LEGISLATIVE ASSEMBLY

Tuesday 19 November 2002

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

Mr Speaker offered the Prayer.

THIRTIETH ANNIVERSARY OF THE ELECTION TO PARLIAMENT OF THE HONOURABLE MEMBER FOR CHARLESTOWN

Mr SPEAKER: It is with great pleasure that I inform the House that the Hon. Richard Face, The honourable member for Charlestown, and Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development celebrated 30 years as a member of this House yesterday, 18 November 2002. Richard was elected to the Legislative Assembly on 18 November 1972 in a by-election during the Forty-third Parliament. As we all know, he is also the father of the House. Indeed, he is currently the longest-serving member of any Parliament in Australia.

Members who were here during the previous Parliament will recall that I spoke on the occasion of Richard's twenty-fifth anniversary and my remarks are recorded in *Hansard* dated 18 November 1997. For the information of newer members, I spoke of his service to the people of the electorate of Charlestown, his service as Deputy-Speaker and Chairman of Committees during the Forty-eighth Parliament, his service as Minister since 1995, and the time and effort that he puts into assisting new members. I add to those remarks now by reminding members that Richard was also President of the Parliamentary Bowling Club from 1992 to 1997. Under his presidency—this is Richard's crowning glory—the club won interstate carnivals in Perth in 1994 and Melbourne in 1996. He also provided the drive and direction that led to the carnival being hosted here so spectacularly in 1997.

Yesterday Richard announced that he will not be contesting election to the Fifty-third Parliament. Richard, we have all appreciated your service and friendship and wish you all the very best in your post-parliamentary life.

ADMINISTRATION OF THE GOVERNMENT

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

MARIE BASHIR
GOVERNOR

OFFICE OF THE GOVERNOR
SYDNEY 2002

Professor Marie Bashir, Governor of the State of New South Wales, has the honour to inform the Legislative Assembly that she re-assumed the administration of the Government of the State on 18 November 2002.

18 November 2002

PUBLIC HEALTH AMENDMENT (JUVENILE SMOKING) BILL (No 2)

Bill received and read a first time.

DISTINGUISHED VISITORS

Mr SPEAKER: I draw the attention of the House to the presence in the gallery of Dr Katalin Szili, the Speaker of the Hungarian National Assembly, who is accompanied by the Consul General, Mr Gabor Sagi, and a delegation. We welcome them to the Parliament. For the benefit of those members who have not yet had the pleasure of visiting Hungary, Budapest has the best purpose-built Parliament in the world and I am sure that the Speaker will host a suitable occasion for members should they decide to visit.

OFFICE OF THE OMBUDSMAN

Report

Mr Watkins tabled the report entitled "Report under Section 26 of the Ombudsman Act—FOI Application for the Documents Relating to the Future of Hunters Hill High School", dated 22 October 2002.

AUDITOR-GENERAL'S REPORT

The Clerk announced the receipt, pursuant to section 52A of the Public Finance and Audit Act 1983, of the report entitled "Auditor-General's Report 2002—Volume Five", dated November 2002.

PETITIONS

Planning Control Reform

Petition requesting reform of planning controls by gazettal as a legal document, oversight by the Department of Planning, public benefit assessment of variations, and a ban on development-related donations to political parties and elected officials, received from **Ms Moore**.

Coffs Harbour Radiotherapy Unit

Petition praying for increased funding for establishment of a radiotherapy unit in Coffs Harbour, received from **Mr Fraser**.

Mental Health Services

Petition requesting urgent maintenance and increase of funding for mental health services, received from **Ms Moore**.

Queanbeyan District Hospital

Petition requesting that Queanbeyan District Hospital be upgraded, received from **Mr Webb**.

National Parks and Wildlife Service Prosecutions

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

School Bus Safety

Petition praying that seats and seatbelts be provided for all students on school buses, received from **Mr Debnam**.

State Rail Track Leases

Petition praying that the House reject the proposal by the Australian Rail Track Corporation to lease and operate freight lines, received from **Mr McGrane**.

Surry Hills Bus Services

Petition praying that the State Transit Authority reinstate the old 301 bus route, extend the 352 bus service, provide bus shelters and seats at all stops, reinstate the Market Street bus stop, and provide better information, received from **Ms Moore**.

Richmond Regional Vegetation Management Plan

Petitions seeking extension of the exhibition period of the draft Richmond Regional Vegetation Management Plan, received from **Mr George** and **Mr D. L. Page**.

Underground Cables

Petition requesting that the House ensure that an achievable plan to put aerial cables underground is urgently implemented, received from **Ms Moore**.

Old-growth Forests Protection

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

Circus Animals

Petition praying for opposition to the suffering of wild animals and their use in circuses, received from **Ms Moore**.

White City Site Rezoning Proposal

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

Homeless Services Funding

Petition asking that homeless services funding be increased urgently and maintained until no longer needed, received from **Ms Moore**.

Surry Hills Policing

Petition seeking increased uniformed police foot patrols in the Surry Hills Local Area Command and installation of a permanent police van or shopfront in the Taylor Square area, received from **Ms Moore**.

BUSINESS OF THE HOUSE

Withdrawal of Business

General Business Order of the Day (General Notice) No. 183 [Abernethy Bushfire] withdrawn on motion by Mr Stoner.

COMMITTEE ON THE OFFICE OF THE OMBUDSMAN AND THE POLICE INTEGRITY COMMISSION

Report

Mr Lynch, as Chairman, tabled the report entitled "Report on the Jurisdiction and Operation of the Administrative Decisions Tribunal", dated November 2002, together with submission and minutes of proceedings.

Report ordered to be printed.

COMMITTEE ON CHILDREN AND YOUNG PEOPLE

Report

Mr Campbell, as Chairman, tabled the report entitled "Promising Practice Strategies for Family Foster Care and Current Policy Challenges—Peter J. Pecora: The 4th Macquarie Street Lecture for Children and Young People, 30 August 2002", dated November 2002.

Ordered to be printed.

QUESTIONS WITHOUT NOTICE

VALHALLA STABLES LEASE

Mr BROGDEN: My question without notice is addressed to the Premier. Why, as Minister for the Environment, did he insist that National Parks and Wildlife Service officers meet twice with him and Eddie Obeid during the caretaker period of the 1988 election campaign when he knew that for over four years the service had refused to change the development conditions for Obeid's Valhalla stables lease in the Kosciusko snowfields?

Mr CARR: I said at the time and I said when the Greiner Government raised this in 1988 and 1989, my express instruction in writing to the National Parks and Wildlife Service was not to depart from existing

National Parks policy when it came to the handling of these developments. Well do I remember the Greiner Government standing on this side of the House raising this matter, in 1988 or 1989—early 1989 as I recall. Well do I remember the prompt rebuttal provided by the memo that went from me to the National Parks and Wildlife Service officers. The memo stated there is to be no departure in this matter from the existing practice of the National Parks and Wildlife Service. Because that was on the file, because that was on the record, my colleagues who were in the House in early 1989 will vividly recall how that Greiner attack fell to pieces.

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

Mr CARR: It has been drawn to my attention that before his links with PricewaterhouseCoopers were revealed on the front page of the *Sydney Morning Herald,* the Leader of the Opposition was interviewed about the costing of election promises. This was before the news broke about his links, which he had kept secret.

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

Mr CARR: His links, which he had kept secret—

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

Mr CARR: This is how totally brazen he was.

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

Mr CARR: Speaking on 11 November before the news of his links had broken, the Leader of the Opposition said that rather than have State Treasury cost election promises, they ought to be costed by a private company. Of all the accounting companies in the wide world, of all the accounting companies on all the continents washed by the seven seas, which one did he nominate should do this State Government work? The Leader of the Opposition said they should follow the example of Victoria, and all election costings should be carried out by PricewaterhouseCoopers.

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

WATER RESTRICTIONS

Ms MEGARRITY: My question without notice is to the Premier. What is the latest information on water usage in Sydney, the Blue Mountains and the Illawarra?

Mr CARR: Water is delivered by public authorities in this State. I note that the Leader of the Opposition raised the matter about a public authority, namely Telstra. The people of this State can vote against the privatisation of Telstra in the next State election by recording a vote for the Australian Labor Party. That is the way to do it. That is the way to send a message. I say to the country people of this State: If you do not want Telstra fully privatised, send a message to Canberra by voting Labor on 27 March. That is the only way. In the country a vote for the Coalition would be interpreted as a vote for the full privatisation of Telstra. It is only by country people voting Labor that they send a message that they do not want the public authority privatised.

Ms Hodgkinson: Point of order: I am looking forward to the Premier addressing mandatory water restrictions in the Sydney Basin.

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

Mr CARR: Water storage levels for Sydney, the Blue Mountains and the Illawarra are at 67.1 per cent capacity as of yesterday. To reach 70 per cent capacity, the minimum acceptable level, we need at least three to five days of steady rain. Even with good steady rain, very little will end up in our dams for a few days because of the dry ground.

Mr Armstrong: What are you doing about the drought?

Mr CARR: We will offer up the honourable member as a human sacrifice. We will offer him up as a burnt offering to placate the jealous gods! Weather experts seem to be of the view that current climate patterns will persist at least until March. Talk of rain replenishing dams is academic. There is evidence of overuse of

water in Sydney, the Blue Mountains and Illawarra: the highest October figures since records began 23 years ago. Our water supply is declining at a faster rate than ever. That is why we announced voluntary water restrictions for households. We want people to respond to the voluntary restrictions because fining people is not effective. I believe that people will respond to the case for voluntary restrictions, that is not using watering systems or sprinklers between 8.00 a.m. and 8.00 p.m., and not hosing down any hard surface, such as paths or driveways, at any time.

These are sensible restrictions because one-quarter of all domestic water use is outside the home—25 per cent of water is used to wash down driveways and paths, water lawns and gardens, wash cars and fill pools. Voluntary water restrictions are just that—voluntary—and rely on people having a sense of community and a sense of responsibility. We only have to think about how tough it is for people in country New South Wales to see the moral case. Towns such as Milparinka and Tibooburra, for example, have water trucked in.

Mr Amery: What about having it trained in?

Mr CARR: No, because there is no rail link. The water has to be trucked in. The cost is subsidised—

[*Interruption*]

Members opposite want to divert me. So I will refer to something from the PricewaterhouseCoopers web site about work on the conduct and supervision of the co-ordinated disposal of surplus State Rail Authority properties under the instruction of the New South Wales Department of Public Works and Services. Is it not interesting that they would be doing that work when, on 11 October 2000, a question on notice was asked:

> Is the Sydney Harbour Foreshore Authority planning to sell the old railway yards site at Rozelle?
> If so, when is this sale likely to occur?
> What is the estimated sale price?
> How does the Authority intend to dispose of these funds?
> Will any of the funds be handed over to Treasury?

PricewaterhouseCoopers has an interest, and the Leader of the Opposition asked a question!

Mr Brogden: What is the link? Answer the question.

Mr CARR: The Leader of the Opposition asks "What is the link?" The link is $110,000. He ought to explain why he asked the question when it is clear on the web site of PricewaterhouseCoopers Legal that that firm boasts of expertise in providing services to clients who are interested in developing former State Rail Authority properties. The question could well be asked: As shadow Minister, did the Leader of the Opposition ever ask any question that was not related to a development in which that company had an interest? All the Leader of the Opposition has to do is explain what he did in exchange for $110,000—something that he has signally failed to do.

Mandatory restrictions would normally be imposed when storage levels reach 55 per cent. I am advised that we will reach that in around late February or early March. However, if people do not start changing their water use patterns immediately, we will need to act sooner. We cannot risk having half-empty dams if the autumn rains fail and months of drought stretch out before us into mid next year. That is why Minister Yeadon advises—and I strongly agree—that we should bring in mandatory restrictions before Christmas, if consumption does not ease up noticeably over the next few weeks. That means fines of $220 for people who break the rules. It is not hard to save water. The Government is issuing some good, practical advice on saving water in the home, in the garden or while washing the car. Those 10 handy hints and voluntary restrictions that were announced last week are the type of conditions that country people live with, day in, day out.

The drought continues to be deeply serious, although it is terrific to receive a bolt of good news from rural New South Wales. Honourable members have often heard me refer to the band of prosperity that this Government has created around Orange. The front page of the *Central Western Daily* carries the headline "Development boom in the city". The article states that the city is expanding across the board as a result of a trend set by the Cadia developments, the reopening of the abattoir and the ongoing commitment to Orange by Electrolux which has been underpinned by Government support. The article refers to $23 million in activity, and more to come. This Government's policies are working in Orange, even in the face of this savage drought. That is very encouraging.

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

Mr CARR: If voluntary restrictions do not begin working soon, mandatory water restrictions will be introduced before Christmas. I thank the House for its attention.

VALHALLA STABLES LEASE

Mr BROGDEN: My question without notice is to the Premier. In view of his previous answer, how does he explain a briefing note from Mr J. F. Whitehouse, Director of the National Parks and Wildlife Service, dated 3 March 1988 with respect to the Valhalla stables? It states in part:

> The Minister requested the service review the request—

that is, the request from Eddie Obeid—

> with a view to providing alternatively worded provisions that could meet the requirements of the lessee.

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

Mr CARR: This was debated in the media and in this House in 1989.

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

Mr CARR: The documents held by the National Parks and Wildlife Service—not selective quotes—make it clear beyond any doubt that I, as Minister at the time, said that there was no departure whatsoever from the existing policy of the National Parks and Wildlife Service regarding these developments. In addition, it was known during the entire seven years of Coalition Government and fully debated. In addition to that, there could have been no departure from Government policy during an election campaign.

LEADER OF THE OPPOSITION PECUNIARY INTEREST DISCLOSURE

Mr LYNCH: My question without notice is directed to the Minister for Planning. What is the Government's response to community concerns that the Leader of the Opposition was paid a $110,000 consultancy fee while at the same time he was raising issues pertinent to his client, particularly the planning issue of State environmental planning policy [SEPP] 1, in the Eurobodalla shire?

Mr SPEAKER: Order! The honourable member for Fairfield, who is now on two calls, will remain silent.

Dr REFSHAUGE: There remain unanswered questions in relation to the Leader of the Opposition. What was he paid $110,000 for?

Mr SPEAKER: Order! There is still far too much interjection from both sides of the House.

Dr REFSHAUGE: I wrote this morning to the Leader of the Opposition and stated that the Government is prepared to grant leave today, at any time convenient to him, to allow him to make a personal explanation. This is an opportunity for the Leader of the Opposition to answer the serious questions that he has so far refused to answer.

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

Dr REFSHAUGE: What did he do for PricewaterhouseCoopers Legal over four years, from August 1997 to March 2002, for him to earn $110,000? He can remove any suggestion of impropriety by telling the people of New South Wales what he did for that money.

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

Dr REFSHAUGE: The Leader of the Opposition says that he has done nothing wrong, and I hope that that is the case. But if that is so, why is he so reluctant to tell us what he did for that money?

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

Dr REFSHAUGE: What did he do for that money? The onus is on him to prove to the public that he has not acted improperly and that he has not compromised himself in regard to his duties as a parliamentarian or as a shadow Minister. We are waiting for him to set the record straight. However, there is another set of curious circumstances—another example.

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

Dr REFSHAUGE: The example involves Eurobodalla Shire Council and its legal representative, none other than our old friends, PricewaterhouseCoopers Legal. In 2002, there was a very interesting court case, *Marpet Enterprises v Eurobodalla Shire Council*.

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

Dr REFSHAUGE: The company appealed against the council's decision which refused its development application to adapt part of an existing warehouse premises for use as a brothel. The appeal was lost.

Mr SPEAKER: Order! I ask the Serjeant-at-Arms to remove the honourable member for Wakehurst from the Chamber.

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

Dr REFSHAUGE: In summing up, the judge mentioned SEPP 1, and stated:

> My determination of the question of law must be qualified by expressly reserving the question whether dispensational relief is available under SEPP 1...

It appears that the judge was indicating that the use of SEPP 1 may have overridden the council's own plan, which effectively stopped that brothel. In September 2001 the Leader of the Opposition introduced his own bill, the Community Protection (Illegal Brothels) Bill. One key component of that bill was to stop the use of SEPP 1 by brothel owners to avoid the application of development standards.

Mr SPEAKER: Order! The honourable member for Wakehurst has already left the Chamber. I warn Ministers and shadow Ministers that they will join him if they continue to interrupt the Minister.

Dr REFSHAUGE: Is it just a coincidence that the centrepiece of the Leader of the Opposition's second reading speech was to stop the use of SEPP 1 by developers seeking to set up brothels?

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

Dr REFSHAUGE: I have checked and I cannot find any court case in which SEPP 1 was used in this way to allow a brothel to go ahead.

Mr Brogden: Point of order: The reason I introduced the bill was because your Government would do nothing to stop the proliferation of illegal brothels in New South Wales.

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

Dr REFSHAUGE: There was not a large number of court cases in which brothels were being imposed on communities using SEPP 1 to get around their development controls. In fact, I could find only one case, but there may be a couple of others, in which there was a mention of it. That was a court case in which PricewaterhouseCoopers Legal, the people who are paying the Leader of the Opposition, was mentioned.

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

Dr REFSHAUGE: Did the Leader of the Opposition dream up this legislation himself? It certainly would have worked in favour of PricewaterhouseCoopers Legal advice to councils. Was this another case in which the Leader of the Opposition felt obliged to do something for those who were paying him $110,000?

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

Dr REFSHAUGE: An examination of *Hansard* has uncovered this curious pattern. The Leader of the Opposition, as the shadow planning Minister, did not ask very many questions. But he did ask a question about Landcom when PricewaterhouseCoopers was advising a number of those parties, and he was being paid by PricewaterhouseCoopers Legal. The Leader of the Opposition asked a question about the IPART recommendations for developer charges for water infrastructure—and, of course, PricewaterhouseCoopers was working on behalf of Sydney Water on that issue.

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

Dr REFSHAUGE: At that time the Leader of the Opposition was being paid by PricewaterhouseCoopers. In addition, PricewaterhouseCoopers were the financial auditors for the main Walsh Bay proponents, and the Leader of the Opposition led the debate for the Opposition on the Walsh Bay legislation. At that time the Leader of the Opposition was being paid by PricewaterhouseCoopers Legal. As the Premier has just advised the House, PricewaterhouseCoopers Legal were advising about the disposal of State Rail Authority [SRA] land. The Leader of the Opposition put a question on notice about the disposal of SRA land held by the Sydney Harbour Foreshore Authority. At that time the Leader of the Opposition was being paid $110,000 by PricewaterhouseCoopers Legal. Is this just coincidence? In those five examples the Leader of the Opposition has involved himself in issues of direct interest to the people who were paying him.

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

Dr REFSHAUGE: In those five examples the Leader of the Opposition has expressed strong views. Is he saying that it is a fact that he was paid $110,000 to do nothing? Is he saying that the payment of $110,000 had no impact on whatever he said or did? Is it fair to say that he had been paid $110,000 and did nothing for it? These are serious matters and deserve serious answers. The public of New South Wales deserve to know what the Leader of the Opposition did for $110,000. We know that he asked very few questions, and we know the ones that were directly linked to the interests of PricewaterhouseCoopers Legal. But did he ever ask a question that was not?

GOVERNMENT LAND RELEASES

Mr WEST: My question without notice is directed to the Minister for Planning. What is the latest information on Government land releases and related matters?

Dr REFSHAUGE: For some time the Government has been concerned about population pressures on Sydney as a result of Commonwealth policies. At the moment, Sydney is growing by more than 1,000 people a week; that is, every week an extra 1,000 people and every year 50,000 new people coming to Sydney.

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

Dr REFSHAUGE: If Australia's population grows to 50 million, as proposed by the Federal Minister for Tourism, Sydney's population alone would grow to 14 million. That will cost taxpayers well over $1 trillion for new hospitals, roads, schools, trains, sewerage and water and other infrastructure. That is why I have called on the Federal Government to hold a national summit on the future growth of our capital cities. The summit will ensure that we avoid overdeveloped cities and struggling economies and will ensure that our vacant land does not become home to multi-unit housing blocks.

The Government is catering for the existing growing population. We have a plan for growth and for land release. Last year the Government announced an additional 90,000 land and housing lots on top of the existing 60,000 lots across Sydney's metropolitan area to provide homes over the next 15 years. In addition, the Government is ensuring that the mistakes of past governments are not repeated. Those mistakes left thousands of home owners stranded without access to transport, essential facilities and services. By releasing large tracts of land without an infrastructure plan, past governments have created a planning and transport nightmare for thousands of families. That is why today I am announcing a new transport levy on developers, to pay for essential transport infrastructure such as roads and railway station upgrades.

Mr SPEAKER: Order! There is far too much interjection from both sides of the House.

Dr REFSHAUGE: Families who move to newly developed communities need and deserve transport infrastructure. The levy will be $15,000 per lot and will apply to four development sites in Sydney. The sites

include Elderslie, a 2,000 lot development at Camden; Spring Farm, a 3,600 lot development at south-west Camden; Balmoral Road, a 4,000 lot development at Baulkham Hills; and Second Ponds Creek, a 3,080 development at Kellyville. These transport development contributions will raise $180 million and will go into a dedicated land release contribution fund in which funds are tied to transport infrastructure in the regions where the developments occur.

The levy ensures that those who reap the profit from rezoning and release of new land pay their fair share of the cost of making the new suburbs viable and sustainable. The levy is a reasonable and very real contribution that landowners and developers will make back to the communities from which they make their money. The money received from the four developments will be spent on a prioritised list of infrastructure requirements co-ordinated by local councils, PlanningNSW, Transport NSW, the Roads and Traffic Authority and State Rail. A memorandum of understanding of infrastructure requirements at those four development sites will be finalised before councils sign off on the developers' rezoning application.

Developers will pay the levy at the time of subdivision. This is an interim arrangement that will stay in place while the government task force—represented by industry, business and government agencies—explores funding options for future release areas. The new levy will not apply to land release development sites that are already rezoned or well advanced in the rezoning process. Moneys raised on the south-west developments alone are expected to total $84 million—money that is essential to provide adequate transport infrastructure and road upgrades to an area expected to grow by around 16,800 people over the next five years.

That levy will help to fund south-west transport projects such as the first stage intersection on Camden Valley Way; the Narellan Road extension to Northern Road; upgrades to Macarthur station; and improved public transport facilities for bus users. Last year I announced that PlanningNSW would speed up the release of new land for homebuyers while ensuring that adequate road and transport services were provided. This announcement shows that the Government is serious about its commitment to provide infrastructure upfront to new communities.

It is essential that the Government ensures that new homes are not just released anywhere but are created where there is access to jobs, services and transport. Today I am happy to call for expressions of interest from the private sector to build new homes for up to 1,300 families on 110 hectares of land at Kellyville. This 110-hectare parcel is the first of three land release areas in Kellyville Ridge totalling 320 hectares. Today we are calling on the private sector to register expressions of interest to build this new neighbourhood in partnership with the Government's developer, Landcom. The new neighbourhood provides an opportunity to create innovative and environmentally sustainable homes for a variety of housing needs, including provision for new families, lower income earners, students, workers and the elderly. It is an exciting venture. Advertisements will appear in the weekend newspapers.

DEPUTY PREMIER, MINISTER FOR PLANNING, MINISTER FOR ABORIGINAL AFFAIRS, AND MINISTER FOR HOUSING FUNDRAISING LUNCHEON

Mr SOURIS: My question without notice is directed to the Deputy Premier. Will he publicly release details of his $1,250 a plate fundraiser at the up-market Sydney restaurant Aria, including an explanation of his relationship with developers who attended that fundraiser, and their dealings with PlanningNSW over the past 12 months, and a full disclosure of what he will be doing in return for their financial support?

Dr REFSHAUGE: I have not had organised for me a $1,250 a plate fundraiser. Talking about attending developers' functions, back in August this year a function was held at the old Miranda Returned Services Leagues Club. Do honourable members remember the old Miranda RSL Club? I am told that it was a great place at which to hold a function. A lot of people who attended that function sat at table No. 24.

Mr Carr: Who was at the table?

Dr REFSHAUGE: According to the list that I have in front of me, those present at that table included developer Kevin Schreiber, our old friend Michael Photios, a former member Bruce Baird, and two really lovely pals, Malcolm Kerr and Sam Witheridge. Some other interesting people were also present at that function. One could say that it was Sutherland shire's *Who's Who*.

Mr O'Farrell: Point of order: My point of order relates to relevance. We simply want to know who was at the Deputy Premier's lunch, what he is going to do for them and why they paid $1,250 to have lunch with a moron like him.

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

Dr REFSHAUGE: In those days the honourable member for Ku-ring-gai was on the outer. He was at table No. 19 and not at table No. 24 with the others. The list that I have in front of me is a veritable *Who's Who* of developers in Sutherland shire. The most prominent people seated at table No. 24, who paid lots of money to that duke of development, Kevin Schreiber, were the biggest sand miners on the peninsula. Opposition members who were at that function were having great fun with the biggest sand miners and Kevin Schreiber, duke of development in Sutherland shire. We do not want the guts torn out of Kurnell. Opposition members play footsie with those people, but we will not. The Leader of the Opposition has yet to provide this Parliament with an answer to the question: What did he do for $110,000?

VALHALLA STABLES LEASE

Mr O'FARRELL: My question without notice is directed to the Premier. Can he explain why, after he met Eddie Obeid twice as Minister for the Environment during the caretaker period for the 1988 election campaign over changes he was seeking for his Valhalla stables snow lease development, National Parks and Wildlife Service officers and Obeid's solicitors had opposite views about what he had promised?

Mr CARR: There were no opposite views. In a memorandum I declared loudly and unequivocally that there was to be no departure from existing policies. This broke early in 1989 when I was Leader of the Opposition. After seven years of Coalition Government it did not go any further. I vividly remember my instructions and my argument in 1989. My instructions were that national parks policy was not to change, and nor did it change. One outstanding unanswered question is facing the Opposition—that is, what the Leader of the Opposition did for $110,000.

I can reveal to the House that the Leader of the Opposition not only refused to answer that question in this Parliament, he refused to supply an answer to that question to the Ethics Adviser of this Parliament. He refused to supply the Ethics Adviser of this Parliament with any account of what he did in exchange for $110,000. He refused to provide the Ethics Adviser with a copy of his diary itemising meetings held and conducted on behalf of PricewaterhouseCoopers. He refused to supply it to the Parliament. He refused to supply a comprehensive list of receipts and bills of payments.

Mr Brogden: Point of order: I ask the Premier to table the advice from the Ethics Adviser to which he has referred.

Mr CARR: I do not have to table anything.

Mr SPEAKER: Order! The Premier is not obliged to table anything.

Mr CARR: On the contrary, the Leader of the Opposition has to table what he did—

Mr SPEAKER: Order! I suggest that the honourable member for Baulkham Hills control his behaviour. The Premier has the call.

Mr CARR: I do not have to table anything.

Mr Hartcher: Point of order: Standing orders require that when a member quotes from a document he must vouch for the accuracy of that document. The Premier is required—and I am sure that you will enforce standing orders—to vouch for the accuracy of the document. He purports to be quoting from a document.

Mr SPEAKER: Order! There is no point of order. Members should spend more time listening to the answer rather than talking.

Mr CARR: The Leader of the Opposition has not supplied those details to the Ethics Adviser, nor has he supplied that information to the Parliament. In fact, he has not supplied that information to the media. Everyone wants to know what he did for $110,000. It is as simple as that. What advice did he give?

Mr SPEAKER: Order! I place the honourable member for Myall Lakes on three calls to order. I call the Deputy Leader of the Opposition to order for the third time.

Mr Tink: Point of order: Has the Premier had a private discussion with the ethics commissioner about matters relating to the Leader of the Opposition, or is the Premier lying to the House?

Mr SPEAKER: Order! The honourable member for Epping should ask that question when next given the call.

Mr CARR: The fact is that the Leader of the Opposition has supplied no answer about what he did to earn the $110,000 to the Parliament, the media, the people of New South Wales, the ICAC or the Ethics Adviser. If I am wrong, he should supply the information here in this Parliament. Put it on the table now.

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

Mr CARR: This is the place the Leader of the Opposition was elected to; he should put information on the table of the House. In fact, he should put the following information on the table now: a copy of all the meetings that he had with PwC clients, what services he provided for them and about what issues, a comprehensive list of receipts and bills of payments from PricewaterhouseCoopers—which the Leader the Opposition presumably provided to his accountant for taxation purposes—and an explanation of his refusal to declare his pecuniary interests on the register for some years until being prompted to do so by a journalist. Imagine getting $110,000 for "public affairs advice"! Let me tell the Leader of the Opposition that a member of Parliament is paid by the taxpayer to provide public affairs advice. One does not go off to the private sector and receive $110,000 to provide public affairs advice. What sort of advice did the Leader of the Opposition provide, to whom and about what issues?

Mr Stoner: Point of order: My point of order goes to relevance. The Premier has strayed considerably from the question asked, which was about Eddie Obeid and the Valhalla Stables snowfield development. The Premier is asking questions in response to a question but at no stage has he provided an answer.

Mr SPEAKER: Order! If members of the Opposition interject while the Premier is answering the question they must expect him to deviate from his answer. They have been members long enough to know how the Chamber works. There is no point of order.

Mr CARR: There have been revelations of two more questions asked by the Leader of the Opposition in Parliament to date—one about Eurobodalla Shire and another about railway land—and in both of those cases PwC had an interest. Other matters include St Hilliers on 13 November 2002, St Hilliers on 13 November 2001, Sydney Water development charges on 14 November 2002, the Walsh Bay development and even recommendations about the costing of election promises—by what firm of accountants? It was PwC. Give an explanation to somebody, Two-job Johnnie. The Leader of the Opposition must give an explanation to the Parliament, to the Ethics Adviser, to the ICAC, to the media, and, above all, he must give an explanation to the people of New South Wales about what he did for $110,000.

Mr O'FARRELL: I ask a supplementary question. In light of the Premier's claims, what part has the fact that he was compromised by Eddie Obeid over his Valhalla Stables snowfield development while the Premier was Minister for the Environment played in his refusal to sack Mr Obeid—or does he have something else over you, Bob?

Mr CARR: The first point I make is that there is not a Minister in a Coalition or a Labor government who stood down during an ICAC inquiry. There is not one—not Nick Greiner, not Tim Moore, not Ian Causley, not Peter Collins, not Wal Murray.

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

Mr CARR: Not one Minister in a Coalition or a Labor government has stood down during an ICAC inquiry. It has never happened. In respect of the Oasis development, I say here again: The one involvement of this Government was to stop the development going ahead by imposing a freeze and a cap on poker machine numbers. There was never the remotest possibility of an amendment to that freeze legislation to permit a 900 poker machine development at Liverpool.

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

Mr CARR: Anyone who thinks this Government would amend a statewide freeze on poker machine numbers to accommodate that development is living in a fantasy world. I stand by my previous reply: If there had been any change in national parks policy—and there was not during the period that I was Minister; there were repeated representations from different people to get a different policy but there was no change in policy, and the policy to ban strata title in Kosciusko was upheld despite all representations—

Mr Brogden: By Tim Moore.

Mr CARR: And by me and by all previous Ministers. There was no departure from it.

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

Mr CARR: There was no change in policy. There is one person who has a big question to answer in this House, and that is Two-job Johnnie. That question is: What did he do—and why will he not tell us—for that $110,000?

RURAL TOWN WATER SUPPLIES

Mr BLACK: My question is directed to the Minister for Land and Water Conservation. What is the latest information on town water supplies under threat from the drought and related matters?

Mr AQUILINA: The latest report from the Department of Land and Water Conservation shows that a further five towns in rural New South Wales have been added to the list of water supplies that are in danger of failing if drought conditions continue. Unfortunately, rain in the north of the State late last week brought little relief, with 99 per cent of New South Wales still drought affected. The Department of Land and Water Conservation is expanding its program of emergency works and drought management plans to ensure that vital water supplies will be maintained over the summer months. As the Premier told us earlier today, water carting is continuing to three towns—Milparinka, Tibooburra and Tyalgum—where supplies have failed.

The New South Wales Government is subsidising these operations at $5,000 per week, per town. There are now 22 towns where water supplies could fail in the next three months. This week, the towns of Barrington and Emmaville in the north, Grawin and Cumborah near Walgett, and the large town of Coonabarabran in the north-west, have all been added to that list. Some form of water restriction is now in place in almost all New South Wales country towns. For example, Hastings residents on the mid North Coast are restrained from any outside domestic use of town water. Flow in the Darling River at Bourke has ceased. The Department of Land and Water Conservation is closely monitoring water supplies in 32 districts and towns across the State.

The systems causing most concern are those on the coast north of the Hunter, Broken Hill, the towns on the Barwon/Darling rivers system, Goulburn and the Eurobodalla shire on the far South Coast. Storage levels at 20 major dams and reservoirs in New South Wales remain sufficient to provide about 55 per cent of the typical dry year water use. These 20 dams provide water for irrigation, domestic, town water, stock, industrial and environmental purposes. Some dams are now down to critical levels, with the Menindee Lakes system at 12 per cent capacity, and a further six dams below 30 per cent. Major water transfers between dams are continuing in order to maintain supplies to irrigators in the Namoi, Macquarie and Murray valleys. These water transfers will go a long way to guarantee that our irrigators will get, in some cases, up to 90 per cent of their expected crop yield in a normal year. The New South Wales Government can guarantee that town water supplies that are sourced from the 20 major dams will be maintained.

While the water supply situation is difficult right across the State, the New South Wales Government through the Department of Land and Water Conversation is implementing more measures to fight this drought. Some of these actions include transferring water from Split Rock Dam near Tamworth to Keepit Dam, and from Windamere Dam to Burrendong Dam in the Central West, and securing transfer from Dartmouth Dam in Victoria to the Hume Dam on the Murray. Construction has begun on a four-kilometre channel linking Lake Tandure, in the Menindee scheme, with Wetherall Lake. This is a $250,000 investment by the Government that will get water flowing down the Darling, securing a $30 million stock and crop industry.

