical organisations are no longer working and fail to recognise the special needs of rural areas. Rural areas need special attention and policy implementation to address shortages. Clearer strategies need to be formulated to provide guidance. There needs to be greater understanding of professional isolation and the need for doctors to be able to participate in extension courses and further training. Access to locums then becomes an integral part of this process.

The challenge we had to resolve during the summit was how to encourage these city doctors into rural areas. Throughout the summit we also needed to clearly identify the areas of support that doctors and their

families require, whether it is access to training, research or professional support. Consultation between local communities and the New South Wales Government is strained. A survey by the medical staff council in northern New South Wales indicated that doctors were frustrated by the lack of meaningful consultation with the New South Wales Labor Government. It is now common practice for medical staff councils not to have any working knowledge of the budget for the hospital in which they are working.

The National Party has indicated that it will bring back local hospital boards and establish a rural health directorate, which will give local communities direct access to and greater representation within their local health areas. Governments have a responsibility to provide the infrastructure to allow doctors the ability to conduct their business in an efficient manner. This includes the provision of associated services such as adequate hospital facilities, access to research facilities, transport and accommodation. I commend the initiatives of the Federal Government in providing rural scholarships to attract rural students into medicine and associated careers. Research has shown that if medical students are exposed to rural experience in their final year they are three times more likely to choose a rural practice. The establishment of the Tamworth rural training unit provides an excellent opportunity for interns to be trained in rural areas.

Given the desperate lack of doctors that now exists in rural Australia, we all have a responsibility to find a solution. We need to work in partnership and acknowledge that the needs of rural New South Wales require special attention and new policy decisions. The conference heard from many medical professionals and interested parties throughout New South Wales. Many resolutions and ideas came from the summit. Three subcommittees were formed, with Ian Sinclair chairing the committees. There was one on lifestyle, one on education and one on government issues. The steering committees will meet on 3 June in Tamworth to consider the various resolutions. The recommendations will then be delivered to interested parties.

SOLDIERS POINT-SALAMANDER BAY TIDY TOWNS AWARD

Mr BARTLETT (Port Stephens) [5.43 p.m.]: Commitment, co-operation, contribution and capability were the words that Judge Dick Olesinski used in Hobart on 20 April when he announced that the Soldiers Point-Salamander Bay Tidy Towns Committee was the national winner of the Tidy Towns Award for last year. I add my congratulations and say how proud I am of the Soldiers Point-Salamander Bay Tidy Towns Committee for winning this award. I know how hard the committee worked. Winning this national award allows the committee the opportunity to showcase the Port Stephens area not only to the nation but also to the international community. Some 1,700 towns throughout Australia participated in the event.

As national award winner the town will be displayed in a national billboard campaign around Australia worth \$400,000 to \$500,000. With some amazing dolphin shots and with a bright blue background, the billboard is eye-catching, and will be going up all over Australia. The billboard will have the caption "Families Love Soldiers Point/Salamander Bay—Australia's Tidiest Town". The committee also won an award for its biodiversity work in the native bushland surrounding the wetland areas of Mambo Creek, a 170-hectare wetland. Areas of excellence were noted in revegetation and regeneration; litter control; wildlife habitat enhancement; weed reduction; recycling, with the Refused and Reused Recycling Centre, which diverts material from landfill; bird monitoring; and Streamwatch, with the local schools, Tomaree High School and Soldiers Point Public School.

I would like to briefly mention the members of the Soldiers Point-Salamander Bay Tidy Towns Committee and Landcare group. There is Sandra Ball, Simon Brooke, John Christiaans, Frank Cutting, John and Joan Eckersley, Neville and Roma Gardner, Lindsay Harvey, Walter and Margaret Lamond, Beverley Lee, Wallace and Eileen McLeod, Mervyn McIntyre, Patrick and Connie O'Rourke, Marcia and Don Pirie and David Sams. The councillors involved from Port Stephens were Brian Watson Wills and John Nell. The council staff member was Geoff Dann, and volunteers included Judy and Eddie Ball, Sue Sams, Marlene Brooke, Roy Hughes, Ian Diemar, as well as volunteers from the Refused and Reused Community Recycling Centre and the Mambo Wanda 355B Committee. That group has done an excellent job in promoting Port Stephens not only to the nation but also internationally.

The committee has been invited by the Keep Australia Beautiful Council to enter the international United Nations in Bloom project, the first Australian entry. The objects of the Nations in Bloom project are to encourage exemplary environmental management as a means of improving the quality of life of all citizens and to encourage others to achieve high standards. If we are successful, it will mean an increased international profile for the communities of Port Stephens and Soldiers Point-Salamander Bay, and a chance to learn from others across the five continents of the world. The Soldiers Point-Salamander Bay area has the pleasure of hosting the New South Wales presentation award weekend on the 1, 2 and 3 November. I invite every member of Parliament to attend this function so that they can see what is going on in the Port Stephens area.

Community involvement is a large part of Tidy Towns projects and the winning of awards. I should like to quickly run through the groups involved in those projects. These include the Soldiers Point Lions Club, Soldiers Point-Salamander Bay Taylors Beach precinct, the Soldiers Point-Salamander Bay Parks and Halls Committee, the Mambo Wanda Wetlands Committee, the Salamander Shores Motel, Soldiers Point Bowling Club, Port Stephens council staff and councillors, the Worimi Aborigines, community workers, recycling volunteers, who did a marvellous job at the recycling centre, the Ngioka Disabled Centre, Woolworths supermarket, Bi-Lo, the Grapevine Fruit Barn, Brumbies Bread Shop, Soldiers Point school, Tomaree Education Centre and the Soldiers Point-Salamander Bay residents. To one and all I say, "Well done, I am so proud of you."

Ms NORI (Port Jackson—Minister for Small Business, and Minister for Tourism) [5.48 p.m.]: I am pleased to make a few comments on the contribution of the honourable member. Port Stephens is important to the New South Wales tourism industry. I say the same about Port Stephens as I said earlier about the win by Austinmer Beach as the cleanest beach in the State. This win will create more visibility and a bigger profile for Port Stephens. It will add to the reputation of Soldiers Point, in particular, for cleanliness, environmental friendliness and for being a tidy town. A dollar value cannot be put on such a priceless accolade. It makes me feel good to say that as of tomorrow a \$40,000 campaign on radio and in print will exhort Sydneysiders to get in their cars and go to Port Stephens.

I am pleased that we are running that campaign at a time when Port Stephens is aware of its status under the Tidy Towns project. We all know that Port Stephens is a great place in summer. Many people, including me, make their way to Port Stephens in summer. The good thing about this campaign is that we are trying to get people to visit Port Stephens during the cooler months, which tend to be a bit of a low season in the tourism industry generally on the coast. Well done, Port Stephens! Well done, Soldiers Point! Indeed, I always stay at Soldiers Point, right on the point in a block of flats. I hope that the campaign that will start tomorrow in print and on radio will add to the tourism benefits so richly deserved by Port Stephens.

M2 NOISE BARRIERS

Mr MERTON (Baulkham Hills) [5.50 p.m.]: I have raised concerns in this House on a number of occasions on behalf of constituents who continue to suffer from excessive noise emissions from traffic travelling along the M2. The last time I spoke on this matter was in October last year on behalf of Mr P. C. Reid of Petrina Crescent, Baulkham Hills. As a result of this action, correspondence was received from the Parliamentary Secretary for Roads, the honourable member for Cabramatta, dated 15 November 2001 which stated that the traffic noise emissions did not exceed the criteria set for this section of the motorway. A copy of this response was forwarded to Mr Reid, who in turn replied that he felt that the Parliamentary Secretary was not quite on the ball with her reply.

Mr Reid advised my office that he had a copy of the readings taken from his residence 12 months ago, and that the noise levels measured were certainly higher than the criteria. He described the traffic noise as similar to leaving a vacuum cleaner on all night when one is trying to sleep. I wrote again to the Minister for Roads on 3 December 2001 advising that Mr Reid disputed the Roads and Traffic Authority figures as outlined in the response from the Parliamentary Secretary. On 6 March I finally received another response, again from the Parliamentary Secretary, in which she admitted that the previous advice was incorrect and that the oversight was regretted.

However, the Parliamentary Secretary went on to say that the correct noise level still did not exceed the criteria set for this section of the motorway and that further noise monitoring is not considered warranted at this stage. I point out that these residents are not asking for a great deal. All they want is to have a section of the noise barriers raised to minimise the traffic noise. The existing noise barriers along the section of the motorway are of an uneven height. The residents are simply asking for the walls to be adjusted. Each reply that comes from the Parliamentary Secretary has indicated that there are no plans for the height of the walls to be altered at this stage. Yet I am consistently approached by residents who believe that such action is essential now. We all know that things will never be cheaper to build than they are at present. Surely in the great scheme of things it is not too much to ask to have the height of these noise barriers adjusted to meet the needs of the residents.

It is true that the M2 has been a tremendous success, and it is a wonderful asset for the people living in north-western Sydney. The M2 has transformed travel from Sydney to north-western Sydney. However, the residents who live adjacent to the M2 are paying the price for the noise. The most aggravating thing of all is that the noise problem can be overcome. If the Government was fair dinkum about remediating the situation and giving these residents relief from the noise occasioned by the M2, steps would be taken simply to adjust the barriers to make them a uniform height so that the noise does not disturb the residents.

The description given by my constituent Mr Reid that the noise is like sleeping all night with a vacuum cleaner on is apt. As a resident, Mr Reid should not have to endure this situation. Of course, many other constituents who live in the area are in a similar situation. Night after night they are subjected to this noise, which is causing them distress. One can only understand the problems it causes within households—the aggravation, the distress and the dilemma occasioned by this constant hum night in and night out, throughout the whole night. Yet the Government and the Minister have the power to do something about it. I implore the Minister: take note of the situation and have some understanding. Empathise with these people who, through no fault of their own, live alongside the M2. They accept that situation but they need, and are entitled to, relief from the constant noise that is disturbing them. This vacuum cleaner type noise emission must be abated. The Minister has the power to do that, and I ask him to do it. [*Time expired.*]

LAKECOAL PTY LTD COAL HAULAGE OPERATIONS

Mr GAUDRY (Newcastle—Parliamentary Secretary) [5.55 p.m.]: On 10 April I spoke in this House about the purchase by LakeCoal Pty Ltd of the Catherine Hill Bay, Wallarah and Chain Valley Bay coalmines and its determination to move the coal from those operations via road through the Lake Macquarie and Newcastle suburbs to the Port Waratah Coal Services' coal loader at Carrington. On that day the Minister Assisting the Premier on Hunter Development made it clear that he would oppose, as I do, a change from transporting that coal on the motor vessel *Wallaharah*, which historically has carried coal from Catherine Hill Bay to Newcastle.

Since that time the communities of Newcastle and Lake Macquarie have been absolutely outraged by the concept of going back 20 to 25 years with the idea of returning coal haulage to the roads. It has been a well accepted compact within our community that the Hunter Valley coal export industry co-exists with the regional community. They manage their relationship in an acceptable way, including a commitment to transport coal by rail, that is, a dedication that rail will be used for the transport of coal in almost all cases, except from the mine to the railhead. That has been the case for these Lake Macquarie mines, although the community accepts that at peak times or at times when the ship cannot carry its full capacity or the weather means the ship cannot run at all, coal will also be transported by road. However, this is a total move away from that.

Since that time the Newcastle community has made it clear that it opposes the proposal. Certainly, Lake Macquarie City Council and Newcastle City Council say no. The local mayors are very clear on that. The members representing the areas affected, the honourable member for Lake Macquarie, the honourable member for Swansea, the honourable member for Wallsend, the honourable member for Charlestown and I, have clearly said that this is not acceptable. LakeCoal needs to go back to the drawing board. It needs to come to terms with the fact that the community will refuse to accept the environmental, social and safety costs of this transport while LakeCoal takes the cheap option.

As has been clearly said before in this House, either the coal should continue to be moved by using the *Wallaharah* or another ship, or a system of getting the coal on to rail should be worked out. There is potential for that to occur at Vales Point. We know that LakeCoal intends to close Moonie colliery and the preparation plant within weeks; when that occurs LakeCoal will only operate Chain Valley colliery for export trade. The company has said that it will operate in such a way that only a small number of trucks will be used to transport the coal using two, three or four transport routes. It also hopes to work out an agreement with Port Waratah Coal Services that will enable it to build a stockpile over time and, therefore, reduce the number of truck movements on the roads.

That does not seem to be a practical approach in any way. There is no doubt that if the company operates in the spot market or in a market for unwashed blended coal, at some time in the future there will be the same approach as there has been in the past, that is, large numbers of empty trucks hurrying out to the coal plant for the 6 o'clock start, rushing as fast as possible to the unloading point and then returning to take the next load. That type of movement is totally unacceptable to the people in my community and to any of the other communities in the lower Hunter area. I say to LakeCoal Pty Ltd that we will continue to say "No" to this form of haulage. We will certainly give careful consideration to its development consent and its change in operations. We will also look carefully at the sensitive coastal land that it now owns with Rosecorp, a Sydney firm, and continue to say that this should not go ahead. [*Time expired.*]

Mr FACE (Charlestown—Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development) [6.00 p.m.]: I support what the honourable member for Newcastle has said. This will not be the last speech made about LakeCoal Pty Ltd and the haulage of its coal by road. It is environmental

vandalism. It appears that LakeCoal Pty Ltd, which was previously known as Parramatta Holdings—and I am investigating whether that was a land company—has made a bad commercial decision. As a consequence of the company deciding not to buy the *MV Wallarah* the roads in my electorate and the electorates of Newcastle and Swansea will have to carry an unbelievable number of coal trucks. The company is talking about bringing the trucks down the F3 as an alternative. Honourable members know that one can only travel towards Sydney from that point on the F3 and the Pacific Highway. The coal trucks will have to go down the old road from Doyalson, through the electorate of the honourable member for Wyong and then into the electorate of the honourable member for Wallsend.

In all, five electorates are now involved. The electorate of the honourable member for Lake Macquarie will not be affected a great deal because the trucks will travel on the F3. I have grave concerns about what will result from hauling coal in this way. The company might claim that the Government will not let it haul the coal by road, we have caused unemployment and, therefore, it has bought a pig in a poke because it cannot operate. But it is all about the development of land that straddles the local government areas electorates of Lake Macquarie and Wyong and the potential returns for the company from future development of this fragile land. I now have an overview of this matter from an expert source. I have read the six-page document, which I will circulate to my colleagues and to some government agencies. It makes interesting reading. I assure honourable members that they have not heard the last about this matter. [*Time expired.*]

BYRON BAY TOURISM

Mr D. L. PAGE (Ballina) [6.02 p.m.]: I want to raise the general issue of the pressure that is placed on people and the facilities in the popular tourist destination of Byron Bay, which is in my electorate. I am pleased that the Minister for Tourism is in the Chamber. Everyone knows that the beaches and landscape around Byron Bay are simply magnificent. During the past 10 years in particular Byron Bay has become a significant international destination, especially for backpackers. More recently it has also become extremely popular with younger Australians from the capital cities and beyond, some of whom seem to think that anything goes in Byron Bay. Whilst tourism is the economic lifeblood of Byron, and tourists generally are most welcome, if the amenity of Byron for locals and the atmosphere of Byron which attracts tourists in such large numbers are not preserved it will end up being neither attractive for locals or tourists.

To give the House some idea of the dimension to the problem, the permanent population of Byron Bay is approximately 9,000 people. Byron Bay, however, plays host to well over one million visitors a year. Some people in Byron Bay feel that the town has become too popular for its own good. Indeed, some longstanding locals have even moved out permanently, whilst others choose to move out temporarily in peak times, leasing their homes for huge rents and often leaving their neighbours in residential areas with noise problems. It appears that the problems brought about by leasing private residences at huge rents for short periods are not easily solved. It seems that our legislative framework is deficient in that whilst it provides rules for tenants who stay in leased accommodation which is let via real estate agents, when it comes to private residents letting their own homes for a week, or perhaps a month, at peak times, no rules apply, except for the general rule that relates to noise pollution.

The noise pollution laws are problematic in so far as warnings often have to be given before action can be taken and, when tenants are short-term, action is impractical to implement. In other words, often houses are being leased in residential areas to people who want to party all night and sleep all day. They disturb the amenity of the local residents, particularly at night, and there appears to be little, if anything, that can be done. Another problem is the impact the huge number of tourists is having on traffic congestion and traffic delays in a town where all through traffic has to pass through one roundabout in Johnson Street. For years there has been talk about a town bypass, and more recently a mini bypass, which I understand would ease the amount traffic passing through the Johnson Street roundabout by about 40 per cent. Unfortunately, the council has insufficient money to fund what is a local project.

