LEGISLATIVE ASSEMBLY

Tuesday 17 June 2003

———

Mr Speaker (The Hon. John Joseph Aquilina) took the chair at 2.15 p.m.

Mr Speaker offered the Prayer.

COMMISSION TO ADMINISTER THE OATH OR AFFIRMATION OF ALLEGIANCE

Mr SPEAKER: I produce Commissions received through the office of the Premier issued by Her Excellency the Governor to the Hon. John Joseph Aquilina, Speaker, Mr John Charles Price, Deputy-Speaker, and Mr John Charles Mills, Chairman of Committees, to administer the oath or affirmation of allegiance to Her Majesty the Queen required by law to be taken or made by members of the Legislative Assembly.

ELECTORAL DISTRICT OF LONDONDERRY

Return of Writ: Election of Allan Francis Shearan

Mr SPEAKER: I inform the House of the receipt through the Premier, Minister for the Arts, and Minister for Citizenship of the writ issued on 16 April 2003 for the election of a member to serve in the Legislative Assembly for the electoral district of Londonderry, with a certificate endorsed by the returning officer advising of the election of Allan Francis Shearan to serve as member for the electoral district of Londonderry.

AFFIRMATION OF ALLEGIANCE

Mr Shearan took and subscribed the affirmation of allegiance and signed the roll.

DEATH OF MR JOHN GORDON THORNE JACKETT, A FORMER MEMBER OF THE LEGISLATIVE ASSEMBLY

Mr SPEAKER: I have to inform the House of the death on 11 January 2003 of John Gordon Thorne Jackett, a former member of the Legislative Assembly who represented the electorate of Burwood from 1 May 1965 until 12 September 1978. On behalf of the House, I extend to Mrs Jackett and family the deep sympathy of members of the Legislative Assembly in the loss sustained.

Members and officers of the House stood in their places.

DEATH OF MR WILLIAM MATTHEW RIGBY, A FORMER MEMBER OF THE LEGISLATIVE ASSEMBLY

Mr SPEAKER: I inform the House of the death on 2 June 2003 of William Matthew Rigby, a former member of the Legislative Assembly who represented the electorate of Hurstville from 21 March 1959 until 31 March 1965. On behalf of the House, I extend to his family the deep sympathy of members of the Legislative Assembly in the loss sustained.

Members and officers of the House stood in their places.

DEATH OF MR RONALD ALFRED ST CLAIR BREWER, A FORMER MEMBER OF THE LEGISLATIVE ASSEMBLY

Mr SPEAKER: I inform the House of the death on 16 June 2003 of Ronald Alfred St Clair Brewer, a former member of the Legislative Assembly who represented the electorate of Goulburn from 1 May 1965 until 5 March 1984. On behalf of the House, I extend to his family the deep sympathy of members of the Legislative Assembly in the loss sustained.

Members and officers of the House stood in their places.

ASSENT TO BILLS

Assent to the following bills reported:

City of Sydney Amendment (Electoral Rolls) Bill
Local Government Amendment (National Competition Policy Review) Bill
Crimes Amendment (Sexual Offences) Bill
Victims Legislation Amendment Bill

MINISTRY

Mr CARR: I advise honourable members that during the absence of the Minister Assisting the Minister for Infrastructure and Planning, who is ill, the Minister for Infrastructure and Planning will take questions on her behalf. In the absence of the Minister for Mineral Resources, the Minister for Gaming and Racing will take questions on his behalf.

I also advise the House that the Minister for Fair Trading and Minister Assisting the Minister for Commerce will represent the Special Minister of State, Minister for Commerce, Minister for Industrial Relations, Assistant Treasurer, and Minister for the Central Coast in the Legislative Assembly.

DEFENCE PERSONNEL WELCOME HOME MARCH

Mr SCULLY, by leave: Mr Speaker, I ask that you leave the chair at 11.45 a.m. tomorrow so the House can adjourn to allow honourable members to attend the national welcome home march for Defence personnel and that the House resume at 2.15 p.m. It is appropriate that honourable members who so wish have the opportunity to show their respect to and express their support for returning service personnel.

Mr TINK, by leave: On behalf of the Opposition I wrote to the Leader of the House suggesting that this course of action be taken. I am delighted that he has done so. It is important that all honourable members have the opportunity to support the service personnel who have contributed to Operation Slipper, Australia's contribution to the coalition against terrorism; Operation Bastille, the forward deployment for possible operations in Iraq; and Operation Falconer, Australia's contribution to the coalition to disarm Iraq. The Opposition is pleased that the Leader of the House has accepted the suggestion.