We have accelerated construction of a pipeline between the Nymboida River and Karangi Dam to secure Coffs Harbour water supplies—$18.6 million to provide secure water to one of the State's most dynamic regions. We have granted $212,000 to Byron Shire Council for the construction of a pipeline to connect Mullumbimby to the Rous water system, guaranteeing the town's water supply. These additional measures, combined with the plans already activated, will safeguard our water supplies for communities and industries that rely on them. I will continue to give the public of New South Wales further updates as they come to hand and as necessity requires them.

FIRE ANT CONTROL

Mr NEWELL: My question without notice is directed to the Minister for Agriculture. What is the latest information on fire ants in New South Wales?

Mr AMERY: I thank the honourable member for Tweed for this question and, unlike the Leader of the Opposition, I will provide an answer. The fire ant was detected in Australia, as honourable members have previously been advised, in late February 2001 in Brisbane, Queensland. The ant is a serious public nuisance and a pest of agriculture in South America and the United States of America. More than 700 high-risk sites have been inspected in New South Wales, and I stress, the good news is that there has been no positive identification of fire ants in this State so far. I have previously informed the House about some of the measures NSW Agriculture has undertaken to ensure the pest does not move further south. These include setting up a 1800 hotline telephone line for public inquiries.

A proclamation is in place covering the movement of host materials into New South Wales from the infested areas in Brisbane. In Queensland there are now more than 1,017 confirmed infested sites, with approximately 46,300 hectares under surveillance in the Brisbane area alone. New sites detected during the 2001-02 summer are within the existing surveillance areas. However, treatment costs have increased due to the increased treatment area. The cost of the five-year eradication program in Brisbane was estimated in June 2001 at $123 million. Since that date, further detections have increased the area to be treated to 46,860 hectares and a shorter window for treatment has pushed the eradication costs to almost $145 million.

New South Wales is financially supporting the Queensland eradication program through agreed cost-sharing arrangements. The commitment of New South Wales is $24.66 million during the proposed five-year program. Some better news in relation to this matter is that a scoping study and advice from visiting United States experts indicate that eradication is possible, provided the infestation remains confined to its present location. Results from the first year of treatment by the Queensland Fire Ant Control Centre show 90 per cent of fire ant nests treated in that State throughout last summer are dead. In areas where there are fewer infestations, authorities have killed up to 70 per cent of the ants.

[*Interruption*]

It is harder to keep the attention of the House on this matter than other subjects raised earlier today. I emphasise to the House that the current program is well run. It has achieved in its first year more than we might have expected. The Queensland Department of Primary Industries is confident that eradication can be achieved in the agreed time span of five years. I again thank the honourable member for Tweed for his continued interest not only in this matter but in a number of issues about the possible introduction of pests currently in Queensland into New South Wales.

Questions without notice concluded.

BUSINESS OF THE HOUSE

Bill: Suspension of Standing and Sessional Orders

Mr WHELAN (Strathfield—Parliamentary Secretary) [3.37 p.m.]: I move:

> 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 Terrorism (Police Powers) Bill, notice of which was given this day for tomorrow.

Mr TINK (Epping) [3.37 p.m.]: In supporting the need for this legislation to be brought forward urgently, I ask that the Premier prevail upon his Federal parliamentary colleagues to support the Federal Government in the same way the Opposition is supporting the State Government in this matter. The first issue is that the Premier has already conceded that it is reasonable for the Federal Australian Labor Party to agree that the Australian Security Intelligence Organisation, rather than the Federal Police, be given the power to make an arrest. The Premier should prevail upon the Federal parliamentary Labor Party to support the Prime Minister of Australia, John Howard, on that critical initiative to fight terrorism in this country. If the Premier is fair dinkum about fighting terrorism, he ought to encourage and prevail upon Simon Crean to support the Prime Minister the way this State Opposition is supporting the State Government.

The second issue is that the Premier of New South Wales ought to prevail upon the Federal Leader of the Opposition, Simon Crean, to support the Prime Minister of Australia putting forward special legislation relating to the detaining of certain minors in relation to terrorist acts and those under suspicion of committing terrorist acts.

Mr SPEAKER: Order! The Premier will resume his seat.

Mr TINK: The Premier is behaving like an idiot over this urgent legislation. I support the Premier, on behalf of the Opposition, and I am trying to make a couple of reasonable points to encourage the Premier, in turn, to get Simon Crean to support the Federal Government. The best the Premier can do is to raise an idiotic, stupid point which trivialises the speech that he is about to make. Shortly, the Premier will explain why this debate is urgent, but his interjection trivialises the debate. The Premier needs to get a hold of himself and make sure the Federal Opposition supports the Federal Government and the Prime Minister on anti-terrorism legislation—the way the State Opposition is supporting the State Government on anti-terrorism legislation.

Motion agreed to.

TERRORISM (POLICE POWERS) BILL

Bill introduced and read a first time.

Second Reading

Mr CARR (Maroubra—Premier, Minister for the Arts, and Minister for Citizenship) [3.41 p.m.]: I move:

That this bill be now read a second time.

The events in the past 14 months have caused us to change our view about our safety as a nation. The terrorist attacks in New York and Bali show a new preparedness among terrorist organisations to strike at civilians with the aim of causing casualties. This morning, at a briefing with an FBI representative, I blanched at the use of the terminology "catastrophic attack, spectacular casualties", but this is the terminology now deployed. But it is also real to us, having experienced the funerals and the grief associated with Bali. The Bali bombing has brought terrorism to our doorstep. There have been revelations about the operation of terrorist organisations in our nearest neighbour, Indonesia. There have been special references to Australians as a target. There have been reports that intelligence analysts believe came from Osama bin Laden himself. All this would suggest that we have no alternative but to respond to the reality of a possible terrorist attack in New South Wales.

We have created a new 70-member Counter-Terrorism Command in the police force, under the command of Superintendent Norm Hazard, and we have increased funding to New South Wales police counter-terrorism. We have reviewed Commonwealth anti-terrorism legislation. We have looked at the legislation in the United States and the United Kingdom. We have committed ourselves to a partnership with the national Government, with Canberra, because our agencies must work closely together on these fronts. We have balanced two competing imperatives in drafting this legislation. Yes, we do need to be able to react effectively at short notice to the threat of a terrorist strike, or in the immediate aftermath of an attack. But, second, we need to remain calm in the face of terrorism and not surrender unnecessarily civil liberties that are part of the fabric of our working democracy. I would rather that these laws were not necessary. Sadly, they are.

The new powers given to police are confined to limited circumstances. As I have said repeatedly, it is not my instinct to fling at police and security agencies crudely increased powers. In any democracy there must be a healthy suspicion of law enforcement powers. We must carefully monitor their use. We have time-limited the increased powers and created a special trigger before they can be invoked. That is an alternative model to just saying that police shall have these extra powers to search, and to do so in all these circumstances.

We are not doing that. We are saying that where there is a credible terrorist threat, or where there has been an actual incident, for a period of seven days and two days respectively police will enjoy these increased powers. Then the powers automatically lift unless they are specifically renewed. That is a time limit on these powers. It is a check. It is a balance. Moreover, we are making sure that in these areas—as in all areas—the police and their behaviour are subjected to the oversight of the Police Integrity Commission and the Ombudsman. So there will be that review capacity, as there ought to be. We want accountability to apply even where police are responding to terrorism.

This is how it would work: The new powers will be triggered, first, where the Commissioner of Police or a deputy commissioner is satisfied that there are reasonable grounds for believing there is an imminent threat of a terrorist attack, and the use of the new powers would substantially assist in preventing that act—which is not unreasonable—or immediately after a terrorist attack; or, second, where the commissioner or a deputy believe that the powers would assist in apprehending those responsible. Those are reasonable circumstances.

The new powers are not intended for general use. In ordinary circumstances we rely on standard police investigations and the co-operation of Australian and international law enforcement and intelligence agencies. However, when an attack is imminent, all resources must be able to be mobilised with maximum efficiency. Similarly, when an attack has just occurred, there is an increased chance of catching the terrorists, and this chance must be seized.

Clause 3 defines a terrorist act—and we have adopted the Commonwealth definition. This is essential to permit the maximum possible co-operation between the New South Wales Police and Commonwealth law enforcement agencies and ASIO. Everyone must be operating under the one definition. As defined, "terrorism" means "those acts intended to intimidate the Government or the public involving serious injury or danger to people, serious damage to property, or serious interference with an electronic system". Legitimate, non-violent protest cannot trigger the proposed powers.

Clauses 5 and 6 provide the limited circumstances in which the new powers that I outlined earlier may be invoked. Clause 8 gives the Commissioner of Police and two deputy commissioners the capacity to authorise the use of the new powers. Where none of these officers are available, an officer above the rank of superintendent, being a police senior executive position, may authorise their use. This succession planning will guard against the situation where a terrorist attack claims the most senior ranks of New South Wales Police.

Clause 9 provides a key safeguard. An authorisation must be approved or ratified by the Minister for Police. We inserted this in the legislation because we are insisting on civilian control at all times during this trigger period. If the Minister were not available at the time, ratification must occur within 48 hours, or else authorisation is terminated. The Minister may also revoke the authorisation at any time. Clause 11 sets out the duration of the authorisation. An authorisation to prevent a future terrorist act lasts for a maximum of seven days, extendable, with ministerial agreement, by another seven days. An authorisation under an attack lasts for a maximum of 24 hours, extendable, with ministerial agreement, by another 24 hours.

Clause 13 makes it clear that the decisions of senior police are reviewable by the Police Integrity Commission. The Ombudsman's jurisdiction to oversight complaints about the inappropriate exercise of the powers under the bill is not affected. The information on which authorisations are made is likely to be highly sensitive intelligence material, quite possibly provided by co-operating Australian or foreign agencies. This information must be protected to ensure the continuing supply of this intelligence.

I turn to the new powers granted to police. Clause 7 sets out what the powers are for. They are to permit police to find a particular person, a target person; to find a particular vehicle, or a vehicle of a particular kind, a target vehicle; and to prevent a terrorist act in a particular area, a target area. They may also be used to target specific premises when a person or place authorisation permits. These different purposes recognise the range of possible scenarios.

Police might receive a warning that a particular type of vehicle will be involved in a terrorist attack. Or the information may be that a particular area is the target without telling us who it is, or how it will be attacked. The authorisation provisions are sufficiently flexible to allow persons to be described. A photo or a drawing may be used for this purpose. The target area provisions extend to persons or vehicles about to enter the target area, or persons and vehicles that have recently left the area. Part 3 of the bill sets out the new powers. Clause 16 permits a police officer to direct someone to identify themselves if they suspect, on reasonable grounds, that the person is a target person or a vehicle is a target vehicle, or if the person is in a target area. It will be an offence not to comply without reasonable excuse, or to provide false answers. The maximum penalty is 50 penalty units or 12 months imprisonment, or both.

Clause 17 gives officers the power to stop and search a person if the officer suspects, on reasonable grounds, that the person is a target person, the person is in a target vehicle or is in a target area. Search powers may also be used in connection with a person found in suspicious circumstances in the company of a target person. The search may be a frisk search, running the hands over the outside of a person's clothing; an ordinary search—jackets, hats, gloves, shoes may be removed and examined; or it may be a strip search in very limited circumstances. Frisk searches and ordinary searches generally will be enough to determine if the person is carrying a gun or a bomb, for example.

Clause 18 permits a police officer to stop and search a vehicle and anything in the vehicle if the officer suspects, on reasonable grounds, that the vehicle is the target of the authorisation, a person in the vehicle is a target, or the vehicle is in a target area. Clause 19 permits an officer to enter and search premises if the officer

suspects, on reasonable grounds, that a target person or a target vehicle is in the premises or if the premises are in a target area. Clause 20 permits an officer to seize and detain any item the officer suspects could be used or could have been used to commit a terrorist act.

An officer may also find things that are evidence of general offences, such as drugs. An officer may seize these things if he or she reasonably suspects that there may be evidence of a serious indictable offence. This threshold has been chosen in recognition of the intrusive nature of the new powers. Clause 22 makes it an offence without reasonable excuse to hinder an officer exercising these powers. Clause 23 requires officers to identify themselves and give reasons why they are exercising one of these powers as soon as practicable. If a person, a vehicle or premises have been searched, the person may also apply to the Commissioner of Police for a written statement that the powers were exercised under an authorisation. That has been adopted from the legislation in the United Kingdom.

Part 4 of the bill permits members of law enforcement agencies of other Australian jurisdictions to be authorised to use the powers. This recognises that in an emergency we may want to maximise our capacity to respond to an incident, especially in specialist search units. Part 5 of the bill contains important additional safeguards. Clause 26 requires a report to be provided to the Minister for Police and the Attorney General by the commissioner as soon as practicable after the expiry of an authorisation. Clauses 27 and 28 provide for the return or disposal of property seized under the powers.

Clause 36 provides for annual reviews of the Act. Schedule 2 to the bill contains amendments to the State Emergency and Rescue Management Act 1989. These new powers are not exercised as part of the authorisation system I have already described. They are separate powers. These new powers deal with the reality of chemical, biological and radiological weapons. Persons exposed to these agents may unintentionally expose others. Tokyo in 1995 is an example. Many casualties occurred, not through direct exposure to the gas but through persons touching the skin or clothing of others who had already been exposed.

The bill creates a power for a senior police officer who is satisfied there are reasonable grounds to authorise a person who may have been contaminated to be kept in a particular area, quarantined and decontaminated. Schedule 2 also permits police officers to remove a vehicle or object from the danger area and to direct persons not to interfere with such an object. These powers have been designed to complement existing Commonwealth powers, and are necessary to maximise the ability of New South Wales Police to protect our people.

At least eight people from my electorate died in Bali. I do not want—none of us wants—to see more casualties, more suffering and more bereavement in our homes because of a terrorist strike. These powers are designed to increase our capacity to prevent such a strike, as well as to increase our capacity to respond effectively to a strike if that tragedy should befall us. The bill has been properly crafted. We have created the balance that people would expect. It will be followed by other States around Australia. I look forward to the day when terrorism has been so comprehensively defeated, blocked, and eliminated that we can remove this legislation from the statute books of New South Wales.

Debate adjourned on motion by Mr Fraser.

CONSIDERATION OF URGENT MOTIONS

Exceptional Circumstances Drought Assistance

Mr BLACK (Murray-Darling) [3.55 p.m.]: This motion is urgent because our farmers are facing the worst drought in 100 years. It is the worst drought since the 1895-1903 drought.

Mr SPEAKER: Order! I call the Leader of the National Party to give reasons why his motion should have precedence. As the Leader of the National Party is not present, I will put the question.

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

EXCEPTIONAL CIRCUMSTANCES DROUGHT ASSISTANCE

Urgent Motion

Mr BLACK (Murray-Darling) [3.56 p.m.]: I move:

That this House:

(1) notes the State Government lodged an application for exceptional circumstances assistance for the Bourke and Brewarrina areas on 10 September;

(2) recognises the Government last week lodged further exceptional circumstances assistant applications for Walgett, Coonamble, Coonabarabran, Narrabri, Grafton, Kempsey, Wanaaring, Milparinka, Wilcannia, Broken Hill, Hillston, Wentworth, Balranald and parts of the Cobar rural lands protection board area in the New South Wales Western Division;

(3) calls on the Federal Government to expedite the approval of the exceptional circumstances applications;

(4) endorses comments by the Premier on the weekend where he pledged to work in a spirit of co-operation with the Prime Minister on drought;

(5) asks the Prime Minister, John Howard, to take over handling of the Federal Government's handling of drought due to the failure of the National Party to recognise the crisis facing rural families; and

(6) calls on the Leader of the Opposition to apologise to New South Wales farming families suffering the worst drought ever after he likened running a family farm to his consultancy business.

We are debating this matter today in the light of recent comments by the Leader of the Opposition. He compared his tawdry role in the cash for question fiasco to that of a farmer on the land. There is no comparison. How could the Leader of the Opposition even dream of mentioning himself in the same sentence as a family on the land? It is disgusting that the Leader of the Opposition would dare to compare farming with getting paid to ask questions in Parliament. At a press conference on 13 November he tried to defend the cash for questions by comparing himself to a farmer. He said:

> Many members of Parliament maintain their profession. Farmers keep their farms.

This matter is most urgent because families on the land are involved in an honourable undertaking. They grow the food for our tables and the fibre that makes clothes for our backs. But, unlike farmers, Johnnie Brogden's $110,000 role in the cash for questions affair has been far from honourable. The $110,000 handed to him by the big end of town would have paid for water deliveries to at least four separate country towns for a month. I know that the President of Country Labor, and Central West farmer, the Hon. Tony Kelly, was insulted by two-job Johnnie's comments. It is drawing a long bow to compare his grubby deals to the hard slog our farmers face every day, mainly due to Johnnie's mates in Canberra. The $110,000 would transport a lot of water to Milparinka or Wilcannia, Mr Brogden. We could fill a few dams with $110,000. It would buy fodder to keep core breeding stock alive.

This matter is urgent because farming families work hard for their money. They fight drought to grow food and fibre, without a single word of complaint. That is the difference between this State's farmers and John Brogden—farmers know the value of an honest day's work. John Brogden's is a sorry tale. First he attempted to hide the $110,000 he received to ask questions in Parliament, and then he refused to outline what he did to get that $110,000. It is not a bad wicket to play off, though—$110,000 for doing apparently not much at all, or so he would have us believe. In contrast to that, the Premier wrote a book, but gave the proceeds to a teacher to undertake study overseas. The Leader of the Opposition should give back the $110,000.

As a matter of interest, the Leader of the Opposition walked down the main street of Nyngan. I suggest that he chose Nyngan because he preferred not to go any farther west. He made the observation that farmers whose properties were beyond one side of the street were receiving exceptional circumstances financial assistance, but farmers whose properties were beyond the other side of the street were not. I point out to him that no-one in the Bogan shire is receiving exceptional circumstances financial assistance because the Federal Government up to this point has not processed the applications.

Ninety-nine per cent of New South Wales is suffering drought of some sort at this stage. The New South Wales Government has extended its drought-affected area status to the Hume Rural Lands Protection Board, to the north and west of Albury, and to the Wagga Wagga district. The declaration will allow farmers to apply for assistance. The 1 per cent of New South Wales that is currently not drought affected, marginally or

otherwise as defined by the State Government, is Bombala. The Leader of the Opposition made some very interesting announcements. Yesterday on the ABC News at Bega, the Leader of the Opposition released the Opposition's drought policy—half a page—which states:

> John Brogden's policy on combating the effects of drought include initiatives like abolishing a six-month waiting period on transport subsidies, reviewing water sharing and providing assistance for farmers to deepen their dams.

That is what this Government is doing through its Rural Assistance Authority [RAA]. The document also states:

> Mr Brogden also said the commitments would not increased taxes.
>
> "The next crucial point is actually when the rain does come, when the drought has broken, we have to do everything as quickly as possible to provide subsidies, and we have announced we will [offer] 50 per cent subsidies to allow farmers to restock and to replant," he said.

That is the Leader of the Opposition's policy. What would the Opposition do about drought relief? The Leader of the Opposition says that he would scrap the six-month waiting period for drought relief for farmers and start paying a crop replanting subsidy immediately after rain starts falling. On 10 November the Leader of the National Party and honourable member for Upper Hunter promised a rebate of up to $650 for each country New South Wales householder who installed a rainwater tank.

Let me examine that last promise and what it would cost. Treasury advises that if just one in every 10 country householders were to take up the offer, the cost would be $50 million. But now the Leader of the Opposition has gone further. On ABC radio in Bega last Friday, he said that the Coalition would pay a rebate of up to $650 to everybody in the State who installed a rainwater tank. He said:

> We will extend that... to all residents of New South Wales.

That is a $50 million promise if just 10 per cent of country people take up this offer. If every householder in New South Wales installed a rainwater tank, the cost would be enormous. That is another unbelievable promise. Given the $5,000 million in wild promises that the Leader of the Opposition has already made, how would he keep this one? The Leader of the Opposition has already thrown billions of dollars in promises at city voters. He has promised Sydney's multimillionaires that he will scrap the tax on their mansions—a four-year, $56 million tax cut for the richest people in Sydney! He has also promised Sydney's drivers from the North Shore that they will not have to pay the 80¢ impost on the harbour bridge toll.

That money, $112 million over four years, goes to country roads, but he is going to scrap it. Where will he spend money on roads? People who live at Mosman might want to zip down to Manly for a seafood lunch, and they will be okay because the Leader of the Opposition intends to build a $1.5 billion tunnel under the Spit. He will scrap the extra money for country roads and will instead commit $1.5 billion to a road tunnel in the city. But these and so many of his wild, reckless promises total $5.2 billion, and they are simply unaffordable, simply unbelievable.

Mr Slack-Smith: Point of order: I cannot see how the Spit or other areas to which the honourable member has referred have anything to do with drought. This is a very important issue. I ask the honourable member to confine his remarks to the topic.

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

Mr BLACK: This debate is about drought and it is about funding. I found the point of order somewhat surprising because I now come to the real point of what the Leader of the Opposition has shown, namely, that he cannot be trusted to deliver anything to relieve the drought. That is why his election material has the slogan, "It's not a promise, it's a plan", and "John Brogden *A Fresh Approach*". According to the *Australian Concise Oxford Dictionary*, "promise" is defined as:

> an assurance that one will or will not undertake a certain action, behaviour, etc.

In the same dictionary, "plan" is defined as:

> a formulated and esp. detailed method by which a thing is to be done; a design or a scheme

Who is the Leader of the Opposition trying to kid? He has said that his policy is not a promise, it is a plan, but people should not hold their breath. None of his proposals will go forward.

The *Wagga Daily Advertiser* recently said of the honourable member for Murrumbidgee, "MP labels Parliament as being dead boring". I have come to the conclusion that the honourable member for Murrumbidgee, who was suspended from this Chamber last August, is grizzling about not being ejected from the Parliament last Thursday. He said that the Parliament is dead boring because a lot of time is spent discussing Federal issues, basically just to try to embarrass the Federal Government. We are discussing drought! [*Time expired.*]

Mr ARMSTRONG (Lachlan) [4.06 p.m.]: I appreciate having the opportunity to once again speak on the topic of drought because, as all honourable members appreciate, conditions continue to deteriorate. Forecasts by the best brains in this country indicate that the drought will continue for some months. The pattern of major droughts reveals that, historically, they usually break in late autumn. I would not want to be one who makes such a forecast at this stage, but I suggest that cognisance should be taken of the probability that we are in for a long drought. Last weekend I noticed that once again many of the white box eucalyptus are beginning to shed bark and leaves in copious quantities, as they did months ago, and I also noticed that the kurrajongs are also showing signs of significant stress. Over protracted dry periods, that is what those native species do to minimise water usage as part of their natural response, which reinforces my view that this drought will be a long one.

I express my disappointment that during the concluding stages of his speech the honourable member for Murray-Darling attempted to politicise the debate. Usually he produces interesting statistics, but he strayed from the debate on this very serious subject in an attempt to politicise the issue. Virtually all people in this State, city people as much as country people, are concerned about this drought because it affects the economy as well as the psychology and general attitude of people throughout this State and nation. People understand that agriculture is still this nation's single biggest export income earner and that it is still the backbone of the Australian economy, quite apart from the fact that Australia leads the world in agricultural expertise. Australia dominates world production of fine wool and in good conditions is the world's largest exporter of wheat, albeit that this year's wheat crop will be reduced by 75 per cent or more.

During question time this afternoon, the Minister for Land and Water Conservation announced a number of initiatives to improve the water supply of country towns. Unfortunately, the announcement is a little late because there is a 10-year backlog. Sometimes it takes a drought to provoke a government to take action to improve the water supply and sewage schemes in towns in rural and regional areas. Much has been said of exceptional circumstances financial relief but I am not sure whether, during the many debates on this topic, the process has been explained. For the purpose of clarification, I will commit into *Hansard* an explanation of the process.

As the first step in the determination of drought in New South Wales, the Minister releases drought maps each month. Those maps are prepared from information provided by the 48 rural lands protection boards around the State, rainfall details from the Bureau of Meteorology, and reports from NSW Agriculture regional staff. The criteria for drought-affected classification requires a review of historic rainfall records for the area and pasture availability must be below agreed levels for each geographic-climatic area. The impact on pasture availability of other climatic events, such as frosts, and seasonal factors, such as pasture growing seasons, is also considered. Government assistance measures require that a rural lands protection district be in the drought-affected category for six months before land-holders are eligible for assistance. That is the process as far as the States are concerned.

The process for obtaining an exceptional circumstances declaration, which is handled by the Commonwealth, begins on the ground. The participation and information from the rural community, including rural lands protection boards staff, local government, rural financial customers and lobby groups, is integral to the development of an application. State agriculture departments provide co-ordination and undertake additional analyses. If the State agriculture Minister is reasonably confident that the case fully meets the exceptional circumstances criteria the application is then forwarded to the Commonwealth agriculture Minister. If the Commonwealth Minister is convinced of a prima facie case the application is forwarded to the National Rural Anniversary Council.

The council is, in turn, provided with independent advice from the Bureau of Rural Sciences and the Australian Bureau of Agriculture and Resource Economics. The council, after visiting the region to be assessed, makes a recommendation to the Minister for Agriculture, Fisheries and Forestry. The final decision on an exceptional circumstances declaration resides with the Minister for Agriculture, Fisheries and Forestry, in consultation with the Federal Cabinet. If ever there was a process that was designed to the complex, this is surely it. Why is it so complex? And who has made it that way? The Primary Industries Ministerial Council,

which comprises Federal and State Ministers responsible for primary industries, has debated changing parts of the exceptional circumstances framework. At the council's meeting in May the council resolved to agree in principle to the elements of the exceptional circumstances framework developed by Commonwealth and State officials which are consistent with the principles outlined in the exceptional circumstances [EC] criteria, but recognised that further negotiation was needed to finalise the detail of further elements.

Those elements include no change to the current EC eligibility criteria. EC assistance should continue to be available for 24 months, that is during 12 months of the EC declaration plus a 12-month recovery period. Once an area is determined to be in EC, applications for further EC assistance for a similar event can only be lodged within six months of the end of the 24-month period. There will be a new consultative application and assessment process. The EC boundary of an application area may be changed on the advice of the National Rural Advisory Council. Buffer zones which adjoin and are reasonably proximate to the EC boundary may contain no more than 10 per cent of the total number of farm businesses in the EC application area. Farm businesses in buffer zones must individually demonstrate a severe and prolonged impact of the EC event through a downturn in farm income and production.

Further elements are the assessment of completed, formal EC pro forma applications within four weeks of the date of lodgment; farm business support in the form of variable individually assessed grants, up to a maximum of $60,000, based on need; and continued availability of both EC business and welfare support for eligible farmers in EC declared regions, with the second year of EC business support conditional on the individual demonstration of the development of a well-founded business recovery plan.

That process is complex, bureaucratic and certainly does not recognise the unique character of the present drought. Anyone would understand that. And guess what? It has been signed off by this Government and by the Commonwealth. It has been signed off by all States. Today all I am doing is appealing to the States, New South Wales in particular, and the Commonwealth. Last week the Leader of the National Party, the Hon. George Souris, the honourable member for Myall Lakes and I visited Canberra. We spoke to the Federal Minister for Agriculture, Fisheries and Forestry, the Minister for Trade, and the Deputy Prime Minister. We asked them whether they would participate in a rewrite of the EC application process if we sign off on the new arrangements for the funding of the business component. They indicated that they would.

Further, they indicated that when an EC application is received, they expect to process its financial components—that is, assistance through the Newstart Program—within 10 days. Further, they expect to complete the process of assessment for eligibility or otherwise within one calendar month. Indeed, the New South Wales Coalition will hold them to that, and I am sure the Government will as well. I appeal to the Minister for Agriculture, who is a very decent fellow to phone his colleagues and say, "This EC application process does not recognise the current drought". Perhaps the Ministers did not think about that when they signed off on it and they have refused to co-operate with the Commonwealth in a complete revision of the EC application. The Government's water policies are having a draconian effect on the rural economy during this drought. An article in the 12-13 October weekend edition of the *Sydney Morning Herald* by the respected reporter Paola Totaro stated:

> Their economic assessments—

that is, the farmers' assessments—

> are also in stark contrast to the Government's. The NSW Irrigators Council, Cotton Australia and the Ricegrowers' Association argue that the [water] reforms will "tear the heart out of rural New South Wales", estimating that the water-sharing plans would cost the State $1.7 billion in lost production and destroy 4500 jobs. The Government says it is closer to $17 million and just 48 jobs.

Who is telling the truth? The article continued:

> Hardest hit, according to the irrigators, are the cotton-growing areas of the Namoi Valley, where they estimate that in the long term, the gross value of production lost will top $695 million.

That valley happens to be where the big meeting was held three Fridays ago, at Narrabri, at which 300 decent people wanted to hear some commonsense from the Government. I again appeal to the Minister and the Government to recognise the cry of those irrigators and to recognise that this is not a political issue. The figures articulated by the honourable member for Murray-Darling some two weeks ago, which were provided by a university in Victoria, support the article written by Paola Totaro. They also support the claim that this drought is different. Because this drought is different we have to think outside the square. There are probably 4,500 jobs at stake. I am not too sure; it could be 10,000 jobs. However, I assure the House that most employment in the

river systems and inland New South Wales is at stake. The Government has to start thinking positively and rewrite the exceptional circumstances process. I ask the Minister to ring Canberra this afternoon and say that he is prepared to co-operate on the revamping of the business component and to sign off on it. I ask him to work with the Commonwealth instead of playing silly-bugger politics.

Mr NEWELL (Tweed) [4.16 p.m.]: During debates concerning this drought the responses from the State and Federal governments have undoubtedly aroused much passion. Whatever our political persuasion, the community agrees that we should put aside our differences to help the drought-affected farmers. In saying that—and I am sure that the honourable member for Lachlan would agree—we still must be able to call a spade a spade, and I will be frank. The Deputy Prime Minister, Mr John Anderson, has certainly failed to deliver on drought relief. He and his Minister for Agriculture, Fisheries and Forestry, Mr Warren Truss, have seemingly dragged their feet at every turn. Members of the National Party opposite realise that that is so. That is why they went to Canberra recently to have a meeting with John Anderson and to try to get him to speed up those slow, squeaky wheels.

In doing so, they have not done the reputation of the Prime Minister, John Howard, or the Federal Government any good at all. Put simply, farming families would be better placed if the Prime Minister had a little more hands-on involvement in responding to the drought rather than leaving it to his National Party colleagues. I am a little reluctant to say that, but I have said it because we want to get things moving quickly to assist our farmers. I am sure that the EC applications would not take two months to approve if the Prime Minister were a little more hands-on in this matter. With that in mind, it was rather ironic to see the New South Wales Leader of the National Party, the Hon. George Souris, last week finally lead a delegation to meet with Mr Anderson. Talk about a journey to the centre of the earth!

It has taken the Leader of the National Party only four months to get a meeting with the person who is the farmer's number one enemy. During that time, and since 18 July, the State Government has put in place more than 30 separate drought assistance initiatives. That assistance has directly helped more than 3,000 farmers. I detailed most of those 30 measures in this House last week. The great news was that the exceptional circumstances application for Brewarrina and Bourke finally gained approval on the day of that National Party meeting. Significantly, that application was approved before the meeting took place.

Undoubtedly, the Prime Minister delivered those exceptional circumstance applications, not the Leader of the National Party or any other National Party member who went to Canberra. Members of the National Party could not deliver a newspaper. I am sure any Federal Liberal Minister would say that National Party members remain in Cabinet purely as a window-dressing exercise. It has been said that they are the green curtains in the windows of the Cabinet room. After witnessing what has happened in this House and after becoming aware of what has been happening over the past three months I would have to agree with that statement. Last week Country Labor's Tony Kelly said:

> Why on earth would you bother knocking on John Anderson's door these days?
>
> Because when it comes to the crunch, he has about as much influence at the Cabinet table as Mickey Mouse.

Mr Armstrong: Point of order: This important debate must be allowed to proceed and all honourable members must be given an opportunity to express their views. However, honourable members must tell the truth when they are referring to the problems that are being faced by New South Wales farmers. It is important that the honourable member for Tweed, who is referring to what he believes was said by members of the Federal National Party, tells the truth. He does not know what was said by Federal members of the National Party.

Mr DEPUTY-SPEAKER: Order! The honourable member for Tweed made only a passing reference to those matters. I am sure he is capable of confining his remarks to the question before the House for the remainder of his contribution.

Mr NEWELL: Members of the National Party do not like to be told what people in rural constituencies have to say about their performance. Members of the New South Wales Farmers Association, local farming families, rural businesses and bipartisan members of Country Labor agree that it is time for John Howard to take the Federal reins. These families need leadership. They do not want to be on board a ship adrift, and that is the present situation with members of the National Party. Honourable members should not forget that on 10 September the New South Wales Government hand-delivered the first of the Brewarrina and Bourke exceptional circumstances applications to the Federal Government in Canberra. It took two months before farmers got a response from the National Party, confirming that it was indeed suffering the effects of a drought. I hope that the exceptional circumstances applications that were lodged last week by the State Government will not take two months to process, which is what has happened in the past.

Mr SLACK-SMITH (Barwon) [4.21 p.m.]: I acknowledge the importance of debate on this urgent motion. The honourable member for Murray-Darling, who obviously read his speech, did not address the important issue arising from the drought. He did not refer to the fact that the Government overspent its budget for the Conservatorium of Music by $140 million. He then started talking about the affordability of rainwater tanks. The New South Wales Government does not believe in encouraging people to save rainwater. The Government lodged all exceptional circumstances applications with the Federal Government in one hit, instead of lodging them as they were prepared. Contrary to the claims of the honourable member for Tweed that Government members are not playing politics, that is exactly what they are doing.