Last week I was pleased to arrange a meeting between the shadow Minister for Roads, the honourable member for Myall Lakes, and the General Manager of Byron Shire Council, Robyn Read, and her Infrastructure Manager, Jeff Smith. The shadow Minister and I advised the council that the Coalition roads policy specifically recognises the plight of tourist hot spots like Byron Bay. The Coalition has created a new category of State-funded road which would make a project like the Byron bypass eligible to attract State funding. That has hitherto been unavailable because the bypass has always been considered a local road and, therefore, the exclusive responsibility of the local council. I believe the Coalition's policy is an enlightened one because it recognises that a community with a small population, and therefore a small rate base—in the case of Byron some \$7.3 million a year only for the whole of shire—which hosts one million tourists a year is deserving of some special assistance ahead of a community of similar size which hosts no tourists.

Another problem is that the sewerage system at Byron cannot cope with the demand on it. Some progress at last is being made on this front, but overloads are not uncommon. Water consumption is up, sewerage loads are up and it is doubtful that the upgraded sewerage plant at west Byron, which is due to come on line in 2004, will provide more than temporary respite. Looking to the near future, with a dual carriageway linking the Gold Coast and Brisbane directly to Byron Bay, tourist numbers are expected to increase further as Byron becomes an easily accessible magnet for more of our Queensland visitors. On the positive side, council has commissioned a tourism plan to be developed for Byron Bay specifically, and the voice of the local community is being heard more than in the past. The locals are fighting back.

A recent public meeting of residents looked at ways of bringing under control the worse excesses of backpacker and other visitor behaviour—namely public drunkenness, using the streets as toilets, loud all night parties and overcrowded houses. Whilst I do not have all the answers, I believe that certain key matters need to be addressed. The Byron tourism plan needs to be developed to address all the key issues. It must include strategies for protecting the amenity and the beauty of Byron Bay for locals and tourists alike. That could also involve State legislation to cover short-term rental arrangements for housing in residential areas being used for tourist accommodation. [*Time expired.*]

Ms NORI (Port Jackson—Minister for Small Business, and Minister for Tourism) [6.07 p.m.]: The honourable member for Ballina referred to the proposal by Byron council to undertake a study. The council has asked Tourism New South Wales to provide a grant of \$20,000 to conduct the study. That has been done. A consultant has been engaged for the project and the aim is to develop a strategy for sustainable management of tourism in Byron Bay. The strategy will focus on what the council can do to better manage the benefits and impacts of tourism in Byron Bay. Whilst I understand the concerns of councils, certain issues need to be addressed. As the honourable member said, Byron Bay has become, and will continue to be—nothing will turn back the clock—one of the most popular destinations in this State and, indeed, the whole country.

Whilst the local community is concerned about things such as the behaviour of people in Byron Bay, and whilst I understand that view and have a lot of sympathy for it, to a point we must balance that argument with the fact that tourism provides a lot of jobs in the area. The community must understand that. Of course, it is all about finding ways to manage sustainable tourism development in Byron Bay. I remind the House that tourism generates \$204 million a year and more than a thousand direct jobs for the Byron shire. Tourism employs more people in the Byron shire than does agriculture. My observation is that the local council has not helped itself in this regard. It has not necessarily addressed the issue of tourism in a way that it might have. With respect, some of its behaviour leaves a lot to be desired. [*Time expired.*]

WOLLOTUKA SCHOOL OF ABORIGINAL STUDIES

Mr MILLS (Wallsend) [6.09 p.m.]: I was honoured to be invited to and to attend last Thursday the annual graduation and scholarships presentations at the Wollotuka School of Aboriginal Studies at the University of Newcastle. This was the tenth such presentation ceremony at Wollotuka, which was originally described as the Aboriginal Educational Enclave at the University of Newcastle. At the first Wollotuka ceremony an honorary doctorate was awarded to the respected elder Uncle Lenny de Silva. Last Thursday Uncle Ken McBride, who himself is a graduate of the University of Newcastle, gave us a welcome to the country of the Awabakal people.

The master of ceremonies was John Heath, also a graduate of the University of Newcastle in 1975, who described himself as the first student on Abstudy to graduate from the University of Newcastle. The ceremony took place at the new Aboriginal and Torres Strait Islander Centre on the University Ring Road, to be called Biraban. That is in the electorate of my colleague the honourable member for Newcastle, who, I hope, as Parliamentary Secretary, will respond to my statement. The guests of honour included Professor John Lester, Professor of Aboriginal Studies and Director of the Umuliko Higher Education Research Centre; Professor Brian English, Deputy Vice-Chancellor; and Professor Terry Lovatt, Pro Vice-Chancellor and head of the faculty of Education and Arts. At the conclusion of the ceremony we were entertained with a performance by the Awabakal Dance Group, led by Raymond Kelly. I commend the Hitchhiker dance sequence to anyone who has the chance to see it.

The first of the scholarship presentations were the Loiki (Eddie) Mabo Trust Fund Scholarship. These were presented by Professor Margaret McMillan, Deputy Executive Dean of the Faculty of Health. This private donor scholarship is worth \$5,000 annually, and it can be extended on to undergraduate studies. They were for the Aboriginal enabling course, at the end of which students may proceed to the undergraduate courses at the

university. Presentation scholarships were awarded to Alanie James and Mary-Anne Matthews. The Engineering Aid Undergraduate Scholarship, funded by the faculty of engineering and the built environment at the university, was presented by Professor Neil Page of the faculty of Engineering. Those two scholarships went to Aaron Carle and Michael O'Loughlin. The Ken Brindle Scholarship—funded by the Aboriginal Education Council of New South Wales—was presented by Auntie Gloria Galvin, formerly on the staff of Wollotuka. It was awarded to Shannon Ping, who is undertaking a course for bachelor of teaching/bachelor of arts.

This year there were seven Jack Doherty Undergraduate Scholarships. They are funded by local community donations organised by the Newcastle Aboriginal Support Group. This is the tenth year of the presentation of these scholarships. The number of scholarships was expanded from five to seven this year following the generous donation of an anonymous donor. These scholarships help students to finish their undergraduate courses. They were presented this year by Jean Talbot of the Aboriginal Support Group. Four scholarships went to students in the bachelor of medicine course: Beth Campbell, Sarah Gibbons, Keith Gleeson and Nino Scuderi. Scholarships were presented also to Charles O'Leary, who is doing a course in bachelor of Aboriginal studies; Aaron Stevens, who is doing a course in bachelor of teaching/bachelor of physical education; and Rebecca Webb, who is doing a course for bachelor of Aboriginal studies.

Certificates were presented to graduates of the university for 2002. These were presented by Uncle Ken McBride. The certificate in bachelor of Aboriginal studies was presented to Samantha Ward; for bachelor of arts to Sheree Foley and Tara Mallie; for bachelor of fine arts, with honours, to Lucy Kelly; for bachelor of teaching/bachelor of arts to Kristy Pascoe; for bachelor of commerce to Damien Foley, Maree Lynch and Sarah Skehan; for bachelor of medicine to Angela Jillamen and Allison Lavelle; and for master of special education to Melissa Kirby.

In his speech, Professor Brian English, Deputy Vice-Chancellor, indicated that equal opportunity for Aboriginal people is strongly supported at the University of Newcastle. A major committee is being established to oversee Aboriginal education at the university. From the early days of Aboriginal studies in a room underneath a staircase, we have now moved to a situation where more than half of the Aboriginal doctors in Australia are graduates of the University of Newcastle medical school. Aboriginal students are regularly graduating in education and nursing. They are succeeding in all professional courses.

There is an Aboriginal professor of nursing and an Aboriginal associate professor. So, as Professor English pointed out, there is at least statistical justice for Aboriginal people. Some 3 per cent of the university staff are Aboriginal. He acknowledged the tremendous contribution of Aboriginal people, especially the local community, to education and to the life of the university of Newcastle. I join with others in congratulating all students who won scholarships and graduated from the University of Newcastle. *[Time expired.]*

Mr GAUDRY (Newcastle—Parliamentary Secretary) [6.14 p.m.]: I also had the honour to join my colleague at the graduation ceremony. It is important to be aware of the purposes statement of Wollotuka. I read from the program:

For the Aboriginal and Torres Strait Islander generations of the past, present and future, Wollotuka strives to empower through knowledge.

Knowledge will ensure that Aboriginal and Torres Strait Islander people maintain cultural practices and values, and links with the land.

Education will enable us to nurture and facilitate respect for our traditions which is the strength of our people and the land.

This is the foundation of our Involvement in Higher Education.

No greater example could have been given than that of John Heath in presenting Samantha Ward with a certificate in bachelor of Aboriginal studies. John pointed out that a decade ago, when he worked in the TAFE system, he had Samantha as a student who had experienced learning difficulties with both reading and writing. She has made the transition through our education system since that time to graduate as a bachelor of Aboriginal studies from the University of Newcastle, nurtured and supported by Wollotuka and the caring approach of those who work there, both from the Aboriginal and non Aboriginal communities.

Biraban, this new and magnificent building only recently occupied, has the totem of the local Awabakal Aboriginal community. The building is shaped like an eaglehawk. There is wonderful public open space on the north side. The first thing you see when you enter the building is the fireplace and hearth in the rich ochre colours. It is a wonderful meeting place for students, members of the Aboriginal community and members of the wider community that develops our sense of reconciliation and the development of education for the Aboriginal and Torres Strait Islander peoples. *[Time expired.]*

MURRAY FARM PUBLIC SCHOOL

Mr RICHARDSON (The Hills) [6.16 p.m.]: Murray Farm Public School, Carlingford, is the biggest primary school in my electorate. Enrolments have been growing—they are up 35 this year to 885—even though the catchment area is ageing. Murray Farm is a great public school. It is recognised for its academic achievement, for its tremendous school spirit, and for the depth and variety of the range of programs on offer. In the early 1970s, when the suburb of Carlingford was in its infancy, the school reached a maximum of 1,200 pupils. But even at its current size it is as big as, or bigger than, many high schools, and it is well up on the 700 pupils who were enrolled when I was first elected in 1993. The school parents and citizens association raises tens of thousands of dollars a year through functions such as its fireworks display—famous throughout north-western Sydney—and its arts and crafts show. The latter is a showcase for talented musicians from the school; there is an orchestra, a choir and a string ensemble full of budding soloists.

Interestingly, Murray Farm Public School is the most multicultural primary school in my electorate. Fifty-five per cent of the students come from non-English-speaking backgrounds. Despite this, the school's results in the Basic Skills Tests are outstanding. In year 5, 67 per cent of students were in the top band for numeracy—almost three times the State average of 23 per cent. No students were in the bottom two bands. In literacy, 80 per cent were in the top two bands. These are the best Basic Skills Tests results in the Hornsby district, which in turn enjoys the best Basic Skills Tests results of any district in the State. That makes Murray Farm bidding to be the best school academically in the State.

Last year the school entered four students in the University of New South Wales competitions. Three of them obtained the top scores in the State: Ellie Sparke in computers, Raymond Mak in science and Jenny Lu in maths. It is always a pleasure for me to visit the school, for whatever reason. The students are bright, they are unfailingly polite, and they want to learn. I can remember when I was at school stretching my hand skywards, aching to answer questions asked by the teacher. These children are exactly the same, as I discovered to my delight when I conducted civics classes about State Parliament for years 5 and 6. Given the quality of the school, the dedication of its staff and the enthusiasm of parents, it is more than a little remiss of the Department of Education and Training that over the past 33 years it has not seen fit to build an assembly hall that is capable of accommodating the whole school.

Currently the school makes do with a demountable food servery which has been converted to a hall by members of the hardworking parents and citizens association, who have also provided the stage and airconditioning. The building is only big enough to hold students from two years at the same time, so the kindergarten children and students in year 1 and 2 cannot see what the big kids in years 5 and 6 are capable of, and they do not know what will be expected of them when they reach that stage. The school's Education Week concert had to be held in the shade cloth area; fortunately, the weather was fine. Parents often are not invited to these activities because of the difficulty of having to notify them if it rains or if inclement weather threatens. Gymnastics and dance groups have to perform on asphalt. Nureyev would not have submitted himself to such an indignity—but perhaps Graeme Murphy might have.

The school's speech night is held at Carlingford High School and the year 6 farewell is held at the Don Moore community centre in North Rocks. Both venues are a considerable distance from the school. Whenever outside groups come to perform, such as Musica Viva or Aboriginal dance groups, they have to put on three performances—one for the kindergarten children and students in years 1 and 2, one for students in years 3 and 4, and one for students in years 5 and 6. There is no safe, permanent storage area where the band and the string ensemble may stow their instruments, and that is a serious concern for the school, the students and their parents. The situation is obviously less than satisfactory. How much would it cost to fix it? I am told that approximately \$700,000 is the cost of a hall plus an outdoor covered learning area that would be capable of accommodating the whole school at the one time.

The hardworking parents and citizens association is led this year by Geoff Runge, and the members of the association believe they can raise \$400,000 within three years towards meeting the cost of the hall. The sum of \$133,000 a year will be raised by the school community through a range of fundraising activities, not just those that I have outlined. The members of the parents and citizens association believe in public education and in the standards that have been set by the school, and they want the very best for their children. They are hoping that the Department of Education and Training will provide the remaining \$300,000. That proposition sounds like a bargain to me. Murray Farm Public School should be nurtured. It is a jewel in the crown of public education. It is absolutely at the apogee of public education in this State. I ask the Minister for Education and Training to accede to the parents and citizens association's request and guarantee the provision of that \$300,000 and to indicate the time frame within which the funds will be provided.

SMALL BUSINESS MONTH

Mr BARR (Manly) [6.21 p.m.]: I wish to inform the House of a very important business component in our society, namely, small business. On 1 May I spent half a day working in the Manly Bargain Centre as part of the Pollies for Small Business Day, which was organised by the Manly Chamber of Commerce. I thank Jenni Burgess of the chamber for her hard work in organising this event. The activity was one of the first events to mark May 2002 as Small Business Month—an event which is organised by the State Chamber of Commerce.

Ms Nori: Small Business Month is run by the Government, actually.

Mr BARR: Yes, and I am also pleased to note that, appropriately, the Minister for Small Business is present in the Chamber. On the following day I worked at Neil's Guitars N Amps, and during my short stint there Neil explained to me the difficulties that he has experienced in dealing with aspects of the Pawnbrokers and Second-hand Dealers Act. One of the issues among people who run small businesses is the bureaucratic requirements that they have to put up with from time to time.

Approximately 3.2 million people are engaged in small businesses across the country. In excess of 30 per cent of the total wages paid by industry are paid by small businesses. It is an enormously important sector. Sixty per cent or more of the people who live in the northern beaches area also work in that area, many of them in small businesses. Small businesses are vitally important, not just for economic reasons but for social reasons, including the whole concept of making liveable and sustainable cities a reality. If people can work in close proximity to where they live, their quality of life is improved overall.

The Manly Chamber of Commerce informs me that there are approximately 1,700 businesses of all sizes in the Manly area. There are also many small businesses in areas farther north such as Brookvale, which boasts lots of light industries, including surfboard manufacturing and other activities. Approximately 80 per cent of jobs that are created in the northern beaches area are held by local people and that is possible only because of the success of small businesses. The very low unemployment rate in the area—it is usually approximately 3 per cent, but it may be a bit higher—is due largely to the success of small business in the area.

When people think of small businesses, they tend to think of cafes and restaurants, backpacker hostels, surfing instruction schools and other hospitality-type operators, but figures provided by the Manly Chamber of Commerce show that only 20 per cent of small businesses are engaged in hospitality and that 80 per cent offer some other type of professional service. There is a huge number of less visible businesses of all types in the Manly area, including small firms of architects, graphic designers and specialty publishers. The small business people add dynamism and texture to local business communities.

North of Manly, the recently revamped Harbord Chamber of Commerce, under the leadership of Frank Minnici, has been considering ways of improving the Harbord shopping area. A critical ingredient in revitalising shopping centres is being able to prevent local shopping enterprises being monopolised by shopping malls. It is important that every main street is given sufficient help and support to attract people to their smaller shopping centres and to encourage people to spend money in those shopping centres, thereby retaining the vitality of local areas; otherwise we will end up with decaying local shopping areas and expanding shopping malls.

Although shopping malls have their place, I think it is important to retain the vitality of local shopping areas. That is why I was very pleased to be able to work at the Manly Bargain Centre, which is one of the fixtures along the Corso. It is a well-known enterprise and is slightly bigger than some other shops. It plays a role in maintaining diversity and in keeping people interested in visiting Manly to spend money and generate more employment. Many shopkeepers engage in a form of creativity in the types of shops they develop and in the way they stock the shops with their merchandise. They live and breathe their endeavours, and I think members of this House should appreciate what they do.

Ms NORI (Port Jackson—Minister for Small Business, and Minister for Tourism) [6.26 p.m.]: It is possible that the honourable member for Manly accidentally misrepresented the position when in the early part of his contribution he referred to Small Business Month being organised by the State Chamber of Commerce.

Mr Barr: It is the State Government.