AUDIT OFFICE

Reports

The Clerk announced the receipt, pursuant to the Public Finance and Audit Act 1983, of the following Performance Audit Reports, dated June 2003:

NSW Police—The Police Assistance Line
Roads and Traffic Authority—Delivering Services Online

PETITIONS

White City Site Rezoning Proposal

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

Bushfires and Hazard Reduction

Petition requesting an inquiry into the causes of bush fires and their relationship to the lack of hazard reduction, received from **Ms Hodgkinson**.

Jingellic to Holbrook Road Upgrading

Petition requesting funding for the upgrading of the Jingellic to Holbrook road, received from **Mr Maguire**.

Windsor Road Traffic Arrangements

Petition requesting a right-turn bay on Windsor Road at Acres Road, received from **Mr Richardson**.

Cudgen Creek Seaway

Petitions requesting that the Cudgen Creek seaway at Kingscliff be cleared of silt, received from **Mr Cansdell**, **Mr Fraser** and **Mr R. W. Turner**.

Bus Service 311

Petition praying that the Government urgently improve bus service 311 to make it more frequent and more reliable, received from **Ms Moore**.

Bus Service 200

Petition asking that the Government urgently reinstate the former route of bus service 200, received from **Ms Moore**.

Circus Animals

Petition praying that the House end the unnecessary suffering of wild animals and their use in circuses, received from **Ms Moore**.

QUESTIONS WITHOUT NOTICE

MILLENNIUM TRAINS

Mr BROGDEN: My question without notice is directed to the Premier. Did his Government approve a $114 million budget blow-out in the cost of the Millennium trains four months before the election as part of a settlement to cover up more than 500 defects, and how can the Premier justify it?

Mr CARR: The Leader of the Opposition speaks for the people who gave us the city to airport rail link, which resulted in a budget blow-out of $600 million that would have been available for maintenance of track and trains. And how could I overlook the tilt train? Bruce Baird and his chief of staff, now the Deputy Leader of the Liberal Party, proposed a tilt train on which they spent millions of dollars, yet all those years later we had no tilt train in New South Wales. As the Minister for Transport Services stated in this House last Tuesday, or when the Parliament last sat—

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

Mr Brogden: Point of order: The Premier made two errors. The Minister for Transport Services is not in this House and we did not sit last Tuesday.

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

Mr CARR: They are the architects of the city to airport rail link, which lost $600 million, and of the great tilt train, which cost millions and was never delivered. One example of the tilt train was brought here by ship and run around in New South Wales at a cost, I am told, of $10 million. The draft performance audit of the Auditor-General has found that the total project cost for all three stages of the project have increased by $98.4 million to $658 million. Despite this, the Auditor-General said, evidence supports a view the millennium train represents value for money if judged within the existing operational environment. The Auditor-General said that the train compared favourably to recent train purchases in Queensland, Victoria and Western Australia.

Mr SPEAKER: Order! I have called the Leader of the Opposition to order on several occasions and he has defied me on each of those occasions. He has asked the Premier a question and should have the courtesy to listen to the reply.

Mr CARR: The Auditor-General said that on a per passenger cost basis the millennium trains purchase of $12,200 is lower than the recent purchases of trains in those other jurisdictions. He said in his report that State Rail has made significant improvements in its purchase and handling methods since the purchase of the Tangara. That material is available in the report released today. But the last time the Coalition had something to handle in rail, they gave us $300,000 worth of promotional material for a tilt train that included medallions, model trains, coffee cups, ties, tie rings, rulers, T-shirts and other materials. The Deputy Leader of the Liberal Party was in his element when he served sausages, hamburgers, hot dogs and the detested and much maligned sausage rolls at 40 stops on a promotional train tour around the State. There was also a brass band to promote the tilt train.

The great tilt train tour took in towns including Albury, Taree, Lismore, Casino, Moree, Cootamundra and Wagga Wagga. No-one missed out on the chance under Bruce Baird and the now Deputy Leader of the Liberal Party to celebrate the tilt train. The fact is that the tilt train was never introduced into New South Wales. I presume it went back to Stockholm. We never saw the single tilt train again. Then, in 1993—and the signature of Barry O'Farrell is on the supporting document—they introduced a second promotional program for CountryLink's Xplorer train. They produced medallions, model trains, coffee mugs, ties, key rings, rulers and T-shirts. The cost of this program, in 2003 dollars, was $300,000. The estimated cost of these two promotional programs by Coalition governments, in today's dollars, is $600,000. The only thing you can say about that is that it is less than the $600 million that they wasted on the city to airport rail link that few want to travel on.

Mr BROGDEN: I ask a supplementary question. What independent expert advice did the Premier obtain to ensure that the waiving of these defects did not represent a threat to public safety?

Mr CARR: There has been no suggestion of a threat to public safety on any of the issues related to the Millennium train.

BABY BATHING CRADLE SAFETY

Mr MORRIS: My question without notice is to the Minister for Fair Trading. What is the Government's response to the Newcastle Coroner's findings on Friday into the death of infant Brandon Muddle?