Government members are now squealing like stuck pigs because nothing has been done about those exceptional circumstances applications. However, some good things have come out of debate on this important issue. Many people have acknowledged the severity of this drought. People in the Hawkesbury shire contributed one thousand bales of hay to drought-stricken areas in the New England and north-west areas. What a marvellous gesture! Government members who have spoken in this debate have not referred to the fact that the school in Baan Baa had no drinking water for some time. That problem was recently rectified by the local member. However, the town is still without water. The honourable member for Murray-Darling forget to mention that the Government spent $20 million on the Cahill Expressway and $14.6 million for people in drought-stricken areas. That is a matter to which I refer when speaking to people in those areas.

My electorate, which normally receives about 21 inches of rain every year, has received only six inches this year and is considered to be a drought-affected area. Opposition members are not playing politics in relation to this issue. As I said earlier, rather than submitting exceptional circumstances applications as they were lodged, the New South Wales Government submitted them all at once. Government members are now yelling and screaming that the Federal Government should approve all those applications. The Federal Government has guaranteed that Newstart applications will come into effect in 10 days time.

[*Interruption*]

The honourable member for Northern Tablelands, who just referred to the Narrabri meeting, did not even attend that meeting. I attended the meeting and I listened to concerns expressed by those who were there. I speak for the people of my electorate. The honourable member, who is fairly vocal in this Chamber, is not good at obtaining results. We must do as much as we can to ensure that all those who are affected by this drought remain on the land when the drought has broken. Some people have predicted that the drought will break on 24 November, which is only a short time away. The sooner it rains the better. We do not know how much longer farmers in New South Wales can survive. We must do all we possibly can to ensure that they remain on the land.

Mr MARTIN (Bathurst) [4.26 p.m.]: There is some semblance of bipartisan support for the motion. However, some Opposition members must address the drought more seriously than they have in the past. Recently the honourable member for Murrumbidgee said that the New South Wales Parliament is dead boring. He is quoted in the *Wagga Daily Advertiser* as saying that we spend too much time addressing Federal matters. Let me refer to some of the issues that have recently been raised by members of Country Labor. The drought has been referred to often in this House. Other issues that have been referred to in this House include trade sanctions, which have affected people in country areas, banking facilities in rural New South Wales, telecommunications and rural health, an issue that was debated only last Thursday. Opposition members claim that those issues have no currency in this House. Members of the National Party are failing country people.

Mr Fraser: Point of order: The honourable member for Bathurst, who has been speaking for over a minute, is yet to address the motion before the House. I ask you to draw him back to the subject matter of debate.

Mr MARTIN: If the honourable member for Coffs Harbour had been listening to my contribution he would have heard me referring on a number of occasions to the drought that is being faced by farmers in New South Wales. After his disgusting performance in the House last week I am surprised that he is in the Chamber. Honourable members would be aware that he has not contributed to debate on this issue. Earlier the honourable member for Barwon referred to exceptional circumstances applications and claimed that the New South Wales Government should not have submitted all those applications in one hit.

Those applications are complicated. On 10 September the Federal Government received a number of exceptional circumstances applications. The Federal Government requires a number of statistics. They must be

Federal Government figures from the Australian Bureau of Statistics. The Bourke-Brewarrina exceptional circumstances application that was lodged contained information that NSW Agriculture was forced to obtain from the Federal Government and for which it charged New South Wales $32,000. When the application was sent to Canberra we were told that it would take the Federal Government six weeks to check its own data.

Mr Amery: That is $32,000 we could have given to the farmers.

Mr MARTIN: That is right. That $32,000 could certainly be used well throughout the State. There is certainly scope for the Federal Government to free up the exceptional circumstances application process. I noted the contribution by the honourable member for Lachlan, who we acknowledge often makes strong speeches in this place—and has done so for a long time. However, on 12 November in this place he stated:

> Members might like to know that Narrabri will not become eligible for Government assistance until February of next year.

I must put on the record that farmers in the Narrabri Rural Lands Protection Board area became eligible on 1 July this year for the 31 or more drought assistance measures provided by the New South Wales Government. I can also advise the House that as of 13 November Narrabri farmers have lodged claims for drought transport subsidies with NSW Agriculture, and those payments are valued at $60,719. So much for the research of the honourable member for Lachlan and his claim that Narrabri farmers would not be eligible for any drought assistance until early next year. They have already received it.

The raft of 31 measures that the Minister for Agriculture introduced and that farmers are accessing is proof positive that the Government has been on the front foot from day one. It was only last week that the National Party realised that even the Liberal Party is recognised as being more credible and relevant in the bush—not much, but more. So National Party members toddled off to Canberra last week on a public relations exercise and returned here today to tell us that they are delivering for the bush. It is too late and the people of rural New South Wales will see through them. Time and again this side of the House has led the way on major issues. We welcome the fact that there will be bipartisan support today for this motion. It is a pity that the Leader of the National Party could not be in the Chamber on time to be involved in the debate—he even missed the opportunity to put the case why his motion about city-centric issues should be declared urgent. I commend the credibility of this motion to the House.

[*Debate interrupted*.]

BUSINESS OF THE HOUSE

Urgent Motion: Suspension of Standing and Sessional Orders

Motion by Mr Amery agreed to:

> That standing and sessional orders be suspended to allow the honourable member for Northern Tablelands, the honourable member for Dubbo and the honourable member for Coffs Harbour to speak for a period of up to five minutes to the motion for urgent consideration.

EXCEPTIONAL CIRCUMSTANCES DROUGHT ASSISTANCE

Urgent Motion

[*Debate resumed*.]

Mr McGRANE (Dubbo) [4.32 p.m.]: I support totally the first three paragraphs of the motion before the House but, in the spirit of bipartisanship, I believe the final two paragraphs should be deleted. The thrust of the motion is that the State Parliament and Federal Parliament should work together to assist people in regional and rural New South Wales. On Monday the Orana Development and Employment Council called a meeting in Dubbo for local business people and farmers to discuss the drought and its effects on rural areas and rural businesses. Last week I mentioned in this place the predicted New South Wales wheat yield this year. Last year it was more than nine million tonnes but the prediction in October this year was about 2.2 million tonnes. I expressed doubts that that figure would be reached.

I have some figures from grain installations in my region and in the electorate of the honourable member for Barwon. Last year Coonamble delivered 140,000 tonnes of grain while this year 950 tonnes have

been delivered so far. Nyngan, which is in the electorate of the honourable member for Murray-Darling, who moved this motion, delivered 144,000 tonnes last year and this year has delivered 565 tonnes. Tottenham, which is also in the honourable member's electorate, delivered 109,000 tonnes last year and 800 tonnes this year. That illustrates the gravity of the situation in the grain industry: there is simply no grain out there. That has an enormously adverse impact not only on grain producers but also on grain harvesters, and has flow-on effects for businesses in small and medium-sized communities and in cities such as Dubbo.

The Dubbo meeting concluded that to date not enough has been done to help farmers and rural people—assistance has centred mostly on the grazing industry—and that more must be done to help small businesses. Money must be made available for ongoing loan repayments that will be due in January and February next year and for the planting of next year's crop when it finally rains. Funding must be provided to farmers to purchase livestock when the drought breaks because those in rural industries must be able to get back to business as quickly as possible. Small businesses have received little assistance apart from the $3,000 that the New South Wales Department of Regional Development has made available to people who request help with business plans and so on, although I must point out that the scheme has not enjoyed much success in my area of New South Wales.

We must take drought assistance one step further. On Tuesday I wrote to the New South Wales Premier requesting that he take up with the Prime Minister the question of declaring much of the State a national disaster area. If that were to happen it would trigger other mechanisms to assist small business people. The ball is in the Federal Government's court: it is the main taxing agent in this country and has the money available. The Federal Government should come to the rescue and introduce schemes that will help primary producers and small businesses in this State. Small businesses are the key to regional development and they suffer when farmers and graziers have no money to spend. This drought highlights the fact that when farmers do it tough, small businesses in regional New South Wales do it tough also. The Federal Government must come to the party and provide more assistance, together with the State Government, to regional New South Wales.

Mr FRASER (Coffs Harbour) [4.37 p.m.]: I move:

That the motion be amended by leaving out paragraphs (5) and (6) of the motion.

I have moved the amendment because the motion relates to the livelihoods of regional and rural communities and should not be politicised, as the honourable member for Murray-Darling has sought to do this afternoon by calling on the Prime Minister to take over the handling of drought assistance measures. I acknowledge the fact that today it has been declared that both the Kempsey and Grafton rural lands protection board areas will receive exceptional circumstances assistance. That has been a long time coming.

Mr Black: No, the applications have been put in.

Mr FRASER: They have submitted their applications and have been nominated by the State. In July NSW Agriculture knocked back a drought declaration covering the whole of the Grafton Rural Lands Protection Board area purely because it decided that anywhere east of the North Coast railway line was not in drought. At that time the whole of that area was badly affected. In fact, farmers who live in the Clarence electorate, which is held by the Minister for Local Government, have said to me—because the Minister would not speak to them—that the properties west of the railway line were in better condition than those east of the railway line but the Minister failed to declare them affected.

My electorate is divided by two rural lands protection boards [RLPBs]. The Grafton RLPB comes down to about Bonville and the Kempsey RLPB goes from Bonville up the coast. The Dorrigo Plateau, which is in a desperate plight, is also divided. Last Sunday Graham Spencer told me that a farmer there is to sell 230 of his dairy cattle on Thursday because it costs him $1,000 per day to feed them. His farm produces more than 1.5 million litres of milk a year. We all know that the Dorrigo Plateau and Bellingen suffered badly under deregulation of the dairy industry. We are now in the worst drought that I have ever seen. The price of the feed is $17.50 a bale for lucerne hay, if you can get it.

There is no irrigation whatsoever. The Department of Land and Water Conservation has stopped dairy farmers in the Dorrigo area from irrigating from the Bielsdown River because the town of Dorrigo needs the water from Rocky Creek and the Bielsdown River. However, when the water level is up in the Bielsdown River, and the Rocky Creek irrigators have stopped irrigating, they are not told that they can pump from Rocky Creek Dam. Sometimes they have lost two to three weeks irrigation when they could have had some improved pastures under irrigation. I want the Minister for Agriculture to ask the Minister for Land and Water Conservation why

these people are not advised they can pump again from Rocky Creek Dam when the town has been able to access that water. The Minister for Agriculture and the honourable member for Murray-Darling say that the money is not flowing through because of a fault of the Federal Government. I challenge the Minister and the Premier to accept the reforms of the Federal Government to exceptional circumstances assistance.

Mr Amery: We accept them, except for the money.

Mr FRASER: The Minister says "except for the money." The Federal Government is asking this State to give 10 per cent of the $60,000 grant in the first year and 50 per cent in the second year to all small businesses. The Minister for Agriculture told this House last week that the State Government is spending $1 million a week on drought assistance. According to the figures from the Minister's department, there are 42,000 commercial farms in New South Wales. If 9 per cent are drought-affected, as the Premier told us last week, then his Government is providing drought assistance to the tune of $24 per week per farm. It costs a dairy farmer in Dorrigo $1,000 per day to feed his cattle. I challenge the Minister for Agriculture, the Minister for Land and Water Conservation and the Premier to look at the desperate plight of farmers in the Grafton and Kempsey RLPB areas, and Dorrigo. It is getting to the stage that I believe someone might shoot someone in Dorrigo over water issues because of the drought. I do not want that happen. It is up to this Government, which controls water in those areas, to assist farmers, as it can and should.

Mr TORBAY (Northern Tablelands) [4.42 p.m.]: I acknowledge the honourable member for Murray-Darling for bringing forward this matter because it is appropriate that this House continue to debate drought as an urgent matter. I support the amendment moved by the honourable member for Coffs Harbour. In the spirit that the Premier has indicated publicly, and indeed in accordance with the various comments in this place that we should be bipartisan on these issues, items five and six of this motion seek to devalue that process. I support the amendments moved by the honourable member for Coffs Harbour for that very reason.

A lot has been said in this place, in the media and by many people in my communities that this is the worst drought on record. I have visited many farms and a range of businesses and I have heard the comment that the flow-on effects of this drought in many cases are still yet to come. The flow-on effects will be substantial. Many farmers have been hand-feeding their stock for many months. For example, in Guyra shire in my electorate they have been hand feeding since April. One can imagine the costs and flow-on effects that are occurring there. We have also had devastating bush fires on top of the drought and that has added substantially to the concerns and the flow-on effects in the Northern Tablelands electorate and in a wider area, as has been shown by this debate.

Many people in my community have said that the arguments between State and Federal governments in relation to accessing drought funding have been unhelpful and confusing. They say it is difficult to comprehend what they are eligible for and the dates from which they are eligible. I was pleased to receive information in relation to the State from the Minister's office when I made inquiries on behalf of my communities. I will read on to *Hansard* that Armidale, Division D and Division A, south of the Armidale to Bundarra Road, was declared affected on 1 June 2002, and the date of eligibility will be 1 December 2002 to access the initiatives made available by the New South Wales Government. Armidale generally, except all those areas, was declared affected on 1 July 2002 and on 1 January 2003 will be able to access funding.

In relation to rural lands protection boards, in the northern New England area, all except areas east of the New England Highway and north of the Gwydir Highway were declared affected on 1 June 2002 and will be eligible to access funding on 1 December 2002. The northern New England area east of the New England Highway and north of the Gwydir Highway were declared affected on 1 January 2002 and have been eligible for funding since 1 July 2002. Divisions A and B of the Northern slopes were declared affected on 1 June 2002 and will be eligible for funding on 1 December 2002. Divisions C and D of the northern slopes were declared affected on 1 May 2002 and have been eligible for funding since 1 November 2002.

As far as the initiatives are concerned, many farming communities have said that as this drought is the worst on record, together with the bushfires it is a double whammy, and support should have been extended before this stage. On the properties I have seen and according to the forecast by the business communities that are talking to me, the flow-on effects will be devastating. A great deal of debate has been about what the Commonwealth should and should not have done in relation to exceptional circumstances assistance. I have attempted to work through those issues on factual information.

There can be no doubt that the exceptional circumstance process has been designed so that farmers cannot access money. I have no doubt that it is the most difficult process for a community—and a State for that

matter—to work through to access funding. There has to be a better process. Whilst we have a spirit of bipartisanship in this Chamber we need to make sure that these issues are debated in the public interest. We should not look at what the Federal Government has proposed as a cost-shifting measure. A number of reforms are very helpful in this process. I hope that the State and the Commonwealth can get their heads together and sort it out because that is what the rural communities need.

Mr BLACK (Murray-Darling) [4.47 p.m.], in reply: I thank the honourable members representing the electorates of Lachlan, Tweed, Barwon, Bathurst, Dubbo, Coffs Harbour and Northern Tablelands for their contributions to this debate. It is clear from their contributions that Prime Minister John Howard has not made a drought tour anywhere in Australia, as sought by the motion. The Leader of the Opposition claimed that what he put forward was a plan, not a promise. We all recall the statement made by John Howard not many years ago that the question is whether a promise is a core promise.

The honourable member for Northern Tablelands made the point that the preparation and completion of forms for exceptional circumstances funding is just too hard. The honourable member for Lachlan made a similar point. Put simply, and as the Minister stated, any changes made to the exceptional circumstances criteria will cost us more money. That is right: Warren Truss will not introduce the new reforms without the States paying more towards exceptional circumstances funding. It is as simple as that. The New South Wales Government gets no more money from the Commonwealth in recognition of the 31 assistance measures it has put in place. More such measures are to come. Yet the Commonwealth wants this State to pay more towards exceptional circumstances funding.

The honourable member for Dubbo made a point about national disasters. I note publicity on this matter that the honourable member received recently in the *Dubbo Liberal*. The point is that the National Disaster Relief Scheme is a joint scheme of Commonwealth and State natural disaster relief arrangements, headed up by the National Disaster Relief Arrangements. Eligible disasters include any one, or a combination, of floods, bushfires, severe storms, cyclones, and earthquakes. The Commonwealth says the following events are not eligible for assistance under the Natural Disaster Relief Arrangements: drought, frosts, excessive heat, diseases. So, unless we can get the Commonwealth Government to agree to change the entire arrangements in respect of the scheme, there is no possibility of a natural disaster declaration for drought in this State.

The honourable member for Coffs Harbour raised the matter of relief for Grafton and so on. The process is that the New South Wales Government prepares the exceptional circumstances funding application, the Federal Minister responsible for exceptional circumstances applications then forwards our application for consideration under the Natural Disaster Relief Arrangements, and the Federal Minister must be convinced there is a prima facie case.

Mr Fraser: What about Grafton?

Mr BLACK: A Natural Disaster Relief Arrangements representative is going to the Grafton and Kempsey areas on 21 and 22 November. But the Federal Minister responsible for primary industries, Warren Truss, has made no announcement that farmers in each board will be eligible for New Start income support payments, as happened when he announced a prima facie case existed in relation to Bourke and Brewarrina pastures protection board applications. Why not? I do not know. However, I would put to the honourable member for Coffs Harbour that no similar announcement in that respect has been made.

There is no doubt whatsoever that the drought in New South Wales is worsening quickly. I note that the National Climate Centre is predicting the El Nino dry weather pattern effectively will not end until March next year. I think we lost a great weather predictor years ago in Indigo Jones. But the centre is saying, through a Mr David Jones, that the El Nino is one of the worst that the country has seen. He goes on to make further comments about it. Honourable members have mentioned that there has been no flow over the weir on the Darling River at Bourke since last week. Our dams are turning into puddles. I refer particularly to Lake Hume, Lake Victoria and Lake Alexandrina. Mr Blackmore from the Murray-Darling Commission has said:

> Our three biggest storages are all going to fall to very, very low levels, and we are really in uncharted waters. We haven't seen something like this in 100 years.

Mr Armstrong: More like uncharted dust.

Mr BLACK: It certainly is. The Salvation Army has made a number of statements, including:

> There is mounting concern about the emotional and mental health of many farmers.

We have had incredible dust storms, even down as far as Griffith. Soil experts are telling us that three million tonnes of topsoil from dust storms in Griffith and elsewhere in western New South Wales have top-dressed the east of the State. The Federal Government is not doing the right thing in putting $5 million into Farm Start. It would be far better if that money were put into rural financial counselling services, which are absolutely overloaded with work, to try to get exceptional circumstances applications completed.

Question—That the words stand—put.

The House divided.

Ayes, 50

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

Noes, 36

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

Question resolved in the affirmative.

Amendment negatived.

Motion agreed to.

MID NORTH COAST AND NEW ENGLAND INVESTMENT

Matter of Public Importance

Mr OAKESHOTT (Port Macquarie) [5.02 p.m.]: I ask the House to note as a matter of public importance the level of investment in the mid North Coast and New England. Only 20 minutes ago I attended the launch of the Forest Industry Association where I was speaking with several business people who are keen to invest between $10 million and $15 million in the Port Macquarie electorate. It is all about sustainability of

jobs and the environment, and long-term investment in the economy of the mid North Coast. These are very exciting times on the mid North Coast. Investment is coming from a whole range of businesses in both the private and public sectors. This matter of public importance is to emphasise the great benefits to the mid North Coast of the changed political environment, which has led to access to public dollars, particularly in the Port Macquarie electorate.

I will refer to a range of issues that have been dealt with in the past 12 months, as well as future challenges. Only last Friday we had one of the most significant announcements in health services on the mid North Coast—I acknowledge that the Minister for Health is in the Chamber—the long-awaited funding for radiotherapy units based at Port Macquarie and Coffs Harbour. Cancer patients will no longer have to travel out of the area to undergo radiotherapy. Those who were unable to undergo radiotherapy treatment because it was too difficult for them to travel out of the area with their carers will now be able to undergo the radiotherapy recommended by their physicians. The mid North Coast, due to climate and demographics, has an extraordinary number of people seeking radiotherapy treatment. This significant announcement is the result a great deal of lobbying.

Areas from Lismore right down to Port Macquarie have been trying to win the linear accelerators and to be a base for radiotherapy units. I note that jockeying for funds between the Federal and State governments is continuing to some degree, even after the announcement. Even the public and the private sector have been jockeying for the equipment. A couple of years ago St Vincent's approached people, such as me, to provide radiotherapy services in Port Macquarie. At the time it looked interesting, but I am particularly pleased that we chose to wait for public funding. I know that the 18,000 people who signed petitions for the radiotherapy unit to be based at Port Macquarie are smiling. This is probably the most significant announcement for health care on the North Coast for some time. A commitment for the $80 million project to realign the Oxley Highway into Port Macquarie in 2005 is a significant win for the mid North Coast.

All associations, political parties, chambers of commerce, rotary organisations and local councils in the Port Macquarie area were lobbying for the project. For the past two years the Minister for Roads has been reluctant to go ahead with the Oxley Highway realignment. The Roads and Traffic Authority said that it would abandon the project and instead spend money piecemeal on improving the existing goat track into Port Macquarie. I was particularly pleased two months ago that the Minister agreed to the demands of the local area and agreed to spend the $80 million to finish the Oxley Highway realignment. It is a significant announcement for the entire area because it is the major growth area in the Hastings Valley. Geographically, it is quite clear that Port Macquarie cannot grow east or north, therefore west is the obvious location. Part of all the planning for the next 20 years is happening now. Subdivisions and land releases are being planned, and the announcement of the Government's commitment played a significant part in the planning strategy. I am very pleased about that.

There is also a commitment of $3.2 million for improvements to the Stingray Creek bridge, which is currently in a significant state of disrepair. The poor condition of the bridge has split the communities of North Haven and Laurieton, whereas formerly it provided the link. Over the past 18 months, load limits have forced tourist buses and earthmoving transportation vehicles, among others, to choose alternative routes, but over the past 12 months the announcement of additional funding has been particularly pleasing.

Those two areas face significant challenges with regard to equitable funding for the provision of health services. By comparison with other area health services in this State, the mid North Coast Area Health Service is underfunded by approximately 2 per cent. That does not sound very much, but it amounts to $5 million in funding, which, if provided, would have a significant impact on the improvement of services, such as elective surgery.

The Vinson report recommendations should be implemented, and sufficient funding should be provided for that purpose. The roads and bridges of the Manning Valley are primarily a local government concern, but $4.9 million is urgently required in maintenance and improvement work to merely bring them up to standard. Approximately 28 bridges in the Manning Valley are desperately in need of improvement.

In a political context, my terms in the Parliament provide a good example of a before-and-after case study. My experience over the past 12 months enables me to justify the removal of a political party logo from my sleeve and to argue the case for standing as an Independent candidate at the next election in March. My move has delivered for the local area. In recent times my electorate has been the beneficiary of approximately 30 grants and funding initiatives, whereas previously I and others were frustrated by a lack of action. In the past 12 months, action has been taken to direct funding to the Port Macquarie electorate.

The Port Macquarie electorate is an extremely exciting place in which to be, not so much for the politics but for the outcomes that have been achieved—the exciting part of the equation in the new politics in Port Macquarie. Across the board, public and private enterprises are very keen to invest in the Port Macquarie electorate in what is clearly a sustainable, long-term and vital economy north of Newcastle. Port Macquarie is leading the charge in attracting enterprises from the financial and health sectors, and these are really exciting days in the mid North Coast. I am very lucky and honoured to be part of the process. I hope that the Government will allocate much more funding for the mid North Coast area in the future.

Discussion adjourned on motion, by leave, by Mr Whelan.

BUSINESS OF THE HOUSE

Routine of Business: Suspension of Standing and Sessional Orders

Motion by Mr Whelan agreed to:

That standing and sessional orders be suspended to provide for the following Government business forthwith:

(1) the introduction and progress up to and including the Minister's second reading speech of the Drug Misuse and Trafficking Amendment (Dangerous Exhibits) Bill, notice of which was given this day for tomorrow;

(2) the resumption of the debate on the Courts Legislation Miscellaneous Amendments Bill;

(3) private members' statements, and

(4) Government Business Orders of the Day Nos 5, 14 and 15.

DRUG MISUSE AND TRAFFICKING AMENDMENT (DANGEROUS EXHIBITS) BILL

Bill introduced and read a first time.

Second Reading

Ms MEAGHER (Cabramatta—Parliamentary Secretary), on behalf of Mr Debus [5.14 p.m.]: I move:

That this bill be now read a second time.

The Government is pleased to introduce the Drug Misuse and Trafficking Amendment (Dangerous Exhibits) Bill. The bill addresses the health and safety concerns of handling dangerous exhibits seized from illicit drug manufacture operations. Police are dismantling record numbers of clandestine laboratories that contain chemicals and are contaminated with dangerous and unstable combinations. These exhibits pose serious environmental and health and safety risks. This was highlighted recently when a police officer in full safety equipment received chemical burns to the eye while taking photographs of the exhibits.

This amendment will enable the prompt destruction of dangerous exhibits where there are clear safety reasons for doing so. This already occurs in other jurisdictions and complies with the requirements of the Australia New Zealand Standard for the Storage and Destruction of Drugs. The disposal of these exhibits will not impede court proceedings, which already allow for the tendering of analyst certificates, samples and photographic evidence in their place. I commend the bill to the House.

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

COURTS LEGISLATION MISCELLANEOUS AMENDMENTS BILL

Second Reading

Debate resumed from 23 October.

Mr HAZZARD (Wakehurst) [5.16 p.m.]: This bill amends a bill recently passed, the Community Services Legislation Amendment Bill, which, inter alia, merged the Department of Community Services and the Ombudsman's office. Under this process, the Child Death Review Team and the Disability Death Review Team have been rolled together and their functions have been absorbed by the Ombudsman's office. According to the Government, one intention of this legislation was to make it mandatory that all deaths of vulnerable children or

persons with a disability be reported to the Coroner. Vulnerable children include persons who are known to the Department of Community Services and those who are in State care. The Coroner will have a discretion to hold an inquest into the death of any child or person with a disability. This bill has come about because of the need to address a purported drafting error in schedule 2 (9). Under that section, the Coroner is arguably being required to hold an inquest into the death of a vulnerable child or person with a disability, as defined in section 13A (b) of the Coroners Act.

The Government argues that the Coroner will be required to hold an inquest even if the death is one in relation to which the Coroner would not ordinarily hold an inquest. The Government has argued that this consequently will have massive resource implications and will work to slow the process of inquests overall. By this bill the Government will repeal section 14B of the Coroners Act and restore the discretion to the Coroner to hold an inquest. The Government argues that inquests will still be able to be held, but at the Coroner's discretion. The Coalition acknowledges correspondence from the New South Wales Coroner, John Abernathy, which, though sent to the Premiers Office, was sighted by the Coalition. The correspondence discusses this bill and the implications if the alleged drafting error is not addressed.

The Coalition acknowledges that many child and disability matters are dealt with to completion at almost 100 centres throughout the State at which coroners are located. We accept that if inquests were to be held in virtually all cases, a significant load would be imposed on the proposed resource that has been offered to the State Coroner by the Labor Government—that is, one additional full-time coroner to investigate all matters concerning the deaths of children and young people, and people with disabilities who die of abuse or neglect or in suspicious circumstances. However, the community's submissions and the numerous reports and research into this issue that have come out of the United States, British Columbia, Canada and the United Kingdom are of deep concern to the Coalition. It should also be pointed out that the Coroner already has a mandatory requirement to hold an inquest into the death of every prisoner who dies in custody. I will refer to that in more detail at a later stage.

A precedent has been established in Western Australia in respect of deaths in custody in relation to juvenile's, children's and welfare homes. That could, and perhaps should, be adopted in New South Wales. In negotiations with the Premier's office, the Coalition asked the Government to consider holding a mandatory inquest in all cases in which children are known to child protection, health services or education services on protection issues, particularly when those children are in the care of the State. In doing so, the Coalition was satisfied that that is not a revolutionary concept; it has been done before in other jurisdictions.

Strong concerns regarding the appropriateness of the use of the Coroner's discretion in holding inquests were raised as recently as 30 October 2002 by the Children's Commissioner and convener of the Child Death Review Team, Gillian Calvert. When launching the Child Death Review Team's annual report for 2002, Ms Calvert said there was concern within the team that the Coroner chose not to investigate certain coronial matters. The team is so concerned about the apparent discrepancy between its findings and those of the Coroner that it wants the New South Wales Bureau of Crime Statistics and Research to study the reasons behind the Coroner's decision not to investigate certain child deaths. On the day of the launch, ABC radio's 4.30 broadcast stated:

> Of the 21 cases that the team reviewed, the Coroner dispensed with inquests in seven of those cases and the team found that six of those seven were suspicious of child abuse and neglect.
>
> And we've therefore recommended that an independent study be conducted to understand why this difference of opinion is occurring.

That is one of only three recommendations the report made in relation to children who died as a result of abuse and neglect. Research undertaken through my office, and the excellent work of Katherine McFarlane, has shown that throughout the United States of America, Canada and the United Kingdom some extensive steps have been taken on this real problem. That research examined the use of coronial discretion and how it impacts on investigations into the death of vulnerable people. Michael Nunno from the Family Life Development Center at the College of Human Ecology, Cornell University, New York, is due to publish a survey of child deaths in institutional care, including in State child welfare, mental health, juvenile justice and mental retardation systems. A brief discussion of the survey headed "Learning from Tragedy" was reported in the May edition of the *Refocus Newsletter*.

In an email to my office regarding the survey and, in particular, addressing the question of whether there should be a mandatory coronial inquest into the death of any child in care, Michael Nunno said he had encountered several systemic problems in relation to child protection and child welfare. A lack of central and

consistent reporting within the State, lack of mandated corrective actions to address the system's problems, and an overdependence on criminal investigations were all extremely problematic. Significantly, he also stated that the lack of a mandated public fatality review that includes a root cause analysis was a major factor in the number of deaths of children in institutional care that he had encountered.

In a report entitled "The Best of Intentions—An Evaluation of the Child Fatality Review Process in Georgia, USA", the Emory Center For Research Control and the Applied Research Center at Georgia State University formally evaluated the child fatality review processes within that State. In Georgia an autopsy must be performed upon the death of every child under the age of seven. An autopsy is also required whenever a child of any age dies under unusual or suspicious circumstances. There is no coronial discretion in those instances. Under Georgian State law, child fatality subcommittees must initiate an investigation whenever a medical examiner or a coroner reports a child to the Director of Forensic Sciences. Therefore, not only is there a coronial inquest, an examination of how and why the child died, but the matter is then referred on so the systemic issues can be picked up. The report found:

> Some coroners discharge their responsibilities in a conscientious manner, but others do not. During the course of our evaluation, we encountered a number of complaints about unco-operative coroners.

The Coalition is not reflecting on New South Wales coroners, but it is pointing out that there can be differences in approaches by different coroners.

I turn now to natural causes of death. Much of the research has shown that there is a tendency not to investigate a matter if it appears obvious that the death was by natural causes. While initially this may seem a reasonable argument, there is a concern that in some cases of children or people with disabilities dying in State care, agency culpability has not been properly examined; for example, it has appeared that death was from natural causes. However, later investigations have shown culpability. A recent example involved a nursing home in which a number of people died over a five-week period. Although no conclusions can be drawn about that case at this time, the fact that so many people died of what appeared to be natural causes sparked a later coronial inquest.

The point is that each death had not been the subject of an independent coronial inquest. Perhaps if this had occurred, developments or trends in unnecessary, unjustifiable deaths could be determined and picked out so that subsequent deaths did not occur. The recent report in regard to the Mannix centre cited the deaths of eight young children. After the report was handed down, a further two children died at that centre. I understand that despite the Government's undertakings that those children would be appropriately devolved into other accommodation, as recently as a couple of days ago only one child had been moved from that centre. That centre remains of concern.

Research has also established that there are often a number of deficiencies in the investigative process which blur what may be a death by natural causes or a death that would warrant a more intense coronial investigation. In 1989 Jan Hansen, a reporter in the United States of America, published a series of articles in the *Atlanta Journal and Constitution*. The series was entitled "Suffer The Children" and detailed 51 deaths among children who were supposed to be under the protection of the Georgian child welfare system. Incidentally, that article won a Pulitzer Prize. The reporter discovered a staggering lack of investigation into the deaths of those children. Often the lack of investigation lead to labelling the causes of death as "accidental" or "natural", despite little or no examination. Inadequate record keeping, lack of access to existing records, and poor communication between caseworkers, police, medical examinations, prosecutors, judges and coroners contributed to the lack of information about children's deaths.

The lack of accountability on the part of government agencies, frontline professionals, and perpetrators of child abuse means that deaths often fall through the cracks between the many different organisations supposedly responsible for child protection and child welfare. Other research has come to the same conclusion. Deaths may be put down to sudden infant death syndrome or other natural causes when clearly that was not the case. The Colorado Department of Public Health and Environment, along with the University of Colorado Health Sciences Center, recently published an article entitled "Under-Ascertainment of Child Maltreatment Fatalities by Death Certificates 1990-1998". That article examined the increasing number of child fatality review teams that had emerged across the United States in the past decade to address the concern that systems of child protection, law enforcement, criminal justice and medicine failed to adequately assess the circumstances surrounding child fatality as a result of maltreatment. The team collected data for all children aged 0-16 years who died in Colorado between 1990 and 1998. The team found that for only half of the children who died as a result of maltreatment—that is, abuse or neglect—was there a death certificate to that effect.

Deaths resulting from violent causes, such as shaking or blunt force, trauma or striking, were more likely to be determined as maltreatment cases than involving acts of admission or neglect. The team found that the degree of underascertainment in the study was of major concern, and in determining a cause of death the Child Review Fatality Teams relied on what the death certificates said. Therefore, the question arises: If the death certificates were incorrect, would a full coronial inquiry into the death of every child have delivered a very different outcome to that which was ultimately recorded?