Ms NORI: As the honourable member says, it is organised by the State Government, and I am somewhat territorial about these matters. In Small Business Month, more than 400 events are held across New

South Wales and most of them are held in regional New South Wales. This year there were 50 more events than were held last year, and literally thousands of people participated. As the honourable member for Manly said, Small Business Month was launched last week, when Pollies for Small Business Day was held. We are coming up to the end of the first week and I congratulate the 50 politicians, including the honourable member for Manly, from all levels of government in this State who have been engaged in activities that are similar to those described by the honourable member. During the week I worked at the Hero Frock Hire at the Canal Road film and television precinct in my electorate.

Mr Barr: Is that a shoe shop?

Ms NORI: It is not a shoe shop. It is far more important than that, and is actually quite an interesting establishment. The shop hires authentic and period costume, clothing and accessories for the film and television industry. It was fun to have a stickybeak at all the old costumes and clothing but it was also great to hear about the history of garments that were used in *The Getting of Wisdom*, or during the production of *Changi*. Aside from the hands-on experience of actually working in the establishment, it was far more important for me to be able to sit down with the two proprietors and listen to their explanation of its role, how it fits into the film and television industry, and how complex and expensive the business is. I just hope that the 50 or so politicians understand one thing: just how hard it is to run a small business.

There are lots of things that can be done to help small business operators, but there is one thing that cannot fundamentally be overcome, namely, that by definition a small business is small, and no matter how much help small business operators are given, they will always have to do everything themselves. They do not have the advantages of a large corporate enterprise. I congratulate everyone who has participated in Small Business Month and I look forward to the outcome of Small Business Month 2002.

Private members' statements noted.

BILLS RETURNED

The following bills were returned from the Legislative Council without amendment:

Coal Industry Amendment (Validation) Bill
Criminal Procedure Amendment (Sexual Assault Communications Privilege) Bill

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

Environment Protection Legislation Amendment Bill
Racing Legislation Amendment (Bookmakers) Bill

Consideration of amendments deferred.

[Mr Acting-Speaker (Mr Lynch) left the chair at 6.31 p.m. The House resumed at 7.30 p.m.]

AGL CORPORATE CONVERSION BILL

Second Reading

Debate resumed from 9 April.

Ms HODGKINSON (Burrinjuck) [7.30 p.m.]: The Opposition is pleased to support the AGL Corporate Conversion Bill, which is an important step in the transition of the Australian Gas Light Company [AGL] and makes some changes to the structure of AGL that will set the company on an equal footing with many other major Australian companies. As the Minister stated during his second reading of the bill, AGL has grown from its formation in 1837 to become a major Australian company with operations across mainland Australia and offshore. An extract from AGL's corporate profile on its web site states:

AGL was Australia's first energy distribution and marketing company to include natural gas, LPG and electricity in its energy portfolio. In partnership with some of the world's biggest companies, AGL has acquired assets which have strengthened its position as an energy market leader. AGL is one of the few Australian companies able to provide the infrastructure distribution, marketing expertise and experience required to service a diverse customer base with all three main sources of energy—natural gas, electricity and LPG.

The purpose of this legislation is to convert AGL to a body corporate under New South Wales law. It will establish AGL under a modern corporate structure and also allow the company to be registered as a public

company limited by shares under the Commonwealth Corporations Act. The bill will also amend the Gas Industry Restructuring Act 1996 to remove the 5 per cent shareholding limit currently in place on AGL shares. That limit will be removed upon the registration of AGL as a public company. Provisions are also contained in this bill to strengthen the enforcement of that limit.

The bill will repeal several pieces of legislation that govern AGL. The legislation to be repealed includes the Australian Gas Light Company Acts of 1837, 1839, 1849, 1858 and 1883. Relevant parts of the Gas Industry Restructuring Act 1986 will also be done away with. All of the repeals will occur automatically upon the registration of AGL as a company.

It is important to note—as the Minister has done and as AGL did in its briefings to the Opposition—that this bill relates only to the corporate structure and governance arrangements applicable to AGL. It does not change the overall regulatory framework for the electricity and gas industries in New South Wales, and it does not alter the consumer and environmental protection or economic regulation of the industry. It is about establishing AGL as a company with a modern business structure.

The current corporate structure of AGL appears to be one of those great anomalies of history. Currently, AGL is governed by a series of Acts, regulations and by-laws that date back to 1837. Some of these nineteenth century legislative requirements are more than a little archaic. The Opposition agrees with moves to modernise the corporate structure of AGL. The 5 per cent shareholding limit which I referred to earlier is a hangover from earlier times and was apparently designed to prevent AGL from falling under the control of a single shareholder at a time when the company was providing a monopoly gas service to the people of New South Wales.

There is also a current provision that allows for differential voting rights among AGL shareholders. In effect, smaller shareholders have a bigger vote than larger shareholders. It is company specific legislation and it is one of those quirks of history that has remained in place from 1837. The Opposition understands and concurs with the Government's reasoning in bringing forward the corporate conversion legislation. That reasoning centres around the need to move the company to the same corporate structure as its competitors and other major Australian companies, and it is broadly consistent with a desire to move to a national corporations legislation scheme.

As I said, AGL's current corporate structure is company specific. Currently, special powers, rights and obligations are conferred upon AGL, one of which is that the company is able to make by-laws which have the effect of law in New South Wales. The current structure also means that the assets and liabilities of the company are vested in a single person—the company secretary—rather than in a corporate entity. So if one wants to take legal action against AGL, one takes it against an individual and not the company. As anyone with a legal background would agree, that is a little strange in 2002. This bill is all about bringing AGL into line with other major Australian companies. It is about making sure that issues, including shareholder voting rights, are consistent with modern corporate practices of publicly listed companies on the Australian Stock Exchange. It is about creating a level playing field.

This bill contains two main parts. The first deals with the actual process of corporate conversion, while the second contains the essential compliance legislation which is needed to ensure that no investor is able to take unfair advantage of the corporate conversion process. The bill is extremely detailed in regard to the first step—the corporate conversion. In order for AGL to become a company under Corporations Law, AGL must first become a body corporate. The bill sets out this process, with the corporatised AGL, for all intents and purposes, becoming a continuation of the modern corporatised AGL; that is, all assets and liabilities will be transferred to the corporatised company, as will all officers and employees. All contracts and all reference to AGL in any document or instrument will be taken to mean the corporatised AGL. In addition, the financial position and accounts of AGL will be taken to be the opening financial position of the corporatised company.

Once AGL is established as a body corporate it becomes registered as a company under the Corporations Act. However, before AGL registers as a company under the Corporations Act, several steps must be taken. AGL shareholders must approve the passing of a motion resolving the company to become a body corporate and must approve a constitution for the corporatised company, as well as pass a resolution to allow the company to be registered as a public company limited by shares under Commonwealth legislation.

There is a key role in this legislation for the Minister for Energy, and the Opposition hopes he will exercise this role without undue delay, provided all criteria are met. That role is for the Minister to issue a

compliance certificate and conversion order to AGL setting out the date that AGL is to be registered as a company under the Corporations Act. That certificate can be issued only after an application by AGL has been lodged with the Minister. The Opposition understands from discussions with AGL that the conversion date is expected to be around one month after the passing of the relevant motion by AGL shareholders and is expected to coincide with the start of the new financial year.

As I said, this bill has two main parts. In the view of the Opposition, the second part of the bill is just as important as the conversion process itself. It deals with measures designed to ensure that no person or company can gain an advantage by securing a share of AGL that is higher than the current 5 per cent shareholding limit. The Government is to be given some rare congratulations on introducing these provisions. It is appropriate that measures are taken to ensure that this corporate conversion process cannot be abused prior to the legislative changes being proclaimed.

The bill, therefore, imposes obligations on AGL to monitor its share register and to inform the Minister for Energy if it suspects any breach of its 5 per cent shareholding limit. Additionally, the penalty for contravening the 5 per cent limit has been boosted to 5,000 penalty points—equivalent to \$550,000. If it is found that any person or company has breached the 5 per cent limit, the Minister may order that the shares be disposed of and the realised capital gains be paid to the Energy Corporation of New South Wales.

Other provisions relating to this part of the Act mean that the Minister may require AGL to provide further information on its share register, and the Minister is also able to get advice on the enforcement of the provisions. He is also able to request a copy of the share register and inquire into the beneficial ownership of shares held. All the points I have referred to above, along with measures already connected under part 4 of the Gas Industry Restructuring Act, will hopefully go a long way to ensuring that the 5 per cent shareholding limit is not breached prior to the appropriate legislative changes coming into force. This section of the bill is retrospective to 2 April 2001, the date on which the Government announced its intention to begin the corporate conversion process.

The Opposition would like to thank AGL for its briefings on the bill, in particular Ian Woodward, Bill McLaughlin and Sam Pearce. We recognise the importance of the bill in ensuring the future operations of AGL, and we recognise the importance of ensuring that there is a level corporate playing field in New South Wales. As I stated earlier, this is about establishing AGL as a company with a modern business structure. The Opposition is pleased to support the bill.

Mr WEST (Campbelltown) [7.41 p.m.]: The Carr Labor Government is committed to reform in the energy sector for the benefit of all gas and electricity consumers in New South Wales. Given the significant gas reform and energy market developments, AGL no longer operates as a monopoly gas utility company. The reform of the gas 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. AGL is now an energy utility with gas and electricity assets, and businesses in New South Wales and other States such as Victoria and South Australia. AGL is still an unincorporated "company of proprietors" that was established by an Act of the New South Wales Parliament in 1837. Unincorporated companies are now rare. Most companies are now completely regulated under the Corporations Law. AGL is not. AGL is still governed by a series of New South Wales Acts, by-laws and other regulations, as well as portions of the Corporations Law.

I am pleased that the bill will allow AGL to be fully regulated under Corporations Law and will replace its 164-year-old constituent documents. Indeed, this Parliament's constitution has gone through more changes than AGL's legislation. The corporate conversion reform will bring AGL in line with modern corporate governance practices. The bill contains a number of important features. Firstly, the bill introduces important changes to the corporate structure of AGL to be consistent with modern corporations operating under the Corporations Law. I note the comment of the chairman of AGL reported in the *Sydney Morning Herald* of 10 May that the conversion would make AGL's structure appropriate for today's marketplace.

Secondly, the bill will remove the 5 per cent restriction that currently limits the shareholding that any one party may have in AGL. The bill will ensure that after the corporate conversion of AGL takes effect, shareholdings in AGL would instead be subject in all respects to the Corporations Law. Under the Corporations Law, a party may not acquire more than 19.9 per cent of a public company unless it complies with the provision contained in chapter 6 of the Corporate Law. Thirdly, the bill will also remove the differential voting rights that currently provide disproportionate voting power to small shareholders. Shareholder and industry representative groups are opposed to differential voting rights. This change will ensure that AGL is consistent with modern corporate practice and the policy position of most publicly listed companies on the Australia Stock Exchange.

Fourthly, and importantly, the bill contains complying legislation to deter any potential illegal trading between the date of the Government's announcement and the actual date of AGL's conversion into a corporation. The bill will give AGL an obligation to scrutinise its share register to ensure that the restriction is being observed and to advise the Minister for Energy of any breaches. In conclusion, the bill delivers a good outcome for AGL and allows it to be regulated as a modern corporation under the Corporations Law. It is not about changing the regulatory framework for the electricity and gas sectors, nor does it alter the consumer and environmental protections or economic regulation of the industry. It is a good outcome not only for its shareholders but also for consumers, because it reinforces a competitive energy market. I commend the bill to the House.

Mr ANDERSON (Londonderry) [7.44 p.m.]: The Carr Labor Government is committed to reform in the energy sector and promotion of a level playing field between energy companies in New South Wales. Through its energy reform program, the Government aims to introduce a competitive market in gas and electricity in New South Wales that will benefit the whole community. I am pleased to see the joint initiative of the New South Wales Government and AGL to implement the corporate conversion of AGL. This will achieve the objectives of modernising AGL by regulating the administration of its corporate affairs and bringing the legal framework under which AGL operates into line with other privately owned companies, by removing shareholding restrictions and differential voting rights which do not apply to other privately owned companies, and by putting AGL on the same legal footing as its competitors in order to facilitate an open and competitive energy market. The bill does not change 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.

The reform package for AGL is necessary because, first, the original justification for the shareholding restrictions contained in the legislation dating back to the nineteenth century which governs AGL was that it prevented a new owner from abusing a monopoly position. The introduction of contestability and open access into the gas market as well as the overarching regulatory framework provided by the Gas Supply Act remove this argument. Second, other companies with which AGL competes do not have the special powers, rights, obligations and protections and there is therefore no level playing field. In conclusion, the bill delivers a good outcome for AGL, its shareholders and consumers because it reinforces a competitive market. I commend the bill to the House.

Mr YEADON (Granville—Minister for Information Technology, Minister for Energy, Minister for Forestry, and Minister for Western Sydney) [7.46 p.m.], in reply: I thank all honourable members who have contributed to this debate. I am pleased that the Opposition does not oppose the bill. However, it is not surprising, given that the legislation will ensure a good outcome for AGL. The legislation deals with a range of complex corporate regulatory issues. However, it is important to bear in mind that the bottom-line agenda is quite simple: to make AGL a corporation, just like any other company participating in the energy sector. As a number of members have indicated, this is a good outcome for AGL, its shareholders and consumers because it reinforces our nationally competitive energy market. Redundant and inappropriate provisions will be removed to better reflect the reformed gas, electricity and utility markets. I commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

LOCAL GOVERNMENT AMENDMENT (GRAFFITI) BILL

Second Reading

Debate resumed from 12 April.

Mr WEBB (Monaro) [7.48 p.m.]: The Opposition will support the Local Government Amendment (Graffiti) Bill. The bill will extend the graffiti removal powers of local councils, enabling them to remove graffiti from private property without the prior consent of the owner or occupier of that property. It must be recognised that this is subject to whether the defaced property is visible and accessible from a public place. The Opposition commends the Government for finally coming up with these strategies for combating existing and recurring graffiti on private property without the constraining effects of red tape, which has held up the removal of such graffiti in the past and has meant that the graffiti has been on display for a much longer period.

Illegal graffiti is a significant environmental, social and economic problem. It affects everyone because it appears everywhere. It looks disgusting, and it is often of an offensive and obscene nature. According to the

Australian Bureau of Statistics, property offences that include graffiti were placed sixth in the list of the most common offences over a five-year period between 1990 and 1995, and that trend continues. Illegal graffiti is estimated to cost the Australian community between \$50 million and \$100 million per annum. It seriously devalues both private and public property, and has a detrimental effect on community wellbeing and civic pride.

The Opposition supports the Local Government Amendment (Graffiti) Bill for a number of reasons. Firstly, we perceive the bill to be effective in extending the powers of local councils to deal with the problem of graffiti in the community without the constraints of unnecessary red tape. Secondly, the Opposition has previously supported other initiatives by the Government to ensure the timely and effective removal of graffiti from publicly visible places. Amongst these initiatives has been the Local Government (Graffiti Removal) Act, which became effective as of July 2001. The Opposition supported this legislation as it provided a mechanism for the removal of graffiti from private property through voluntary formal agreements between councils, owners and occupiers. However, the Opposition perceived the bill to be a cure rather than a preventative measure. We still believe that there is a need for further research and development, and the implementation of proactive rather than reactive programs and controls.

If the Government is serious about tackling the problem of graffiti in our communities, it should look at the Graffiti Control (Spray Can Display) Bill introduced by the Opposition in April last year. The honourable member for The Hills advocated an effective preventative measure for reducing the occurrence of graffiti in the community. That bill required retailers to keep full spray paint cans in locked cages, locked display cabinets, or behind the counter. That legislation was rejected by the Government but would have been extremely effective in reducing the occurrence of graffiti in the community by restricting the access of graffitiists to the tools of their trade. It would also have had an educational role to play.

The Opposition believes the proposed amendments contained in this bill will provide solutions to a number of concerns held by local councils that the Local Government (Graffiti Removal) Act failed to address. There are four main concerns that I wish to detail to the House. Firstly, there is the concern that councils are not entering into agreements with private building owners until after the graffiti occurs. This reinforces the need for a proactive rather than reactive solution to the problem of graffiti. Secondly, there is the need to expedite the removal of particularly obscene or inflammatory material. This is particularly important when the graffiti is of a sexist or racist nature

Thirdly, some owners or occupiers have not been willing or able to remove graffiti from the walls of commercial blocks. I am sure many of us can highlight communities and towns in our electorates where this is the case. Finally, there have been difficulties in contacting the owner or managing agent of residential rental properties to obtain permission to remove graffiti. This delays the removal of graffiti, therefore making that task more difficult. I can mention a number of examples, including older and unoccupied buildings on Morisset Street in Queanbeyan, near the bus depot. Graffiti is a problem in many other public areas, and this has spread to private property, particularly parking lots and other places in our local areas.

The Opposition anticipates that the owners and occupiers of commercial and residential buildings will welcome the proposed additional powers detailed in the bill. The proposed amendments will overcome the problem of graffiti removal being delayed due to the owners or occupiers of private buildings not being easily contacted or identified. The proposed amendments will also address the difficulty experienced by struggling businesses or home owners of not being able to paint over or remove the graffiti immediately in the way public authorities can, thereby reducing the notoriety value for the perpetrator. Under the proposed amendments, the removal of graffiti from private property will be done at the expense of local councils, and in a timely and effective manner. Again, this acts as a deterrent to those wishing to commit further acts of graffiti vandalism. The Opposition expects that these measures will largely alleviate the concerns of private building owners.