Ms MEAGHER: Honourable members may be aware of the tragic death of baby Brandon Muddle on 7 February 2002. Baby Brandon, only eight weeks old, was left unattended whilst in a baby bathing frame, a product that was supposedly designed to support an infant in the bath. They sell for around $20 each. Brandon's father, Russell, had rushed to another room to obtain a towel and some clothing. The Newcastle Coroner's Court heard that he was only gone from the room for some ninety seconds. It appears that was just enough time for Brandon to slide down the bathing frame and into the bath water. Despite efforts to revive him, baby Brandon died in hospital ten days later.

First, I want to extend my sincere condolences, and I speak for every member of the House in extending condolences to the family on this tragedy. Brandon's death was the subject of a coronial inquest conducted by the Newcastle Coroner, Alan Railton, who handed down his report on Friday. He recommended the State Government look at the general issue of baby bathing frames. I have formally referred the question of the safety of baby bathing frames to the Products Safety Committee under section 28 of the Fair Trading Act. The Products Safety Committee, a specialist body comprised of safety experts and industry stakeholders, is able to make recommendations to me on product safety.

The New South Wales Office of Fair Trading also has had discussions with the Infants and Nursery Products Association of Australia, which will provide advice to the Products Safety Committee. I can advise honourable members that the bath support product implicated in the death of Brandon Muddle is the Paddleduck bathing cradle. This and similar products are required in New South Wales to carry a warning that the infant should not be left unattended. However, the product in question does not comply with this requirement. The importer has notified the Office of Fair Trading that it supplies the product to Kmart, Target and Big W. Each of these major retailers has removed the product from sale. The importer, C. Stuart Pty Ltd of Victoria, after being contacted by product safety officers from the Office of Fair Trading, has agreed to conduct a voluntary national recall of the product. I urge customers to make contact with the place of purchase to discuss the return of the product and a refund.

In addition to my referral to the Products Safety Committee, I have instructed the Office of Fair Trading to prepare additional consumer information to be supplied to purchasers of bathing cradles at the point

of sale. This will advise consumers of the importance of properly supervising children at all times while they are using a bathing cradle. Baby cradles are intended to aid parents in bathing their infants. They should not be regarded as a safety device, and certainly not as a substitute for constant supervision. I await the final recommendations of the Products Safety Committee, but in the meantime I welcome the decision to recall the product in question.

NATIONAL WATER PLAN PROPOSAL

Mr MARTIN: My question without notice is to the Minister for Natural Resources. What is the Government's response to community concerns about a proposed national water plan announced by the Deputy Prime Minister?

Mr KNOWLES: Honourable members may have noticed over the past couple of weeks—without any pun intended—some fluidity in the Commonwealth Government's position on water policy. In no particular order, Peter Costello had threatened the States with competition policy payment removals unless they sped up the process of water reform. About a week ago the Prime Minister was publicly raising the issue of property rights and compensation. Now we have seen a conflict between Deputy Prime Minister John Anderson and Senator Bill Heffernan regarding what should constitute a reasonable regime for water trading rights—with Senator Heffernan, on one hand, arguing for a constrained, almost catchment-based model, which saw resolutions passed at the national Liberal conference the weekend before last, and on the other hand the Deputy Prime Minister advocating, if you like, a more economically rational model of a free market.

Perhaps most importantly, but certainly most substantially, the Deputy Prime Minister said in a speech to the National Farmers Federation on 4 June that the Commonwealth would be presenting a major package on water reform to the Council of Australian Governments [COAG] at the end of August. What the Commonwealth puts on the table at COAG at the end of August will be fundamental to how water management in Australia progresses. Issues of tenure and trading rights are complex. I do not think anyone who studies this area of public policy could disagree with that. As the Deputy Prime Minister and I both agree, it will require a high degree of collaboration between the States and the Commonwealth.

With the desire to work with the Commonwealth clearly in my mind, last Tuesday I asked the head of the New South Wales Cabinet Office and the head of the Department of Infrastructure, Planning and Natural Resources to meet with their Commonwealth counterparts to seek the view of the Commonwealth on the State's water management framework. Arising from that meeting, the Commonwealth advised that it would like to work with New South Wales to capture the full potential economic and environmental benefits of our water reform program. Of particular interest to the Commonwealth was the need to achieve greater compatibility across jurisdictions in the Murray-Darling Basin, together with the need to address issues around security and tenure. I have already flagged these issues in this place on at least two occasions, and they remain of concern to me.

The Commonwealth also advised that the work being undertaken for the COAG meeting in August is focusing on both short-term actions that fit within the water reform framework as well as establishing longer-term objectives for water reform right across Australia. In that context, the Commonwealth, through the Department of Prime Minister and Cabinet, has agreed that it would be worth delaying the commencement of the New South Wales water sharing plans to allow the Commonwealth's proposal to be unveiled at COAG. I agree with that position. As a consequence, I have agreed to defer the commencement of our water sharing plans until 1 January 2004, to give us all time to find out what is in the Commonwealth package and just how it will apply to New South Wales and the rest of Australia.