The United States Department of Health and Human Services Advisory Board on Child Abuse and Neglect, in a report entitled "A Nation's Shame—Fatal Child Abuse and Neglect in the United States", also found that no mechanism exists to assure that responsibility is taken in a multi-agency system for determining how and why a child dies, or who should be held accountable. It was noted that while many law enforcement systems investigate child deaths, they generally do so only if a coroner's autopsy finds the death to be suspicious. The report also found that coroners consistently failed to ensure that children were autopsied when autopsies were ordered, and even when this was done the coronial investigations may be incomplete or incompetent. The United States Department of Health report stated:

> … there have even been cases reported where professionals have sought to protect perpetrators of child abuse and neglect.
>
> For example, a Missouri coroner who wanted to label a case of inflicted suffocation as sudden infant death syndrome did so in order to protect a family's reputation.

The United States report also made some interesting statements, and I would like the Minister to clarify whether the same situation applies in New South Wales. For example, some States are using the knowledge gained from the child death review teams in the United States to "dramatically improve training and awareness" among coroners and other professionals engaged in child protection or the review of child fatalities. A quick examination of international research shows that there are strong arguments that coronial inquests be mandatory for certain categories of people. The report entitled "A Nation's Shame", to which I referred earlier, stated:

> This board heard strong agreement from professionals in many disciplines that the single most critical stage in determining the cause and manner of death of an infant or child is an autopsy. Yet here in an area where the need for professional expertise is so obvious, the system fails dramatically.

Lack of funds, a lack of clear guidelines, perhaps an incompetent medical examiner, sometimes religious prohibitions, whether claimed or actual, and personal reluctance, especially among coroners who may know the family, all impacted with the result that overseas autopsies and coronial inquests were not held when they should have been. Coronial inquests in New South Wales have also not been held or were cut short after criminal charges were laid in relation to the deaths of children known to DOCS or other government agencies. In the cases of Jessica Gallacher and Tahlia Brockmann, children who were murdered and whose stories I have raised many times in this House, the coronial inquest was dispensed with when an alleged perpetrator was charged. In each case the matter went no further, despite widespread publicity and ongoing efforts by family members. No reviews were conducted or made public to the families of each respective child.

In the past six months the Coalition has been successful in gaining a coronial inquest into each of those children's deaths. Both inquests were re-opened followed national media coverage by *60 Minutes* and *Four Corners* and numerous newspapers. Sadly, there are many more children who died of alleged abuse and neglect, for example, in respect of whom there was not a full and comprehensive inquiry into the circumstances surrounding their deaths. Inquests are mandatory, however, in some jurisdictions.

In America, coronial inquests are mandatory for children who die under suspicious circumstances or of unknown causes, and, in some States, if they are known to the American equivalent of DOCS. While by no means an exhaustive list, Kansas, Maine, Nebraska, Oklahoma, Illinois, Iowa, Idaho, Ohio and Missouri have mandatory autopsies and coronial inquests in certain circumstances. Georgia is mandated by law to review the death of any child whoknown to child protective agencies, and there is a general requirement that coronial inquests be held for all children under seven years of age, regardless of the suspected cause of death. According to District Attorney Tom Morgan, that was the result of an investigation that was carried out several years ago involving the deaths of children who had had contact with social services. In Michigan the Child Death Review Program investigates and reports on the deaths of children who die whilst in foster care or within five years after family preservation or family reunification, while Florida reviews the death of every child in care.

"A Nation's Shame", the report of the United States Department of Health and Human Services to which I referred earlier, recommended that all States should enact legislation establishing child autopsy protocols, with Federal funding available for autopsies of children who die unexpectedly. In the north-west

territories of Canada the deaths of all children aged between eight and 16 are reviewed. In Nova Scotia children under the age of 16 who died as a result of child abuse while receiving child protection services are reviewed. In New Brunswick the death of a child under the age of 16 and the death of a child with a disability under the age of 19 years is mandatorily reviewed. The death of a child known to child protection agencies one year prior to his or her death or a child in the legal care of the department will be mandatorily reviewed.

In Manitoba, if parents, siblings or a deceased child received services from a child welfare agency two years prior to a child's death, the case is reviewed. The Saskatchewan's Children's Advocate performs a similar function. A children's inquest review committee in that province also acts as a child death review team. One of the most stringent requirements is found in the district of Columbia, where the Child Fatality Review Committee reviews the death of all children who are known to child and family services within 10 years prior to their death. In Ontario the death of all children under the age of 18 who received services from a children's aid society the previous year is reviewed. Significantly, that includes all natural deaths.

To elaborate on that example, since the Ontario Child Mortality Task Force began in spring 1997, six inquests into the deaths of children known to the Children's Aid Society were held. As a result, 29 recommendations were made about the need for workload standards for child welfare, and 29 more were made about the need for the implementation of comprehensive risk assessment processes and standards for the investigation and management of child neglect cases. According to Caroline Buck, the Director of Services at the Children's Aid Society, Toronto:

> These recommendations have put a human face to the need for change in the Child Welfare system.

I will deal briefly with statistics in the United Kingdom. According to the Home Office:

> Provided the death of a child anywhere else (other than in custody) is not natural and reported to the coroner, then there will be an inquest.

If abuse or neglect is known or is suspected to be a factor in a child's death, the Local Area Child Protection Committee must also conduct a review into the child's and the family's involvement with agencies and professionals. That is done to ensure the protection of siblings and to establish whether there are lessons to be learned from a case and about the way in which local professionals and agencies work together to safeguard children. If a child dies in State care—that is, a child who is being looked after by a local authority or the United Kingdom's equivalent of the Department of Community Services—under the Children Act 1980 it is mandatory that the Secretary of State be notified.

That intense level of government scrutiny differs from the scrutiny in New South Wales. New South Wales does not now, and will not, require mandatory reviews of systemic problems. Under the recently passed community services legislation, that discretion is left to the Office of the Ombudsman to determine whether a review into an individual child's death should be carried out or whether any systemic review should be conducted. The United Kingdom's National Society for the Prevention of Cruelty to Children has argued that the United Kingdom's requirements should go further. It argues that a key reform to the child protection system would be met by including statutory child death review teams, to which all child deaths should be reported.

There is also an Australian precedent for a coroner to hold a mandatory inquest. I refer, of course, to the Royal Commission into Aboriginal Deaths in Custody. It is a well-established fact that the Coroner investigated deaths in custody after that royal commission's inquiry approximately 10 years ago. Most of the research presented to the Coalition by international experts, commentators in the field and people affected by the care system in New South Wales shows that a public inquiry in the form of an inquest presents the only opportunity for the ventilation of the relevant facts, for suspicions to be aired and for evidence to be tested in relation to the most vulnerable children or most vulnerable people in our society: children in State care and people with a disability. The Coalition is extremely concerned that, given the plethora of evidence cited earlier, these issues have not been adequately addressed by the Government in relation to this bill. I again quote from the document prepared by the reconciliation library:

> A mandatory coronial inquest into every death … should be an elementary guarantee offered by the Australian legal system. Justice must not only be done, it must be seen to be done.

The arguments that I have outlined in favour of mandatory inquests and the removal of a coronial discretion warrant serious consideration by the Government. I would appreciate hearing the Minister respond to the issues I have raised and his explanation of why we cannot have mandatory inquests into at least the deaths of children

in State care. I thank Nick Rowley from the Premier's office, who negotiated with the Coalition on this issue, which should receive bipartisan support. I also thank my researcher Katherine McFarlane for the time and effort she put into this legislation. I look forward to hearing the Minister's response.

Mr DEBUS (Blue Mountains—Attorney General, Minister for the Environment, Minister for Emergency Services, and Minister Assisting the Premier on the Arts) [5.35 p.m.], in reply: I thank the honourable member for Wakehurst for his contribution to the debate on the bill. I acknowledge the people to whom the honourable member referred who helped to resolve the issues of concern that have been expressed by Government and Opposition members. The majority of the amendments in this bill will assist in the implementation of important legislation governing procedures in the Local Court—legislation that was passed by this House about 12 months ago. Another important amendment relates to the Coroner's Act: the amendment about which the honourable member for Wakehurst had a good deal to say.

The Government recognises how important it is to protect the most vulnerable people in our community. That is the clear aim of the new Community Services Legislation Amendment Act 2002, which was passed by the Parliament earlier this year. The Act, which has not yet been implemented, made a number of amendments to the Coroner's Act 1980 in recognition of the special sensitivities and needs of families who have lost children within three years of their notification to the Department of Community Services, or those who have lost a disabled person who had been receiving disability services. However, the Act—which, as I said, has not yet been implemented—inadvertently made mandatory the holding of an inquest into the deaths of these people. This bill will clarify the situation.

These deaths must be reported to our most senior coroners. The most senior coroners in New South Wales—the State Coroner, or the Deputy State Coroner—will then be able to make a proper assessment of whether an inquest should be held. The State Coroner has confirmed that when he or a Deputy State Coroner intends to dispense with an inquest into such a death, the person's next of kin will be advised. Those next of kin will be invited to give their views. Should they disagree, they will be able to put forward reasons why they believe an inquest should be held, and those reasons will be fully considered before any decision is made. The State Coroner has made it clear that he is concerned to ensure that people are well informed about the reasons these sorts of decisions are made.

One of the strengths of the Community Services Legislation Amendment Act lies in the fact that only the State's most experienced coroners will deal with the deaths of certain categories of vulnerable children and disabled people in care. To make all such deaths the subject of a mandatory inquest is, the Government believes, quite unwarranted. If such inquests were mandatory, many cases would be delayed without any good reason and that would result in the consequent distress of affected families.

It is worth pointing out that much of the research that was referred to by the honourable member for Wakehurst concerning the situation in the United States of America deals with a coronial inquest model that is not the same as that in New South Wales. Most States in the United States—if not all of them—work on a medical model, whereby the coroner is a medical person and there is no judicial involvement. A judge-like person is not involved unless it is decided that there will be an inquest. Whereas in our model, the judicial officer oversees the whole process, and the judicial officer decides, with medical advice, of course, whether an inquest will be dispensed with.

That is a quite crucial difference because we are dealing with a situation in which, as we have said, the most senior coroners in the State—people who have a high profile and whose professional competence and integrity are beyond question—actually decide on the basis of expert advice and their understanding whether or not there will be an inquest. That is a crucial difference which we believe will guarantee that inquests are not dispensed with in an inappropriate fashion. The amendment to the Coroner's Act will ensure that families, however, are not unnecessarily put through the trauma of an inquest simply because it is black-letter law or mandatory. For that reason I commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

Pursuant to resolution private members' statements taken forthwith.

PRIVATE MEMBERS' STATEMENTS

NEPEAN HOSPITAL AND WENTWORTH AREA HEALTH SERVICE

Ms BEAMER (Mulgoa) [5.40 p.m.]: I shall advise the House tonight of the many developments that are happening at Nepean Hospital and in the Wentworth Area Health Service region. In the past few years I have had the pleasure of attending the opening of many new facilities at Nepean Hospital and in the surrounding precincts. On 7 November this year I was pleased to attend the opening of the Wentworth Dialysis Centre, the newest health facility serving my constituents and people from nearby areas, to which I shall refer later. The Nepean Hospital stage two development cost $68.3 million and included a maternity ward, nuclear medicine facility, the refurbishment of intensive care, pathology department extensions, a cancer care centre and a drug and alcohol unit. I have spoken about several of those units before. I recently visited the maternity ward for the first time, and I congratulate my old friend Rebecca Astill on the safe delivery of her son, Jaiyden.

The newest facility, which was opened last week, is the $900,000 Wentworth Dialysis Centre. The centre is most important as it will cut travelling times for patients who live in the lower and upper Blue Mountains and who require urgent or long-term dialysis treatment. In the past Penrith patients were forced to travel to either Westmead or Concord for treatment, which was an extremely onerous journey. Located on the Governor Phillip Nursing Home campus in Penrith, the centre has six dialysis stations with the latest haemodialysis machines and water purification system. A dialysis patient, Reginald Freeborn, told the gathering that the opening of the centre had changed his life almost completely. He used to travel to Concord three times a week for four to five hours of dialysis treatment. That lengthy journey necessitated his waking before sunrise. His son would drive Mr Freeborn to the hospital and he would return by public transport following his treatment—an exercise that took the whole day.

The people of Western Sydney often complained that the situation was iniquitous when many dialysis patients lived in the region and when other areas had dialysis treatment facilities. I congratulate the Minister for Health on the opening of this $900,000 dialysis centre. The establishment of the centre was assisted by the recently established Western Sydney Renal Network, and it is a real achievement for the Wentworth Area Health Service. Renal nurse unit manager Steven Jackson and his team should also be congratulated on making the centre's environment pleasant rather than clinical and on making patients feel comfortable.

I must also mention that the Nepean and Blue Mountains Cardiac Support Group received the Baxter 2002 New South Wales Health Award, which is a significant achievement. This group of former cardiac patients advise clinicians how to improve the acute management of patients suffering chest pain. They provide assistance not from a medical perspective but by telling patients what to expect and by assuring them that there is life after a cardiac arrest. I believe all those in the group and the Wentworth Area Health Service deserve the Government's congratulations on, and community support for, this achievement. On 7 November the West Block of Nepean Hospital was renamed and dedicated in honour of the former chief executive officer of Wentworth Area Health Service, Tom Hamilton, who passed away recently. Tom was a fine worker—and was acknowledged as such by both sides of politics—and it is excellent that his significant contribution to the area has been remembered in this way. [*Time expired*.]

NORTH SHORE ELECTORATE MENTAL HEALTH SERVICES

Mrs SKINNER (North Shore) [5.45 p.m.]: I join the honourable member for Mulgoa in acknowledging the contribution of Tom Hamilton. Several non-government organisations in my electorate are involved in the provision of support and services for people with mental health problems and/or their families and friends. Club SPERANZA has been around since 1994, when I met Tony Humphrey, who runs the club, and Carol Jefferson. The clubhouse is located at Neutral Bay just around the corner from my electorate office and offers outreach assistance to people far and wide. Club SPERANZA has been a major contributor to suicide prevention. It has held public meetings, hosted visits and seminars, run workshops and forums, including youth forums, and so on. The club also provides valuable outreach and support. Several people have written to the club's web site relaying how the organisation has helped them. It is extremely moving to read the testimonies of people who believe their family members are alive today because of the support provided by Club SPERANZA, and by Tony Humphrey in particular.

Another important organisation is Pioneer Clubhouse in Balgowlah, which I have visited on several occasions. It is run by members who suffer from mental illness. Many members, who used to have important jobs before their mental breakdowns, told me that after the onset of their illness they had lived in total isolation, unable to leave their home. Some of them lay in bed, fearful that they could not participate in life again. Pioneer Clubhouse is based on a successful model in the United States of America, and there are several clubhouses throughout New South Wales. It is one of the best non-government organisations that I have ever come across.

Pioneer Clubhouse enjoys good community support, and some of its members attend every day. It has a communications section where members can learn computer skills and compile a newsletter through which they can communicate not only with each other but with the community. Members also have the opportunity to participate in employment programs. They are offered placements with local employers and skills development through programs funded by the Commonwealth Transitional Employment Program in supported and independent employment. When one visits the clubhouse one is struck by how much its members love the place, feel that it offers support and has reintroduced them to life. Members can cook meals in the clubhouse kitchen. They serve cups of tea and full meals. The club gets people out and about, helping them to become active and involved.

The Pioneer Clubhouse has many partners in the community including the Schizophrenia Fellowship and receives funding from various organisations. Employers in the local community provide opportunities for those who undertake new skills development to be engaged in productive work. The club guarantees that employers will not be without a worker and someone else from the club will fill in if the individual who holds the job on occasions is not well enough to go to work. Non-government health organisations require a lot more funding. New South Wales provides the lowest level of funding of any State to non-government organisations offering mental health services. The Coalition will make policy announcements about that matter in the future. I commend both these organisations to the House.

BANKSTOWN AIRPORT

Mr LYNCH (Liverpool) [5.50 p.m.]: I draw the attention of the House to the great concerns held by many of my constituents, and especially those resident in the suburb of Lansvale, about the proposals by the Federal Government to expand the operations of Bankstown airport. The proposals by the Federal Government are wrong. They will hurt residents in Lansvale. I oppose those proposals, as do many residents in Lansvale in particular and in our region generally. Particularly objectionable is any proposal to have passenger jets operating out of Bankstown. Also objectionable is any proposal to relocate regional airlines away from other sites into Bankstown. The fears of my constituents were underlined two weeks ago when the Federal Minister for Finance and Administration, Senator Nick Minchin, announced the appointment of a business adviser and legal adviser for the privatisation of Bankstown airport, in conjunction also with the sale of Hoxton Park and Camden airports.

The privatisation of those sites, which the Federal Government plans to occur in June next year, simply makes a bad situation worse. Privatisation will inevitably mean that profits will become the only criterion for the operation of Bankstown. The volume, noise and frequency of aircraft, to say nothing of operating hours, will be of no intrinsic priority to the operator, despite the fact that those things are critical for residents in areas such as Lansvale. There will be obvious pressure to maximise usage of the airport, regardless of consequences. Profits will be put before public needs. The proposal for privatisation is an added problem, which exacerbates the already bad direction announced for the airport by the Federal Government. The privatisation will occur without any preparation of a master plan. Obviously, the expansion of Bankstown will adversely affect residents. Aircraft will be bigger, noisier and more frequent. And there is no commitment to a curfew.

But it is not only that aspect that is so objectionable. The entire process of making this decision was objectionable. The decision by the Federal Government was taken without an environmental impact statement, without adequate planning and without provision of appropriate infrastructure. The decision clearly will have significant environmental impacts, but the Federal Government simply decided upon expansion without any environmental impact statement. After the decision was taken the State Government challenged the Federal Government about it. The State Minister for Planning wrote to the Federal Minister for the Environment and Heritage and requested an assessment under section 146 of the Commonwealth Environment Protection and Biodiversity Act 1989. The Federal Minister for the Environment and Heritage simply flicked that request to the Federal Minister for Transport and Regional Services, John Anderson, who baldly asserted:

> With regard to the proposed upgrading of Bankstown Airport, I do not believe a strategic assessment under section 146 of the EPBC Act is necessary or appropriate.

Likewise, no regard has been given to the infrastructure necessary for an expansion to occur. The road and rail links are simply not there for that purpose. Given the way the surrounding area has been developed already, it is

impossible to understand how that infrastructure could be adequately developed or where it could be put. The decision was taken without any detailed planning or consideration. It is almost a classic case of how not to take a decision. The result was horrendous. It is simply wrong to locate a massive number of larger noisier aircraft in the middle of a heavily developed residential area. Of course, none of the regional airlines, or their passengers, want to fly to Bankstown. They want to fly to Kingsford Smith airport at Mascot.

There has been considerable resident opposition to this ill-conceived and ill thought out plan. A number of petitions have been circulated and there has been considerable anger. Many residents simply regard the proposal as Holsworthy by stealth: a repeat of the infamous and failed proposal to build a new airport at Holsworthy. Many residents are also understandably cynical at the behaviour of the Federal Government. Because people in south-west vote against the current Federal Government, proposals for Badgerys Creek and Holsworthy were abandoned in favour of Bankstown. As one resident wrote to me, "The Federal Government is only concerned with dumping the aircraft problem on the south-west of Sydney". The Federal Government proposal for Bankstown Airport is a disgrace. It should be withdrawn.

RURAL TOWN WATER SUPPLIES

Ms HODGKINSON (Burrinjuck) [5.54 p.m.]: The future of rural town water supplies is of extreme importance in the electorate of Burrinjuck. On 6 February, the *Yass Tribune* newspaper wrote:

> Council has now imposed stage 2 water restrictions on the townships of Yass, Bowing and Binalong due to the falling water level in the Yass Dam. Council has also imposed stage 2 water restrictions in Murrumbateman due to very dry conditions.

That article highlights my long-held concern about the future viability of town water supplies in rural areas across New South Wales. The drought that is now hurting almost all of New South Wales is casting those concerns into stark reality. Where has the Government been for the past eight years? Where is the long-term plan for New South Wales country town water supplies? It does not exist. I have discussed the need for long-term plans for rural town water supplies with the shadow Minister for Land and Water Conservation. We have discussed the need for 30-year and 50-year water plans and we will provide them. I wish that the Government could provide a 50-year plan for country water supplies, but it has failed to do so.

On 25 September, the *Yass Tribune* again highlighted the state of the drought in its headline, "Harsher water restrictions this summer". A recent edition of the *Goulburn Post* proclaimed, more succinctly, "Big Dry Bites". The city of Goulburn, where only five millimetres of rain was recorded in October, is currently under stage three water restrictions. In Mulwaree shire Marulan and Taralga have both been on water restrictions for more than a month. Wool Shed Creek, which supplies Taralga with water, has basically stopped running, and Taralga is heading for much more stringent restrictions. Towns in the Yass shire that have reticulated water are also acting to conserve this precious resource. Yass, Bowning, Murrumbateman and Binalong have all been on water restrictions since 1 November.

In addition, irrigation from the Yass River between the Yass Dam and Booths Crossing has been prohibited. Yass council has indicated that without rain and without water restrictions, the capacity of the Yass Dam will be exhausted in about four months. Yass council recently discussed concerns about the future viability of residential land development in the shire. Councillor John Glover told council that there was a need to make sure that Yass had sufficient water before more land was made available. He bluntly told council that he was convinced that one day Yass would run out of water. We cannot dare to contemplate that. We must have long-term plans.

The village of Gunning is also on stage three water restrictions. Dalton is also on severe restrictions. The future water situation in Gunning is difficult to forecast because the town draws its water from bores on the bed of the Lachlan River. Dalton's supply consists of bore water. Neither source can be measured, so no accurate projection of future water usage can be made. Gunning council has sensibly introduced its restrictions as a precaution against the dry spell being more prolonged. This week Tumut Shire Council will consider the need to impose restrictions on the townships of Batlow and Adelong. The shires of Crookwell, Boorowa and Gundagai are monitoring their town water supplies closely.

Many small villages and farms that do not have access to town water supplies and depend on rainwater are suffering from water shortages. Water cartage across the electorate is significantly higher than it was at this time last year. In particular, villages and localities such as Tuena, Binda, Bigga, Bundaroo, Tarago, Lerida and Collector are suffering from severe shortages of water. Early moves are afoot to investigate the possibility of sinking bores to provide some certainty of supply in Tuena, Binda and Bigga, and Tarago is also now

considering a reticulated water supply. While the residents of Marulan have their water supplies restricted the Mulwaree River, from which they obtain their water, continues to flow into Sydney's water supply. Sydney is not on mandatory water restrictions, and locals in the electorate of Burrinjuck are disgusted and angered by the evident waste of water they see when visiting Sydney and about which they hear on the radio.

With little substantial rain forecast before April next year, the situation in some areas of Burrinjuck is looking grave. That raises the question of why it has been allowed to occur. Drought is a natural and accepted part of Australia's environment. It is an occurrence for which the current Government should have prepared, yet its approach has been one of inertia and reaction rather than forethought and planning. I see that time and time again. In Burrinjuck I have had practical experience with the failings of the country towns water supply and sewerage program. The water supply for the village of Brungle is a classic case in point. Next year it will be upgraded, but this comes only after four years of pressure from me, the residents of Brungle and Tumut Shire Council.

The Government must commit to urgent action to alleviate the immediate effects of the drought. More importantly, the Government must put in place a proactive whole-of-State approach to the provision of safe, drought-resistant, drinking water supplies in all rural towns. The Coalition's strong plan for the future of water supplies for rural towns is the only way forward. The waste of this Government and its arrogance and contempt for country people, particularly those living in the electorate of Burrinjuck, who are on stage three restrictions, is pathetic. Sydney has not even introduced mandatory restrictions; the Premier claimed in question time today that a $220 fine would not be a deterrent. That is a pathetic excuse. The Sydney Government should stop treating country areas with such contempt.

GEORGES RIVER COMMUNITY AWARDS

Mr GREENE (Georges River) [5.59 p.m.]: This evening I wish to speak about the Georges River Community Awards for 2002, which I once more had the opportunity to host on 19 October. This year the event was again held in the Coastline Restaurant at the Illawarra Catholic Club. More than 120 people attended that important function, the aim of which is to recognise the work of many community organisations in the Georges River electorate. Each year the organisations nominate either a representative of their organisation or someone whom they believe has served the community well. The successful nominees are recognised by the award of a plaque, which I had the honour of presenting this year.

Georges River Lionesses this year nominated Jan Goodfellow, who has been with that organisation for many years. Jan and her husband Richard are well known in the local community for their volunteer work. Jan also is closely involved in the Hope for the Children Foundation. Hurstville Rotary nominated Rebecca and Graham Hall for their commitment to and involvement with the scouts movement. Georges River Community Services nominated one of its foundation members, Valmai Douglas, in recognition of her ongoing work for the organisation and for her volunteer work in support of it. Valmai has had an extensive involvement with the Oatley Flora and Fauna Society.

The Penshurst Pole Depot nominated Maureen Michalanney, a long-time server on the organisation's committee. I congratulate Maureen on the work she has done for that organisation, which does so much in our local community to assist those in need. The Oatley Flora and Fauna Society nominated as its representative their long-time Treasurer, Mr John Watters. They took this opportunity also to recognise the support that John, as Treasurer and as a member of the Oatley Flora and Fauna Society, received from his wife. Lugarno Lions nominated Mr George Taff. This was most appropriate because George is one of the foundation members of the Lugarno Soccer Club, which this year celebrates 40 years of providing assistance to and promoting junior soccer in the Lugarno area. George Taff was well supported by many in the community who attended the presentation. George was shocked to find that he was the Lugarno Lions nominee.

This year Oatley Lions nominated Jean Devine, particularly for her work with the Oatley Caring Centre. Jean has been an enormous contributor to the Oatley community and Kogarah municipality for many, many years. She has also served as a councillor on Kogarah council, and continues to be heavily involved not only with the Oatley Caring Centre but with many other community groups. Learning Links nominated Mr Murray Green for the volunteer work that he had done, particularly in helping with that group's extensive renovations, especially at the new branch at Penshurst, which I had the pleasure of opening just a few months ago. Murray put in a great deal of time, and was appropriately recognised by Learning Links for his contribution.

Georges River—Riverwood Rotary nominated Mr John Davis, a long-term member of that organisation. I congratulate him on his success and on his award. The Hope for the Children Foundation nominated Sandra Hale, its Secretary, who is also a solicitor who has done an enormous amount for the Hope

for the Children Foundation, St George network. The Lugarno Progress Association was represented by Mr Bryce Turner. He is a great contributor to the Lugarno Progress Association as well as to Lugarno Lions and many other community organisations. He has been involved also with the Riverwood Community Care Centre. Bryce was recognised for his contributions, particularly to the Lugarno Progress Association but also for his general work in the community.

St George Lions took the opportunity on this occasion to thank Mr Eddie O'Grady by recognising him through its nomination and presentation. Eddie has been a generous supporter of St George Lions in his capacity as licensee of the Hill Street Tavern, which he has now sold. Eddie's generosity extended beyond his contributions to St George Lions to many other community groups. The final award was to the nominee of St George Community Services. It went to Esther Greenwald, who served that organisation as a volunteer for 19 years at its community information centre at Westfield. She has also served on the management committee.

I am proud to have instigated the Georges River Community Awards because I believe we should recognise those in our communities who give so generously of their time, energy and expertise to make our community a better place. The awards function is a great opportunity to recognise, in this instance, 13 organisations as well as many individuals who put so much back into our community. It is noteworthy that many of the people to whom I have referred, like many others who serve community organisations, provide assistance to a range of community groups.

BROGO BRIDGE

Mr R. H. L. SMITH (Bega) [6.04 p.m.]: On 2 November a petrol tanker carrying 37,000 litres of fuel crashed on the southern approach to the Brogo Bridge, approximately 15 kilometres north of Bega, in my electorate. The prime mover exploded, causing the Princes Highway to be closed for 10 hours. Eight explosions caused huge fireballs to erupt, igniting the surrounding area. It took five rural fire brigades to extinguish the fires, and prevent a major bushfire from occurring. A commercial nurseryman and his wife, Don and Fiona Firth, operate a business at this site. They heard the explosion and called 000 and the Brogo Rural Fire Brigade.

Mrs Firth and a neighbour then proceeded to halt all oncoming traffic on the highway until authorities arrived. Mr Firth convinced the driver of the tanker to leave the scene only minutes before it exploded, and in doing so saved his life. He then assisted the fire brigades to extinguish the fires both on his and the surrounding property. I believe that the quick thinking and immediate action of these people prevented a possible massive pile-up of traffic. They should be commended for their actions. Over the years Mr and Mrs Firth have witnessed many accidents at this site and constantly live with the knowledge that one day a major tragedy will occur. Another serious point to be noted is that the site where the fuel tanker exploded is the stopping area for the local school bus. Imagine the horror had this accident occurred on a school day, when children were waiting at this exact spot.

The problem is that the Brogo Bridge was built in 1936 and, as a dual lane bridge, is only wide enough to take vehicles of that vintage. The southern approach to the bridge has a right-angle turn, which one must negotiate at a slow speed. If traffic is approaching from the north, one must be extremely vigilant in keeping to the correct side of the road. The condition of the bridge does not appear to be too bad. The surface is sealed and it has side rails for its full length. However, it is so narrow, and the southern approach has so tight a turn, that two large vehicles have difficulty passing one another. I have been told that the truckies call up on their radios as they approach this section of the highway to check that the road is clear before they proceed across the bridge. I know for a fact that they are required to cross over the centre-line when southbound so that they can negotiate the tight comer safely without running off the bitumen.

As I have stated earlier, the Brogo Bridge was built in 1936, making it 66 years old. My electorate is the jewel in the crown of tourism. We have pristine beaches and clean air. But every year the traffic gets heavier and more congested. The expansion of the Bega Cheese Factory in recent times has also resulted in a vast increase in heavy transport through the area. Most recently the Mobil fuel depot at the Port of Eden was closed, increasing the number of fuel tankers on our roads. A local bulk fuel operator, Malcolm Slater, has informed me that his trucks used to do 50,000 kilometres a year bringing fuel from Eden into the Bega depot. Now they will be travelling over 530,000 kilometres a year as the fuel has be transported down the Princes Highway from Sydney. With the ever-increasing amount of traffic on the Princes Highway in my electorate, this bridge has now become one of the most dangerous sites I know of.

What the Brogo Bridge needs, and soon, is widening, and a realignment of the southern approach, so that all approaching traffic can safely negotiate the bridge without drivers having to hope and pray that they will

not meet any large vehicles halfway across. It is bad enough that the people of my electorate have to put up with an old timber bridge that floods and causes the Princes Highway at Pambula to close whenever there is heavy rainfall, but they also have to live with the Brogo Bridge, which is highly dangerous. I urge the Minister for Transport, and Minister for Roads to instruct the Roads and Traffic Authority to conduct a full investigation of traffic movement at this site with the intention of preventing further hazardous situations, such as the one recently witnessed.

LAKE MACQUARIE FIREFIGHTING SERVICES

Mr HUNTER (Lake Macquarie) [6.10 p.m.]: This evening I wish to speak about Lake Macquarie firefighting. On 11 September the Minister for Emergency Services, Bob Debus, visited Lake Macquarie City, which encompasses both the electorates of Swansea and Lake Macquarie. With the honourable member for Swansea, Milton Orkopoulos, he visited the site for the new Tingira Heights Fire Station, an approximately $1.2 million investment in a new fire station for the Swansea electorate. Later in the day the Minister visited fire stations on the western side of Lake Macquarie. First, he visited Teralba Fire Station to meet with local firefighters and view their new, recently delivered fire engine. He also inspected the fire station facilities, which are in need of upgrading. I draw that need to the attention of the House and call on the Minister to make funds available to upgrade the Teralba Fire Station.

The Minister then visited the site for the new $1.2 million Wangi Fire Station. While there he met with local retained firefighters. I am pleased to note that since that visit agreement has been reached with the Lake Macquarie City Council to purchase both the Wangi and the Tingira Heights sites to construct new fire stations. We hope to see construction commence in the new year. After visiting Wangi the Minister travelled to Morisset Fire Station to meet with local firefighters and inspect its facilities, including its recently delivered new fire engine. Three Lake Macquarie fire brigades—Morisset, Boolaroo and Teralba—have each received new $250,000 fire engines, which is certainly a significant investment in the safety of our local community.

The new fire engines will enhance the speed and effectiveness of responses to emergencies by our local fire crews. Last year Teralba and Boolaroo fire station crews responded to approximately 250 calls each, while Morisset station firefighters responded to 300 incidents. Recently, fire protection has been improved for two other Lake Macquarie communities. New fire engines have been delivered to Toronto and Cardiff fire stations. The $250,000 fire engines represent a significant investment in the safety of those two local communities. Last year the Toronto Fire Station responded to 354 calls dealing with fires and other emergencies in and around the town, while the Cardiff Fire Station responded to 401 emergencies.

The Cardiff Fire Station, although located in the electorate of my parliamentary colleague the honourable member for Wallsend, services the northern parts of the Lake Macquarie electorate. These new engines are part of the Carr Government's $72 million four-year program to upgrade the New South Wales Fire Brigades fire engine fleet. But it is not only investment in fire engines. Last year a new $1.26 million state-of-the-art fire station was opened at Toronto. Not long after it opened permanent firefighters were appointed to the station, the first time that permanent firefighters have been based on the western side of Lake Macquarie.

In addition, this year the Rural Fire Service benefited from an unprecedented $120.7 million budget. This is a major commitment by the Government to the Rural Fire Service and volunteer firefighters, who put their lives on the line to protect their communities from fire. The Minister advised me that the Lake Macquarie City received in excess of $2 million this year for the city's Rural Fire Service. Steve Sowter, the Fire Control Officer for Lake Macquarie, has advised me that the lake area has received additional tankers for rural fire services at Wakefield, Killingworth, Martinsville, Catherine Hill Bay and the reserve crew at West Wallsend.