The Opposition supports the bill, as it prohibits council officers from entering a private property to remove graffiti without the owner's or occupier's consent. This essentially minimises the interference with property rights, while simultaneously facilitating the removal of graffiti from surfaces that are generally visible from public land and are very attractive objects for graffiti. The Government has claimed that local councils have essentially asked for extended power to remove graffiti from publicly accessible and visible surfaces on privately owned buildings without having to notify the owner or occupier before doing so. However, the Opposition believes that with this power comes an additional responsibility. If a local council is to undertake the removal of graffiti at its own instigation, it is mandatory that it be liable for any damage or changes to the building structure that arise from the removal of graffiti. This can occur with different removal methods and old and decaying services.

The Opposition commends new section 67B (4) as it provides assurance from the Government that the owners or occupiers will receive written notification of the work that has been done. This provides owners and occupiers with an opportunity to raise any matter with council concerning the work. Furthermore, if a dispute arises over a damages claim, it may be referred to arbitration. If a discrepancy still exists, the matter may be referred to the Land and Environment Court. The Opposition also supports the maintenance of a register of the graffiti removal work. Under new section 67C, the register specifies important information regarding where, what, when and by whom the graffiti removal work was being carried out and the estimated and actual cost of the work. This will enable private property owners, occupiers and members of the public to access information regarding councils' graffiti removal.

The Opposition concurs that the most effective measure to combat graffiti is its timely and persistent removal. However, the Opposition is also concerned with whom these added responsibilities lie—that is, Local Government. As the Opposition spokesperson for local government matters in the Legislative Assembly, I have the responsibility to detail to the House the concerns expressed by some councils. They relate to the Government attempting to put pressure on local councils by raising the public's expectations of councils' responsibility for graffiti removal on private property. Many small councils perhaps do not have the funds or the means to remove graffiti in a timely manner, as this bill suggests they need to.

The Opposition perceives the graffiti removal functions and responsibilities of local councils to be indicative of the continual shift of responsibilities from State Government to local government. While this is not a problem in itself, it does become challenging when local councils are expected to foot the bill for the cost of the graffiti removal, are not provided with additional equipment and financial resources to do so yet have to live up to the expectations of the public, who expect the graffiti to be removed very quickly. Under new section 67B, the council carrying out the graffiti removal work without the agreement of the owner or occupier is to bear the cost.

However, with the Carr Government's unimpressive track record of shifting the responsibilities of State Government to local government, the future of this funding is dubious to say the least. Without adequate resources, local councils cannot hope to prevent the occurrence of graffiti in the community. Local government is left with little or no additional funding for the additional responsibilities, and ratepayers are left with an expectation that council will maintain its commitment to remove all publicly visible graffiti from privately owned buildings. While the Opposition does not oppose the bill, we do ask the Government to assure local government that it will continue to commit funding to councils for the removal of graffiti from both public and private buildings and infrastructure.

The Opposition welcomes the content of the bill as an important step in providing an opportunity for the timely removal of graffiti from privately owned land that once required the approval and consent of the owner or occupier. The Opposition agrees with the Government that a highly effective means of deterring the occurrence of graffiti within the community is through its persistent and timely removal. We all know that if graffiti is not removed within a certain time, that is, between 48 and 72 hours, it is virtually impossible to remove. The Opposition commends the Government for extending the power of local councils to effectively remove graffiti from private residences without the constraining and delaying effects of unnecessary administrative processes. Graffiti has an extremely detrimental effect on people's perception of an area, property values, community wellbeing and civic pride. Illegal graffiti is a clear indication that the communities of New South Wales are in a state of decay. This is particularly so when graffiti is clearly visible on such sites as the roads, bridges, walls and fences of privately owned commercial and residential building.

The Opposition requires a guarantee that the Government will remain committed to funding the graffiti removal efforts of local councils. The State Government has already slugged local councils with a raft of additional functions and responsibilities without adequate funding. This burden of unfunded mandates on all New South Wales councils is growing, and if the responsibility of graffiti removal is to be added to that ever growing list it is imperative that the State Government provide local councils with the necessary resources to do this. As a former member and mayor of a local council, I fully understand the difficulty that councils face in trying to implement these requirements and adjust the funding within their limits to accommodate the expectations of not only the State Government but also their local communities.

Although the Opposition supports the bill, it asks the Government to provide an assurance that it will continue to research and develop preventive and innovative programs to reduce the occurrence of illegal graffiti in our communities. I also ask the Government to consider the foregoing comments regarding the safekeeping of spray can materials used for graffiti and education within our community on the costs and damages of graffiti. In conjunction with this bill, that would be a significant step in eliminating graffiti from the communities of New South Wales. I reiterate that the Opposition supports the Local Government Amendment (Graffiti) Bill.

Mr BARTLETT (Port Stephens) [8.01 p.m.]: I support the Local Government Amendment (Graffiti) Bill. This bill is an extension of the existing graffiti provisions in the Local Government Act 1993, which facilitated agreements between councils and owners or occupiers of private land for the timely removal of graffiti. The previous amendments to the Local Government Act concerning graffiti did two things. Firstly, councils no longer had to go through the process of advertising for 21 days before they could remove graffiti from private property and, secondly, a council was able to enter into an agreement with a private owner or resident to remove graffiti within the 24 to 48 hours that everyone thinks is the required time to remove graffiti if one is to prevent graffiti in the first place.

This legislation will enable councils to remove graffiti from properties without the agreement of the owners or the occupiers if the graffiti is visible and accessible from a public place. The community will benefit from the speedy removal of illegal graffiti which otherwise detracts physically from the area. This provision will be limited to situations in which the graffiti is visible and can be removed from a public place. In other words, council officers will not be able to enter a property to remove graffiti without the consent of the owner or occupier. Following removal of the graffiti, council will be required to notify the affected owner or occupier of its action. When a dispute arises concerning damage caused by the graffiti removal work, the parties may agree to refer the matter to arbitration for resolution.

If agreement cannot be reached, the parties can refer the matter to the Land and Environment Court for determination. The swift removal of graffiti is important when the graffiti is of an obscene, sexist or inflammatory nature—for example, if it vilifies a certain race. Graffiti affects people's perception of an area, property values, community wellbeing and civic pride. This is particularly so when the graffiti is on property that is highly visible from public places, whether they be buildings, roads, wharves, bridges or parks. In my electorate of Port Stephens we have two outbreaks of graffiti at present, one in Mayfield and one in the Nelson Bay area.

To many people, especially local residents, graffiti takes away the comfortable feeling they have for their own place. It is intrusive, it shows a lack of community ownership, and in many ways it is threatening to the community. If locals in a place like Port Stephens feel that way, one can imagine how overseas visitors from foreign cultures who do not speak the language feel. To many of our visitors, the graffiti appears to be threatening. It does not make the place safe and, indeed, it is a deterrent to future visitations. For all those reasons, I am in favour of the provisions in the Act. The Government is committed to addressing community concerns about the financial and social costs of illegal graffiti. As well as this bill, the Government is doing a number of other things to address these concerns.

A number of initiatives have been taken through the New South Wales Graffiti Solutions program, and work by agencies, including the Attorney General's Department, the Department of Local Government and the Department of Juvenile Justice, has provided different ways of addressing graffiti in local communities. The State Government spends about \$60 million a year on cleaning graffiti from trains and railway corridors. Graffiti blasters worth \$25,000 are available to councils, and so far 13 councils have taken them up. Through Juvenile Justice we have provided clean-up crews to assist councils in graffiti removal, and from July to December last year clean-up crews spent 16,000 community service order hours removing graffiti.

I have worked closely with my local community, and Nelson Bay Town Management Incorporated has several grants to do a number of things. One thing is the car park art project. Local schools were given large boards, perhaps 1.5 metres by one metre wide, for students to paint. The boards were then set up on the side of the car park in a town where a lot of graffiti was occurring. We have now received another \$9,000 in grants, which will enable council to have another run at car park art exhibits, as well as going down the track of putting murals on some walls in the Nelson Bay central business district. One successful strategy in the fight against graffiti has been the painting of murals on significant graffiti sites. Most of these sites have not had any incidents of graffiti since the murals were completed.

These projects have also had a positive impact on the offenders involved. Murals can become a tourist attraction in a town. A mural depicting a scene such as the historic development of an area or a cultural event for which an area is famous can assist in making a town more friendly and attractive to visitors. The Young Offenders Act provides for the conferencing of young graffiti offenders. The effect of conferencing on some 95 per cent of young people has been dramatic, and they do not reoffend. Some 12 months ago there was a severe outbreak of graffiti in the Nelson Bay area. Basically, for six months, every time people turned around there was another outbreak of graffiti in an area that is competing with the rest of Australia in terms of tourism and in terms of making the town attractive.

We caught two young people aged about 10 years who had been putting graffiti on buildings for about six months. They caused much heartache to the community. They went through five hours of conferencing, and the adults from the town improvement committee who were present said they felt sorry for these neglected children. After the conferencing, they wrote some words to the community which were placed on the community noticeboard outside the post office in Nelson Bay. One child wrote:

I would like sincerely to apologise for the defacing of public property with spray paint. I realise my actions were disrespectful and a form of vandalism although at the time I thought it was fun. I hope the business members of Nelson Bay accept this apology. I have learnt a valuable lesson from this experience and will think more of others and their property before I act in the future.

The second person wrote:

To the community:

I am writing this letter to tell you that I am sorry for all the graffiti I was responsible for around your town, on your shops, houses, signs et cetera.

I can only promise you that I will not have anything to do with it in the future. I wish I could say the same for others. Unfortunately, that is impossible.

Those young people had graffitied for some six months. After having gone through the conferencing system they were apologetic for what they had done. Their letters were put on the community notice board. The community then had a relatively quiet time on the Tomaree peninsula until a new lot of graffiti artists came along. This bill is another step in the process of giving different agencies the power to attack graffiti. It is one of the steps the Government is taking, and it has my support.

Mr FRASER (Coffs Harbour) [8.11 p.m.]: I support the Local Government Amendment (Graffiti) Bill. In doing so, I will probably sound like a broken record again, because I refer again to the major cause of lawlessness—and that is what graffiti is—in our community. In 1987-88, the Australian Labor Party got rid of—

Mr Ashton: The Summary Offences Act.

Mr FRASER: As the honourable member for East Hills rightly interjects, the Summary Offences Act. Since then there has been a growth in graffiti in both public and private places. I have been looking at the benches on the Opposition side of the Chamber. Graffiti by a former Labor member—and unfortunately I cannot remember who it was—has been removed during the past two or three restorations or upgrades. I had better define what I mean by "graffiti". The member had engraved or inscribed his name into one of the little notepads behind the benches. That is graffiti; that is defacing other people's property.

Graffiti has now been taken to an art form. Before I became a member of this place I had a caravan park. Some graffiti is amusing. "To play toilet tennis, see other side" was written on one side of one of the toilet cubicles at the caravan park and "To play toilet tennis, see other side" was written on the other side. The problem was that if the graffiti was not removed immediately others decided they also had the right to add to it. That has been mentioned previously in this debate. The removal of that graffiti was a cost to me in both time and materials. Graffiti is a cost to community. In the past two years I have noticed on the southern side of Moree the wall of a shop on a corner sits right on the edge of the street. I suppose it could virtually be called community property. There was graffiti on the well-built, well-finished cream brick wall of the shop.

I popped into the shop to buy a drink and I said to the fellow behind the counter, "Isn't this a disgrace! This is your own private property." He said, "The first time it happened I cleaned it off, the second time it happened I cleaned it off, the third time I cleaned it off, but it got to the stage where I think they used to watch me clean it off and it gave them some satisfaction to see me doing that. They now come back and do it on a regular basis, so I leave it there." It is an absolute disgrace that private property can be defaced by vandals for whatever weird satisfaction they get out of it. It is private property; it is not public property. This legislation gives the council the power to remove graffiti. I am somewhat concerned by the heading to section 67C, "Register of graffiti removal work." Section 67C (2) (c) refers to:

The actual cost, or an estimate of the cost as current market rates, of carrying out the work...

That will be specified in a register. Section 67C (2) (d) reads:

in the case of graffiti removal work carried out in accordance with section 67A—the actual amount charged by the council for carrying out the work.

That will also be recorded in the register. I am concerned that somewhere along the line councils will start charging that cost back to the landowner. That is a dual problem. It has been noted in this debate that councils do not have the funds to do this work. I acknowledge that the Government provides graffiti removal machines to local councils and 13 councils at this stage have picked taken advantage of that. The Minister should give an assurance that private property owners will not be sent a bill by councils in due course for the cost of removing graffiti from their properties. I suggest that State legislation—for example, the old Summary Offences Act—should give vandals a reason to desist from these abhorrent acts. These vandals deface public and private property. One only has to remember what vandals did to the War Memorial in Hyde Park a couple of years ago. A person was charged and convicted of the offence of defacing the memorial and was made to clean off the graffiti. I would dearly love to see stronger laws that provide not only for convicted vandals being ordered not only to clean up their own graffiti but to clean up other graffiti as well. In addition, they should be subject to community service orders making them tidy up the parks and gardens, fix park benches, et cetera.

Parliament in this State should send an extremely strong message to offenders. We should not only pass legislation that give councils the power to clean graffiti off private property. To my knowledge New South Wales is the only State in Australia that is not passing any of the GST revenue to councils. Councils write to me and, I am sure, to all members complaining that they do not have enough funding to continue their normal functions. The Government is now giving them another duty to clean offensive graffiti or any graffiti—I find all graffiti offensive—off private property as well. As I said, I am concerned that because of the register and the cost factor at some stage private landowners could receive a bill from local government for the cost of removing graffiti. That will be another cost on local business. Parliament has an opportunity to send a strong message to offenders. I note that section 67B (5) and the accompanying note read:

- (5) A council must pay compensation for any damage caused by the council in carrying out graffiti removal work in accordance with this section.

Note. Section 730 provides for the resolution of claims for compensation relating to damage under this section in cases of dispute between the person claiming the compensation and the council.

Because of the way graffiti is applied to buildings, it is possible that the council may damage private property when removing graffiti. The Government is yet again imposing on councils the cost not only of removing the graffiti but of repairing damage that might be occasioned to the property during that removal. The bill is a little open-ended. Although I support the legislation, it imposes yet another impost on the local community. Council can only raise its funds by one means, that is, by imposing rates on the ratepayers and landowners in its area. This legislation is more window dressing than anything else. It does not come down heavily on those who graffiti, which is an act of vandalism. This measure does not give any long-term assurances that a council will be able to recover the cost of the removal of graffiti from a landowner. In fact, this provision allows vandals, as the old saying goes, to get away with blue murder. Let us send a message by bringing in appropriate legislation. I challenge the Minister for Local Government to take this legislation back to Cabinet and seek a return to the Summary Offences Act. As the honourable member for The Hills—

Mr Ashton: East Hills. I'm not moving that far.

Mr FRASER: I am sure the honourable member for East Hills will contribute to this debate and that we will hear the left wing of the Labor Party saying that this is a wonderful proposal. At the same time, the left is not prepared to put the size nine boot into the backsides of these young vandals. That used to happen when he and I were kids.

Mr Ashton: Just ask Mark Latham, we are muscling up.

Mr FRASER: Maybe you ought to listen to Mark Latham.

Mr Ashton: Listen to my speech. You will be surprised.

Mr FRASER: Maybe it is time these young vandals felt the size 9, 10, 11 or 12 from the local sergeant.

Mr Ashton: Or the 7½ from me.

Mr FRASER: I did not think your foot was that big! Your tongue is about size 11 and your tie 14. It is high time we sent a message to these kids that is similar to the message we got as kids. When we were kids, if

you pinched an orange off a tree and the local sergeant caught you, you got a kick in the backside and your father was told about it. It is high time we got back to that, and sent a message of zero tolerance of graffiti. Let us look at what happened in New York, which came down heavily on graffiti offences. As a result even the murder statistics dropped significantly. It is high time we sent that message. I challenge the Government not only to pass on the cost to councils but to empower police and other authorities to ensure that this sort of act does not happen in the future. I support the legislation.

Mr WEST (Campbelltown) [8.22 p.m.]: Artistic expression has been with mankind since prehistory, with cave art recording important events and rituals, and sculptures forming the basis for community focus and simply expressing one's surroundings. Art is a question of one's taste. The old saying "You either like it or you don't" applies. Some people prefer Tom Roberts to Andy Warhol, others enjoy Pollock over Goya. Art is a welcome part of society and it is an important part of who we are. When we are talking about graffiti, however, it is of little consequence if the person has talent or potential. The concerning thing is that graffiti is done without consent and often without sense. This is an important distinction. Graffiti is undertaken without permission and often contrary to the intended purpose of the building or facility. It is vandalism. Such graffiti attacks affect people's attitudes to an area. In many instances it makes them feel unsafe. It can affect trade in local businesses, house values and people's sense of security.

One of the major issues confronting the community, councils and the State government is what to do when we see graffiti. It has been suggested that the best response to graffiti is swift removal, that this reduces the number of repeat attacks. So removing impediments to swift removal is also important. When you see a graffiti problem you naturally call your council. I know that I have done just that, and I am sure most people would do the same. The upsetting thing for people who in the past contacted councils about graffiti in their main street has been the response, "It's private property. It's up to the owner to remove it."

This bill gives councils the power to take action in those circumstances. It allows councils to remove graffiti visible to the public and accessible from public space. That is, they can remove it from main street buildings from the footpath, for example. The owner's right to privacy of property is respected. Council employees cannot simply enter someone's yard to remove graffiti, but they will be allowed to hit graffiti hard and fast from public lands. Campbelltown is the beneficiary of a New South Wales Government graffiti blaster, and I know that, armed with this legislation, they will put the blaster into swift action removing graffiti. Indeed, I must compliment Campbelltown council on the swift action it took recently to remove offensive graffiti. This bill further builds on recently enacted Government legislation giving councils power to enter into agreements with land-holders to remove graffiti, and it is a welcome initiative. Graffiti is not a new problem, or one that will go away overnight, but these new powers will help councils tackle the problem head-on.

Mr O'FARRELL (Ku-ring-gai) [8.24 p.m.]: I support this legislation. In doing so, I will comment briefly on the speech made by the honourable member for Campbelltown, a speech which by and large I found worthy of support. But I disagree completely that graffiti can in any way be compared with artistic expression. Graffiti—which is the scrawling of whatever you call it on public walls, or on people's fences, homes, cars and the like—is simply vandalism. It is a criminal act. The last time I did any art history, art was not a criminal offence. So, whilst I support the thrust of the comments of the honourable member for Campbelltown made after his introductory remarks, I disagree completely with his attempt to suggest that in some way or other graffiti involves artistic expression.

Graffiti is a scourge in our society. The honourable member for Coffs Harbour rightly made the point that it is an indication—though in the extreme, in a way that the honourable member for Coffs Harbour talks at times of lawlessness within our society—of a major and growing public problem. The Bureau of Crime Statistics and Research records the incidence of malicious damage across New South Wales. One of the offences within the definition of malicious damage is graffiti. From 1997 to 2001, the latest available figures, the incidence of malicious damage in communities across all local government districts in New South Wales has risen by 25 per cent.

I am confident that in most communities the level of concern about this issue over that period has risen. It has become more and more an issue raised with local members of Parliament and local councillors. In my own community, the Ku-ring-gai local government area, the incidence of malicious damage has increased by 33 per cent. In other words, despite what I am told at times by the police Minister or his Parliamentary Secretary or, in my view more sorrowfully, by the local area commander, Bureau of Crime Statistics and Research figures show that Ku-ring-gai has a growth in malicious damage that exceeds the statewide average.

I have used this issue and other crime statistics previously to raise my concerns about the level of policing in Ku-ring-gai. I do not wish to belabour that point this evening. Graffiti is common in my community, as it is in many other communities. Earlier this year I drew attention to the activity of young people and the graffiti they had left behind in the Gordon car park. I am pleased that the Ku-ring-gai council responded and removed that graffiti within a reasonably short time. The West Pymble Guides Hall suffered an extremely severe graffiti attack last year. I am pleased to say that the Premier's youth offender programs and other programs available to ameliorate those attacks were successful in that instance. I know that most weekends people associated with the Wahroonga scouts paint the walls of the scout hall.

As I have said before, graffiti is common on private property throughout the Ku-ring-gai area. Local chambers of commerce have gone to the extreme length of employing private security guards to prevent shopping centres being attacked by what the honourable member for Campbelltown would call a graffiti artist and I would call a vandal. It is important that in tackling this problem we seek to remove graffiti quickly. That is important. I believe in what is described as the broken window syndrome: that is, a place left with either a broken window or a graffiti attack is more likely to encourage repeat offences. This legislation, which will extend the graffiti removal powers of local councils to enable them to remove graffiti from private property without the prior consent of the owner-occupier of that property, applying only where graffiti on the property is visible and accessible from a public place, will assist in the rapid removal of graffiti, and it should be supported for that reason. I make the point that the bill prohibits council officers from entering private property without the owner's prior consent, thus minimising interference with property rights. That is an appropriate safeguard.

I would argue vigorously that although more community policing activities by officers of both the Chatswood and Hornsby police stations would help to reduce the incidence of graffiti attacks in Ku-ring-gai, that will not solve the problem. Although it could be argued that the legislation brought before the House by the Minister for Local Government will aid in the removal of graffiti, it will not stop the problem from recurring. To my mind that partly is because a breakdown in individual parental or family responsibilities and societal responsibilities has occurred. We now seem to live in a society in which people will not intervene when they see antisocial behaviour taking place. To some extent I can understand that because people know that police responses are slower now than they have been in the past and that there are fewer police engaged in community police patrols. The prospect of an individual citizen intervening to prevent antisocial or criminal activity is fraught with much more danger now than once was the case.

We also live in a society in which young people roam the streets and shopping centres late at night, seemingly without the knowledge or approval of their parents. Without wishing to appear to be more conservative than my friend the honourable member for Coffs Harbour, that is an issue that concerns me. To solve the graffiti problem, somehow we have to again get people to take responsibility. In my view, acceptance of responsibility should begin in the family. I hope that one day I will be debating legislation in this House—perhaps on that occasion, the legislation will have been presented by the Attorney General—which will seek to ensure that young people, particularly those who are younger than the age of legal criminal responsibility and who are actually caught—and I acknowledge that currently many of the offenders who commit acts of graffiti in communities and towns are never caught—are given a penalty or fine that is imposed not just on the offender but shared with the offender's family. I think that would send a strong message to parents in our communities to take a much closer interest in young family members.

When I say "parents", I acknowledge that I have not qualified the term. I also know that acts of graffiti are committed by a minority of people in the community who engage in a high-profile and costly antisocial exercise. However, because the individuals in those small groups have either one parent or both parents, it seems to me that members of Parliament should bring to the attention of families in New South Wales the need for them to be more involved in the resolution of this problem. Despite the legislation that the Attorney General or the Premier wish to push through this House, the problem of graffiti will not be solved until people begin to take responsibility for those who perpetrate this offence on our communities.

Mr ASHTON (East Hills) [8.32 p.m.]: First I thank the Opposition for its support of the Local Government Amendment (Graffiti) Bill, which will amend the Local Government Act. I appreciate the comments made by members opposite and I will refer to them in greater detail shortly. One of the most annoying aspects of urban society is the proliferation of graffiti. There is no doubt that it blights many suburbs, especially parts of Sydney where young people have decided that graffiti is their art and that their art may be expressed on public walls and private property. My electorate of East Hills is not immune. People who have built nice houses and erected nice zincalume fences find that in no time at all their properties have been covered in graffiti language, which, to be honest, most of us do not understand at all, and with all sorts of tags. To the

credit of the police, they take photographs of the graffiti and, by compiling a profile of the tags, are able to make appropriate arrests. When the offenders are caught, they are required to perform community service and clean up the graffiti. However, the problem often is that their mates return a couple of days later and once again do the very same thing.

Honourable members should understand that in a sense this problem is above Coalition and Labor Party politics. It is a societal problem, and honourable members need to adopt a societal attitude to its resolution. It is important to bear in mind that graffiti was not invented by kids in black ghettos in New York or other parts of America and simply adopted in Australia in the way that we so often copy everything that America does—from foreign policy to graffiti. The ancient Egyptians used graffiti. Some of the first discoveries in Tutankhamen's tomb consisted of graffiti on the walls of the tomb. The Romans and the Greeks also had graffiti on their walls. For the benefit of members opposite who are interested in history, such as the honourable member for Ku-ring-gai, I point out that a couple of weeks ago a television history program showed that rather lewd graffiti was carved into the bedhead of King Henry VIII.

Mr Greene: Which wives was he between when he did that?

Mr ASHTON: There were six of them, and only political correctness stops me from wondering aloud why he would want six mothers-in-law. Henry VIII had carved in his bedhead a rather lewd image that had been copied from drawings from ancient Egypt. It defined a man with a rather erect member. The idea was that that image would in some way encourage Henry VIII to perform appropriately and produce a son and heir.

Mr Woods: Did it help him?

Mr ASHTON: It helped him in the sense that Edward VI was born. Nevertheless, that drawing was graffiti and included an appropriately positioned lady. I am not aware of whether the image was updated each time Henry VIII took a new wife or mistress.

Mr Woods: Did that carry down?

Mr ASHTON: I am not sure whether that practice continues currently in the House of Windsor. My historical research has not taken me to that stage yet. I am preoccupied with other things, but perhaps some further research would be valuable. I acknowledge that many honourable members will disagree with the proposition that at some stages graffiti has been regarded as a creative art form, but that description does not apply to the type of graffiti characterised by kids just making a mess, which is the subject of this legislation. Cave art or simple art were a means of expression. I am sure that the first musical instruments were not necessarily in the same class as a top-quality Stradivarius violin but, rather, were simple implements that made a noise resembling the beating of a drum.

I congratulate the Carr Government on the efforts that it has already undertaken to clean up graffiti. Graffiti blasters have been provided to at least 13 councils and each is worth \$25,000. A graffiti blaster is an expensive piece of equipment in the fight against public and private property being defaced. In my electorate, in one case the graffiti blaster was so successful that it removed not only the graffiti but also much of the wall, which then had to be repaired.

Mr Woods: It has to be used with a degree of expertise.

Mr ASHTON: One does have to be handy in the use of a graffiti blaster. My experience as a teacher confirms that the quick removal of graffiti is the best way to ensure that problems do not recur. As the honourable member for Ku-ring-gai said, if a window is smashed and is not repaired, that sends a message to the community that the property is a target and is an invitation to someone to lob another rock at the window a couple of days later. The quick removal of graffiti at schools where I was a teacher meant that the kids could not come to school the next day and say to their friends, "Look at what I have done." Removal of graffiti meant that there was nothing left for the offenders to show their friends and there was no brag factor. If kids cannot brag about what they have done, they have no street credibility and they are less likely to reoffend.

The shopfront of the Wesley Mission office, which provides jobs and personal development opportunities, next door to my electorate office in Revesby was being defaced with graffiti every couple of days and the Wesley Mission did not have the resources to have it removed. The local council organised to have the graffiti cleaned away and repainted the property a yellowish-white colour, but three or four days later the red

graffiti reappeared. The very next day the council came back and repainted the property, thereby removing the graffiti, and for nine months no more graffiti appeared on the series of panels which each measure 20 feet in length and 6 feet in height simply because the kids got the message. They gave away spraying graffiti on the walls because no sooner did the graffiti appear than the council came out and removed it. It could be argued that the offenders moved on to some other place, but the policy of quick removal of graffiti should be continued.

Bankstown council set up a graffiti task force to examine these problems. It employed a graffiti expert who really knows a lot about the way in which these kids operate and the tags they use. He refers to some of the tags as toys; these are just little kids doing simple sorts of graffiti. Unfortunately, however, there is no doubt that some of them become vandals. The honourable member for Ku-ring-gai spoke about kids becoming involved in graffiti, but adults must take more responsibility for the actions of their kids—something that has been done in schools. I know that the former Minister for Education and Training would confirm that parents can be held responsible for what their children do at school. They can be fined for damage that their children cause.

The worst graffiti and vandalism in Fitzpatrick Park on the Georges River in my electorate is done by a man and his three children. This man—an adult—does graffiti and smashes equipment. He does graffiti all around the parks in the Picnic Point area. We have tried everything—from putting letters in letterboxes asking residents whether they know this graffitist, to drawing a picture of the guy to determine whether people are able to recognise him. It is not a case of just kids doing graffiti; this father takes his kids out and does graffiti. When we defame kids by saying they do graffiti we should remember that a lot of graffitists are 20, 25, 35 or 40. Graffiti is a major problem in our society and it requires the Government to do more than just say, "Let us bring up back the Summary Offences Act." That sort of criminality deserves a gaol sentence.

Mr O'Farrell: Up my way it is not a generational problem.

Mr ASHTON: I know it is not. There are some strange people who are writing graffiti. It is not just young kids who are doing these things. The honourable member for Coffs Harbour said graffiti was a misguided art form. I do not agree. I do not see graffiti as an art form. I have said before in this House that it is written excrement. When I made that statement some of my colleagues looked at me rather strangely. The honourable member for Coffs Harbour referred earlier to a tennis match that he imagined he had played in Coffs Harbour. I once remember seeing a statement written in pencil on a wall at the University of Sydney. Sometimes graffiti can be funny. The statement read:

To be or not to be—Hamlet.

To err is human, to forgive divine—Alexander Pope.

Below, someone else wrote:

Do be do be do—Frank and Nancy Sinatra.

Things move on. Years later, when I was teaching at a school I posted a piece of paper on which I had written those three statements and to which I had added my own statement, which was as follows:

Do wah diddy diddy dum diddy do—Manfred Mann.

I do not know whether that is necessarily bad graffiti. It was written on paper, people had a laugh and a few weeks later I took it down. My electorate of East Hills is beautifully clean one weekend but by Monday people may have destroyed parts of Panania or Revesby. We should be able to clean up government-owned or privately-owned premises without going through the long process of finding out who owns the property, whether the owner lives in Australia, whether the owner cares about the graffiti, or whether the owner thinks he has to pay to clean up the graffiti. This legislation will enable the Government and councils to clean up graffiti quickly. Records will be kept of the tags and the time they were made, and that might help to eliminate this scourge.

This Government is spending \$60 million on graffiti control—money that could be better spent on police, teachers, nurses, doctors and a range of other things. I support this legislation. I did not intend to be humorous in my contribution to the debate; I tried to say what all parliamentarians would say: that we should not be spending so much money on removing graffiti. It is an outright shame to have to spend it on graffiti removal. Anything we can do to more quickly remove graffiti is to be encouraged. I thank Opposition members for their support and I thank the Minister for introducing the bill.

Debate adjourned on motion by Ms Hodgkinson.

BUSINESS OF THE HOUSE**Bill: Suspension of Standing and Sessional Orders****Motion by Mr Aquilina agreed to:**

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

HOME BUILDING AMENDMENT (INSURANCE) BILL**Bill introduced and read a first time.****Second Reading**

Mr AQUILINA (Riverstone—Minister for Land and Water Conservation, and Minister for Fair Trading) [8.45 p.m.]: I move:

That this bill be now read a second time.

The home warranty insurance scheme was established under the Home Building Act and commenced in May 1997. The scheme, along with licensing, compliance and education, is a key component of the consumer protection regime for the home building industry. Cover is provided by the private insurance sector. In recent times a number of significant events, such as the collapse of HIH Insurance and September 11, have dramatically changed the insurance landscape. These events have impacted on a wide range of businesses, community groups and occupations. The difficulties created by these changes in the insurance market have been well publicised.

Home warranty insurance has not been immune from these developments, with major insurers indicating their belief that the current scheme is not viable. To ensure there is viable consumer protection for home owners, the New South Wales and Victorian governments negotiated in tandem with the major players in the home warranty insurance industry. The outcome is a sustainable home warranty insurance scheme provided through private insurers. On 13 March this year the New South Wales and Victorian governments announced uniform changes to their home warranty schemes. The bill provides for a number of these reforms, which I will outline shortly. In addition to announcing these structural changes to their schemes the New South Wales and Victorian governments have taken action to overcome a situation created by the withdrawal of reinsurance support for sectors of the market.

The New South Wales and Victorian governments have put in place arrangements to provide the necessary reinsurance in these areas. This has ensured that the three home warranty insurers—Dexta, Royal and Sun Alliance and Reward—can continue to offer insurance to builders, including cover for high-rise projects. These arrangements will operate in the short term. The Government is continuing to work towards a longer-term solution. The bill provides for amendments to both the Home Building Act and the regulation. Cover under the scheme will be provided on a last resort basis. Loss resulting from non-completion of work because of the insolvency, death or disappearance of the contractor will be covered. A home owner will also be able to lodge a claim where he or she is unable to recover compensation from the contractor or take action to have the contractor rectify the problem because of the insolvency, death or disappearance of the contractor.

Similar provisions will apply to claims in relation to owner-builder work and the supply of a kit home. The period of cover under the scheme for structural defects is to be six years after completion of the work or the end of the contract, whichever is later. For other defects, cover of two years will apply. Insurance covering building work or the supply of a kit home by a licensed contractor will still have to be taken out prior to the commencement of the work or the supply of the kit. However, in line with the new period of cover under the scheme, owner-builders will have to take out insurance only if they sell their home within six years of completion of the work. The amount of cover for defective work will remain at \$200,000. This will include cover for such reasonable legal and other costs as may be incurred by the claimant in seeking to recover compensation under the contract. In the case of a claim for non-completion of work the insurance contract may limit liability to an amount that is 20 per cent of the contract price of the job.