Recently, a new pumper was delivered to Cooranbong Rural Fire Service. The old pumper, which was only 12 months old, went from Cooranbong to Dora Creek Rural Fire Service. The Lake Macquarie area has also taken delivery of one four-wheel-drive group captain vehicle. Some $80,000 is being spent on a public education facility at the Rural Fire Service control centre at West Wallsend, again in the electorate of my colleague the honourable member for Wallsend. It will be a great boost for educating people, particularly schoolchildren, about fire protection in the Lake Macquarie area. I compliment both the Minister and the Government for the commitment to boosting the firefighting resources in the Lake Macquarie City area. [*Time expired.*]

Mr FACE (Charlestown—Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development) [6.15 p.m.]: I thank the honourable member for Lake Macquarie for raising this very

important issue. What he has said is very true. Some 40 years ago the area of Lake Macquarie was a scattered lot of villages serviced by volunteers or, as they were called, retained firemen. Places like Cardiff, Toronto, Teralba, Boolaroo, Wangi and Morisset had fire stations. I remember that it was the honourable member's father who was responsible for the establishment of the station at Wangi. Alex McMurtrie, who became the Fire Captain, went on to the Board of Fire Commissioners and made a great contribution to the Fire Service, especially in the volunteer or retained firefighters ranks.

There were no permanent firefighters 30 years ago, far less 40 years ago. Cardiff and Belmont were the first to get permanent firefighters. Charlestown eventually got permanent firefighters. Some of the fire stations were very primitive, to say the least. Cardiff and Charlestown fire stations came out of buildings and went into Lenny Veral's specials, as they call them, as did Windale, which, again, was set up by the former member for Lake Macquarie, Merv Hunter. Recently, as the honourable member for Lake Macquarie outlined, fire motors befitting the very large areas they now service have come into service. A new fire station at Tingira Heights will replace Windale because the Warners Bay-Valentine-Eleebana areas and Windale itself have become very large urban areas. Windale Fire Station is inadequate by today's standards. The Lake Macquarie area will be much better protected in 2002 and beyond than it has been.

ALSTONVILLE BYPASS

Mr D. L. PAGE (Ballina) [6.16 p.m.]: I again highlight the pressing need for the Alstonville bypass. I have raised this issue on many occasions over the years because the Alstonville bypass is a much-needed and critical project that would deliver substantial benefits to the Alstonville community. At least 15,000 vehicles a day pass through the narrow main street of Alstonville. This narrow main street is in fact the Bruxner Highway, which carries large volumes of commuter traffic as well as heavy vehicles, including B-double trucks. Within close proximity are two large primary schools and one large high school, which have well over 2,000 students in total. The conflict between pedestrians, including many students and elderly people, on the one hand and the parade of passing vehicles on the other, is a major problem for local residents. Pedestrians are at risk of being knocked down. Traffic is subject to major delays, especially in the morning and afternoon peak times. A bypass of the town centre will shift the great bulk of this traffic away from the main street, thereby easing congestion and reducing risk of accidents between cars and pedestrians while shortening travelling times and fuel costs for through traffic.

A bypass will mean that residents can reclaim their main street and the amenity of the town centre can be restored. I am very pleased with the manner in which the Coalition parties have handled this important issue at both State and Federal levels. I have obtained a firm commitment from the New South Wales Leader of the Opposition, John Brogden, the Leader of the National Party, George Souris, and the shadow Minister for Roads, John Turner, that, if elected to government in March next year, the State Coalition will fast track construction of this project as a top priority and as a matter of urgency. In addition, the Federal Government, through the Leader of the National Party, John Anderson, and local member Larry Anthony, has pledged $12 million towards the $36 million cost of this project, despite the fact that the Alstonville bypass is totally a State Government responsibility because it is work on a State highway. As indicated, the State Coalition has provided an ironclad guarantee on construction of the Alstonville bypass if it is elected next March. This is in stark contrast to the lack of commitment by the State Labor Government.

By way of background, the public consultation process for the bypass began in 1995. In that year a preferred route was identified, an environmental impact statement was subsequently prepared and public comment was received. Two significant changes were made to the project as a result of that public consultation. The first was to allow access to and from the bypass to the Russelton Industrial Estate and the second was to improve traffic arrangements at the western end of the bypass at Sneaths Road. These changes will substantially improve the project by reducing accident risk and allowing heavy vehicles to directly access the Russelton Estate rather than going through the town centre, as was the case in the original plan. I must point out that there are no planning or environmental issues causing problems that have delayed the project.

As the Minister for Roads, Carl Scully, said to me when he visited Alstonville in March this year, "The project is needed, funding is the issue." In other words, the justification for the bypass is agreed by the State Government—money is the problem. The Minister already has an offer from the Federal Government to fund one-third of the project despite there being no obligation to do so. I urge the State Minister to grab that money with both hands while it is on the table and announce immediately that the State Government will fund the remaining two-thirds of the total cost. Minister Scully said in March that he would make an announcement late in the year. I implore him to make his announcement sooner rather than later. Labor's credibility on this issue is in tatters over not funding this project when it should have done so three years ago.

Unfortunately for our Alstonville community, funds for this project were diverted to road projects in Sydney. That is totally unacceptable to Alstonville and to surrounding communities. Funding must be made available now to allow construction to commence. I call on the Minister to come to my electorate, and to Alstonville in particular, and announce that he has heard the message from our community and that the State Government will fund the bypass. I have a commitment from the Coalition, if it is elected, to build the bypass. I would like Minister Scully to make the same commitment so that the Alstonville and plateau communities may at last see this vital project come to fruition—no matter which party is elected to government in New South Wales in March 2003.

CAMERON PARK TAVERN PROPOSAL

Mr MILLS (Wallsend) [6.21 p.m.]: A proposal for a tavern in Northlakes Drive, Cameron Park, has been floated by the developer of the Northlakes Urban Release Area. A number of my constituents living in Cameron Park and adjacent Edgeworth have contacted me to express their opposition both to the tavern and to its proposed location. When I checked with the Lake Macquarie City Council yesterday, 18 November, I was advised that a development application for the tavern had not yet been made to the council. Amendments to the Lake Macquarie local environmental plan [LEP] in December 1995 created residential land within the Northlakes Urban Release Area and identified zoning areas, including land zoned 3 (a) General Business in the centre of the plan, as well as two sites for schools, and various open spaces. A story in the *Newcastle Herald* on Saturday 5 September 1998 headed "New Lake Suburb" announced the kick-start of the $300 million development:

> Cameron Park, in the Estelville area, is expected to include 1700 homes and a shopping centre with a supermarket, tavern, specialty shops and a commercial area.
>
> A primary and high school are planned for the suburb, which is expected to be completed in 10 to 15 years.
>
> Newcastle developers Mr Jeff McCloy and Mr Hilton Grugeon and real estate agent Mr Fred Andriesen have formed a consortium named Northlakes Pty Ltd to develop the area...
>
> The consortium acquired the larger portion of the future suburb from Coal & Allied Mining last month.

A revised draft Lake Macquarie LEP 2001 identified the location of the proposed commercial zone 3 (1) Urban Centre. The boundaries of the commercial zone were varied slightly to take into account the approved subdivision layout and the inclusion of a multipurpose centre within the commercial zone. A community information consultation session was held at the Harris Street Community Cottage on Saturday 26 October and was attended by developer Jeff McCloy, architect Kevin Snell, consultants Key Insights, and the Lake Macquarie City Council community development officer for Cameron Park. Residents who attended were advised that the Cameron Park Community Centre would be constructed on Northlakes Drive, located between a local village-style shopping centre and a family tavern, and that a report would be presented to council recommending that it accept McCloy's offer to construct the centre as a works-in-kind, in lieu of section 94 contributions.

Some residents have advised me that that was the first occasion on which they knew of the location of the proposed tavern, and expressed objection to the prime location of the tavern on the main entry roundabout to the whole area, and in close proximity to their homes. Concerns were particularly expressed at the threat of alcohol-induced antisocial behaviour to peace and order in this residential area. Concerns were also expressed in particular to Councillor Mercia Buck, who called a public meeting about the tavern and the shopping centre at the community cottage on Sunday 10 November, when approximately 30 people attended and three resolutions were carried. The first resolution was passed unanimously and opposed establishment of a tavern in the current position. The second resolution was also passed unanimously and indicated that the group opposed any access road to the rear of the commercial centre. The third resolution was passed by a majority who were opposed to a tavern in Cameron Park.

Concerns were expressed at the meeting that the State Government was facilitating the establishment of the tavern by handing over Crown land at the rear of the block. There is a Crown road reserve, known as Wallsend Road, which is owned by the Department of Land and Water Conservation [DLWC]. The road runs east to west through the centre of the area and it is mainly a "paper road" which provides access to all of the lots. Because part of Northlakes Drive is built on the road reserve, the ownership comes back to the council via a process initiated by the council, but when business or residential zoning exists and a development application is submitted, a developer usually applies to the Department of Land and Water Conservation under section 151 of the Roads Act for closure of the road after purchase from DLWC. In this case I am advised by the Lake

Macquarie City Council that the subdivision for the business block did not include the Crown road reserve along the southern side of the block, and that is certainly indicated on the subdivision plan which has been approved by council.

I have provided information to residents who attended the Sunday morning meeting at which the rights of people concerning liquor licensing were outlined. There are two separate stages to the process. First, planning approval needs to be sought from Lake Macquarie City Council. Residents who have concerns about the proposal may either object to the proposal as a whole, or seek council-imposed conditions regarding hours, gambling, et cetera. First stage objections should be made to Lake Macquarie City Council. Second, if planning approval is granted, the applicant applies for a licence from the Licensing Court. Again, the opportunity is available for people to lodge objections on the grounds set out in the legislation. Details of how to go about lodging objections at the Licensing Court are given in various fact sheets from the Department of Gaming and Racing. The Licensing Court may also impose conditions on the operation of a licence. I will assist any of my constituents to exercise their rights to express their objections to a liquor licence, or the conditions under which a licence should be operated.

Mr FACE (Charlestown—Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development) [6.26 p.m.]: I thank the honourable member for Wallsend for drawing this matter to the attention of the Parliament. At the outset I make it clear that I am not in anyway adjudicating the whys and wherefores of the tavern application. That is not my duty as the Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development. However, tonight I wish to bring some sanity to the debate so that people fully realise that they have a right to make an application to the local council or to the Licensing Court if they so desire, irrespective of whether they are for or against the proposal. Too often people believe that a matter must be left entirely with the Licensing Court and that local councils do not have a role to play, but they do.

I have set out advice in a booklet that has been circulated to councils on numerous occasions. I have emphasised that councils are part of the process. I suggest to people who wish to make a submission that they should do so in the period when the council will be making its determination of the development application. After that, in a process that is completely separate from my ministry and the work of my department, the court will adjudicate on whether the development should go ahead. I point out advisedly to the people who live at Cameron Park that conditions may be imposed on the granting of a licence. Quite often those conditions pertain to hours of operation, noise, and even whether or not poker machines should be installed in licensed premises.

In another part of the Wallsend electorate, at Maryland, a tavern was established some years ago and there were 27 conditions placed on its licence. Recently one of the conditions was brought to the attention of my department. Subsequently the matter went to court and a fine of $5,000 was imposed for the offence and costs of $3,600 were ordered to be paid because the licensee completely ignored one of the conditions. That was an absolute disgrace and constituted contempt for the conditions that had been stipulated by the people. That example stands as a clear warning on the consequences of breaching conditions. I hope that people who live in the Cameron Park area realise that they have rights in relation to tavern development application proposals.

FIFTIETH ANNIVERSARY OF THE END OF THE KOREAN WAR

Ms SEATON (Southern Highlands) [6.28 p.m.]: The year 2003 represents an extremely significant date for all Australians, the fiftieth anniversary of the cessation of Australia's courageous involvement in the Korean War in which Australian service men and women rallied to the defence of people in faraway places—people whom they had never met or known—in defence of the ideals of freedom and democracy. Fifty years ago that war was fought by brave young Australians including Edmund George "Sonny" Bourke, and also, I am proud to say, by my father, John Seaton, and his friend Don Pinkstone, in 77 Squadron of the RAAF, among 17,000 others in the Royal Australian Navy, and the Royal Australian Regiment and Nursing Corp. They are just three of the thousands who served. But Sonny Bourke tragically did not return home to enjoy the sort of freedom in our country that was his legacy to our friends in the Republic of South Korea today.

Next year when service men and women march in the city on Anzac Day, there will be a special gathering of Korean War veterans taking a prominent role in the march, marking the fiftieth anniversary of the end of the war. The Korean Veterans led by A. E. "Gus" Breen are organising what will be a national reunion, to take place around Anzac Day 2003, in association with the march. The reunion will be a time when veterans, their spouses and partners, and the widows and close relatives of their 339 mates left behind, will be able to get

together and reflect on their achievements and enjoy each others mateship. Sonny Bourke, along with 338 others left behind in Korea, will not be part of that reunion, and it is those men whom I wish to honour today through the acknowledgement of Sonny Bourke, whose story reflects the honour and courage of each and every one of his lost mates.

Sonny is the brother of Mary and Patricia, both of whom served in World War II in their own right, and his two brothers, Patrick and Jim, also World War II veterans, both deceased. Sonny is the uncle of my friend and colleague Dr Stephen Bourke, who also honours him and is the family's custodian of his memory. Sonny came from Singleton and joined the 3rd RAR in late 1950. He was mentioned twice in despatches for bravery in action in remote hills on the border: on the first occasion for actions during heavy patrolling and on the second occasion for the events that led to his apparent capture. He went into enemy-dominated territory under extremely dangerous conditions to retrieve a wounded colleague, which he did successfully. In an act of great determination and dedication, he then returned to the fray to retrieve a gun. Details are unclear from that point. It is thought, as a result of eyewitness accounts from other allied soldiers who were captured and then returned, that he had been seen alive, captive, being taken away in a truck, with a wound to his head that, although serious enough to have been bandaged, was not obviously life threatening.

Since that time Sonny's family has lived with the knowledge that he may have been a captive of the North Koreans for some extended time. His fate is not known. It must take extraordinary grace to live a life in Australia knowing that your sibling may be captive, or dead, in a foreign enemy land. I acknowledge Edmund's family's pain in this regard. It also strengthens my resolve to ensure that I play my part in making sure that the so-called forgotten war and, by implication, the forgotten service men and women and their missing compatriots are not forgotten.

Mary and Patricia received a letter from Sir Robert Menzies as Minister for War in his own handwriting promising to pursue and find Sonny through diplomatic channels as a matter of urgency, when possible. We must give our continuing support and encouragement to the Howard Government, which has achieved the first step by placing missing Australians on the opening agenda of discussions with North Korea. The 339 families, like Sonny's family and his sisters, who are now in their seventies, deserve nothing less. I commend the Korean War Veterans for their reunion plans and commit to providing whatever support I can give to helping them achieve the recognition they deserve for what they have done to preserve freedom for us, and South Korea. Wars like the Korean War are not just abstract ideals in history books; they are the sum of thousands of individuals who fought for those ideals, and who each have a story, a family, a personality. I learnt something about the personality of that wonderful Australian, Sonny Bourke, in the story of his capture. It is individual people like Sonny Bourke who won the Korean War, and whom we in this Chamber honour today.

TWEED ELECTORATE HIGH-RISE DEVELOPMENT

Mr NEWELL (Tweed) [6.33 p.m.]: I bring to the attention of the House a decision of the Government that has had far-reaching implications in the Tweed electorate. I refer to the decision by the Minister for Planning to refuse the application for a high-rise development in the Tweed Heads central business district [CBD], known as Latitude 28. Initially that decision surprised a number of people in the electorate, but subsequently it has been well supported. Prior to the Minister's decision, the 60 metres height of the building had been scaled down to 50 metres, but it still did not meet planning guidelines and was not suitable for the area. A number of comments had been made by representatives of the Tweed Heads Chamber of Commerce and others who had an interest in the development, mostly political, who were hoping that Latitude 28 would go ahead.

Prior to ascertaining the details of the development and its impact on the CBD, I had supported the development in principle. I agree that the present CBD is run down, and it is virtually lifeless since changes were made to various shops. Other developments in the Tweed Heads CBD and at South Tweed have generally dragged that area into a state of disrepair. It looks a little forlorn. It was thought that a proposed multi-million dollar development could revitalise the Tweed Heads CBD. When representatives of the Department of Planning and I looked at some of the details of the proposed twin tower development, we realised that there would be overshadowing and other impacts on the area.

Additionally it had been claimed that the development would provide 150 permanent jobs, but I could find no-one who could verify that, or even guarantee that the development would produce 50 permanent jobs in the long term. After the Minister's decision was announced the Tweed Heads Chamber of Commerce decided to hold a rally to protest about that decision. The rally was to be held on a Thursday afternoon but at the last

minute it was cancelled by the chamber of commerce, ostensibly because there had been a number of significant changes to the decision. Notably those changes were that the developer, or the owner of the land, had sold his option or had sold the land; the details were unclear at that stage.

It became apparent that the developer was influencing some members of the Tweed Heads Chamber of Commerce and was to have run the rally. Despite the cancellation, a large contingent arrived. One newspaper estimated that 200 people attended, intending to participate in the rally that had been booked to take place in the Tweed Civic Centre. Incidentally, that booking was made in the name of the National Party Mayor of Tweed, not the Tweed Heads Chamber of Commerce. The rally was held on the steps of the Tweed Civic Centre. I addressed the rally and commented on the reason for the refusal of the application. I also outlined where I thought development would go ahead in future.

I pointed out that that development, on just one small section of the Tweed CBD block, with twin towers to 50 metres, had the potential to stymie development of surrounding blocks. People had indicated that we do not want high rise similar to that on the Gold Coast to intrude into the Tweed—that came through loud and clear from many people. Another aspect raised at the rally concerned the anticipated State environmental planning policy [SEPP] 71, and it was announced a day later. The SEPP 71 announcement was also embraced by people along the Tweed coast because they see the Tweed council as being far too rampant in approving development. Without any proper controls over the council, high-rise development will occur not only in the Tweed but will creep further south along the Tweed coast. On a number of occasions people have contacted me and told me that they want their lifestyle to be protected. The decision by the Carr Labor Government to protect the lifestyle in and around the Tweed, and also along the Tweed Coast, has been very well received. I continue to receive calls congratulating the Government on its decision.

EPPING WEST PUBLIC SCHOOL PEDESTRIAN OVERPASS

Mr TINK (Epping) [6.38 p.m.]: On behalf of Epping West Parents and Citizens Association I raise their concerns about the pedestrian overpass linking the southern side of Carlingford Road with Epping West Public School. Probably a third or half of the students who attend the school cross Carlingford Road from the south. In 1988 a young girl was knocked down and killed at that crossing. On 28 June 2001 the Government recognised that the crossing remains extremely dangerous. The then Parliamentary Secretary for Roads, the honourable member for Cabramatta, wrote to me. She stated:

> The RTA is committed to providing a pedestrian bridge at the location in question as soon as practicable and will continue to undertake further discussions and negotiations with both Parramatta and Hornsby Council's in an effort to reach an outcome.

The northern side of Carlingford Road is within Hornsby council and the southern side is within Parramatta council. In that letter, the Parliamentary Secretary acknowledged that Parramatta council had approved a development application for the bridge, as had Hornsby council. Subsequently, on 24 September 2001, the Parliamentary Secretary wrote to me and stated:

> As you are aware the Roads and Traffic Authority (RTA) is committed to providing a pedestrian bridge at the subject location …
>
> The bridge has been designed with a lift on each side of the bridge to cater for persons with a disability, and to assist persons using wheelchairs, strollers, shopping trolleys, and so on. A tunnel is not favoured because of the magnitude of the costs involved.

The bridge was to be part of a package put forward to Parramatta council. A number of bridges were to be built near the public school with advertising revenue to be used to part fund them. On 26 August 2002 the Parliamentary Secretary for Roads, the honourable member for Bankstown, wrote to me in the following terms:

> Moreover, there has been a general downturn in the advertising market. Advertising revenue is expected to be substantially less than originally anticipated. In the circumstances, the RTA is investigating alternative strategies for the provision of funds to enable construction of the pedestrian bridge.

Following a meeting of Epping West school council, Melissa Stroinovsky got in touch with the Roads and Traffic Authority [RTA]. I quote from a letter dated 11 November she sent to me:

> I have made enquiries on behalf of the School regarding the progress of the Carlingford Rd pedestrian bridge. I contacted the Roads and Traffic Authority... regarding the issue and spoke with a Mr Shivree Samry, Project Manager for the RTA bridge per phone on Wednesday 30th October. I have been informed by Mr Samry that the bridge will no longer be built and there is no new timeframe for it to be built.

The school community and I are extremely disappointed about this matter. The Government acknowledged the need for this bridge as one student has been killed at the current crossing. The school council has written to Mr Wayne McDonald, RTA Project Manager, about this issue. I ask the Minister for Roads to review this matter urgently and to get the building of this bridge back on track. On three occasions the Government has promised to build this bridge. It has also acknowledged in correspondence the necessity to build this bridge. Even though there has been no more formal notification in writing to the school or to me, apparently the building of that bridge has been postponed.

A 40-kilometre school zone sign has been erected on Carlingford Road but no thought was given to the starting and finishing times of that school. The sign states that motorists should travel at 40 kilometres an hour between 8.00 a.m. and 9.30 a.m. and between 2.30 p.m. and 4.30 p.m. However, Epping West school starts at 9.25 a.m. and finishes at 3.25 p.m. So a standard 40-kilometre school zone sign was erected without any thought being given to the starting and finishing times of that school.

Absurdly, the 40-kilometre school zone sign comes into operation outside the times within which the school operates. That shows that this Government has not considered the safety of schoolchildren at that dangerous crossing. I implore the Government to review its decision, which, on face value, is absurd and downright dangerous. The lives of 600 students have been placed in jeopardy. The Government must reconsider erecting a bridge in that area as quickly as possible and it must erect a correct 40-kilometre school zone sign.

FERNLEIGH TRACK

Mr FACE (Charlestown—Minister for Gaming and Racing, and Minister Assisting the Premier on Hunter Development) [6.43 p.m.]: Tonight I raise a matter that concerns my electorate. This is the last occasion on which I will have an opportunity to make a private member's statement in this House. I refer to Fernleigh track—an issue that is dear to my heart. Fernleigh track is the disused railway line between Adamstown and Belmont that is known as the old Belmont rail line. The track, which has been identified as a suitable cycleway, includes a disused railway tunnel. Some years ago that railway corridor was set aside at my insistence and at the insistence of Don Calwell, planner for Lake Macquarie Council, when Industrial Equity Ltd, a corporate raider, took over the line from the Redhead Coal Company. It was obvious to all that the property had been bought as an investment rather than for use by the railways. That area was subsequently set aside to ensure that it would always be used as a transport corridor.

The rail line has a rich history. Two local companies—South Burwood Coal Mining Company and Redhead Coal Company—constructed the line in the 1880s to carry coal from the Burwood colliery at Whitebridge and from mines at Dudley and Redhead to the Newcastle BHP steelworks and also from Belmont. Of course, the old Dudley colliery was the scene of a serious disaster. From the early 1890s the line was used as a passenger service between Redhead, Newcastle and Belmont, although it was primarily used for coal haulage. Work on the first section of the project included repairing the tunnel and providing a track from Adamstown to Burwood Road, Kahibah. That work, which commenced in April 2002, is expected to be completed in the early part of February next year when the tunnel and cycleway will be opened.

The tunnel runs through the beautiful Glenrock State Recreation Area—one of the great projects with which I have been associated in my 30 years as a member of this Parliament. The tunnel, with its three-kilometre length of cycleway, will provide a safe and efficient cycling and walking link for the large residential areas of Highfields, Kahibah and Dudley under the Pacific Highway to Adamstown railway station, and an on-road cycleway to the Newcastle area—one of best cycleways anywhere in Australia. The link will also provide access from the large residential suburbs of Adamstown, Merewether and Hamilton, which are located west of the highway, to recreational areas and the Great North Walk to the east of the highway. In the early days I had a lot to do with the construction of the Yulareah Trail, which is now part of the Great North Walk.

The cycleway from Adamstown to Belmont will be 15.5 kilometres long and 3.5 metres wide. However, the width of the cycleway will be reduced to three metres in some cuttings. The tunnel, which will be 180 metres long, provides a grade-separated crossing of the Pacific Highway. Lighting will also be provided in the tunnel. The cycleway will have at-grade crossings of Park Avenue, Burwood Road and Kallaroo Road. The Dudley Road and Oakdale Road crossings are via exit underpasses. The gradient is slight, which will make the ride easy for cyclists. Both Lake Macquarie and Newcastle city councils identified the opportunity for, and the benefits of, a cycleway between Adamstown and Belmont.

In 1996 the cycleway was given top priority in the Lake Macquarie and Newcastle city council bicycle plans. During consultations the community identified the following key values for the Fernleigh track. It will

provide an easy, peaceful and safe transport route through the heart of suburbia; it will link people and places; it will provide an opportunity for escape, personal discovery, and learning; and those who use it can reflect on our cultural history. Fernleigh tunnel has been closed to the public for a number of years due to concerns about its structural stability. Following various investigations, work has commenced on the refurbishment of Fernleigh tunnel by way of a partial lining with reinforced concrete. Lake Macquarie and Newcastle city councils are joint owners of that tunnel.

Sufficient funding has been allocated to complete Fernleigh track, including tunnel repairs. The ratio of funding is as follows: Newcastle council has allocated 25 per cent, Lake Macquarie council has allocated 25 per cent, and the Roads and Traffic Authority has allocated 50 per cent. The completion of the second stage, which will extend the track to Dudley Road, is subject to confirmation by all those authorities. The Fernleigh track passes through, or near to, many areas of historic interest and scenic value, including the Belmont wetlands, Glenrock State Recreation Area, the Fernleigh loop and other rail infrastructure, Redhead Lagoon and the Awabakal Field Studies Centre. The Awabakal reserve was declared in 1977 after the time of the Wran Government. I am glad that this track, which will be a great asset to New South Wales, will be completed before I resign from my position as member for Charlestown.

HORNSBY ELECTORATE SERVICES

Mrs HOPWOOD (Hornsby) [6.48 p.m.]: At last Hornsby has assumed some importance in the eyes of the Premier of New South Wales. It has been some years since the Premier has walked on the soil of the electorate for any length of time—his recent whistlestop visit certainly does not count—but with great flourish he suddenly announced his plan to hold a Cabinet meeting in the council chambers. I say it is about time, and I think we should welcome the visit because now we might get the attention we need to address all those local issues that have been neglected for so many years. I take it as a tremendous compliment to me and my community that we have spoken loud and long enough to force the Premier to give us some thought. The people of Hornsby are sick of the condescending way in which the Premier has referred to the electorate and the shameful way in which the Government has prioritised the people's real concerns. Imagine how the school community recoiled when a number of months ago the Premier stated:

> The tired old buildings of Asquith Boys High School can't compete with a regal facade.

Is this a public school that excels in innovative programs for the boys and a place where the staff, under the guidance of a principal and deputy who care deeply about outcomes for their students, work tirelessly for excellence in education? It certainly is. How insulting and damaging to make such a comment, but it gets better. The electorate consists, in part, of small village-like communities, which add to the charm of the area and are a reason why people decide to live there. Last year in another reference to the electorate the Premier said:

> Hornsby has a village atmosphere—clog dancing, peasant weddings and maypoles.

I can assure the Premier that there are no clogs, no peasant weddings and no maypoles in Hornsby. We are a productive and vibrant group of people, who possess many talents and a deep love of the place in which we live. In case the Government has the slightest interest in Hornsby, I will outline what we want. We demand an ironclad guarantee that the $16.4 million will be spent on Hornsby and Ku-ring-gai Hospital and will not disappear like the $600,000 promised in 1999 for the widening of the Duffy Avenue Bridge. We also need further funding for mental and allied health services. At times the hardworking hospital staff are overwhelmed by what is expected of them. We need more beds, reduced waiting times and a return to a period when ambulances could be assured of delivering their patients to the accident and emergency department without being diverted to a more distant place.

Speaking of Duffy Avenue Bridge, almost four years after the previous Labor candidate promised $600,000 for upgrade work, the bridge remains in its original condition: too narrow to cope with the load of traffic entering Pennant Hills Road from Duffy Avenue. Despite that promise, many subsequent local housing developments and an increasing number of cars and people, the bridge continues to groan under the weight of excessive traffic and irate drivers.

It is disgraceful that in 2002 there is no adequate sewage treatment in the Mt Kuring-gai industrial estate, Cowan and Brooklyn and on Dangar Island. We want a healthy Hawkesbury River, and experts agree that sewerage connection is a big part of the solution. Why can the State Government not see that? Residents are sick of the ever-changing priority of sewerage lists, and the committees examining these matters have suffered so many years of broken promises and changes in membership that they believe they will never see a decent

sewerage system. The people of the electorate are fed up with the imposition of increased densities, whether it is by obvious high-rise development or via increased density by stealth. Roads and water and sewerage systems cannot cope with prolific high-density policies. The residents want more say in their local community make-up.

Some of our schools need significant capital works improvements. There is no certainty that the hard work undertaken by Berowra Public School in preparing a master plan will lead to any budget inclusion of enough funding to achieve its dream. Mt Kuring-gai Public School has a substandard staff room, no school hall, nor any covering for students when they are outdoors. The grounds need work to change them from a dust bowl into a place where the children want to be. Asquith Girls High School also has aspirations for an upgrade to assist hardworking staff to provide excellent teaching experiences for their students.

Further, the transport system needs a great deal of work. We have too few railway station staff; too many cancelled trains and trains that fail to stop at stations in order to maintain running times; too many stations with facilities, such as toilets and waiting areas, that are not available to commuters; and too little parking. People inform me on a regular basis that their stations and related parking areas are not up to scratch. We want a greater police presence and 24-hour, seven-days-a-week staffing at the Berowra and Brooklyn shopfront police stations. Local residents are disillusioned by increasing petty crime and do not want to report serious incidents to the Police Assistance Line.

My predecessor wrote to the Premier in February 2000 in a letter entitled "A Fair Go for Hornsby". Many of the issues he raised have not been addressed. Why not? Residents of the Hornsby electorate are not fooled by hollow words: They have a long history of seeing little done and promises not kept. Turn that neglect into action; when the Cabinet comes to Hornsby, have a look around: I guarantee that Ministers will see a great place to live, with no evidence at all of a peasant existence.

KANGAROO POINT DEVELOPMENT APPLICATION

Mr COLLIER (Miranda) [6.53 p.m.]: People have every right to expect politicians to be honest and up front with them. They do not want their elected representatives to lie to them, distort the facts, tell half-truths, or engage in selective quoting for perceived political gain. Yet that is precisely what Councillor Kevin Schreiber of Sutherland—dubbed the duke of development by the Premier—has done in a signed leaflet that he has been distributing about a proposed State environmental planning policy [SEPP] 5 development at 47A Tara Street, Kangaroo Point. In his leaflet Schreiber claims to:

> … have fought against this development all the way and was successful in having Sutherland Council refuse the development.

However, he does not tell residents that this SEPP 5 application was sent to the Land and Environment Court. Why was it sent to the court? Because the council, to which Schreiber was elected, failed to deal with the application within the statutory 40-day time frame. The development application for 47A Tara Street was lodged with the council on 3 January, and the eastern suburbs developer Design 23 Pty Ltd lodged an appeal with the court on 26 March. This was before a full assessment could be done by council staff. The application never got to council's Environmental Health Committee or to a council meeting for consideration. Yet this hypocrite Schreiber, who has more overdevelopment baggage than the cargo hold of a fully laden 747, claims to have fought the development all the way and successfully persuaded council to refuse it. What a joke! Schreiber then claims that:

> … the State Government Policy actually contains a special clause which will let this development go ahead.

Schreiber goes on to suggest that I personally made this "special rule", which he identifies as a clause dated 6 May 2002. The duke of development does not tell the people of Kangaroo Point that the State Government granted the Sutherland Shire Council an exemption from SEPP 5 after I encouraged the council to apply for the exemption when residents complained to me about the abuse of SEPP 5 by some developers. The exemption granted by the State Government was backdated to 6 May, which means that any application lodged on or after 7 May could not proceed under SEPP 5.

Of course, the council did not consider this application within the 40-day time frame. But why the date of 6 May? That was the cut-off date that the council selected, by the unanimous vote of all councillors—including Schreiber—at its full meeting on 11 June. The council requested the date of 6 May in its letter to Planning NSW on 17 June. I did not choose the date; the council chose the date—and Schreiber knew that. I did not make the so-called rule; the council sought, and drafted, the rule and submitted it to Planning NSW. Schreiber also knew that. The choice of 6 May meant that the council could consider applications lodged before

that date—such as that for 47A Tara Street—under SEPP 5. The council knew that, as did Schreiber. Indeed, the details of 47A Tara Street are listed in the council's application to the State Government for an exemption from SEPP 5.

The duke supported a cut-off date that allowed 47A Tara Street to be dealt with under SEPP 5 and then criticised the Government for granting that date. Of course, the council did not deal with it. What a hypocrite Schreiber is! Once again the duke is telling lies and trying to mislead and hoodwink the people of Kangaroo Point. Local residents clearly had every right to express their opposition to this development. However, Kevin Schreiber has jumped on the bandwagon and is trying to take credit for the decision when in fact he did nothing. It is interesting that Kevin Schreiber is noticeably absent from a photograph that appeared in the *St George and Sutherland Shire Leader* of residents who opposed the development. He is nowhere to be seen. It is plainly wrong for Schreiber to do nothing and then claim credit for halting the development. When it comes to development issues, one simply cannot trust what Kevin Schreiber, the duke of development, says.