Because of the difficulties that the home warranty market has experienced, a number of industry bodies have been examining the feasibility of setting up alternative indemnity schemes to cover work. Provided such

schemes deliver equal or better cover to the home warranty insurance scheme, they have the potential to benefit both industry and consumers. The problems relating to reinsurance to which I referred earlier also make it important for the Government to be able to act quickly to put in place arrangements to avoid dislocation to the building industry. The bill therefore provides that the Minister may approve alternative home building indemnity schemes or similar arrangements.

The reforms contained in the bill will enable builders to continue building while ensuring continuing viable consumer protection for home owners. Faced with global issues confronting the insurance industry, the Government has acted to maintain support for consumers and builders while providing a viable market for insurers. The bill provides for enabling provisions under which, if appropriate, the Building Insurers' Guarantee Fund may be used as a vehicle to administer arrangements such as the reinsurance amendments which the Government has recently put in place. The Guarantee Corporation currently handles claims under the Government's HIH rescue scheme. I commend the bill to the House.

Debate adjourned on motion by Mr Debnam.

COASTAL PROTECTION AMENDMENT BILL

Second Reading

Debate resumed from 20 March.

Mr D. L. PAGE (Ballina) [8.53 p.m.]: I lead for the Opposition on this bill, which is essentially divided into four components. The first three components deal with amendments to the Coastal Protection Act 1979, and the fourth component deals with an amendment to the Crown Lands Act 1989. The amendments to the Coastal Protection Act are to redefine the land that comprises the coastal zone to include the area from Newcastle to Shellharbour, except for the waters of Sydney Harbour and Botany Bay and those parts of the local government areas of Pittwater, Warringah, Manly, Woollahra, Waverley, Randwick and Sutherland that are not, and are not likely to be, affected by coastal processes, including coastal wave and wind action.

The second component of the bill requires local councils within the coastal zone to prepare coastal management plans if directed to do so by the Minister. The third component deals with the modification of the doctrine of erosion and accretion. The fourth component deals with an amendment to the Crown Lands Act with respect to easements for public access created by the Minister over foreshore land within the coastal zone.

The Opposition supports the general intention of the legislation but has a number of concerns which I will outline shortly. The Opposition welcomes the inclusion of the Central Coast within the coastal zone. I have always regarded it as totally illogical that the Central Coast, an area that is under a lot of pressure from population growth and development, should be excluded from the coastal zone. It is therefore pleasing that the legislation acknowledges that it is illogical for the Central Coast in particular, and indeed all areas, with the exception of the exemptions I referred to earlier, between Newcastle and Shellharbour, to be exempted from the coastal zone. I am on the public record as supporting the inclusion of the Central Coast within the coastal zone, and the Opposition welcomes that aspect of the legislation.

However, it is disappointing that the bill proposes the continuation of exclusions and that in his second reading speech the Minister offered no explanation as to why those exclusions should continue to operate. I will have more to say about that in a moment, particularly in relation to part 4B, which deals with erosion and accretion issues. It has always been my view that a statewide coastal policy should be precisely that: a statewide policy. That is clearly not the case under the current legislation, because of the exemptions provided in it.

I acknowledge the presence in the gallery this evening of Professor Thom, the Chairman of the Coastal Council. I take this opportunity to congratulate him on the wonderful work he has done over a long period to bring about this much-needed legislation. We acknowledge the contribution he has made, and also his efforts in briefing members of Parliament on the detail of the legislation. The only explanation members have received on the legislation has been provided by Professor Thom, who indicated to members representing coastal electorates that at this stage it is the Government's intention to leave the exemptions in the legislation until such time as the coastal policy undergoes a further review, which I understand will take place in the future. Given the implications of part 4B, relating to erosion and accretion, I believe the time has come for the entire metropolitan area to be included in the coastal zone.

The second significant component of the bill deals with coastal management plans. Essentially, the Opposition does not have difficulty with this aspect of the legislation. Section 55B requires a council within the coastal zone to prepare a coastal management plan if directed to do so by the Minister. That is a significant change from the current arrangements. Currently, council coastal plans are not statutory plans and therefore, in essence, the Minister's authority does not exist. Councils can thumb their nose at the Minister, because under the current legislation the coastal plan is simply a council document.

I have had first-hand experience of this in my electorate. For a number of years—more years than I care to remember, but probably four or five—Byron Shire Council has been working on a coastal management plan without making any significant progress. On one occasion the Minister's predecessor wrote to Byron Shire Council strongly urging council to get its act together and develop a coastal management plan. Essentially, council ignored that direction from the Minister. This legislation will make these plans statutory and will provide the requisite authority to enable a Minister to direct a council to develop a coastal management plan.

Section 55C sets out matters that must be dealt with in coastal management plans. I do not have too many difficulties with that section except that it may not provide sufficient guidance to councils for what must be included in the plan. Certainly, this minimum requirement goes a long way towards clarifying who is responsible for coastal management plans, particularly in emergency situations. Again, I draw on my own experience with Byron Shire Council. In 1999 we had major problems and confusion about who was responsible for what. We did not know what sort of ad hoc arrangements could be put in place by whom and when. Once these measures are put in place and the emergency passes, quite often what is left is not suitable in the long term.

This legislation will assist councils in developing their plans. I am a little concerned about the vagueness of section 55C (1) (b), which refers to works for the protection of property affected or likely to be affected by coastal erosion. It is difficult to speculate about what might or might not be affected by coastal erosion. In a severe storm it is possible for the beachfront of Byron Bay to disappear and for the ocean to come right into the Sandhill's Estate. I would be concerned if we were speculating too much about the effects of coastal erosion. It is a point that has been made to me by a number of stakeholders. There is a certain vagueness about the concept, but I acknowledge that it is a difficult concept to legislate for.

I should acknowledge that the coastal management plans are linked through section 733 of the Local Government Act, which limits liability to councils if the plan was made in good faith. A comparison could be drawn between flood management plans that are currently developed by the Department of Land and Water Conservation and these types of plans. There is a clear similarity that is covered by the legislation. Sections 55B to 55M encapsulate the procedures for making coastal management plans, what should be included, the public consultation process, submissions, approvals by the Minister, and gazettal and commencement of the plans. I have no difficulty with those sections. Section 55I deals with the amendment and repeal of plans, should that be required. Section 55K to 55M deal with the enforcement aspects of the plans. Again, I have no serious concerns with the legislation.

However, I have a real concern about the implementation of these plans. I acknowledge that the Minister said in his second reading speech that the State Government will provide a 50 per cent subsidy for the development of coastal management plans, but I have a major concern about the apparent funding sources to support councils with the implementation of works identified in the coastal management plans. That is important, because if the council is asked to develop a coastal management plan and there is not an identified source of funds from the State Government, the council will be tempted to develop only a plan that it can afford. It may be that important measures should be included in a plan to protect the ecology of a coastline but, because the State Government has not provided any support or revenue stream, coastal management plans will be limited to what the council can afford and may not be ideal.

It is incumbent upon the State Government to send a strong message to councils during the development of coastal management plans that it will be a full partner, providing finance and resources. It is ironic that the Government is contributing \$4 million north of the Tweed River to improve the situation in Queensland, yet in our own State no such support has been forthcoming. In 1999, after the severe storm and erosion in Byron Bay, I suggested that a task force be established. That was supported by everyone, including the Coastal Council. At the end of the day the concept foundered because agreement could not be reached on funding for the task force recommendations.

This is a serious issue that the State Government needs to address. Coastal management plans are necessary, but if the Government does not make available funding to help councils to implement the plans, we

will end up only with plans that councils believe they can resource. That will not be in the State's best interests. I ask the Government to take that matter on board. In many areas the State Government passes legislation requiring councils to do things. Unless the Government provides financial support to help councils implement those plans, it is unreasonable for it to place restrictions on councils, particularly in relation to coastal management where many of the processes may need to be corrected and may involve significant sums of money.

I draw again on my own experience in relation to Byron. The Coastal Council has as its preferred option for the nourishment of beaches in Byron shire the concept of pumping sand off Cape Byron back into beach nourishment. That would be the best ecological solution—better than building groynes and various other options. But it is a solution that requires significant funding because it must be carried out from time to time. Again, Byron Shire Council might be tempted to adopt that practice, courtesy of the recommendations of the preferred option by the Coastal Council. However, the council will not include the preferred option in the plan because it could not, in its wildest dreams, afford it. The State Government should take that matter on board.

I now move to part 4B of the bill, which is an interesting part that deals with accretion and erosion. Currently, a property owner can extend the property boundary if he or she can show that the accretion is slow and imperceptible. Under the new bill a property owner will have to demonstrate that the process is irreversible—and that is an important difference. If there is accretion beyond one's land and it can be shown that it is slow and imperceptible, \$100 can be paid to obtain an extension of the freehold title on that land previously owned by the Crown. That can improve the value of a person's property, in some cases by tens of thousands of dollars.

This legislation is saying that the principle of accretion will still exist but property owners can extend their boundary only if they can show that the accretion is irreversible. In other words, the land forms and what is happening to the coastline can never be subject to erosion. In the past property owners have extended their boundaries through an accretion process. Suddenly a big storm event has caused massive erosion on private land or adjacent to a boundary, and public access to the foreshore has been lost because of the erosion event. One key tenet of the New South Wales coastal policy is continued public access. Therefore I support what the Government is trying to do with this legislation. The Government is saying that property owners cannot simply apply to have the upside without taking into consideration the downside, that is, erosion. This legislation is very good in that respect.

However, by exempting Sydney Harbour and Botany Bay in one section of the legislation, the Government is effectively creating two classes of shoreline residents in New South Wales. The Government is saying that the people who live adjacent to Sydney Harbour and Botany Bay can have the benefits of accretion under the old rules, because they are not affected by the new rules—they are exempt—whereas everyone else in New South Wales must live with the new legislation. I believe that it is good legislation but there is no proper justification for two classes of residents when it comes to accretion. Indeed, the way the Act is currently written discriminates against people who do not live adjacent to Botany Bay or Sydney Harbour.

It is irrational to exclude Sydney Harbour and Botany Bay from the coastal policy for precisely that reason. Indeed, there is a strong argument for removing Botany Bay and Sydney Harbour from section 4B. In other words, the Government should not allow the exemption to continue. It should ensure that people who live adjacent to Sydney Harbour and Botany Bay are treated the same as everyone else when it comes to accretion and erosion. I turn now to the provisions in schedule 2, which I think are well-intentioned but will create at least one problem. Schedule 2 amends the Crown Lands Act 1989 to enable the Minister to create an easement on foreshore land within the coastal zone. It is proposed that this can occur if two conditions exist. The first condition is only to secure a continued—I emphasise the word "continued"—public access to a beach, headland or waterway. The second condition is when the easement is recommended as part of a coastal management plan.

The Minister can only create an easement on private land when two conditions occur: first, when it is continued public access to a beach, a headland or a waterway; and, second, when the easement is part of a plan and identified as part of a plan. I am concerned that new section 58A (3) provides that compensation will never be payable. The State will never have to compensate a land-holder in that situation. I can foresee a situation in which a private land-holder, through no fault of his own, loses a personal benefit as a result of coastal movements and, in the process of protecting an existing public access, an easement is created which causes real problems for that land-holder. For example, if there is a major erosion event a private land-holder with a public access beyond his property may lose that public access.

Under this legislation, if that happened the Minister could step in and create an easement through that private property to enable public access to the waterway, beach or whatever. If that happened, first the private landowner would lose his land, which could be worth a significant amount of money. Second, it may be necessary for that land-holder to erect a fence to protect his property from people wandering over his land or to keep small children away from the waterway. There may be security issues. Indeed, a fence may have to be moved back two to three metres to protect the property from people wandering across it at all hours while at the same time maintaining a public access. In some circumstances a property owner could be significantly out of pocket through no fault of his own but simply as a result of erosion.

Therefore, new section 58A (3), which states specifically that under no circumstances will a government ever have to pay compensation to a land-holder, is wrong. Even if the government of the day considers that a property owner has a reasonable case for compensation, under this legislation that government will not be able to pay compensation. It will be illegal for a government to pay compensation. That is wrong. In the Legislative Council the Coalition intends to move an amendment that would delete section 58A (3). If someone can provide a solution to the issue I have raised, well and good. However, at this stage I cannot live with the idea of having a blanket clause that excludes the payment of compensation under all circumstances.

One matter that needs clarification is when a landowner, on the basis of a good neighbour policy, allows people to walk over the front of his property. In other words, it is not a formal access but an informal access. The landowner is being a good neighbour and allowing people to wander across his property. It is unclear to me whether that represents an access. It could be argued that it is not an easement unless the access is identified on a planning document, and therefore there is no issue. However, the way the legislation is worded, we seem to be talking about continuing access. In other words, if people are using an access at present, there is a reasonable presumption that the Minister will have the power to continue that easement. I would like clarification of whether we are talking about a formal access identified on a map.

What happens when an access is informal? The access may be made available because the landowner is trying to do the right and neighbourly thing, or perhaps the access has not been identified on a local environmental plan or a development control plan. During our deliberations on the legislation we contacted a number of stakeholders. I have received various comments from the stakeholders which I shall read on to the record. The Local Government Shires Association of New South Wales has indicated its support for the inclusion of the urban areas of Sydney, Newcastle, the Illawara and the Central Coast in the definition of "coastal zone". It stated:

The exclusions proposed by the amendments are vague, in particular the wording relating to "areas that are not, and are not likely to be, affected by and that do not, and are not likely to, affect coastal processes, including coastal wave and wind action". Some clarity is needed here. For instance, that could be considered to be a coastal process, so any land areas adjacent to tidal waters could be considered part of the coastal zone, as the Bill currently reads.

The association also commented on coastal management plans. I guess it is a predictable but valid point for a local government association to make. It stated:

The preparation of a coastal management plan and actions which may be required resulting from such a plan will be onerous on councils in terms of human and financial resources. The comprehensive public consultation process required under sections 55(E) and (F) will be expensive, and attention is further drawn to section 55[C(1c)] which may require a council to undertake costly, ongoing engineering works to remove coastal responsibilities for emergency actions on public and private land.

It is suggested that some assurance be given in the Bill that the Minister's Guidelines referred to in section 55D are prepared in a timely manner (certainly prior to the issuing of any directions to prepare coastline management plans) and are developed in consultation with Local Government.

It is further proposed that the "Bill includes provision for the commitment of funds by the State Government to assist local councils to prepare coastline management plans.

The State Government provides a 50 per cent subsidy for the preparation of plans but it does not give any indication that financial resources will be made available to implement the plans to do the necessary works. I referred to the classic situation in Byron shire where a task force was ruled out, even though everybody agreed it was a good idea, because the State agencies could not agree on who was going to put up the money. Mr Angus Gordon from Pittwater Council agrees that the coastal policy should be extended to cover the entire New South Wales coastline. He believes that most Sydney coastal councils will want to be included in the coastal zone as it will give them more power to prevent inappropriate developments. However, problems rest with the definition of a coastal zone.

Mr Gordon said that currently a coastal zone is defined as one kilometre inland. This means that a house located one kilometre west from Narrabeen Lagoon will be covered by the coastal policy and any development application on that property will require assessment under the coastal policy. Instead, Mr Gordon proposes that the coastal zone should be redefined on a locality basis. The Minister should appoint an expert panel to advise him on the establishment of the coastal zone. He should invite coastal councils to provide a definition of what they think should constitute the coastal zone. This should be assessed by the expert panel and determined by the Minister in respect of each council area that is currently mentioned in the exemptions. Mr Gordon made other comments but I will not repeat them because most of them have already been made by myself or by the local government association. The submission from the Institute of Surveyors of New South Wales stated:

1. The Bill confers extraordinary powers on the Minister to affect the quiet enjoyment of a property to which a fee simple title is held.
2. The proposal to interfere with the Common Law Rights which are part and parcel of the title which has been purchased in good faith by the proprietor should only be accepted in proven extraordinary circumstances and the recommendations to the Minister and the actions by the Minister should be subject to review by the Courts. Political favours or whims should be contestable.
3. The Bill will probably devalue some properties.

In the absence of the compensation clause to which I referred, properties could potentially be devalued if they are adversely impacted without compensation. The submission continued:

4. Some specifics in the Bill to which we draw attention are:

There are no indications as to terms of easement which are proposed. Is it the intention that the easements are to be for pedestrians only? Are vehicles to be allowed? Will loitering (e.g. picnickers) be permitted? What of damage by users? What width of easement is generally proposed?

It is my understanding that an easement is defined in legislation. It might be useful if the Minister could state in his reply the legal definition of an easement. Are we referring to pedestrian easements? It is my understanding that an easement is a width of land, and I think that is what this legislation refers to. The submission further stated:

5. In the 2nd para on page 2 of the Second Reading Speech, a claim is made that the doctrine "has become a one-way activity, et cetera." Such a claim needs to be substantiated as in our members experience, landowners not infrequently lose land by erosion.