CORAMBA PUBLIC SCHOOL

Mr FRASER (Coffs Harbour) [6.58 p.m.]: I relay to the House tonight a request from Jennifer White, Secretary of Coramba Parents and Citizens Association, and all those associated with Coramba Public School—a great little public school in a beautiful spot within a great community—for some funding equity from this Government. I can do no better than to read the letter she wrote to me, which stated:

> Dear Mr Fraser,
>
> I am writing to express the concerns and anger of the P&C Association at Coramba Public School regarding the lack of funding our school receives.
>
> In the past 6 months the P&C has had to raise funds to pay for our out door seating, an air-conditioner for both the school office and the year 5/6 classroom and blinds for this classroom, not to mention all the busy bee days to clean up the grounds including the cost of having trees and debris cut down and/or removed.
>
> We are in desperate need of a few things that we consider to be way out of the P&C's reach and things that you would think were simple necessities for a school that should be funded by the government. First our car park is just a piece of dirt which when wet cannot be driven on as it gets boggy.

I have been to this car park, which is situated on the back of a hill and is extremely dangerous when wet. Yet teachers and school visitors are expected to enter by the back gate and park there every day. She continues:

> We have had a quote of $7000 to have it sealed, this might not seem like much but for a small school it is too much, (for some reason our school missed out on the $20,000 beautification grant.)

It is a shame that this great school with a great community applied for a grant but missed out on it. The school is located in a picturesque area. Its small parents and citizens association paid dollar for dollar for its own outdoor covered area and it tidied up its sportsground. She continued:

> We have 10 I Mac computers that are well and truly out of date and need to be upgraded to IBMs.
>
> We were allocated $50,000 for a toilet for the teachers, and had asked that the $50,000 be spent on the refurbishment of the residence instead as it had 2 toilets, but we were denied. We would like the residence to be refurbished to serve as a staff room, administration office and sick bay (which we don't have) and use the current office and staff room as a computer room for the children.
>
> We don't feel that this is a big ask, these are things that all schools have.
>
> Our P&C work very hard but there is only so much we can do, I know we are only a small school but we are a school and our children don't deserve to be overlooked time and again.
>
> I will personally fight this matter until something is done, if you can help in any way please don't hesitate to contact me.

That plea is from a desperate woman and from a community that work extremely hard for their school. I suggest that it is commonsense to use the $50,000 grant for a toilet block to refurbish the old school residence, as a great addition for staff and students, and use the old staff room as a computer room. I ask the Minister to support this small school in its endeavours and provide it with this small amount of funding. The parents and citizens association has written since and said:

> We have had to buy a third airconditioner since I spoke to you last as the one we bought for the year 5/6 classroom was not big enough and a second one was needed for that room.

Anyway if you have time to get back to me … it would be greatly appreciated.

I have told the association I would raise this matter in Parliament. The Minister should listen to the needs of this school and allow the funding that has been allocated to it to be spent in such a way that it will suit its needs and give it the best value for the money; that is all they want. It is a great school and a great community, and the secretary of the parents and citizens association does a great job. I plead with the Minister for Education and Training to listen to it when deciding what is best for the future of this school, and provide the funding that is necessary.

Private members' statements noted.

MOTOR ACCIDENTS COMPENSATION FURTHER AMENDMENT (TERRORISM) BILL

Second Reading

Debate resumed from 12 November.

Mr HARTCHER (Gosford—Deputy Leader of the Opposition) [7.03 p.m.]: I lead for the Opposition on the Motor Accidents Compensation Further Amendment (Terrorism) Bill. This bill seeks to extend from 1 January 2003 to 1 January 2004 the temporary exclusion of acts of terrorism from compulsory third party insurance coverage provided under the Motor Accidents Compensation Act 1999. When this legislation was introduced the Coalition made a number of pertinent remarks in relation to the motor accidents compensation scheme. We pointed out at the time that the Government had not delivered on its much-heralded promise by the Special Minister of State when introducing legislation to reduce the cost of green slips. The Minister guaranteed that the cost of green slips would fall by $100, but that has not happened. The cost of a number of green slips was reduced but it was not an average fall of $100. By and large, the Government's amendments, which were designed to ensure that people could still make a claim for motor accidents and still pay less for green slips, were a failure.

The Law Society of New South Wales and the Australian Plaintiff Lawyers Association have demonstrated that the rights of people to make claims for accidents have been limited by this legislation. The legislation has denied many people the right to recompense for suffering they incurred as a result of motor vehicle accidents. The Government has also failed to deliver on its promise in relation to the cost of green slips. The legislation has been a failure all round, and the Hon. John Della Bosca must be, and will be, held to account for that failure.

This legislation will exclude terrorism as a liability under which people can claim if a terrorist incident causes a motor vehicle accident and resultant injury. The Coalition did not oppose the original legislation that was passed after September 11, 2000, and the Coalition will not oppose this legislation, which extends the period to 1 January 2004. We live in uncertain times and we are all aware of the problem of reinsurers with the worldwide incidence of terrorism. We are aware that reinsurers are not prepared to facilitate insurance arrangements unless insurance companies in our own country exclude the risk of terrorism. That has been demonstrated not only in these statutory schemes but also in private insurance. It behoves us all to acknowledge that and to make appropriate arrangements.

The Coalition will not oppose this legislation in the Legislative Assembly or the Legislative Council. In relation to motor accidents insurance, we expect the Government to demonstrate who is receiving a benefit, how many people are making claims, how many people are recovering damages, and how many people are being looked after by this compulsory scheme that is designed to look after innocent people who do not cause motor accidents but are injured as a result of them. We want to see the figures, some of which are published from time to time by the Motor Accidents Authority. Accordingly, the Coalition expects the Government to demonstrate how its legislation has benefited the community. It appears that all that has happened is that people have lost because green slips cost more than they should, and people have lost their right to make a claim for injuries. The Coalition is keenly interested in this matter and will make its own announcements at an appropriate time in the lead-up to the 2003 election.

Mr WHELAN (Strathfield—Parliamentary Secretary) [7.07 p.m.], in reply: I thank the Deputy Leader of the Opposition for his contribution to this debate.

Motion agreed to.

Bill read a second time and passed through remaining stages.

INDUSTRIAL RELATIONS AMENDMENT (INDUSTRIAL AGENTS) BILL

Second Reading

Debate resumed from 15 November.

Mr HARTCHER (Gosford—Deputy Leader of the Opposition) [7.08 p.m.]: This legislation is designed to reduce the number of industrial agents, those who are not legal practitioners or employees or officers of industrial organisations but who represent employees in unfair dismissal claims before the Industrial Relations Commission [IRC]. Industrial agents are currently not subject to the same regulation as legal practitioners or industrial organisations. The number of agents appearing before the IRC is increasing, and a number of them are offering potential clients no-win no-pay fee arrangements.

A Department of Industrial Relations survey showed that between 1998 and 2001 the number of applicants represented by industrial agents increased from 4 per cent to 18 per cent. Accordingly, this has become a growth industry and this legislation seeks to regulate industrial agents in the same way that members of the legal profession who appear before the IRC are regulated, and as industrial organisations such as trade unions or employer organisation who appear in the IRC are regulated under the Industrial Relations Act.

The bill will prohibit certain fee arrangements that base costs or fees on the amount of damages awarded, and will regulate the activities of industrial agents by prohibiting their representation of employees before the Industrial Relations Commission without leave, requiring disclosure of their fee structure to clients and the commission, and requiring agents to lodge a certificate stating they believe there is a reasonable prospect of success. This clause is similar to that now contained in the Legal Profession Act as a result of recent amendments. Costs may be awarded against an agent if the Industrial Relations Commission considers there were no reasonable prospects of success. The bill further provides that payment made to an industrial agent does not extinguish the rights or liabilities of the parties. Payments will have to be made directly to the applicant, rather than to the industrial agent.

This legislation is unexceptional. We all accept that industrial agents need to be controlled if we are to control others who will participate in the industrial process, such as lawyers and trade union organisations. However, the bill contains a number of extraordinary provisions. I draw the attention of the House to the proposed insertion of a new section 181A after section 181. New section 181A is headed "Obligation to disclose costs to clients and Commission". Subsection (2) (a) of the new section provides:

> The following matters are to be disclosed to the client and the Commission:
>
> (a) the amount of the costs, if known,

That is an extraordinary provision. Why should the commission want to know the amount of costs to be charged in respect of any appearance before it? Surely the clients will have been told that information. It is not normal for courts—and the commission is a court—to want to know how much persons appearing before it are charging. That seems an excessive intrusion into what is, after all, a professional relationship or quasi professional relationship between the industrial agent and his or her client. Subsection (2) (b) requires this matter also to be disclosed to the client in the commission:

> (b) if the amount of the costs is not known, the basis of calculating the costs,

There can be no objection to such a provision because everyone now must have fee arrangements and/or written fee arrangements. The basis for calculating costs is disclosed in those arrangements. But, once again, the court does not require that information of a legal practitioner. A lawyer who goes to court on behalf of a client does not have to tender to the court the amount that he or she is charging, or the basis on which he or she is charging, or the billing arrangements, or, as the new subsection provides:

> (d) any other matter required to be disclosed by the regulations.

What is the need for the commission to know this information in every case? Therefore, an industrial agent who goes before the commission must state how much he or she is charging the client. That is an extraordinary provision. I ask the Leader of the House, who has a great grasp of this legislation, to answer the queries that I am raising in his usual timely and efficient manner. The disclosure provisions are onerous. Opposition members have not received any representations from any association of industrial agents about those provisions. If industrial agents come forward and make submissions, we certainly will take their submissions into account when this bill is before the Legislative Council.

The whole thrust of the bill is costs. Interestingly, the bill does not seek to impose professional standards. It is aimed at money and financial arrangements. One would have thought that the Government, if it was seeking to regulate industrial agents, would have directed its attention to an expectation of professional standards, rather than solely to costs, costs agreements and costing disclosure. I await the Government's reply on that. I conclude my remarks with the usual caveat that this legislation has been brought before the Parliament without the Opposition having any real opportunity to scrutinise it, examine it in detail, or have careful and appropriate consultation with interested parties. Therefore, we reserve the right to seek to make amendments to the bill when it comes before the Legislative Council, if it appears to the Coalition that amendments are indicated.

Mr WHELAN (Strathfield—Parliamentary Secretary) [9.14 p.m.], in reply: A very challenging question was raised by the Deputy Leader of the Opposition. I will draw that matter to the attention of the Minister. I am sure there is a valid reason for the inclusion of that provision, otherwise it would not be included in the bill. Otherwise, I thank the honourable member for his contribution.

Motion agreed to.

Bill read a second time and passed through remaining stages.

WORKERS COMPENSATION AMENDMENT (TERRORISM INSURANCE ARRANGEMENTS) BILL

Second Reading

Debate resumed from 15 November.

Mr HARTCHER (Gosford—Deputy Leader of the Opposition) [7.15 p.m.]: I lead for the Opposition on the Workers Compensation Amendment (Terrorism Insurance Arrangements) Bill. The Coalition does not oppose this bill. The Workers Compensation Terrorism Re-insurance Fund, we are told, would be reactivated only in the event of a terrorist attack and upon the Minister's declaration that a significant terrorism-related loss had occurred. The bill is designed to offer workers compensation scheme insurers a safety net in the event of significant losses caused by an act of terrorism after 30 June this year.

This legislation is similar to the Motor Accidents Compensation Further Amendment (Terrorism) Bill, which was designed to protect insurers against claims arising in the workers compensation field from terrorist acts involving motor vehicles. Since the tragic incidents in the United States on 11 September 2001 and in Bali on 12 October, world insurance and reinsurance markets have been marked by a reluctance to extend coverage for terrorist acts. Accordingly, statutory schemes like those run by private insurance companies have had to be modified regarding the level of insurance offered to exclude events caused by terrorist attack, which otherwise would be affected by the lack of availability of reinsurance.

However, it is interesting that the Government has made arrangements for some compensation schemes to provide coverage for workers compensation involving terrorism when it has not made similar arrangements for a compensation scheme involving motor accidents. The Minister has indicated that workers compensation insurers will be encouraged to seek reinsurance to cover any claims. However, there is no indication that such reinsurance would be available. Notwithstanding, the bill provides that, where reinsurance is not available, or where the loss to insurers is greater than $1 million after they have made any claim against their reinsurer, the Workers Compensation Terrorism Re-insurance Fund to be established will cover such claims. This legislation will last for two years, and the fund will be established before the legislation is to be renewed.

The Coalition has no objection to those provisions. However, I draw attention to a contrast in that this bill establishes a fund in respect of workers compensation terrorism legislation but the previous bill did not establish such a fund for compensation involving motor accidents associated with terrorism. Clearly, the Government is preferring one insurance scheme over another. The whole idea of these statutory schemes is to protect those who are caught up in them. Those caught up in motor accidents compensation schemes have no less right to be protected than those caught up in work-related accidents compensation schemes. One has a fund, but the other does not. One can only suspect once again that it is the muscle of the trade union movement and not community rights that has been acknowledged by the Government. I acknowledge that it is important that workers who might be killed or injured in the course of their employment are afforded as much protection and assistance as possible. The Coalition does not dispute that in any way. However, we urge the Government to look more favourably at those injured in motor vehicle accidents where terrorist activity is involved.

Mr WHELAN (Strathfield—Parliamentary Secretary) [7.19 p.m.], in reply: I thank the Deputy Leader of the Opposition for his detailed analysis of the legislation. The questions he asked will be answered directly by the Minister in the other place.

Motion agreed to.

Bill read a second time and passed through remaining stages

POLICE AMENDMENT (APPOINTMENTS) BILL

Second Reading

Debate resumed from 14 November.

Mr TINK (Epping) [7.20 p.m.]: The Opposition supports the bill, the purpose of which is to attempt to clarify and streamline the appointment of certain police, particularly those holding the ranks of superintendent and chief superintendent. All members of Parliament know that the latter is a critical rank, as it is effectively the rank of front-line police commanders. Each of the 80 local area commanders has that rank. I know that for some years the Eastwood local area command has had an acting commander, who has done an excellent job. Nevertheless, the permanent appointment of some officers of that rank can cause problems. Suffice it to say that it is important to be able to appoint and transfer officers of that rank for operational reasons, while at the same time recognising that their vital front-line role requires key probity checks.

The purpose of the bill is to strike that balance. For that reason I was particularly concerned to get the opinions of both the Police Association and the Police Integrity Commission, both of which support the bill. I have spoken to Mr Peter Remfrey from the association and thanked him for his comments to me, which broadly explained the reasons for the support of the association for the bill. I have also had a discussion with the solicitor for the Police Integrity Commission who indicated that there is no problem with the bill from a probity point of view. In those circumstances we support the bill.

Mr WHELAN (Strathfield—Parliamentary Secretary) [7.21 p.m.], in reply: I thank the honourable member for Epping for his contribution. The Police Amendment (Appointments) Bill will speed up permanent police appointments by introducing much-needed flexibility for command appointments within the rank of superintendent and streamlining promotional statutory declaration processes.

Motion agreed to.

Bill read a second time and passed through remaining stages.

GOVERNOR'S SPEECH: ADDRESS-IN-REPLY

Take-note Debate

Debate resumed from 27 September.

Mr WHELAN (Strathfield—Parliamentary Secretary) [7.22 p.m.], in reply: Almost every member of the House has contributed to this meaningful debate. I commend honourable members and thank them for their contributions.

Motion agreed to.

[*Mr Deputy-Speaker left the chair at 7.23 p.m. The House resumed at 7.30 p.m.*]

BUILDING AND CONSTRUCTION INDUSTRY SECURITY OF PAYMENT AMENDMENT BILL

Second Reading

Debate resumed from 15 November.

Mr LYNCH (Liverpool) [7.30 p.m.]: I support the Building and Construction Industry Security of Payment Amendment Bill. In June of this year I spoke in this place of difficulties that certain subcontractors had

experienced with the behaviour of Corpcom Constructions Pty Ltd. In particular, those difficulties related to a development of multistorey residential units on the Hume Highway at Warwick Farm. The Construction, Forestry, Mining and Energy Union [CFMEU] was assisting the subcontractors. The construction and general division organiser, Malcolm French, was particularly active in supporting the subcontractors. A considerable amount of media attention followed, in particular a story on *A Current* Affair. One issue that flowed from that dispute for me was the security of payment legislation. There is no doubt that the scheme enshrined in the 1999 legislation was a substantial improvement over the previous situation.

However, it also seemed that some improvements could be made. Certainly, some of the subcontractors and the union that represented them shared that view. That especially seemed to be the case after speaking to the subcontractors, staff of the CFMEU and the CFMEU solicitors, Taylor and Scott. The aspect of the scheme that seemed to need practical improvement was enforcement. The problem was that subcontractors could go through the process in the legislation; while this might be successful and productive in many cases, there was a difficulty with head contractors who might do just nothing—they would refuse to pay or often even to participate in the process. That meant that the aggrieved contractor would have to go to court for enforcement. The scheme of the legislation envisaged a simple enforcement scheme with the head contractor not being able to defend the claim in court, because that process had already been completed prior to going to court.

However, in practice the claimant subcontractor would have to lodge a statement of claim in the Local Court or the District Court. The recalcitrant head contractor, the defendant, would then lodge a defence or cross-claim. The claim would then go into the general court list and take some time to come on for hearing, despite the clear intent of the legislation. Frankly, in those types of cases not much improvement had been made under the previous legislation. The starkest case that I was made aware of involved a claim in the District Court. A claim was made and a defence was filed. The solicitor for the claimant-plaintiff subcontractor lodged a notice of motion to strike out the defence on the basis that it could not stand because of the provisions of the security of payments legislation. That seems to me to have been the perfectly sensible, reasonable and logical course. However, the application to strike out the defence was rejected by the court and, accordingly, the claim had to take its place in the general queue of cases waiting for hearing, to the frustration of the claimant and to the delay in his payment.

I am delighted to note that this particular problem is now squarely addressed by the bill before the House. One change caused by the legislation is that proposed sections 17 to 25 provide a new scheme of adjudication. This scheme results in the issue of an adjudication certificate. Once the certificate has been issued it can then be filed in a court, most obviously the Local Court or the District Court. It will then have the effect of a judgment of the court, with all the enforcement applications that flow from that. This obviates altogether the need for commencing further proceedings, allowing the recalcitrant contractor a further opportunity to delay and frustrate payment by lodging a defence. As I said, that opportunity is now prevented by that scheme. If a head contractor does nothing at all in response to a subcontractor's claim, the subcontractor can elect to proceed to have an adjudication certificate. That is a dramatic improvement on the current scheme.

There is also, of course, in this legislation the earlier scheme by which the claimant can recover the amount in a court of competent jurisdiction. That had the practical difficulties I outlined a moment ago. However, this legislation assists by having a proposed new section 15 (4) which makes it clear that the head contractor cannot bring a cross-claim in such proceedings and cannot raise any defence in such proceedings in relation to any matter arising under the construction contract. Thus the old system has been significantly improved and a totally new procedure of adjudication certificates has been introduced to remedy the defects that I noticed when I was involved in this matter earlier this year. It is with some pleasure that I commend the bill to the House.

Mr DEBUS (Blue Mountains—Attorney General, Minister for the Environment, Minister for Emergency Services, and Minister Assisting the Premier on the Arts) [7.36 p.m.], in reply: I thank honourable members who have participated in debate on this important bill. A good cash flow is vital for contractors working in the building and construction industry. The Building and Construction Industry Security of Payment Act 1999 was groundbreaking legislation which set a benchmark for dealing with payment problems. As the honourable member for Liverpool said, this bill builds on that good work. The changes will help solve payment disputes more quickly and efficiently. Removing the compulsion to take court action for payment when a payment schedule has not been received is an important change.

The strength of this bill is that it provides further encouragement for parties to resolve payment disputes through adjudication. Further, when there has been an adjudication and payment has been awarded, it

should be paid promptly. That is why an adjudicator's determination will be immediately enforceable. There will be no more legal delays. These two critical changes will improve cash flow throughout the building and construction industry. More importantly, the changes to the 1999 Act have been drafted following a detailed consultation process. I thank the building and construction industry for its work during that process. The work that has been done will ensure that the changes here introduced are effective, and I commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

DEFAMATION AMENDMENT BILL

In Committee

Clauses 1 to 4 agreed to.

Schedule 1

Mr BARR (Manly) [7.40 p.m.]: I move:

Page 13, schedule 1 [16], proposed section 48A, lines 1-3. Omit all words on those lines. Insert instead:

(a) the way in which the parties to the proceedings conducted their cases (including any misuse of a party's superior financial position to hinder the early resolution of the proceedings),

(b) whether the costs in the proceedings may exceed the quantum of damages to be awarded in the proceedings,

(c) such other matters as the court considers relevant.

I understand that the Government will support my amendment. It relates to costs, and the nexus between costs and damages. My private member's bill seeks to cap costs to the quantum of damages. However, the Government considers that to be too prescriptive. I asked the Government whether those provisions could be incorporated into this bill. The Minister stated in his second reading speech:

> … section 48A (1) makes it abundantly clear that in awarding costs the court may take account of the way the parties have conducted their cases.
>
> The court will be able to take into account such matters as whether either party has used its significantly more powerful financial position in a way that hinders the effective discharge of justice and the relationship between the quantum of any costs order and the quantum of damages awarded in any particular case.

That relies on the Interpretation Act and judges using their discretion. I want it embodied in the statute proper, which is why I have moved my amendment. New section 48A of the bill reads:

> **48A Costs in proceedings for defamation**
>
> (1) In awarding costs in respect of proceedings for defamation, the court may have regard to the following matters:

That is where I propose to insert my amendment. My concern has always been costs and the way they are used by plaintiffs, particularly wealthy plaintiffs, against not so wealthy defendants. It amounts to what I regard as an abuse of the judicial process. In so doing, it becomes a huge inhibition to free speech. This bill—in fact, any defamation legislation—is one of the most critical issues to be debated by the House, because the House should be about freedom of expression and freedom of speech. Defamation laws inhibit free speech. They encourage people to hold back and adopt a culture of "if in doubt, leave it out". People are concerned about being sued for defamation. If someone is taken to court, even if he or she has not said anything defamatory, it could cost tens of thousands of dollars. Costs are greater for the defendant in defamation cases because of the reverse onus. It often costs defendants more than it costs plaintiffs to defend themselves.

The Government was concerned that my bill would inhibit impecunious plaintiffs from taking on wealthy defendants. The big public policy issue is that too often defamation cases are brought by the wealthy to inhibit the less well off. Strategic lawsuits against public participation [SLAPP] writs are often brought by the wealthy against the poor—the classic example is the big-time developer who wants to carve up an estate along the coast and is opposed by a local greenie group. The developer will put on a SLAPP writ to quieten everyone

down, inhibit debate and intimidate people. The developer has the money and the legal wherewithal and the locals may fear being out of pocket to the tune of tens of thousands of dollars, even though they may not have done anything defamatory.

Defamation is the preserve of the wealthy. The wealthy can use the court system to inhibit free speech. That is an outrage and an affront to the democratic process. Over the years we have not done enough to remedy it. I am pleased that the Government will accept my amendment. It is not as prescriptive as my original proposals, but it will allow judicial discretion and allow the court to take costs into account. In all the literature on defamation I have read lately there is a lot of focus on damages, legal technicalities, public figure tests, and the ins and outs of defamation law—a terribly complicated law—but there is next to nothing about costs. Costs is a more severe issue than damages. A classic case is before the courts at the moment. A plaintiff is seeking damages of $10,000 and the costs are $450,000. That is an extreme example of what can happen under the defamation laws. It is a great worry. Too often we hear of plaintiffs threatening defendants and telling them that they will lose their house. The powerful use bully-boy tactics and threaten to remove the assets of the less well off. That is an affront to all the things a free society stands for.

I appreciate a critique of the proposals put forward by the Government and my defamation proposals. It was written by Roy Baker, the Senior Legal Researcher on the National Defamation Research Project at the Communications Law Centre, who was assisted by Lynda Young of Phillips Fox solicitors. They made some helpful comments in their paper. They pointed out that although there were some problems with my proposal they were not insurmountable, and that primarily it is the rich and powerful who bring defamation actions. The main problem with defamation law is that the wealthy plaintiffs bring action against the impecunious defendants, rather than the other way around.

Mr Ashton: Or poor people, even!

Mr BARR: I would have thought that members of the Labor Party would be sympathetic. I had intended traversing all sorts of issues, however I will make only a few comments as we are in Committee. The bill does not address the problems with section 7A trials. I believe that the Independents were responsible for the split process used in defamation proceedings. I regard the notion of a trial before a jury and then before a judge as remarkably cumbersome and in need of reform. I support some of proposals the Government is bringing forward in the bill, including section 9D, a new scheme for resolving disputes without litigation; section 14B, the reducing of time limits for commencement of proceedings from six years to one year, with some discretion; and section 8A, precluding corporations and statutory bodies from bringing actions, although there may be problems there with small companies—I understand that the Opposition will be moving amendments in that regard in the upper House.

I will complete my comments by quoting from the Communications Law Centre report. It states:

> High costs [in defamation] stem from the law's systemic failings, mired as defamation is in fruitless technicalities of pleading. More resolute reform would see the introduction of a meaningful public interest defence as well as some form of right of reply. In the meantime, Messrs Barr and Carr's proposals deserve serious consideration, not least by the defamation bar, which otherwise risks an appearance of unbearable cynicism.

I thank the Government for its acceptance of the amendment.

Mr DEBUS (Blue Mountains—Attorney General, Minister for the Environment, Minister for Emergency Services, and Minister Assisting the Premier on the Arts) [7.51 p.m.]: I thank the honourable member for Manly for his contribution to the debate on defamation law reform, both generally and particularly in regard to the question of the cost of proceedings. In my view the amendment is useful in that it will improve the effectiveness of the costs provisions in the bill and ensure that costs do not negatively impact upon a party's ability to press or defend a claim for defamation. I am therefore pleased to advise that the Government will accept the amendment. I should say just a little more generally that defamation law reform has generated interest for quite a long time. It was the subject of a Law Reform Commission report in 1995. A forum was convened by my predecessor in 2000, and there have been attempts over the years through the Standing Committee of Attorneys-General to achieve some sort of uniformity in defamation law across Australia.

Perhaps the principal reason the topic of defamation law reform frequently provokes heated debate is that so many powerful interests collide under this sphere: freedom of speech, protection of reputation, and protection of privacy. The reforms contained in the bill will ensure that the Defamation Act provides the people of New South Wales with effective and appropriate remedies should their reputations be harmed. They will

ensure that the law of defamation does not place unreasonable limits on the publication and discussion of matters of public interest and importance. They will promote speedy and non-litigious methods of resolving disputes. And they will avoid protracted litigation wherever possible. The reforms will be achieved in a number of ways. Amendments to the Defamation Act will divert those cases that can be dealt with by other means away from extended litigation by a revised and improved offer of amends procedure.

A publisher will be able to make an offer of amends to a person aggrieved by a defamatory or purportedly defamatory statement. The offer must include an offer to publish a reasonable correction and apology, and an offer to pay the expenses reasonably incurred by the aggrieved person. The publisher may also decide to include an offer to pay compensation in appropriate cases. A publisher will have 14 days within which to make an offer of amends after being told that a publication is or may be defamatory, although there will be scope for negotiations to continue beyond the 14 days provided any renewed offer of amends is genuine. Once a publisher performs its part of a settlement offer, including paying any agreed compensation, the aggrieved person cannot begin or continue a defamation action. The amendments will also provide an incentive to settle defamation proceedings before they reach the courts by applying costs penalties in relation to an unreasonable failure to resolve a matter. It will also be a defence in defamation proceedings that a reasonable offer of amends was made but that it was not accepted.

To further encourage plaintiffs to seek to vindicate their reputations at the earliest possible opportunity—those are the key words, "the earliest possible opportunity"—the bill will shorten the limitation period for bringing a defamation action from six years to one, with the discretion to extend the period in appropriate cases to a maximum of three years from the date of publication. In other words, we continue throughout this legislation to encourage judges to encourage litigants to get their matters settled in a reasonable and timely fashion, not to continue with unreasonable claims and to drag claims out for reasons of tactics, politics or something else. In my view what is important in achieving a balance between free speech and the protection of reputation is ensuring that responsible discussions of matters of public importance are protected. This has been achieved, I believe, by providing greater guidance to the court in assessing a defence of qualified privilege.

The bill sets out a list of factors that a court may take into account when determining qualified privilege. Those factors include the extent to which the matter published is of public concern and the extent of a person's public functions or activities. In keeping with the view that the law of defamation exists to protect reputation and interest which individuals have in their honour, dignity and standing in the community and that, conversely, a corporation's interest in reputation is economic, corporations will not have the right to sue for defamation. Finally, in the interests of greater clarity and certainty about the scope of protected reports, the amendments will extend protection to accurately reported third party statements. Specifically, this includes the publication of reports of media conferences given or media releases issued by or on behalf of public officials or public authorities in their official capacities.

In summary, the amendments to the Defamation Act contained in the bill will strike a balance between the free flow of information on matters of public interest and importance and the protection of reputation. I have never seen an area of the law in which it is so easy for otherwise responsible people to have disagreements, but I do believe that the amendments strike a balance that I have been describing. They are less dramatic than many on both sides of the debates that often erupt around the issue of defamation would wish. But that is why I think that these moderate, sensible and workable changes will bring about a significant change in the entire culture of the law of defamation as it is practised in this State. That in turn is likely to lead, through the procedures and proceedings of the Standing Committee of Attorneys-General, to a change in the law over time right across this nation. I am therefore pleased to commend the bill to the Chamber.

Amendment agreed to.

Schedule 1 as amended agreed to.

Schedule 2 agreed to.

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

COAL MINE HEALTH AND SAFETY BILL

Second Reading

Debate resumed from 13 November.

Mr PICCOLI (Murrumbidgee) [8.00 p.m.]: The Opposition will not oppose the Coal Mine Health and Safety Bill. The Opposition recognises the importance of maintaining and strengthening the health and safety conditions of the State's coalminers and the need to maintain the world's best standard of conditions in New South Wales coalmines. New South Wales coalmining companies are committed to improving health and safety in the workplace. I also acknowledge the work of employee representative bodies in this regard. The explanatory notes on this bill state that it is about the health, safety and wellbeing of people who work at coal operations—that is, people who work at colliery holdings, including coalmines, oil-shale mines and kerosene-shale mines—at coal exploration sites and in the exploration for or recovery of offshore coal. It also states that the bill puts in place special additional obligations, protections and procedures necessary for the control of particular risks arising from coal operations. The obligations, protections and procedures in the Occupational Health and Safety Act will continue to apply to coal operations.

The Coalition supports the broad intent of the bill. It will not oppose any move that will strengthen the protection offered to the men and women who work in coalmines. It is a dangerous occupation, and that is why it will not oppose this bill. I have been informed that coalmining companies support the provisions of this bill, which improve consistency between coal industry specific requirements and the mainstream occupational health and safety regulations that will provide coalmine operators with the flexibility to establish effective management structures and systems to improve the safety and health of coalmine workers. Employers have some concerns about specific provisions of this bill, which I will outline shortly. However, it has been indicated that coalmine operators will work in good faith with the Department of Mineral Resources inspectorate and with other stakeholders in the formulation and consideration of the regulations supporting this bill and to effectively implement it.

There are about 60 active coalmines in New South Wales directly employing 10,000 workers in open-cut and underground operations. Almost half the industry workforce works in, and two-thirds of physical output comes from, open-cut mines. Major advances have been made by the industry in terms of health and safety issues, with the New South Wales Minerals Council and individual workplaces implementing new strategies and practices to reduce lost-time injuries and fatalities in coal mining. According to the Joint Coal Board's [JCB] lost-time injuries and fatalities statistics for 2000-01, the frequency of workers compensation claims resulting in one or more days lost shows a dramatic decline in the period 1992 to 2001. In the same way, JCB figures for coalmine fatalities show a decline from 17 fatalities in 1981 to just one to date in 2002. The Minerals Council informs me that the safety performance of the industry is now on par with other industries, including forestry, agriculture, construction and heavy manufacturing.

This bill has had a lengthy history, starting with the 1997 mine safety review, which identified some shortcomings with the regulatory framework associated with coalmine health and safety. The consultative process for this bill began in July 2000 with the release of a discussion paper. The Government released a position paper in February this year, with feedback being considered during the final drafting stages. However, some concerns remain about the speed at which the bill has come before the House. It is a concern that the draft bill was not referred to the New South Wales Mine Safety Advisory Council for review or endorsement, despite advising on policy being that council's stated purpose. I further understand that the department and Minister's office resisted requests to refer the bill to the Coal Mines Safety Advisory Committee for review, despite a resolution from the committee. Following a six-month hiatus between close of submissions on the safety works discussion paper, key stakeholders were provided with four days to review a 150-page first draft bill and 24 hours to review a revised draft. Despite the significant new requirements on contractors, they have not had an opportunity to review or comment on the bill because they are generally not members of the industry groups that were consulted.

This is the typical scenario at the end of the parliamentary sitting year. Just last Friday the honourable member for Epping spoke about legislation affecting the security industry and highlighted the fact that key stakeholders had not been consulted. This is becoming the hallmark of the Carr Labor Government as it tries to force through legislation at the end of the sitting year. As I mentioned previously, this bill will apply in addition to the Occupational Health and Safety Act 2000. Current Coal Mine Regulation Act regulations will be remade after the passage of this bill, and additional new regulations will also be made. Furthermore, consideration will

be given to applying to coalmines hazard-based regulations under the Occupational Health and Safety Act. A concern has been put to the Coalition that, instead of achieving the Government's stated aim of streamlining and mainstreaming coalmine health and safety issues, the new arrangements will actually increase the volume and complexity of the regulatory regime. I would appreciate a response from the Government on this important issue.

Employers and peak industry groups have identified several positive features of the proposed legislation, including greater consistency with the Occupational Health and Safety Act; placing primary responsibility on employers rather than individual mine managers and other designated personnel; requirements to implement a health and safety management system that is already widely utilised by many mine operators across New South Wales; the replacement of a rigid set of coalmine management and supervisory positions with requirements for documented management structures comprising experienced personnel; and the retention of a specialised and expert mines inspectorate in the Department of Mineral Resources with functions and powers consistent with those of WorkCover inspectors. Despite not opposing the bill, the Coalition shares the concerns of industry representatives and employers relating to the workplace consultative mechanisms and the Construction, Forestry, Mining and Energy Union [CFMEU] industry check inspectors that will be put in place under this legislation.

The bill considerably strengthens the powers and functions of government-funded district or industry check inspectors. Under the bill, four industry check inspectors, who will be directly appointed CFMEU nominees rather than employee elected, will have the power to stop work at coalmines across the State. In addition, coalmine operators will be required to forward to CFMEU offices a range of documents detailing health and safety management and safety incidents. CFMEU industry check inspectors will be able to delegate their power to stop work at a coalmine to a site check inspector, and workers at coalmines will be prevented from electing occupational health and safety inspectors and will instead elect site check inspectors. In addition, regulations to be made under the bill will specify which workers at coalmines are able to vote in elections for site check inspectors and will provide for a specified union to conduct such elections.

This section of the bill concerns the Coalition. It understands that significant and detailed concerns have been expressed to the Government during the consultative and drafting process about these provisions, but that they are strictly non-negotiable. The Coalition is concerned that the details I have mentioned will entrench the CFMEU in the inspection process, and that CFMEU officials will be able to use their power under the legislation to stop work over real or perceived safety concerns to further their own agenda. There is also a concern that the appointment of CFMEU officials will effectively double up on existing inspectorate powers afforded to the New South Wales Department of Mineral Resources. The Government must explain why the CFMEU has been offered an entrenched position of undeniable power in this bill. Does it have anything to do with the more than $220,000 that has found its way into the Australian Labor Party's coffers from the union's mining division, as detailed on the Australian Electoral Commission's Internet site?

Mr Orkopoulos: Brogden got paid half that!

Mr PICCOLI: I am surprised that the union donated the money to the Labor Party in light of the fact that it was betrayed on the workers compensation matter, particularly by the Left. I recall that last year the union protested outside Parliament House. What did the Left do—the great defenders of the union movement? They scurried in under police protection. I would not be making too many comments if I were the honourable member. I urge him to send a transcript of this debate to the CFMEU. I would appreciate a response from the Government on this important issue, as well as an explanation of why industry concerns have not been addressed. Why is this section non-negotiable? Is the Government being held to ransom by the CFMEU?

The Coalition does not oppose the establishment of the Coal Competency Board to replace the Coal Mining Qualification Board. This board will oversee the development of appropriate competence standards and assessment of people performing particular functions in coalmining operations. This is an important part of the bill, and the Coalition recognises that it is essential that the appropriate training, assessment and accreditation be undertaken. The Minister for Land and Water Conservation stated in his second reading speech that it is important to learn from the past and ensure that effective measures are in place to prevent accidents at coalmines. The Coalition supports that statement, and that is why it will not oppose this bill.

Mr MARKHAM (Wollongong—Parliamentary Secretary) [8.09 p.m.]: It gives me great pleasure to make a contribution to the debate on the Coal Mine Health and Safety Bill. Last week I spoke on a bill dealing with mine rescue operations, and this is an extension of that to ensure that mines in this State have the best

possible health and safety standards. The Carr Government has introduced a broad range of strategies designed to improve the performance of mines in New South Wales by eliminating unsafe work practices and creating a safe working environment. This bill has been drafted to enhance the safety performance of the New South Wales mines and to protect the safety and health of the community. It is a hostile industry, and members of Parliament, including the Opposition, must do everything in our power to ensure that this State's mines are as safe as possible.

One of the Government's strategies is an enforcement policy, which was introduced in 1999 to achieve significant and continuing improvements in safety and health performance. The policy recognises that the contribution for safety performance of individuals and organisations is becoming more important with a move towards increased levels of responsibility and accountability. These are backed up by enforcement to ensure that every mine fully complies with health and safety regulations. A hierarchy of responses can be used when a hazardous situation or breach of health and safety regulations is detected.

Mine inspectors and mine safety officers have the option of giving advice, expressing concern orally, issuing an instruction, giving a direction, issuing a written notice of concern, issuing an improvement notice, issuing a prohibition notice, which is a stop-work order, reviewing and/or upholding a notice, issuing a formal warning, seeking a court order, or seeking prosecution. The outcome sought by the enforcement policy is the industry's compliance with the accepted standards for the management of health and safety.

During this financial year Department of Mineral Resources inspectors and mine safety officers will conduct around 850 assessments of safety compliance at mine sites. Last year more than 300 notices or directions for improvement were issued for safety breaches. It is encouraging that there has been a steady decline in the number of notices and directions issued over the past few years. This shows that the Government's safety campaign is resulting in major cultural change to the way in which the mining industry and its work force view the need for improved safety performance. About one-third of site visits for assessment are unannounced, to develop an expectation amongst mine operators that they can expect a visit at any time.

I recall that in the past coalmine operators were made aware of site visits well in advance of the visits taking place. The mine operator would instruct his supervisors to make sure everything was spot-on, so there could be no criticism. The bill's requirement for site visits to take place without warning is important in ensuring that mine operators and the mine work force are constantly on guard to make sure mine operations meet health and safety standards. The appropriate response will, in all cases, depend on the particular circumstances and the relevant legislative provisions. The broad range of available sanctions allows the response to be tailored to the circumstances, the nature of the breach and the possible consequences. The power to prosecute is important and is the most significant sanction available. An effective enforcement policy supported by a record of successful prosecutions is a strong deterrent to further breaches.

Strategies such as assessments, prohibition and improvement notices may be the correct ones in most cases, but the Government's enforcement policy ensures that prosecutions are rigorously pursued where serious breaches of the State's mining law are identified and supported by evidence. Investigation of breaches or serious incidents is undertaken by the Mine Safety Investigation Unit, which was formed by the Carr Government in response to the Gretley inquiry and the mine safety review. The unit operates independently and reports to the Director-General of the Department of Mineral Resources. Since the introduction of the new enforcement policy, 24 matters have proceeded to prosecution. Six of those matters have been successfully concluded. The actions are in addition to any action arising from the Gretley disaster and a number of coronial inquests. Penalties set out in the bill for people who are guilty of health and safety breaches are commensurate with penalties for similar offences in the Occupational Health and Safety Act 2000. To ensure the success of this policy, the Government has also provided $1 million to fund prosecutions.

An important part of the work of the investigation unit is communicating what it learns to the mining industry, to ensure that similar incidents can be avoided. The Carr Government is continuing to work tirelessly to change the culture of the mining industry from one in which injuries and fatalities were considered inevitable to a belief that these incidents can be avoided by implementing safe work practices. I applaud the Government, the Department of Mineral Resources and the unions for striving to ensure the achievement of this goal. The inspectors in the mining industry—inspectors at the departmental level, local check inspectors at the grassroots level, who are members of the Construction, Forestry, Mining and Energy Union, formerly the Miners Federation, and were elected by their peers at the pit top, as well as district check inspectors—have powers that the miners themselves accept as being very important.

Clause 172 inserts very important provisions with regard to electrical check inspectors. I recall that many years ago, when I was working underground at Coalcliff colliery as the leading hand electrical fitter,

mechanisation of the mining industry was a matter of real concern, in comparison to the old days of hand mining and very little mechanisation. District check inspectors from the mining division and local check inspectors who were themselves working coalminers were, on many occasions, unable to argue the merits of a case because of their limited knowledge of mechanical operations involving giant underground machinery, which in many cases was extremely dangerous. Miners' health was put at risk, and many miners were injured by those machines.

I recall being elected as an electrical check inspector at Coalcliff colliery and being asked on a number of occasions to go underground with local check inspectors, district check inspectors and departmental inspectors to investigate what might have caused the explosion of a gate end box, a blow-out in an 11,000-volt cable or a problem at a substation. It was quite obvious that the check inspectors from the Miners Federation were not able to get their heads around the electrical terminology, whereas the departmental mining inspectors were able to do so. This proved to be extremely valuable in ensuring the best outcomes for mineworkers with regard to occupational health and safety matters. It is great that those standards have been expanded by this legislation.

Modern mines are highly mechanized. During each shift, longwall units rip out thousands and thousands of tonnes of material. Because those machines are driven solely by electronics and hydraulics, expertise in electrical and mechanical engineering is of paramount importance in mining. Over my many years in the industry it has been my experience that even management personnel have had difficulty coming to terms with some of the accidents that occurred underground. I know that men have been injured because of their ignorance of the machinery they were using. Honourable members can imagine that a 52-tonne coalmining machine would not have to do anything particularly unpredictable to crush a man to death or cause serious injury. That is why it is very important to ensure that people who understand the technology of the modern mining industry are kept safe and retained by the industry.

I cite some examples of workplace ignorance to make my point about the need for high standards of occupational health and safety conditions. In underground mines, 11,000 volt cables hang just above head height in headings and cut-throughs. Through no fault of anyone in particular, at times those cables become damaged and that can lead to an explosive situation, in more contexts than one. People may be electrocuted and an explosion may occur in the mine, and it is the task of an inspector to check electrical equipment to ensure that it is safe. I read the Minister's second reading speech and noted particularly his reference to the way in which the coalmining industry has changed over the past 100 years, especially since the devastating Mount Kembla mining disaster which resulted in the loss of 96 men and boys. I have no doubt that my comrades from the Hunter know only too well of major mine disasters that have occurred in their region also.

This legislation is all about ensuring that coalmining operations in this State are carried out under maximum safety conditions. When breaches in safety conditions occur, the Department of Mineral Resources should come down as hard as it possibly can on mine operators and prosecute mine owners who fail to recognise that mine workers' families expect them to go to work at the commencement of their shift, and return home when the shift is finished. I acknowledge that there has been a dramatic reduction in the number of disastrous mine incidents in this State, but point out that that has been accompanied by a reduction in the number of men who work in mines.

That is why I ask honourable members to take a major step toward a safer mining industry by supporting the bill. This bill will equip the Government to deal with current mining conditions and continue to improve the safe performance of mining operations through consultation with all stakeholders in the industry. This afternoon I had a long discussion with Graham "Spotty" White from the CFMEU's southern districts and he is very pleased with this legislation. I congratulate the Minister. It gives me great pleasure to commend this bill to the House. [*Time expired.*]

Mr ORKOPOULOS (Swansea) [8.24 p.m.]: I support the Coal Mine Health and Safety Bill. Before dealing with the bill in detail, I will respond to assertions made by the honourable member for Murrumbidgee, who apparently led for the Opposition during this debate. It is regrettable that the Opposition does not have anyone who represents coal districts, although I suspect that the honourable member for Tamworth has a number of mines in his electorate. I am surprised that he is not in the Chamber while this legislation is being debated. The Opposition has been critical of the consultation process associated with this bill.

The history of the Government's consultation program shows that a discussion paper entitled "Transforming Health and Safety Regulations in New South Wales Coal Mines" was published in July 2000,

and that the Government's position paper, "Safety Works", was produced in February 2002. But, more importantly, correspondence dated 5 March 2002 shows that the Deputy Leader of the Opposition in the Legislative Council and shadow Minister for Mineral Resources advised that he would "consult with the relevant parties and provide a comprehensive response". No submission was received from him. The Opposition has been comprehensively briefed. I hope that those facts refute any assertions that are critical of the consultative process associated with this bill.

The Opposition also asserted that the Government is funding some type of socialist enterprise by its support of Construction, Forestry, Mining and Energy Union [CFMEU] checking inspectors. I make the point that throughout the previous Coalition Government's confusing but thrilling seven years in office, a total of $560,000 was provided to the CFMEU to fund the district inspector checking system. I commend the Coalition for doing so while in government, but members opposite cannot criticise the Carr Labor Government for taking similar action. The Opposition also criticised the bill as overregulation and queried the way in which the system of regulations works. I refer honourable members to the Coal Mine Regulation (Election of Check Inspectors, District Check Inspectors and Electrical Check Inspectors) Regulation 1984 which is repealed by this bill. Through the previous Coalition Government's seven hapless years in office, the Coalition supported the very regulation that it now wishes to criticise.

The Opposition cannot be allowed to wind back critical safety reforms that this legislation introduces. It is also worth noting that the regulatory regime was devised in consultation with the Minerals Council of Australia and the mine managers association. As a result of those discussions, the regulatory regime has been streamlined. This bill is another step forward in the Carr Government's continuing reform package that will make mines in New South Wales safer and healthier workplaces. The Carr Government has allocated an additional $15 million in funding to a program of safety culture and performance improvement in the mining industry. Much has been achieved as part of this program through strategic and operational initiatives undertaken at the Government's direction through the mines safety division of the Department of Mineral Resources. The program includes the development of new guidelines, the review of legislation, the assessment of electrical and mechanical engineering standards, better management of the isolation of mechanical and electrical energy, stronger enforcement, improvement in investigations, site inspections and approvals, safety management plans for mining, and a tripartite safety communication program.

The Government has maintained a strong focus on field presence, with particular emphasis on audits and assessment visits to mines by departmental inspectors and mines safety officers. It is intended that over 850 visits will be made to New South Wales mines during the 2002-03 financial year. The inspections will concentrate on the implementation of safety management plans by the mines and the identification and control of major hazards. At least 30 per cent of the visits are unannounced, which develops an expectation that a visit might occur at any time. As the honourable member for Wollongong pointed out earlier, that is what is needed to put the fear of God into coalmine operators.

An analysis of accident and incident records showed stored energy, both electrical and mechanical, was a factor in a number of fatalities and injuries, to which the honourable member for Wollongong alluded. To address this concern an improvement strategy assessment of isolation procedures was commenced by the department in 1999. Isolation in the mining industry can be defined as the method of preventing the release of energy that could kill or injure mineworkers. Energy can be mechanical, such as movement, and stored hydraulic energy. Even the force of gravity might cause material hung up in a dump truck to fall onto someone. Effective isolation is fundamental to the protection of those working on mining equipment but the issues relating to interaction between equipment and human behaviour are complex.

Safety operations personnel of the Department of Mineral Resources with the support of the Mine Safety Council undertook an assessment to identify the status of isolation procedures and recommend strategies for improvement. Both underground and open-cut coalmines were studied with priority being given to underground coalmines because of the higher risks associated with that type of operation. A two-stage approach was adopted to achieve a rapid and focused impact. The first stage involved direct communication with mine management and mineworker representatives at a number of mines to promote the use of effective and systematic isolation procedures. In the second stage, a detailed and structured assessment was carried out of isolation procedures. A questionnaire was sent to the coalmines to establish their existing procedures. After evaluating the responses, safety operations personnel visited the mines to observe standard maintenance and repair tasks being carried out. Tasks involving a variety of trades and operators working together were chosen because they have the greatest potential for system and communication failure in an emergency.

Advance notice was a major strength of the assessment, because it encouraged management and workers to accept the process with a no fear, no blame attitude. This resulted in a positive response with full and

frank discussions of deviations identified and opportunities for improvement. Where the assessment found that deficiencies and incorrect isolation procedures existed at a mine, immediate steps were taken to rectify the problems. The report on the assessment recommended that the chief inspector of coalmines should consider publishing guidelines for isolation that would address standard nomenclature, hazard identification, hazard reduction processes, consistency on similar equipment, isolation hardware, verification of isolation status procedure, handover or change of status procedures, and training. It also recommended that mines consider development of an integrated consultation, education and discipline process to ensure appropriate procedures are developed and adhered to by each mine. The results of the assessment were provided to all New South Wales mines.

The recommendation for guidelines for isolation has been acted upon The publication has been written, with extensive employee and employer consultation. It is now being reviewed by stakeholders in the mining industry prior to publication. I suggest to the House that the initiation and follow-up of the isolation assessment is a prime example of the positive way in which the Carr Government is working to make the mining industry in New South Wales a safer and healthier place in which to work. The proposed Coal Mine Health and Safety Bill contains requirements for systems that identify and control major hazards, consultation on all matters related to health and safety and continuation of assessments to ensure compliance with health and safety regulations. It is another example of the Government's emphasis on a safe and healthy industry. I ask honourable members to give this bill their wholehearted support.

Mr HUNTER (Lake Macquarie) [8.33 p.m.]: I strongly support the Coal Mine Health and Safety Bill, which provides for critical safety improvements for coalmine workers in New South Wales. I point out that I have a particular interest in coalmines in the Lake Macquarie area, many of which are in my electorate. A considerable number of coalmines are currently in operation in the area. This bill caters for particular risks arising from coalmining, such as underground fires, explosions and roof collapses. The bill is complementary to the Occupational Health and Safety Act, which will continue to apply for coal operations. The bill's updated approach will provide additional provisions for coalmining that allows for modern health and safety management practices with an emphasis on consultation with the workforce; requires a high standard of major hazard management planning to address the risks inherent in coalmining, particularly underground; and ensures that procedures are in place in case of an emergency that was not averted by the required management systems.

In the Lake Macquarie area coalmines stretch from the southern end of the lake to near its north-west extremity. The Lake Macquarie electorate, which I represent, would certainly have the greatest number of operational coalmines of any electorate in the State. The oldest mine still operating in my electorate is the Newstan colliery, from which coal has been won from a number of seams for more than a hundred years. Coal from this area has provided much of the basis for the industrial development of the Newcastle area and fuel for power stations such as that at Munmorah Power Station and at Wangi, where I previously worked. My father and my brother also worked at Wangi. Coalmines have continued to supply new stations such as Vales Point and Eraring. Prior to entering Parliament in 1991, I worked at Eraring power station.

The latest published figures from the Department of Mineral Resources show that in the 2000-2001 financial year those local mines produced in the order of 8.6 million tonnes of raw coal. And I am advised that that was achieved with a workforce of just over 1,200. This equates to around 7,100 tonnes of coal being won from the earth by each of the lake's miners. A number of the mines work multiple seams, one of which is known as the Great Northern seam. The recent history of mining the Great Northern seam provides a good example as to how the Coal Mine Health and Safety Bill will improve current safety outcomes. In the early to mid 1990s there were a number of tragic fatalities in the Great Northern seam involving roof collapses. The Great Northern seam generally has what is known as a very competent roof, to use a mining term. This means that the roof is largely self-supporting and could generally be considered safe. However, when the roof did fail the results were catastrophic. More stringent roof assessment and support measures were insisted upon by the Department of Mineral Resources through its inspectors as a result of the fatalities.

Those more stringent requirements eventually became the basis for more comprehensive requirements for support rules. The rules were required to be developed by mine managers under the Coal Mines Regulation Act 1982 with the more detailed requirements introduced in the 1999 regulations under that Act. Under the Coal Mine Health and Safety Bill an operator of an underground mine will be required to develop a number of major hazard management plans. One of those plans will be for the control of the well-recognised major hazard of underground mining, that is, the failure of strata control. Regulations under the proposed bill will identify failure of strata control as a major hazard and contain minimum requirements for a corresponding major hazard management plan. Those requirements will have as their basis the current requirements in the regulations, which

were developed, in part, as a response to catastrophic roof collapses. This simple example provides an illustration as to how current requirements will be taken forward as part of the comprehensive health and safety management approach of the bill.

The Government has carried out extensive consultation with industry and unions during a comprehensive review of the Coal Mines Regulation Act. This began in July 2000 with the release of a discussion paper. A Government position paper was released in February 2002 and comments were received and taken into account in drafting the bill. For the many coalminers who live and work in the Lake Macquarie electorate this bill will be very much welcomed. The retired mineworkers in the area to the west of Lake Macquarie will also be very pleased that the Government is improving coalmining safety. I commend the bill to the House.

Mr MILLS (Wallsend) [8.39 p.m.]: I am pleased to support the Coal Mine Health and Safety Bill, which will further improve the safety of the 9,500 people who work in the New South Wales coalmining industry. The Government is committed to ensuring that fatalities, serious injuries, and breaches of safety regulations do not occur in New South Wales coalmines. Many years ago a French philosopher said that the most important thing to come out of a mine is the miner. That is as true now as it ever was. Our duty is to strive to ensure that the miner comes out of the mine as healthy and as safe as he was at the start of his shift.

The Carr Government has committed an additional $15 million towards improving health and safety performance in New South Wales mines and quarries. That funding is being used effectively to implement the recommendations of the 1997 Mine Safety Review and the recommendations of the inquiry into the 1996 Gretley colliery tragedy. Much has already been achieved. One measure of industry performance is injury rates, including fatalities. It is heartening that these indicators have shown a continual improvement over the past few years. That is demonstrated by the fatal injury frequency rate, which is the number of fatalities for each one million employee hours worked. That rate dropped from 0.10 per cent in 1994-95 to 0.03 per cent in 2001-02. The rate of serious injuries has also significantly decreased. In 1999-2000 there were 56 lost time injuries for every one million hours worked in coalmining. In the last financial year that figure was down to 28 injuries. But there can be no room for complacency. One death or injury is one too many.

This bill follows on from other reforms made by the Carr Government to mining industry legislation. That includes the Mine Legislation Amendment Act 1998, which implemented a number of the recommendations of the Mine Safety Review, including the creation of a specialist investigation unit and the introduction of mine safety officers. Restructuring of the Mine Safety and Environment Division of the Department of Mineral Resources has provided the support and guidance necessary to improve the industry's safety performance. The independent investigation unit was created to improve investigation techniques and analyse serious mine accidents and breaches of health and safety regulations. Information gained from investigations is quickly and efficiently disseminated within the mining industry to help prevent similar incidents occurring in the future. In addition, the Government has established a prosecutions policy and a $1 million fund to ensure that adequate resources are available to prosecute breaches of the law.

Since the introduction of the new enforcement policy, 24 matters have proceeded to prosecution, and six of them have been successfully concluded. These actions are in addition to those arising from the Gretley disaster, which are at present before the court, and a number of coronial inquests. The Carr Government has also brought together representatives of the unions, the mining industry, and the Government to form the tripartite Mine Safety Advisory Council. That council is the Government's peak advisory body on all matters relating to mine safety in New South Wales. In turn, it is advised by industry sector tripartite advisory committees. The Mine Safety Advisory Committee has provided a significant input into this bill.

The 1999 coal mine regulations reinforced the duty of care and responsibility for the health and safety of all people working in mines. Those regulations introduced mine health and safety management plans to ensure that all core risks have strategies in place to control identified hazards. Most recently, the Mining Legislation Amendment (Health and Safety) Act continued the process of reform, first, by giving the existing high-level Mine Safety Advisory Council increased status and permanence in legislation and, second, by enabling officers of the Department of Mineral Resources to be given the powers and functions of inspectors under the Occupational Health and Safety Act 2000.

This bill builds on changes that have already been made to provide a comprehensive approach to managing health and safety in the coalmining industry. It will ensure that all people at coalmines are aware of their responsibilities for their health and safety and for the health and safety of others at the mine. That includes

contractors, who form an increasing proportion of workers in New South Wales coalmines. Under the bill an operator of a coalmine will have to prepare a health and safety management system to safeguard all workers. The operator must also consult with any contractors to ensure they work in accordance with the relevant parts of the health and safety system of the mine.

Contractors must prepare a safe work method statement before they commence work at a coalmine. That statement, which has to describe how the work is to be carried out safely, must include the outcome of a risk assessment of proposed work activities. Contractors will have to inform the operator of the risks that the work will involve, so that those risks can be controlled. Contractors who are undertaking more dangerous work at a coal operation will also have to prepare a site-specific occupational health and safety management plan in addition to safe work method statements. These provisions are important because contractors account for around 10 per cent of injury claims and 15 per cent of injuries involving lost time from work.

The bill sets out a comprehensive process to ensure that everybody at a coalmine works to agreed safety procedures and standards. The Government's campaign to achieve change in the health and safety performance and culture of New South Wales coalmining appears to be producing results. New South Wales can now boast that it has one of the safest mining industries in the world. But good results are no reason for complacency. We have to continue to strive for further improvements in health and safety performance. The Coal Mine Health and Safety Bill is a major step forward in the Government's mine safety reform campaign. It is vital to our continuing efforts to improve safety in coalmining.

As a Labor member of Parliament from the Hunter region I go each year to the Miners Federation Centre at Cessnock to attend a sad and moving service to remember miners who have been killed at work. For more than 150 years the names of miners who have been killed in mining have been placed upon a wall there. Not one year is missing. In each of the past 150 years there has been a death in a mine. My aim—and I hope it is the aim not only of this Government, but of any government—is to ensure that for one, two and many more years no names are added to this list at Cessnock of miners who have been killed while working in mines. I hope that all honourable members will support this bill, which will further protect our coalminers.

Mr HICKEY (Cessnock) [8.46.p.m.]: I support the Coal Mine Health and Safety Bill. Coalmines have played a major part in the economy of my community. Throughout the first half of the nineteenth century my community, which has been the powerhouse of New South Wales, has generated a great deal of wealth for this State. As the member for Cessnock I am well aware of the importance of safety for coalminers. This bill will replace the outdated Coal Mine Regulation Act 1982 with new and modern legislation that will better protect the health, safety and welfare of people in the New South Wales coal industry. This legislation will particularly cater for coalmining problems, such as underground fires, explosions or roof collapses.

The bill will put in place special obligations, protections and procedures for employers, employees and contractors. Some of the provisions in the bill will ensure that emergency provisions are developed and maintained at coal operations. The bill is complementary to the Occupational Health and Safety Act, which will remain in force. Over a number of years the Construction, Forestry, Mining and Energy Union [CFMEU] has been a major player in the formulation of this bill. Members of the CFMEU have approached me on a number of occasions to ensure that the bill passes through this House, so I am pleased to be able to speak to the bill, which I commend to the House.

Mr MOSS (Canterbury—Parliamentary Secretary) [8.49 p.m.], in reply: Coalmining is a long-established industry in New South Wales that brings far-reaching benefits to the community. Experience has shown us the many dangers associated with coal operations, and risks to the health, safety and welfare of the State's mineworkers must be controlled. Occupational health and safety legislation that protects those mineworkers must be up to date and reflect advancements in technology and current management practices. The Coal Mine Health and Safety Bill represents a major step forward in the Government's safety reforms aimed at ensuring that the health and safety performance and culture can improve continually within a sustainable, economical and viable industry. I thank all honourable members who contributed to the debate on the bill and I acknowledge their contributions.

Motion agreed to.

Bill read a second time and passed through remaining stages.

SUMMARY OFFENCES AMENDMENT (SPRAY PAINT CANS) BILL

Second Reading

Debate resumed from 15 November.

Mr TINK (Epping) [8.50 p.m.]: The Coalition does not oppose the Summary Offences Amendment (Spray Paint Cans) Bill, the purpose of which is to make it illegal to sell spray paint cans to those aged under 18 years. The honourable member for The Hills has introduced a private member's bill with precisely the same purpose. However, the honourable member's bill also seeks to prevent the shoplifting of spray paint cans by making it an offence to display spray paint cans except in locked display cases or behind a shop counter. The Coalition believes that, by outlawing the sale of spray paint cans, the bill will encourage those aged under 18 years to shoplift them.

Unfortunately, many people set out to commit a fairly serious criminal offence and cause substantial criminal damage—which often costs thousands and thousands of dollars to rectify—by defacing property. Such activities can also cause retailers whose premises are defaced to lose business. It is not a great leap to imagine that those who are prevented from buying spray paint cans will simply shoplift them instead. Therefore, the Coalition believes that the bill moved by the honourable member for The Hills takes the correct approach: it encompasses the provisions in this bill but also ensures the security of spray paint cans on display in retail outlets. To that end, I foreshadow that I will move an amendment in Committee to ensure that spray paint cans are locked in cabinets. We support the second reading of this bill.

Motion agreed to.

Bill read a second time.

In Committee

Clauses 1 to 3 agreed to.

Schedule 1

Mr TINK (Epping) [8.55 p.m.]: I move:

Page 3, schedule 1 [1], proposed section 10C. Insert after line 8:

(2) The occupier of any shop or retail premises from which spray paint cans are sold must not display a spray paint can on the premises in the view of customers except:

(a) in a locked cage or other locked display cabinet, or

(b) within or behind any counter that is attended by the occupier or by any member of the occupiers staff, or

(c) in any other manner prescribed by the regulations.

Maximum penalty: 10 penalty units.

In my contribution to the second reading debate I outlined the reasons for this amendment.

Mr RICHARDSON (The Hills) [8.55 p.m.]: I strongly support the amendment, which is derived directly from a bill I have put before the Parliament. Indeed, I have had this bill, in one form or another, before the Parliament since 1996. It is interesting to note that after my pursuing this matter for eight years the Labor Party has finally come to the realisation that we will not be able to control or reduce the incidence of graffiti in the community unless we do something about controlling access by graffitists to their tools of trade. That realisation has been a long time coming.

When I first introduced my lock-up bill in 1996 the then Minister for Fair Trading, the honourable member for Penrith, was very critical of the idea that young people would not be able to get access to spray cans as a consequence of those cans being under lock and key. That is arrant nonsense, but it is what we have come to expect from this Government over almost eight long years. I remember receiving a number of angry letters from my constituents—not all of whom were Liberal supporters, I might add—who were highly critical of what the then Minister for Fair Trading said about this matter. They recognised that there was a problem in the community that the Government simply wanted to ignore. Government members seemed to think that if they stuck their heads in the sand the problem would go away.

The Government responded to the problem, first, by introducing a voluntary code that essentially mimicked the aims of my lock-up legislation. However, it did not create a level playing field because those who locked up spray paint cans were at a commercial disadvantage compared with those who chose to do the wrong thing and keep them on general display. Second, the Government legislated to allow councils to carry out the clean-up activities that my legislation would have rendered largely unnecessary. That extraordinary exercise in cost shifting was rightly condemned by local government. An extraordinary amount of cost shifting has gone on over the years and, with rate-pegging in place, councils simply do not have access to unlimited resources. Unlike the Carr Government, they were unable to share in the property boom, for example. That struck me as an extraordinary way of trying to tackle the problem, particularly in view of the fact that, for the legislation to be of any value, first the offence had to be committed.

In my community and right across Western Sydney, including your electorate of Liverpool, Mr. Temporary Chairman, graffiti makes people extraordinarily angry. In a sense it may be a victimless crime but it is so unnecessary. I have had people almost in tears to me on the phone because, for example, their new Colorbond fence has been graffitied within 24 hours of erection and virtually destroyed. You can understand that a person who has spent thousands of dollars on a new fence would be upset if some low-life had spray painted and tagged it. My bill was always predicated on the idea that prevention is better than cure. It is better to stop the crime from being committed in the first place than to clean up the mess subsequently.

Statistics from this country, the Netherlands, and the United States of America show that something like 90 per cent of all cans used by graffitists are stolen. Obviously, one does not have to be Einstein to work out that if cans are locked in a cage or put behind an attended counter, as the amendment provides as an alternative for retailers to avoid an unreasonable cost burden on them, the incidence of graffiti will be reduced. That is a simple equation. Earlier this year I reintroduced a bill which I subsequently amended to include the banning of the sale of spray cans to persons under 18 years, as provided for in the Government's bill. I resisted that amendment early in the piece because most cans used by graffitists are stolen. I amended my bill because of my concern, and the concern of the Australian Retailers Association, about the proliferation of $2-shops selling spray cans.

Serious graffitists might carry in a backpack eight to 10 cans of spray paint costing $80 to $100. They would be unlikely to buy those cans, but some would be tempted to spend only $2 on a can. Certainly, a tyro graffitist would be tempted to spend $2, learn how to deface public and private property, and then down the track join a graffiti gang and get really serious about it. This bill, without the amendment moved by the honourable member for Epping, will encourage people, if they are under 18 years and cannot buy the cans, to steal. Otherwise, how would under-18-year-olds acquire the cans? The Government has not explained that to date. The Government has presented one-tenth of the solution and in so doing has provided no solution at all. One could say that preventing the sale of cans to under-18-year-olds is better than nothing, but as it encourages a greater incidence of theft it could be counterproductive.

In my view the Committee has no choice but to accept the amendment moved by the honourable member for Epping. This is a well reasoned and well thought out package, one that was introduced more than a decade ago in New York, where there has been a significant decrease in the incidence of graffiti. Both Houses of the South Australian Parliament passed legislation similar to this last year with the full support of the Australian Labor Party as well as the Liberal Government that introduced the legislation. If it was good enough for the Labor Party in South Australia why is it not good enough for the Labor Party in this State? Graffiti costs the people of New South Wales more than $100 million a year. The people are sick and tired of graffiti.

This Government has passed the buck and shifted the cost. It introduced a nonsensical voluntary code that has not worked—if it had worked the Government would not have had to introduce this legislation. The issue that makes my blood boil, and is an arrant disgrace, is that, because this bill was originally introduced by the Opposition, the Government has opposed it for more than six years. The Government is elected to govern for all the people of New South Wales.

Not one part of the State is not materially affected in one way or another by graffiti. The electorate of every honourable member in this Chamber is affected by the blight of graffiti. I encourage honourable members on both sides of the Chamber to support the amendment of the honourable member for Epping to give this legislation teeth and to make it work; it is the way to make significant inroads into reducing the incidence of graffiti in our community.

Mrs HOPWOOD (Hornsby) [9.06 p.m.]: I support the amendment moved by the honourable member for Epping, which calls for spray cans to be locked up in shops as an addition to the provisions and the objects

of the bill. The objects of the bill are to make it an offence to sell a spray paint can to a person under the age of 18 years, and to authorise police officers to issue penalty notices in respect of that offence. I have a great interest in eliminating graffiti, having worked closely with Hornsby council. I also introduced my own private member's bill last week, the Local Government Further Amendment (Graffiti) Bill, which will give local government more power to remove graffiti from State Government property.

The Government's proposal to ban the sale of spray cans to people under 18 years of age, without securing cans against theft, will simply increase the level of shoplifting. Graffiti, like many petty crimes, is so entrenched in society that only a tough stand by the Government will reduce the impact it has on individuals and the community as a whole. The Government's spray paint can bill, which it introduced into Parliament last week, does not address the real problems associated with the growing problem of graffiti. People intending to use spray cans to commit criminal acts of vandalism will not be deterred from stealing such cans if they are prohibited from buying them.