The Government said that accretion followed by erosion will lead to loss of public access, but the institute is saying that in many cases erosion of the landowner's property is more likely to occur. Ballina Shire Council submitted that there will be some funds available on a dollar for dollar basis for the development of the plan but there will be a net additional cost to local government for which there has been no revenue stream identified. In summary, the exclusions in the legislation need more explanation as there does not appear to be any credible justification for them. I am referring to Sydney Harbour and Botany Bay particularly in relation to the accretion argument. The legislation creates two classes of residents: those who continue to get the benefits of slow and imperceptible accretion around Sydney Harbour and those who do not. The Government would do well to include Sydney Harbour and Botany Bay under part 4, instead of letting those areas remain outside the provisions.

In relation to coastal management plans, no funding stream has been identified to fund the actions and strategies in the plans. If councils are left entirely on their own, the plans will be diminished in their capacity to achieve results. I referred to the compensation issue and the Opposition's proposal to delete section 58A (3). Finally, this legislation is part of a broader package of announcements that were made by the Premier in June last year. At that time the Premier indicated that the Government would introduce a State environmental planning policy [SEPP] on coastal management. It is almost 12 months since that announcement and no State environmental planning policy has been announced. A State environmental planning policy ought to be made available as soon as possible, as I understand it was supposed to complement this legislation.

I do not know how long it takes a government bureaucracy to develop a State environmental planning policy. It took about a day for SEPP 46 to be developed. After almost 12 months a State environmental planning policy for coastal protection has not seen the light of day. Will the Government give an indication of when that policy will be announced? The Opposition will not oppose the legislation, but it will move an amendment to make it possible that, in circumstances where it is warranted, compensation can be paid to a private owner when the Minister of the day creates an easement on their private land to their disadvantage.

Mr BARTLETT (Port Stephens) [9.28 p.m.]: I support the Coastal Protection Amendment Bill. On the night of 19 and 20 August 2001 there was no wind or storm in the Port Stephens area and the predicted high tide was 1.6 metres. The actual tide on the night on the levee bank at Marsh Road at Bobs Farm, about 20 kilometres from Tomaree and Yacaaba, the heads of Port Stephens, was 2.5 metres. Mr Eric Holliday, OAM, who had helped construct levee banks in 1932, said that in his 80 years of living in that area he had never seen a tide of that proportion. It was something like one-third of a metre above the highest tide he had ever seen. There was no storm and there was no wind. If there had been a storm event one could imagine what that would have done to the Newcastle and surrounding areas.

Stockton Bight, in my electorate, is 30 kilometres long. At its southern end are the Stockton breakwater and the Nobbys breakwater. Coastal processes are long and involved. The beach itself is still working out what to do with the breakwaters that were constructed as training walls for the Hunter River 100 years ago. At present the zeta curve on Stockton Beach—the zeta curve being the curve that the beach wants to put in place—in fact moves into Mitchell Street, Stockton, and wants to go into the residential housing area at North Stockton. To get around that problem, a few years ago the council put in a very significant rock wall about a kilometre from the Stockton breakwater. It did protect the road and it is protecting the housing. The problem is that it has caused the profile of the beach to drop.

The normal curve of the beach allows wave action to be absorbed by the beach. The wave rolls up the beach and is absorbed by the beach. Once a rock wall or rock groyne is put in there is a rebound effect; the wave bounces off the wall, sucks down and sucks out, resulting in a lowering of the profile of the beach. Whether it is on Stockton Beach or any other beach, that is the effect of most rock walls that are put in place to address a short-term erosion problem. A rock wall causes enormous erosion on beaches over the long term.

This bill does a number of things. It will amend the Coastal Protection Act to protect customary public access rights to beaches and headlands by requiring councils to produce coastal management plans that address emergency responses to beach erosion. I plan to devote most of my comments to that aspect of the bill. The amendments will require councils to include provisions in a coastal management plan to specify how works may be constructed to prevent erosion and requiring all works to be consistent with those plans.

Section 55B requires the council within the coastal zone to prepare a coastal management plan if directed to do so by the Minister. Section 55C specifies the matters for which a coastal management plan must make provision. Section 55D requires a council to prepare a draft coastal management plan in accordance with guidelines determined by the Minister. Section 55E requires a council to give public notice of, and to publicly exhibit, a draft coastal management plan. Section 55F enables people to make a submission during the period of public exhibition. Section 55G requires the council to submit the draft coastal management plan to the Minister for approval. Section 55K makes it an offence, punishable with a maximum penalty of 100 penalty units, to carry out work other than in accordance with a coastal management plan.

The area I know best, because I have lived there for some 40 years, is the Stockton Bight and Port Stephens area. The history of the area has been one of inappropriate, ad hoc actions, usually taken in haste, to prevent or correct beach erosion as it occurred. There were no long-term plans. In the 1960s and 1970s Dutchmans Bay was a case in point. Erosion took place, hasty replenishment was done, and groynes were established that allowed new zeta curves to form, resulting in erosion on one side and accretion on the other. That did not work. Rock walls were placed longitudinally along the beach. Again, that lowered the beach profile. This went on through the 1960s, 1970s and 1980s. Most of the rock was then taken away because it was realised that that method was inappropriate.

This legislation urges concentration on appropriate works. In many instances it will be very difficult to do appropriate works because of the short distances between public assets, such as Shoal Bay Road or beachside parks and the existing beach. Shoal Bay would be a classic example. At some points a storm and wave attack on Shoal Bay beach could lead to a breakthrough in a major arterial road. Port Stephens, Shoal Bay, Dutchies and Corlette readily come to mind as beaches that have inappropriate rock improvements. This bill will focus the attention of councils on what is appropriate and what is inappropriate, with that information having to be put out to public exhibition so that people in the area with knowledge can comment on it.

I remember that at one beach conference I attended the point was made that off the coast of Florida \$1 million per kilometre per year was spent on pumping sand back onto the beaches along the Florida coastline. Obviously, those authorities had substantial incomes and could take such extreme solutions, but that shows the amount of money that can be spent on trying to preserve the beachfront in the face of inappropriate development

on or behind beaches that is causing problems. This bill tries to focus the attention of councils on addressing those problems. I ask the House to bear in mind the damage that occurred on 19 and 20 August this year and the huge amount of damage that could be caused if the topping of the levee banks and flooding of surrounding areas were accompanied by a storm. That could happen anywhere along the east coast of Australia. With those few remarks, I conclude my speech and note my support for the bill.

Mr FRASER (Coffs Harbour) [9.36 p.m.]: I support the bill in principle. But, as the shadow Minister said, as to the detail, we on this side are somewhat circumspect, to say the least. Over the past few years a trend seems to have invaded environmental politics in New South Wales whereby if a problem occurs in Sydney you fix it in the bush. The trend is that if development on the coastline, shoreline or estuaries in metropolitan areas is regarded as a problem, you do not address the problem where it is situated but out in regions where your efforts, though perhaps causing grave inconvenience to local communities, will have some chance of being effective. It is believed that if you address the problem out in the regions you get a feel-good attitude and can say, "The problem is now fixed."

I am sure that Professor Thom would like this legislation to be expanded—although, unfortunately, I do not think the Government will listen to any such suggestion—to include the metropolitan areas of Botany Bay and Sydney Harbour as well as the areas specifically excluded from the provisions of this amending bill, namely, the local government areas of Pittwater, Warringah, Manly, Woollahra, Waverley, Randwick and Sutherland. Those areas, according to the overview of the bill, "are not (and are not likely to be) affected by and do not (and are not likely to) affect coastal processes, including coastal wave and wind action". I regard this as yet another impingement on regional and rural New South Wales, because the bill states that councils will be required to prepare management plans for affected coastal areas.

Currently, a planning guidelines paper has been put out to the community by a coastal management committee. That paper basically says that we should not be building on estuaries, ridges, farmland or next to the seaside. I put it to the House that only a very small part of the electorate of Coffs Harbour, especially in the Coffs Harbour local government area, is able to be developed. Like most people, I do not want overdevelopment. We do not want to see our coast concreted, as was done on the Gold Coast. We want sensible development.

In 1988-90 the then Coalition Government stated that it would not allow that to happen and introduced coastal planning. In those days the restriction meant that buildings within two kilometres of the high-water mark could have no more than four storeys. The coastal zone is now one kilometre from the high-water mark and, within that area, Coffs Creek comes to the centre of the central business district [CBD] in Coffs Harbour. I suggest that one kilometre from the high-water mark covers the whole of the Coffs Harbour CBD and restricts the largest provincial city in New South Wales from its natural and sensible growth. The highest building in Coffs Harbour used to be Fitzroy House with eight storeys. I am not sure what its name is these days but it houses a number of government departments, and there is nothing offensive in that. However, building height is now restricted to four storeys.

Under the local council's local environment plan [LEP], which was finalised a couple of years ago, a provision that has slipped by the local population unnoticed is that the council is restricting construction height to two storeys on land that is adjacent to the seashore. Along the narrow Coffs Harbour coastal strip, development is extremely limited. I am not suggesting that we want to concrete the coast, but sensible, organised development that aesthetically, environmentally and economically suits the coast is needed. People who pay half a million dollars or more for foreshore land and are confronted with a government restricting construction on a house block to two storeys or four two-bedroom units will determine that the proposition is uneconomic. Such a trend restricts the ability of a centre to grow.

That trend will restrict my electorate of Coffs Harbour; it will restrict Urunga, and Woolgoolga and all the estuarine areas where people want to come to live and enjoy what the area has to offer. We want to keep our estuaries clean and our beaches in a state that I, my children and their children can enjoy, but at the same time we do not want development to be totally inhibited. Pressure is being directed downwards from the Government to local government. Plans must be provided to the Minister for approval, but if the plans do not meet with the Minister's approval they will be remitted and we will end up with a situation in which plans are toing and froing between the State Government and local councils, with the cost of the exercise being foisted on local government.

For many years local government was responsible for the management and maintenance of the seashore, but the Government has failed to acknowledge that. I believe it is up to the State Government to set

guidelines for foreshore development. The Government must be careful not to put too onerous a burden on local government. During an earlier debate in this Chamber I made the point that pressure is being imposed by the State Government on local government that is forcing local government authorities to distribute the financial burden onto ratepayers. That is particularly odious when local government authorities are not in a position to increase rates. Although I support restrictions on the ability of local councils to increase rates and use the funds for larger administration budgets instead of for the benefit of the local community, the costs to local councils of obtaining ministerial approval is yet another impost on local government by the State Government.

While I acknowledge the need for the State Government to give local government some direction, at the same time local government should also be given financial assistance to ensure that coastal management plans are developed in consultation with the community. Earlier this evening I was reading a land settlement policy that has been promulgated by the local council. Supposedly on the basis of public consultation—that amazes me because I went to three of the public meetings as a land-holder—the council has now decided that rural areas in the Coffs Harbour electorate will be restricted to lot sizes of 60 hectares or greater. Areas of land larger than 60 hectares make up only 4 per cent of the shire, but suddenly the local council—I believe in conjunction with the Department of Planning—has proposed a policy that pays no heed to the results of the public consultation program. At the meetings I attended the people were absolutely against the proposal, and my fear is that the same problems can and will arise as an outcome of the legislation being considered by the House.

Token public consultation programs will be conducted and directives will be given to local councils, just as they are regularly given to local councils under LEP proposals. I can vouch for that because during consideration of the most recent LEP the council indicated to me that because of certain provisions—despite no definition having been provided or information on whether the area that was being protected was inhabited by native animals—the council would crosshatch the whole of the Coffs Harbour local government area as a habitat protection area. I know that the directives were handed down to the local council by the Department of Planning and the council was instructed that if certain action was not taken within the local environment plan the Minister would not sign off on the plan. This legislation shows all signs of the same approach.

In relation to coastal communities, we have had, now have and will continue to have a responsibility for the future preservation of our pristine environment. I know that the environment is pristine because last week the Coffs Harbour beaches were given a top award for being the friendliest beaches in New South Wales. They were runners-up for an environmental award in a park beaches category and attracted a Young Legends award because the local youth take care of the environment. Our environment is in safe hands, but I do not believe that the downward pressure being exerted by the Government to impose restrictions on land-holders is an appropriate course. Section 55M refers to a breach of coastal management plan or order and states:

- (1) The Minister or a council may, in respect of a beach in a local government area within the coastal zone, order a person:
 - (a) to refrain from depositing material on the beach that affects or is likely to affect beach erosion or that affects or is likely to affect public access to a beach or headland...

I agree that public access should be maintained and I have always supported that. But where the new section refers to "affects or is likely to affect beach erosion", does that include accretion? When a community recognises that it is losing part of a beach and wants to halt the loss by obtaining the services of a marine geologist who says, "We can stay this by doing this, that or the other and can actually give you more amenity"—and that would be especially attractive in a tourist area such as my electorate—will they end up in a situation in which the Minister or a council will order someone to refrain from depositing or to remove material that has been deposited? Section 55M also provides:

- (c) in the case of a person who is the owner or occupier of land that has a frontage to such a beach:
 - (i) to refrain from erecting a structure on or near the boundary of the land and the beach...

Will it be an offence to keep cattle in or to keep people out? Do we end up the structure having to be removed? The section continues:

- (ii) to remove a structure erected on or near the boundary of the land and the beach,
 - if the structure affects or is likely to affect beach erosion...

I put it to the House that if someone puts a post into a dunes area, it must affect the dunes in some way, shape or form. I know that because 20 years ago every weekend I worked with the Coffs Harbour Apex Club, the local

Lions Club and the local Rotary Club to restore the foreshore of Coffs Harbour. My children grew up while that was being done and I think we did a fairly good job. We made a few mistakes, one of them being that we planted some trees and now we cannot see the waterway. However, that is a management problem. The dune care group is going well. I do not agree with the council's proposal in respect of that area, and I am sure that Professor Thom, who is seated behind the Speaker's chair, is aware of that. [*Extension of time agreed to.*]

I do not necessarily agree with the council's idea of constructing a boardwalk because I think the amenity in the area is fantastic. There is a pathway, some barbecues, a lovely grassed area, an area that is fenced and vegetation which keeps young people away from the beach while the mums and dads enjoy it. We now have an amenity that in years past we did not have. The beach at Coffs Harbour has extended somewhat—and I say "somewhat" because it has probably extended 100 metres in the past 20 years or more. In other words, we have lost a waterway and have gained an extended beach area. I do not know whether that is for the best. I do not think it is, so I think we will need to look at a management plan. If we put up a fence or we plant some stabilising vegetation in an area it results in accretion. We need two-way consultation. This legislation seems to me to be an attempt by the Government to make land-holders and communities responsible for coastal protection. To emphasise that point I refer to schedule 2 to the bill and to section 58A, which is headed "Easements for public access over foreshore land." Subsection (2) states:

The easement for public access may be created only:

- (a) for the purpose of securing continued public access to a beach, headland or waterway, and
- (b) if the creation of the easement is recommended in a coastal management plan...

Councils are being asked to draw up coastal management plans. If a council decides to create an easement for public access to a nice headland or beach and that land is privately owned, section 58A (2) (b) allows that to occur "if the creation of the easement is recommended in the coastal management plan." A council would then recommend that public access be granted. Private property can and will be affected as a result of these coastal management plans. Section 58A (3) provides:

No compensation is payable to an owner, lessee, mortgagee, caveator or judgment creditor of, or in respect of, the land because of the creation of an easement for public access as referred to in this section.

The boundaries of some of the blocks of land in the northern beaches area of my electorate extend well past the water mark. Back in the days when coastal management plans were drawn up the low water mark came within the boundaries of those properties. If a coastal council decides that that land is to be taken back or public access is to be granted, it could decrease the value of that property. The Government is clearly stating in this legislation that no compensation will be paid. The property line comes down to the water mark at a vast number of estuaries on the North Coast. These issues are being redefined in this legislation.

Under this legislation property values will decrease. Environmental groups are saying, "We want these areas fenced. We do not want access to these waterways by cattle or by the public. We do not want people to be able to access waterways in certain areas." Property owners are responsible for maintaining those fences. This legislation also states that if a management plan that is put forward by council is submitted to the Minister and it is approved by him, the public will have access to those areas and that property owners are not entitled to compensation. That will present problems if a property owner has livestock on his property. People might leave the property unsecured, which could cause the property owner financial loss and hardship.

Some parts of this legislation have been put together hastily. I referred earlier to the fact that there are no restrictions in Botany Bay, Sydney Harbour and other areas. I suggest that there is no restriction in those areas because of the impact that restrictions in those areas could have on the Government at the next election. I reiterate what I said earlier in debate on this bill: If the Government has a problem it fixes that problem in the bush and in the regions to make itself feel good. It gets a decent headline stating that it is looking after the environment in New South Wales. However, the Government is restricting the rights of people in regional and rural New South Wales.

If this Government is serious about fixing the problem across the board it should say to people living in the Botany Bay and Sydney Harbour areas that their access will be restricted. Alternatively, if the Government takes away that property and provides public access to that land it will affect the economic value of the land and impact on the Government at the next election. I challenge the Government to take this issue seriously and to take that message to the people of Sydney.

The Government is stating that previously protected areas of public land which were held by Federal and State governments will now be sold. If it tried to do that in regional areas—and that is not something that I am advocating—it will be jumped on and dumped on. The New South Wales Government is attempting to do that with the stroke of a pen. If the Government says it is fixing a problem on the North Coast it gets away with it. That is not good enough. The same conditions that apply in this legislation should apply to the foreshores of Sydney. What an interesting experiment that would be.

Ms ANDREWS (Peats) [9.55 p.m.]: I am pleased to support the Coastal Protection Amendment Bill and to make some general comments regarding the bill. I will then discuss the amendments as they relate to property boundaries as defined by the reference to the mean high-water mark. The State's beaches and coastal headlands enjoy a special place in the hearts of the community. Once again the Carr Government is providing the leadership that is essential to sustain our coastal environments for future generations. The community has long enjoyed ready access to the State's beaches and headlands. That access has become an accepted part of the Australian culture and lifestyle. Until comparatively recent times even the pressures of urban development could not destroy public access. Sadly, in some instances, that is no longer the situation.

In my electorate of Peats the urban waterfront landscape is changing rapidly. In the past the foreshores were dotted with weekenders and modest homes which were often unfenced. Boundaries were relatively unimportant as the residents had a common love of the coastal environment. There were few, if any, restrictions on general community access to the foreshores. In recent years there has been a growing trend towards the replacement of these older style weekenders with more substantial and valuable houses. With this trend comes an understandable desire on the part of landowners to both maximise their land area and to protect it against any loss due to coastal erosion.

The doctrine of accretion and erosion is being used more widely than ever before by foreshore property owners to extend their properties as a result of any natural build-up of the foreshore. Almost inevitably a successful adjustment of the mean high-water mark boundary results in property owners constructing protective works to ensure that any newly acquired land cannot be lost in an erosion event. Once protective works have been built it is inevitable that the often gently sloping sandy beach seaward of the works will be eroded over time by a combination of wind and wave action against the protective works. When that happens, access along the foreshores becomes increasingly difficult as material is eroded. Essentially, access becomes impossible except at the very lowest stages of the tide.

I find that situation inequitable and intolerable, and so do many of my constituents. It represents a major loss to the wider community in reduced coastal access to provide a benefit to a minority of property owners whose boundaries are defined by a reference to a mean high-water mark. Left unaddressed, this issue would have the capacity to totally alienate vast lengths of foreshore—a situation that I am sure honourable members on both sides of the House would not wish to inflict on future generations. The bill addresses this issue by modifying the application of the doctrine of accretion and erosion. A greater onus of proof is placed on property owners seeking to have their title amended.

For such claims to succeed, property owners will not only have to demonstrate that the accretion has been slow and gradual; they will have to demonstrate that it is irreversible and that it will not lead to a loss of customary access to the foreshore. In those areas where the accretion can be shown to be irreversible, the amendments would have no impact, and I would argue that this was the intent of the original doctrine. Their significance lies in those instances where the accretion is simply part of the ongoing cycle of foreshore fluctuation, inevitably to be followed by erosion. The amendments will effectively prevent application of the doctrine of erosion and accretion in these cases. Landowners will be prevented from extending their title during accretion events and will, therefore, be prevented from constructing works to protect this extended boundary—works which would, often unwittingly, lead to a loss of community access along the foreshores.

In my electorate of Peats, public outcry against restrictions being placed upon public access to the foreshores of Booker Bay reached such a point in recent years that it was decided to hold a public meeting on this burning issue. A well-attended meeting was held in the Ettalong Beach Senior Citizens Centre at which senior officials of the Department of Land and Water Conservation and officers of Gosford City Council addressed the local residents and answered a series of complex questions. I had the honour of chairing that meeting and I found it to be a most interesting experience. The general consensus of the meeting was that public access should be upheld. Of course, a few property owners expressed opposing views.

It was interesting to observe, however, that property owners who had lived along the Booker Bay foreshore for many years were prepared to continue to share the beach with members of the public, without the

need to construct retaining walls or fences. Professor Bruce Thom, the Chair of the Coastal Council of New South Wales, who is sitting behind the Speaker's chair, visited the area and saw at first-hand the reasons for the public's outcry about the loss of access along the Booker Bay foreshore and parts of Umina Beach. Professor Thom's dedication to ensuring that our fragile coastline is given as much protection as possible is widely acknowledged.

I am delighted that the bill redefines the coastal zone to now include the Central Coast. This move will be comforting for the vast majority of Central Coast residents, now totalling in the vicinity of 250,000 and increasing daily. The former Minister for Land and Water Conservation, the Hon. Richard Amery, is to be thanked for his unswerving support throughout the Booker Bay foreshore debate. The assistance of his ministerial staff is also acknowledged. I should like also to acknowledge the competent manner in which the present Minister for Land and Water Conservation, the Hon. John Aquilina, has taken on the carriage of this landmark legislation, which, I am sure, will be welcomed by the majority of my constituents. I believe that future generations will look favourably on this House for having the foresight to implement measures to ensure that beaches and headlands remain accessible to the wider community. I commend the bill to the House.

Mr WEBB (Monaro) [10.02 p.m.]: Both the honourable member for Ballina and the honourable member for Coffs Harbour have detailed many of the Opposition's views on the Coastal Protection Amendment Bill. The bill includes various areas in the coastal zone and continues to exclude various areas in the coastal zone, including Sydney Harbour and Botany Bay. It is interesting that when the Government has the social conscience to bring about such a change it does so from the very north of the State to the very south of the State. It does not take into account the vast differences that occur throughout New South Wales, particularly from South Pambula in the electorate of Monaro and the Pambula River to the Victorian border, an area of some 500 kilometres from Sydney and a similar distance from Melbourne.

The impact of the amendments to the legislation sends shudders down the spines of people who have property on the Far South Coast and have the long-term goal of realising a gain by subdividing, developing or selling the property at some time to accommodate the growth that is projected on the Far South Coast. That growth has been estimated to be about 50 to 60 per cent over the next 23 or 25 years, and the area may have to accommodate an increase in the Sydney population of some one million, or 25 per cent, over the same period.

The impact on those people in the coastal areas of New South Wales should not be underestimated; nor should the impact of an increase in the Victorian population, who regularly visit their Surfers Paradise, namely the Far South Coast of New South Wales, and aspire to invest in holiday homes, holiday villages, tourism operations and so on to take advantage of the wonderful potential of that part of New South Wales. Eden is aptly named, and people enjoy no end of wonderment at the attributes of Twofold Bay, a wonderful port, and the surrounding region, and the potential for tourism and growth in that area.

It is interesting to report on Planning New South Wales' assistance and investment in the planning strategy for Twofold Bay and the hinterlands, in the Monaro electorate. That has resulted in a community discussion paper about the future directions for Twofold Bay and the surrounding area. Interestingly, the plan, which has only been out for a couple of months and is the result of much community consultation, does not refer to the Coastal Protection Amendment Bill. Point 10 of Table 2.1 of the discussion paper, dealing with a summary of proposed actions, deals with capitalising on the potential of Twofold Bay and the hinterland region. It also deals with industry in the area, a focus on tourism, and how all these things can be combined. It recommends ensuring that appropriate land and house packages are available in Twofold Bay and the hinterland by reviewing housing demand and supply and promoting opportunities to consolidate; updating and circulating a 2001 edition of the Land and Housing Monitor, noting best market and site location prospects; and developing specific house and land packages. If people knew that the Government's coastal protection amendment plan was under way, I am sure they would take another view of the potential development in that area.

The newly elected Bega Valley Shire Council may be required to go through the process of putting in place and exhibiting a draft coastal management plan. The council has recently put in place a new local environmental plan, and that has caused some dilemma. It has recently gone through the whole process of planning for the future of Twofold Bay and the surrounding area, but none of that has taken into account the Government's agenda for coastal protection. Obviously, the protection of the natural environment is paramount in the minds of the local communities and has been taken into account, though still bearing in mind the potential growth of the region and its tourism.

One of the side-effects of the planning process has been the Kiah draft settlement strategy, which has been in existence for some time but was delayed by the Twofold Bay and hinterland planning strategy. People

have lodged development applications to subdivide land to enable them to make the best use of their properties, and in many cases those applications have been in the pipeline for some time. Many small allotments in rural residential areas have been identified by the building and planning services department of the Bega Valley Shire Council as being suitable for a rural residential strategy and subdivision. For example, Mr and Mrs J. and C. Thorpe and Mr and Mrs M. and F. Allen of the Kiah area have had development applications lodged for some time, seeking to make the best use of the Kiah settlement strategy. They are extremely disappointed that the Kiah settlement strategy has been put off at this time and that the approvals for their subdivision and building development are to be disallowed.

It is interesting that a number of other people were in the same position—people who have held small allotments of land in that area and who were looking forward to making use of the Twofold Bay and hinterland planning strategy, which takes into account potential for rural residential development and orderly development in the far South Coast region. They now have nowhere to go and it will be some time before the local council and its planning officers will be able to come to terms with demand in the region, a solid demand that is based not only on the forestry and agricultural industries in the area but on the fishing industry as well.

Despite the intention of this Government to close down the commercial fishing industry, the commercial fleet still sails out of Eden and, day in and day out, supplies fish to the Sydney and Melbourne markets. It is an important industry in its own right. The planning strategy for aquaculture on the far South Coast is a much more important thing for this Government to be working on than coastal protection amendments, when a number of safeguards are already in place and local government is working to protect the environment.

This Government seems to ignore the fishing and forestry industries, which underpin various regions on the South Coast. While it is gearing up for tourism and making the best use of tourism, as are the Koori communities, one wet Easter or a few cold days in summer can make a big difference to the year-long tourism industry on the far South Coast. It can exist only with the support of local businesses and by making use of natural resources. The tourism industry needs land to develop. It is all very well in an ideal world to talk about New South Wales coastal protection, to show on a map the pristine coastline and where people want to live, and develop the land in such a way that everything people demand today can be taken into account. Of course, we do not live in that ideal world. We are taking up the cudgels of development that has already taken place over many years.

It is ridiculous that the proposed Boydtown marina development in Twofold Bay is being held up by Planning New South Wales and the Minister, who do not like the idea of Boydtown, although many decades and millions of dollars have gone into augmenting the tourism industry there. Kerb and guttering is in place and a significant number of building allotments of many different types will very suitably provide for the growth of the Eden area for a number of years to come. The director-general of the department has said that not much is wrong with the development; the land has already been disturbed so it is not pristine wilderness, and the department can overcome the problems. On the other hand, the Minister shakes his head and says the development does not conform with the Coastal Protection Amendment Bill and he will not allow it at this stage. That stalled development could provide many jobs in the development stage and many housing and tourism opportunities for people on the far South Coast.

The existing Harris-Daishowa development is an important part of the infrastructure in Twofold Bay, as will be the recently begun naval armament wharf. Planning has been well under way for sometime and dredging has begun. Building will begin in the near future. That will also bring about development that will augment local business and be a tourism opportunity. Tourists do not travel only to look at trees and koalas in the bush. They travel to Sydney Harbour to see naval ships entering and leaving the harbour, and the diversity that Sydney Harbour offers. That applies also to the far South Coast. Indeed, the far South Coast, as a development area, should be given the same latitude to develop within the Government's environment and planning protection policies.

The State Government has lost sight of people and social issues by placing environmental protection first. It often has centralised, heavy bureaucracies placing onerous conditions on local government. They make it difficult for local government to raise the funding needed to manage the protection of the environment and the orderly development initiatives placed on it by the State Government, so that future generations can enjoy the history and heritage of those areas. Sydney people are excluded from those requirements and people on the south coast will have to pay for the mitigation works themselves. People who own land will be the losers. They will not be able to subdivide the land, an expectation they have had for sometime. I suggest that the land values themselves are based on the potential to subdivide that land. These possible development attributes have been taken away but, typically, the Government gives those people no compensation. They bear the cost, as does local government.

I understand the need for Acts such as these but they must come in their due time. A fair way for this to be done is, perhaps, to place an environmental levy on taxpayers or urban dwellers so these areas can be protected. The erosion areas need to be protected. I have no argument with various aspects of the bill but I do have a problem with the definition of the zones and coastal management plans. Local communities have been given autonomy, as the Twofold Bay plan suggests, and I have grave concerns that a bill such as this will take away all the previous strategies and the millions of dollars that have been invested in possible development, such as at Boydtown.

Mr NEWELL (Tweed) [10.17 p.m.]: I have a very strong affinity with the coastal zone and its management, as I have said in this House on a number of occasions. I am pleased to support the bill as a further step in the Government's strong commitment to coastal protection. Honourable members will be aware of graphic television footage indicating how destructive forces of nature can be and how vulnerable some residential areas are when constructed on sand dunes. We have also witnessed what can be referred to as the ad hoc actions of various councils to protect property that is under threat of being washed into the sea. The bill puts councils and private property owners on notice that certain management plans will need to be put in place and that the Government will not tolerate the ad hoc actions and reactions of the past. They have probably caused more damage and have been more of a hindrance than a help in placating the forces of nature.

These forces of nature are referred to in the bill as accretion and erosion. That is a quaint way of putting it. However, we are all aware that accretion and erosion can be much more destructive and occur in a shorter time frame, which can be traumatic for those who are exposed to them. No doubt some councils have been tardy in undertaking the necessary planning for inevitable beach erosion. As a result, when storm emergencies arise, councils' responses can be more of a hindrance than a help in placating the actions of nature. While many waterfront boundaries are based on the mean higher watermark, they move over time as a result of shoreline fluctuations.

Much has been said about this bill, which I believe does two major things. First, it deals with property boundaries based on the mean high watermark. The bill provides that it will no longer be possible for property owners to adjust their boundary in a seaward direction as sand accretes and hence their boundary move towards the ocean or, in most cases, in an easterly direction. The legislation also puts property owners on notice that if the coastline erodes as identified in a coastal management plan drawn up by council, an easement to enable the public to transgress the front of properties along the shore for purposes set out in the coastal management plan, such as to access a headland or another area of the coast, will be put in place. As members opposite said, the Minister will be able to put an easement in place, without compensating the property owner. The Government is putting everyone on notice that it is serious about maintaining public access to coastal areas, and I am sure we all agree with that.

Public access will not be provided on an ad hoc basis. The reasons for a specific public access and how it will be provided will have to be set out in a coastal management plan. The coastal management plan will also clearly state how councils should react to the erosion of coastal areas. These days we recognise that erosion of our coastal areas is very likely to occur. I can cast my mind back to a number of occasions when coastal areas on the North Coast in my electorate of Tweed have been under threat. Coastal erosion in my electorate is probably not dramatic, but on the Gold Coast and in Byron shire, which border my electorate, there are examples of erosion. The Government is assisting councils to avoid the ad hoc placement of rock and other fill in an attempt to prevent further erosion but which sometimes can speed up natural erosion.

We have all seen the erosion that occurs on the Gold Coast. The traumatic cyclone in 1974 probably provided the best examples, and erosion has occurred on one or two occasions since then. Byron Shire also suffered greatly in the 1974 cyclone and on a number of subsequent occasions. The honourable member for Ballina referred to some of the action taken by Byron Shire Council to attempt to mitigate the forces of nature.

Honourable members may not be aware that the Tweed is the venue of two significant coastal zone projects. The first is the Tweed River entrance sand bypassing project, under which sand from south of the Tweed River entrance will be delivered to the southern Gold Coast beaches to arrest the long-term erosion that has occurred there, and to ensure that there is a clear navigation channel at the mouth of the Tweed estuary. That project will be officially commissioned towards the end of this month by the Minister for Land and Water Conservation in conjunction with his Queensland counterpart.

The second project is the development and implementation of a management plan for the lower Tweed estuary. Both projects arose because of decisions made in the 1960s and 1970s which had insufficient regard to

coastal processes—something that would not have occurred if coastal zone management plans, as detailed in this bill, had been in place. Outside these projects, the Tweed area has largely been spared the problems of coastal erosion that have been highlighted by other speakers. However, the Tweed coast is coming under increasing development pressure. Therefore, it is appropriate that the Government is introducing legislation to ensure that if councils fail to address the preparation of coastal zone management plans in a timely fashion, the Minister for Land and Water Conservation will have the power to so direct them.

In the case of Tweed Shire Council these powers should not need to be invoked, because council has already committed to the preparation of a comprehensive shire-wide management plan. I commend the council for that. Indeed, I note that when introducing the bill, the Minister indicated his expectation that councils generally would continue to prepare such plans on a voluntary basis, and that the provisions of this bill should need to be invoked only on rare occasions. I note that the bill makes provision for substantial penalties for councils and individuals who take action that is inconsistent with coastal zone management plans. I commend this provision as an effective measure if we are to ensure that access to the coast is preserved for future generations. I commend the bill to the House.

Debate adjourned on motion by Mr Maguire.

The House adjourned at 10.27 p.m.