The Coalition has targeted graffiti as one of its main priorities, and in government, it would implement the following comprehensive plan: establish a vandal squad along the lines of the disbanded graffiti task force; legislate to lock up, as provided for in this amendment, spray paint displays to prevent cans from being shoplifted; remove the requirement that prevents vandals going to gaol, regardless of the amount of damage they have caused, unless they are persistent repeat offenders; establish an intelligence database on major graffiti vandals, including the identification of graffiti tags; regular liaison between the vandal squad, the Roads and Traffic Authority, the State Rail Authority and other crime enforcement agencies; and undercover police patrols of trains and bus stations in the vicinity of schools. I strongly support the locking up of spray cans so they cannot be stolen, so I strongly support the amendment moved by the honourable member for Epping.

Mr KERR (Cronulla) [9.09 p.m.]: I support the amendment because it will further restrict access to spray cans by people who would perpetrate graffiti. The Government must explain why it is dealing with this bill at this late hour of the session and why this action was not taken six years ago. That explanation is sought by the people of the Cronulla electorate. Why have they had to put up with preventable graffiti? If the bill proposed by the honourable member for The Hills had been passed years ago, many people across New South Wales, certainly in the Cronulla electorate, would not have had to put up with the graffiti and the hardship it has caused them. The Government fought tenaciously to prevent that legislation coming forward, despite community support for it. Now, when the Government is about to face voters, it has decided to try to do something about graffiti. That is the only reason for the Government's action. Government members are trying to give our communities some protection against graffiti only because they can see the writing on the wall when it comes to the election. And they talk about supporting small business!

Mr Brown: Exactly. Your proscriptive legislation is an impost on small business.

Mr KERR: The only thing that the Labor Government has done for small business is make big business small business as a result of its outrageous taxes and charges.

[*Interruption*]

Mr TEMPORARY CHAIRMAN (Mr Lynch): Order! If the honourable member for The Entrance ceases interjecting, the honourable member for Cronulla will finish his speech much sooner.

Mr KERR: I say to the honourable member for The Entrance: Yes, there is more small business as a result of the break-up of big business under his Government.

Mr Brown: What's wrong with that?

Mr KERR: "What's wrong with that?" asks the honourable member for Kiama. I will tell him what is wrong with that—in simple terms so that he will understand. Converting a big business that employs a large number of people to a small business that employs a small number of people means that a number of people lose their jobs. That is not a good thing. I am pleased that the honourable member asked me the question. The amendment cannot properly be said to be an attack on any form of business. The reason the Government gave for not bringing on the bill of the honourable member for The Hills related to business. The honourable member for The Hills spoke to the very people involved.

Mr Brown: He has no idea.

Mr McBride: He has never had an idea.

Mr KERR: Quite wrong. The honourable member for The Hills is full of ideas. He spoke to business and found out what was acceptable regarding spray paint. If a legitimate customer comes into a shop, the shopkeeper can sell a spray paint container to that person, who will use it for legitimate purposes. That should be encouraged. The Government's legislation will prevent spray cans winding up in the hands of legitimate people.

Mr McBride: It is about time you started to wind up.

Mr KERR: The Government is being wound up. I hope I finish this speech before that happens. Six or seven years ago the Government should have provided a degree of protection to the people of New South Wales by preventing spray cans getting into the wrong hands. The amendment of the honourable member for Epping will further restrict access to spray cans by criminals.

Mr TEMPORARY CHAIRMAN: Order! The honourable member for Kiama will cease interjecting.

Mr KERR: I am going to go down to Kiama.

Mr Brown: I will give you a map.

Mr KERR: I do not need a map. I have been there before.

Mr Brown: Take a train. This Government electrified the line all the way to Kiama.

Mr KERR: It may have electrified train lines, but it still comes as a shock that you are the member for Kiama.

Mr Brown: The shopkeepers will ask you who will pay for these cabinets.

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

Mr KERR: I could take the honourable member for Kiama to a number of shops and show him display cases. No doubt he would find that a radical concept. The honourable member for The Hills confirms what I say. The amendment will further restrict access to spray cans by people who would commit offences.

Mr MOSS (Canterbury—Parliamentary Secretary) [9.15 p.m.]: The Government opposes the amendment for three simple reasons. First, the amendment would be an unfair impost on retail traders, as my colleagues on this side of the Chamber have confirmed throughout this debate. Second, the Government is introducing a graduated response to graffiti. Third, the Government will work with the Retail Traders Association to ensure the effectiveness of the bill as currently proposed without the amendment.

Mr RICHARDSON (The Hills) [9.15 p.m.]: The Parliamentary Secretary said this amendment would be a further impost on retailers. I reject that statement entirely. Spray cans do not have to be kept in locked cages or locked display cabinets. The amendment provides that they can also be kept within or behind any counter that is attended by the occupier or by any member of the occupier's staff or in any other manner prescribed by the regulations. Other options are being explored by the industry right now. The amendment does not have to cost the retailer extra money. It seeks to reduce stock shrinkage, saving the retailer money, because there is no doubt that a substantial number of these cans are stolen. The amendment will help prevent those thefts. That is why I commend the amendment. I point out also that not all graffitists are aged under 18 years. If we do not reduce access to spray cans, the tools of trade of graffitists aged over 18, we will make little impact on the amount of damage being done in the community.

Question—That the amendment be agreed to—put.

The Committee divided.

Ayes, 32

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

Noes, 46

Ms Allan	Mr Gibson	Ms Nori
Mr Amery	Mr Greene	Mr Orkopoulos
Ms Andrews	Ms Harrison	Mr E. T. Page
Mr Aquilina	Mr Hickey	Mrs Perry
Mr Ashton	Mr Hunter	Mr Price
Mr Barr	Mrs Lo Po'	Dr Refshauge
Mr Bartlett	Mr Markham	Ms Saliba
Ms Beamer	Mr Martin	Mr Scully
Mr Black	Mr McBride	Mr W. D. Smith
Mr Brown	Mr McManus	Mr Stewart
Miss Burton	Ms Meagher	Mr West
Mr Campbell	Ms Megarrity	Mr Whelan
Mr Collier	Mr Mills	
Mr Crittenden	Ms Moore	*Tellers,*
Mr Debus	Mr Moss	Mr Anderson
Mr Face	Mr Newell	Mr Thompson

Question resolved in the negative.

Amendment negatived.

Schedule 1 agreed to.

Bill reported from Committee without amendment and passed through remaining stages.

PUBLIC FINANCE AND AUDIT AMENDMENT (COSTING OF ELECTION PROMISES) BILL

Second Reading

Debate resumed from 13 November.

Mr SOURIS (Upper Hunter—Leader of the National Party) [9.28 p.m.]: The Coalition will not support this bill, which is another ridiculous political stunt by Labor and yet another example of Labor's commitment to covering up, hiding the truth and criticising the once-proud institution of the New South Wales public service, particularly the New South Wales Treasury. The bill wastes the time of this House. The reason the Coalition will not support the bill is that it does not go far enough. The Coalition is committed to a truly independent costing process. But the Government, as it signalled by the introduction of the bill, is not. In his second reading speech the Leader of the House admitted that the costing of election promises by Treasury can lead to conflict between the public service's duty to support the government of the day in implementing its policies and priorities and its responsibility to avoid undertaking work predominantly directed towards achieving electoral advantage for the party in government.

The Coalition does not trust the Government; it does not trust the Government to refrain from exploiting the conflict that the Leader of the House has admitted is inherent in the process proposed by the

Government. The Government has politicised the public service and has placed unprecedented pressure on public servants to provide political outcomes. Why would the costing of election promises be any different? When Labor has politicised the public service on so many other issues, why would it stop at the costing of election promises?

The Treasurer has lost all credibility on this issue. On 11 November the Treasurer held a media conference to release the Treasury's so-called costing of the Coalition's election promises. He claimed that the Opposition's promises would cost $5.2 billion. That estimate stands in marked contrast to the Coalition's work on the Australian Labor Party's election promises thus far. That shows that Labor's promises will cost $11.6 billion. The fallacy was repeated today when the Treasurer issued yet another press release which was purportedly based on Treasury costings and updates the Coalition's election promises. Not only is that plainly ridiculous, it is a fine example of the Government's use of Treasury for political outcomes. Costings that purportedly were prepared by Treasury are grossly inaccurate and inflated. If they truly represent the work of Treasury, they are unworthy.

The Coalition is committed to a feasibility study for a tunnel under Mosman and the Spit Bridge at a cost of $1 million. What did the Treasurer tell Treasury to cost? The whole tunnel! He pulled the same trick regarding the Coalition's commitment to a $1 million feasibility study on a new highway over the Blue Mountains. The cost was $1 million, but the Treasury cost was a wildly inaccurate $800 million. The New South Wales Government also committed to that figure of $1 million and it was matched by the Federal Government. There should not have been any room for error on the part of either the Treasurer or the New South Wales Treasury. The Government has plainly politicised this process and has asked the Treasury to do its political dirty work. The Government has openly exploited an inherent conflict in the role of the public service during the lead-up to an election.

The Coalition proposes to remove that conflict. I have given notice of motion to introduce the Independent Third Party (Costing of Election Promises) Bill. That bill, rather than the Government's bill, which we are now debating, will give the people of New South Wales confidence in the promises that are being made by the Government and the Opposition. An example of where the Opposition's proposal is in practice is Victoria, where the Labor Government engaged an independent costing firm. The Coalition proposes that election promises of both the Government and the Opposition should be costed by an independent expert third party. It is proposed that the independent expert third party be chosen by agreement between the Government and the Opposition. The same independent expert third party would cost the promises of both political parties. How could a process be more independent than that?

If the Government is truly serious about independent costings, it will support the Coalition's bill. I note that the Bracks Government has engaged PricewaterhouseCoopers to cost all of its election promises. In Victoria, if the most appropriate way to cost election promises was by Treasury, why has Premier Bracks chosen an independent expert third party? I also note that before the most recent Victorian State election, Mr Bracks had Access Economics cost his election promises. If it is good enough for Labor in Victoria, how come it is not good enough for Labor in New South Wales? The best excuse that the Leader of the House could come up with in his second reading speech was this:

> It is the New South Wales Treasury that compiles the State's budget and the forward estimates. Only the New South Wales Treasury has the intimate knowledge necessary to accurately cost public sector budget proposals and assess the impact these proposals are likely to have on the State's fiscal position.

What is the Government saying? It is saying that because the Government is so secretive, so non-transparent and so non-accountable, no-one else is capable of figuring out what the State's financial position is. Open government under Labor is a joke. The Auditor-General has said as much in his recent report to Parliament.

[*Interruption*]

The hour is late. If the honourable member for Kogarah wants to interject, she should first read the Auditor-General's report, which was released a couple of days ago. If she does, I can assure her that she will have a lot less to interject about. The Auditor-General has stated in plain terms that $26 billion of expenditure is non-transparent and non-accountable. There are no performance standards, no interstate comparisons, and no benchmarks. It is no wonder Labor claims that is no-one else can cost election promises.

Miss Burton: I can show you where the money is going.

Mr SOURIS: The honourable member for Kogarah should stop whingeing, carrying on and squawking.

Mr ACTING-SPEAKER (Mr Mills): Order! There is too much interjection by the honourable member for Keira and the honourable member for Kogarah.

Mr SOURIS: The documents are grossly inadequate. Under those circumstances, how could the people of New South Wales believe that the promises made by both sides of politics have been costed accurately and fairly? Under the Government's plan, the people of New South Wales cannot be satisfied about that. This bill proposes that the Secretary of Treasury, or some other member of the Treasury staff, must not disclose any such information or document except to a representative of the Government or the Opposition, whichever party requested the costing, or to any person authorised by that representative, or a member of staff of the Treasury. If that is breached, I ask: Who is going to dob them in? Are we honestly to believe that if a staff member of the Treasury were to phone Treasurer Egan and say, "This is what the Opposition is going to promise", the first thing that Treasurer Egan would do is call the police? I do not think so. The bill is simply not workable. It does nothing to protect the independence of the costing process and it will not protect the security of confidential documents.

Miss Burton: What are you talking about? Who wrote this speech?

Mr SOURIS: I hope the honourable member for Kogarah will not go into another spasm. As I have almost completed my speech; she may start her wailing shortly. The Government's plan to have Treasury cost election promises also wastes the time of Treasury, which should be focused on managing the economy and ensuring that Labor's reckless spending does not send the budget plunging into deficit. The focus of Treasury should not be on the election in March.

I received a visit from the Secretary of the Treasury, Mr John Pierce, who, on balance, offered to be as impartial he could and to provide costings for the Coalition and for the Government. He also offered to provide separate groups of staff whose members would not speak to members of the other group, and who would not exchange information that came across the Treasury desks. The main point that I made to Mr Pierce was not so much concern about the ability or inability of Treasury to separate the Government and Opposition costings, but a concern that Treasury was proposing to cost only the election promises that commence on 1 January 2003. The costings process should be for 12 months prior to an election. After all, the Government has been making promises and spending like a wounded bull for most of the year. If the costings do not include promises made by the Government in the nine months leading up to 1 January 2003, they are not worth bothering about.

All honourable members know the process that the Government is adopting. The Government intends to reel off as many promises as possible before 31 December and then shut down the processes of government. After that, the Government will apparently, mysteriously and miraculously, make it seem that no costings are necessary in the lead-up to the next election. As honourable members may be aware, the Australian Bureau of Statistics released the Australian national accounts on 13 November, which showed that New South Wales has sunk to the woeful position of having the lowest economic growth in Australia. National growth as measured by gross domestic product [GDP] was 3.9 per cent last year. This State's GDP grew by a lacklustre and uninspiring 2.4 per cent. New South Wales is dragging the chain, with as little as half of the national average. Compared to some other States, New South Wales is seriously lacking. Victoria's GDP grew to 4.9 per cent compared to the New South Wales figure of 2.4 per cent, and Queensland's GDP was 5.4 per cent compared to New South Wales GDP of 2.4 per cent. Under Labor, New South Wales has gone from being the Premier State to being in a sad state indeed.

In this time of global economic turmoil, a slowing property market, and New South Wales having the slowest growth rate in the nation, Treasury should focus every possible resource on rebuilding the State's economic position. It is better for Treasury to actively supervise the deficit in WorkCover that has ballooned to $2.8 billion, the unfunded liability of superannuation that exceeds $12 billion and the $2.25 billion loss last year in State superannuation. Treasury Corporation and the Treasury-managed fund are experiencing falling earnings. I think there is enough for New South Wales Treasury to do than to be as debauched as this Government intends it to be through this proposed process. The Opposition will not support the bill and will not support the Government's ridiculous election costings agreement. I again ask the Premier and Treasurer to consider signing onto the Opposition's proposal for a full, independent costing of election promises, not a process that is totally dependent on the political mastership of this Government.

Mr MOSS (Canterbury—Parliamentary Secretary) [9.40 p.m.], in reply: In rejecting the election costings agreement the Opposition suggested that New South Wales Treasury was incapable of independently costing election promises made by the Opposition after eight years of serving a Labor Government. That is an

outrageous slur on a department that has displayed a long and proud tradition of professionally serving successive governments of different political persuasions. Treasury prides itself in presenting whichever party is in government with well-researched advice on the fiscal impacts of the many proposals that go to government for consideration. Indeed, it would be a foolhardy government that did not carefully consider advice provided to it by Treasury before entering into significant commitments.

Through the election costing agreement the Government is offering the Opposition the benefit of Treasury costing its proposals, before making commitments which may have far-reaching and potentially significant fiscal consequences for the State. The bill provides a statutory guarantee of confidentiality during the Treasury costing process, thereby removing the possibility of Treasury being influenced to divulge what could be politically sensitive information or politically sensitive documents. An Opposition which forgoes that protection will undoubtedly be seen by the electorate as acting responsibly. At the last election the Opposition willingly entered into agreements with Treasury for it to cost the Opposition's promises.

After the election the Opposition complimented Treasury on its professionalism and impartiality. I am at a loss to understand the reasons for the complete about-face by the Opposition on this bill. Therefore I call on the Opposition to reconsider its position in the light of additional safeguards put in place by an unambiguous protocol for the impartial costing of election promises by Treasury, an unambiguous protocol which, with the passing of this bill, will have legislative backing.

Question—That this bill be now read a second time—put.

The House divided.

Ayes, 49

Ms Allan	Mr Greene	Mr Oakeshott
Mr Amery	Mr Hickey	Mr Orkopoulos
Ms Andrews	Mr Hunter	Mr E. T. Page
Mr Aquilina	Mrs Lo Po'	Mrs Perry
Mr Ashton	Mr Lynch	Mr Price
Mr Barr	Mr Markham	Dr Refshauge
Mr Bartlett	Mr Martin	Ms Saliba
Ms Beamer	Mr McBride	Mr Scully
Mr Black	Mr McGrane	Mr W. D. Smith
Mr Brown	Mr McManus	Mr Stewart
Miss Burton	Ms Meagher	Mr Torbay
Mr Campbell	Ms Megarrity	Mr West
Mr Collier	Mr Mills	Mr Whelan
Mr Crittenden	Ms Moore	
Mr Debus	Mr Moss	*Tellers,*
Mr Face	Mr Newell	Mr Anderson
Mr Gibson	Ms Nori	Mr Thompson

Noes, 29

Mr Armstrong	Mr Kerr	Mr Slack-Smith
Mr Cull	Mr Maguire	Mr Souris
Mr Debnam	Mr Merton	Mr Stoner
Mr George	Mr O'Farrell	Mr Tink
Mr Glachan	Mr D. L. Page	Mr J. H. Turner
Mr Hartcher	Mr Piccoli	Mr R. W. Turner
Ms Hodgkinson	Mr Richardson	Mr Webb
Mrs Hopwood	Mr Rozzoli	*Tellers,*
Mr Humpherson	Ms Seaton	Mr Fraser
Dr Kernohan	Mrs Skinner	Mr R. H. L. Smith

Question resolved in the affirmative.

Motion agreed to.

Bill read a second time and passed through remaining stages.

BILL RETURNED

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

Civil Liability Amendment (Personal Responsibility) Bill

Consideration of amendments deferred.

PRINTING OF PAPERS

Motion, by leave, by Mr Whelan agreed to:

That the following reports be printed:

Attorney General pursuant to section 23 of the Listening Devices Act 1984 for 2001
Resource NSW for the period 8 October 2001 to 30 June 2002
Attorney General's Department for the year ended 30 June 2002
Board of Studies and Office of the Board of Studies for the year ended 30 June 2002
Department of Public Works and Services for the year ended 30 June 2002
Fish River Water Supply for the year ended 30 June 2002
Jenolan Caves Reserve Trust for the year ended 30 June 2002
Judicial Commission of New South Wales for the year ended 30 June 2002
New South Wales Board of Vocational Education and Training for the year ended 30 June 2002
Public Trustee for the year ended 30 June 2002
Royal Botanic Gardens and Domain Trust for the year ended 30 June 2002
Sydney Aquatic and Athletic Centres for the year ended 30 June 2002
Teacher Housing Authority of New South Wales for the year ended 30 June 2002
Victims Compensation Tribunal for the year ended 30 June 2002
Vocational Education and Training Accreditation Board for the year ended 30 June 2002
Zoological Parks Board for the year ended 30 June 2002

PAY-ROLL TAX LEGISLATION AMENDMENT (AVOIDANCE) BILL

Second Reading

Debate resumed from 14 November.

Mr SOURIS (Upper Hunter—Leader of the National Party) [9.57 p.m.]: I state at the outset that the Coalition will not be opposing this bill. However, as the Coalition has some serious concerns about parts of the bill, it will be moving amendments to it in Committee. As with many of the bills introduced by the Government in the past two weeks, the process has been extremely rushed and there has been limited time for consultation. This bill provides for some wide-ranging changes to the way in which payroll tax is collected. The Coalition believes that it would have been more appropriate for the changes suggested in this bill to have been put out for wider consultation rather than being rushed through in the dying days of this Parliament. The objective of this bill is to amend the Pay-roll Tax Act 1971 and the Taxation Administration Act 1996 to make a number of changes to payroll tax as recommended by the review of compliance with workers compensation premiums and payroll tax in New South Wales.

Mr SPEAKER: Order! This is an important bill, and there is far too much audible conversation in the Chamber. The honourable member for North Sydney will cease conversing with the honourable member for Southern Highlands. The Leader of the National Party is presenting the Opposition's point of view and I ask members to pay attention to what he has to say.

Mr SOURIS: The final report of that review states:

> Australia has a long history of reviews and recommendations for improvement in employers' compliance with workers compensation premiums and pay-roll tax. It is a common belief that significant premium and tax revenues are being lost, although it is impossible to quantify the extent of the problem.
>
> The Terms of Reference for this review seek recommendations which will result in a substantial improvement in compliance. The introduction of the Commonwealth Government's New Tax System, combined with increased inter-governmental cooperation, provide levers which can be used to break through these longstanding problems.

The aims of that review are certainly commendable. The Coalition has always believed in increasing consistency in Government's dealing with business. The Coalition also supports measures to minimise tax

avoidance. Outlining the definition of wages for the purposes of workers compensation and payroll tax is a good example of an area in which practical amendments to legislation will provide a consistent approach from Government to a similar issue in two areas. These amendments also seek to reduce the administrative burden on businesses and to increase compliance with relevant legislation, which is also a worthy aim for legislation.

However, the Coalition is not convinced that the approach taken in all parts of this legislation achieves the aims that the Government set out when it established the review of compliance with workers compensation premiums and payroll tax in the first place. The significant changes introduced by this bill affect the following areas. The definition of "wages" is expanded to include any distribution from a trust to a person made in lieu of wages. This will close a loophole relating to the avoidance of payroll tax by paying employees through distributions from trusts. Currently any leave accrued prior to 1 January 1990 is excluded from the definition of "wages" for the purposes of retirement or termination of employment. This legislation removes that exemption. There is evidence that the current exemption has created an administrative burden for employers and has resulted in significant confusion regarding what leave is and is not exempt. The definition of wages currently includes fringe benefits exclusive of goods and services tax [GST]. This legislation amends the definition to include GST. These changes will make the definition of "wages" consistent for the purposes of payroll tax and workers compensation premiums. As the review said:

> This alignment of definitions will simplify compliance and administration, increase the effective use of data for compliance enforcement, and in the longer term, facilitate collection and ultimately assessment of the NSW pay-roll tax and workers compensation premiums by one central agency.

The bill also includes changes to the grouping provisions for payroll tax. As honourable members will be aware, the grouping provisions are included to stop employers claiming more than one tax-free threshold for their business by setting up multiple companies and paying their employees through them. In this bill grouping provisions are modernised and simplified based upon legislation implemented in the Australian Capital Territory. Grouping provisions are transferred to the Taxation Administration Act so that common provisions can be used for both payroll tax and WorkCover premiums. The chief commissioner can now exclude persons from a group if they carry on business independently of the rest of the group.

The bill also extends the definition of "business" for the purposes of grouping provisions to include trusts. The Coalition has significant concerns that trusts that provide housing for employees, which is considered a fringe benefit, will now be liable for payroll tax. I ask the Parliamentary Secretary, the honourable member for Heathcote, to clarify whether this provision will trap accommodation provided on farms for employees. Will the imputed benefit or value of farm accommodation constitute wages under the definition? Will the grouping provisions entrap the imputed value of accommodation as wages and thus include them in the overall grouping of wages on which payroll tax is payable? I hope that is not the Government's intention.

I ask the Parliamentary Secretary to give an undertaking to Parliament that the present practice in relation to farm employee accommodation will not be altered. This matter is of particular concern to rural businesses, especially during this time of drought. Drought is not the principal determinant of our concern, but it pushes this issue to the fore—the last thing our farmers need at the moment is an additional impost on employment in rural areas, where the problem of falling employment is exacerbated by the drought. An additional impost of this sort would further destroy employment in rural areas.

The final, and possibly most significant, change in this bill relates to the liability of principal contractors for the payroll tax of their subcontractors. Under this legislation contractors will have to obtain a certificate of compliance with payroll tax legislation from their subcontractors. A contractor who does not obtain the certificate, or who knows the certificate to be false, will be liable for the payroll tax. I note that the amendments relating to the liability of principal contractors are opposed by business groups. The Opposition has consulted widely with business groups in New South Wales, and all of them are of the same view. The amendments effectively shift responsibility for the collection of payroll tax from the Office of State Revenue to principal contractors. They create an extra administrative burden without providing a more effective system for dealing with payroll tax avoidance. The proposed system will not be workable or effective as the principal contractor has no way of assessing whether the subcontractor's declaration is accurate.

The amendments also negate the arms-length relationship of a subcontractor and a principal contract. I foreshadow that the Coalition intends to move amendments in Committee to remove these provisions from the bill. The Coalition is most concerned that the Government is pursuing a new philosophy regarding tax compliance that was previously deemed not relevant to the Pay-roll Tax Act. There are genuine, arms-length relationships in the building industry. For example, a tiling or plumbing contractor who runs a separate business

with multiple clients has a totally arms-length business relationship with any principal contractor. To expect that subcontractor to assume a principal contractor's payroll tax obligations is to destroy the independent nature of subcontracting and of small business. That is particularly obnoxious to the Liberal and National parties and contrary to our philosophical position. I ask the Government to consider supporting our amendments. We await the outcome of the Committee stage.

Mr McMANUS (Heathcote—Parliamentary Secretary) [10.06 p.m.], in reply: The Leader of the National Party made several queries. The first went to the effects of parts of this bill on rural businesses. I give an undertaking that the Government will address those issues in the other place. The Leader of the National Party also expressed concern about principal contractors' liabilities for subcontractors. In response, I advise him that the special adviser's report recommended that provisions similar to section 127 of the Industrial Relations Act 1996 be introduced to require principal contractors to verify that their contractors comply with payroll tax and workers compensation premium liabilities. These provisions would improve levels of compliance in industries with lower compliance levels, such as the building industry.

The principal contractor would be liable for payment of any amount of payroll tax not paid by the contractor for work done for the principal contractor unless he had a written statement from his contractor indicating that the payroll tax liability had been paid. The statement would be created by the contractor. If a statement given by a contractor is known to be false or a principal contractor does not receive a statement, the principal contractor may withhold any payment due to the contractor until an accurate statement is provided. This provision would also apply in circumstances where the principal contractor becomes aware later that the statement is false. It is proposed to allow the requirements in relation to unpaid remuneration, payroll tax and workers compensation insurance requirements to be combined in a single certificate of compliance, certificate of currency, to minimise the additional administrative burden on employers.

Motion agreed to.

Bill read a second time.

In Committee

Clauses 1 to 4 agreed to.

Schedule 1

Mr SOURIS (Upper Hunter—Leader of the National Party) [10.09 p.m.], by leave: I move Opposition amendments Nos 1 and 2 in globo:

No. 1. Page 8, line 1, to page 10, line 22, schedule 1. Omit all words on those lines.

No. 2. Page 11, schedule 1, lines 19 to 25. Omit all words on those lines.

Mr McMANUS (Heathcote—Parliamentary Secretary) [10.10 p.m.]: The Government opposes these amendments. The measures in the bill are important because they will ensure that contractors and subcontractors, in particular, comply with payroll tax legislation. The measures are consistent with similar provisions proposed for workers compensation legislation, which were recommended by the independent advisors. We will oppose the amendments.

Mr SOURIS (Upper Hunter—Leader of the National Party) [10.10 p.m.]: The argument that a similar view of the Government of another Act somehow validates this bill is really illogical. Under this bill subcontractors would cease to exist, for all intents and purposes, as independent small businesses. Most subcontractors are not only at arm's length but also have multiple principal contractors to whom they have a relationship, and this legislation would produce a totally impracticable result. The legislation destroys the independent nature of small business and merges and brings into the payroll tax net businesses that ought to be left on their own and at arm's length. They have their own payroll tax obligations in respect of their own employees. Essentially both of these amendments are consistent with each other and therefore the arguments in respect of the first amendment apply also to the second amendment.

Question—That the words stand—put.

The Committee divided.

Ayes, 42

Ms Allan	Mr Greene	Mr E. T. Page
Mr Amery	Mr Hickey	Mrs Perry
Ms Andrews	Mr Hunter	Mr Price
Mr Aquilina	Mrs Lo Po'	Dr Refshauge
Mr Ashton	Mr Markham	Ms Saliba
Mr Bartlett	Mr Martin	Mr Scully
Ms Beamer	Mr McBride	Mr W. D. Smith
Mr Black	Mr McManus	Mr Stewart
Mr Brown	Ms Meagher	Mr West
Miss Burton	Ms Megarrity	Mr Whelan
Mr Campbell	Mr Mills	
Mr Collier	Mr Moss	
Mr Crittenden	Mr Newell	*Tellers,*
Mr Face	Ms Nori	Mr Anderson
Mr Gibson	Mr Orkopoulos	Mr Thompson

Noes, 35

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

Question resolved in the affirmative.

Amendments negatived.

Schedule 1 agreed to.

Schedule 2 agreed to.

Bill reported from Committee without amendment and passed through remaining stages.

BUSINESS OF THE HOUSE

Bill: Suspension of Standing and Sessional Orders

Motion by Ms Meagher agreed to:

That standing and sessional orders be suspended to provide for the resumption of the debate on the Public Health Amendment (Juvenile Smoking Bill) (No 2) forthwith as Government business.

PUBLIC HEALTH AMENDMENT (JUVENILE SMOKING) BILL (No 2)

Second Reading

Ms MEAGHER (Cabramatta—Parliamentary Secretary), on behalf of Mr Knowles [10.23 p.m.]: I move:

That this bill be now read a second time.

The Public Health Amendment (Juvenile Smoking) Bill No 2 is a private member's bill presented to the Legislative Council by the Hon. David Oldfield. The Government supports the aim of the bill, which is to amend the Public Health Act 1991 to address the significant public health issue of under-age smoking. This Government has introduced one of the most comprehensive plans in regard to smoking. The New South Wales Tobacco Action Plan, which was launched in May 2001, has been enhanced with extra funding of $1.5 million,

providing $3.3 million per annum to implement a broad range of anti-tobacco initiatives over the next four years.

In addition, this Government understands that a successful tobacco control program must be comprehensive in addressing the issue of tobacco-related harm. As well as efforts to prevent young people from starting to smoke and helping existing smokers to stop, we recognise that we must also protect those who may be suffering harm due to breathing other people's tobacco smoke. In response to this, New South Wales is already credited with some of the most comprehensive anti-smoking measures in the country. The Smoke-free Environment Act has now been in place since September 2000 and has banned smoking in most public places, including restaurants and dining areas of pubs and clubs. This initiative has been overwhelmingly endorsed by the general community, and it has a very high level of compliance in restaurants.

The Government is further committed to increasing community awareness of the risks and consequences of environmental tobacco smoke. The Government has in place a four-year $2.4 million campaign on passive smoking and its effects on children under six. The campaign currently being implemented includes a mass media component, a strategy to work with health professionals to identify children who are exposed to passive smoking in homes and cars, and a grant program to area health services to implement programs at the local level. New South Wales legislation conforms to the national best-practice initiatives.

Under the Public Health Act 1991 there is in place an effective Sales to Minors Program that tests compliance of retailers with the legislation. Those not complying with the Act are warned and then prosecuted if found to re-offend. This has been successful in ensuring a high rate of compliance. The Sales to Minors Program has now been in place in New South Wales for six years and is by far the most advanced and comprehensive program in any jurisdiction. The amendments are to that part of the Act relating to the use of tobacco products and non-tobacco smoking products by persons under the age of 18 years.

There are three elements that make up the changes to the Act. The first is the discretionary power for police to confiscate smoking products. A police officer may seize a tobacco product or non-tobacco smoking product in the possession of a person in a public place if the officer suspects, on reasonable grounds, that the person is under the age of 18 years. The second element is purchasing smoking products for a minor. A person of or over the age of 18 years who purchases on behalf of a person under the age of 18 years a tobacco product or non-tobacco smoking product from premises where such products are sold is guilty of an offence. The maximum penalty for this offence is 20 penalty units, or $2,200.

The third element is confiscation of proof of age cards. In the case of reasonable suspicion that a proof of age card is being used fraudulently, any police officer, environmental health officer, or person who sells tobacco or non-tobacco related smoking products is authorised to confiscate such cards. These amendments to the Public Health Act 1991 are intended to reduce access to, and possession of, smoking and non-smoking tobacco products by persons under 18 years of age.

It is well understood that the size of the adult smoking population is determined by the size of the juvenile smoking population. The majority of people who will ultimately become life-long smokers will commence smoking generally between the ages of 12 and 16. If you have not fallen prey to the addiction of tobacco smoking products by the age of 18, it is unlikely you will become a smoker. I remind the House that tobacco use is the biggest single preventable cause of both cancer and heart disease and is responsible for more than 80 per cent of all drug-related deaths. In New South Wales alone, more than 6,000 Australians die every year from smoking related illness.

NSW Health experiences 54,000 smoking-related hospitalisations per annum, at a cost of more than $152 million in treatment. The overall cost to the New South Wales economy of smoking is estimated to be in excess of $4.3 billion annually, with $1.5 billion of that directly attributed as costs to New South Wales businesses. The cost of smoking has an immense impact both socially and financially on the community. Indeed, a reduction in that impact would free up valuable resources for use in other areas of public health.

The amendments to the Public Health Act 1991 contained in this bill are indicative of the acknowledged need to further address the problem of smoking among young Australians. It should be noted that while the bill provides for action against minors in the form of confiscation of smoking products and proof of age cards used fraudulently, it is only adults who purchase smoking products for children who risk facing prosecution. I commend the bill to the House.

Debate adjourned on motion by Mrs Skinner.

The House adjourned at 10.30 p.m.