During the six-month period, the provisions of the Water Act 1912 will continue to operate and water users' entitlements will be unaffected. This includes the continuation of existing licences, embargoes, water allocation announcements, off-allocation arrangements and trading rules. I am pretty confident, given my journeys around the State over the past couple of weeks, that this decision will be well received. It is vital to know—and everyone out there, particularly in rural New South Wales, is very keen to find out—what the Commonwealth's position really is, and what lies under the generalised announcements of the Deputy Prime Minister when he says he has a major reform package to deliver to COAG.

It is important to know that detail before New South Wales gets locked in. Therefore the COAG process will be a good opportunity for the Prime Minister and the Deputy Prime Minister to put their cards on the table. More importantly, it will be a terrific opportunity to build on the present good relationship that John

Anderson and I have and to develop sensible plans in the national interest. As I have said before in this Chamber and in other places, my job is to get the balance right and to reconcile the frequently competing environmental, economic and social impacts that underpin our communities.

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

Mr KNOWLES: In deferring, I want to make it clear that this is not an open invitation for everyone to renegotiate the essential content of the water sharing plans. However, as I have said in this Chamber, I have shown a preparedness to consider the specific issues in, and the concerns about, some of the plans, and I have instructed my department to try to work through them. Much good work has already been done, including formulating important environmental plans. The honourable member for Lachlan understands the value of working together in the national interest and he knows the value of working with real leaders of the National Party like John Anderson. He just told George Souris to shush, to be quiet, because he thought that what I was saying might be good. The National Party members in this place do not care. Is it any wonder they are now representing the rump end of rural New South Wales?

The Commonwealth continually criticises the compensation provided by New South Wales. I make it very clear that, if the Prime Minister and the Deputy Prime Minister want to talk about compensation, they now have the opportunity, and indeed the obligation, to put their cards on the COAG table. As my colleague the former Minister said in an aside a little while ago, the Commonwealth has promised this before. The Deputy Prime Minister spoke about this matter in the keynote speech to the National Farmers Federation a little over a week ago, as did Senator Heffernan and the Treasurer, Peter Costello, at the Liberal Party national conference the weekend before last. If they want to talk about property tenure and compensation, and if they have a national plan, I suggest they put forward the detail to COAG and we will join with them in the national interest to work on a plan to resolve some of these issues. In simple terms, the questions for the Prime Minister and the Deputy Prime Minister are the form of compensation and how much money they are willing to put on the table. That is the challenge, and we will all be very interested to see what they do at COAG.

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

Mr KNOWLES: I very clearly flag my genuine desire to work towards what must be a national solution to our water problems in the driest continent on this planet. It is only logical that all jurisdictions must work together, whether on the Murray-Darling or on any of the other river catchments right around this nation. I thank the Deputy Prime Minister, and I place on record my willingness to work with a person who says he wants to be "in the game". But the place for the Commonwealth to put its cards on the table and show us the colour of its money is at COAG at the end of August.

SINGLE-OFFICER POLICE STATIONS

Mr STONER: My question is to the Minister for Police. Given the recent death threats and bashings suffered by lone police officers at small country police stations, including Coolah, Cumnock and Boggabri, how many more police will be bashed and threatened before the Minister for Police delivers his promised review of single-officer police stations?

Mr WATKINS: I thank the honourable member for his question and particularly for his reference to Cumnock police station, which is just south of Dubbo. I was in the region last week and I believe that Cumnock is the most recent example of an incident occurring at a one-person police station. That is of great concern to me and to the commissioner, and to the local member. On 12 May Constable Pearson was assaulted while off duty at the police residence attached to Cumnock station. Then, on 3 June she was found unconscious at the rear of the station with a head wound.

Both matters are being investigated by police but the cause of the incidents remains unknown. I am sure all members of the House will wish Constable Pearson a speedy recovery. Cumnock is currently being policed by Molong sector staff, Orange general duties police, and the Canobolas highway patrol. The position there has been advertised and will be filled by a suitable officer as soon as possible. I am advised by Superintendent McKechnie of the Canobolas local area command that a single-unit station meets the normal policing needs of Cumnock and that there are no plans to change that.

There are 148 single-officer police stations spread throughout New South Wales, generally in low-risk rural communities. Many electorates have such a station. The Police Force and the Police Association have agreed that single-unit policing may be introduced where occupational health and safety conditions permit. However, only properly trained and equipped officers may perform single-unit duties. For instance, probationary constables cannot be deployed to single units. The Police Force has introduced a single-unit policy to support single officers in performing their duties. I made it clear when I was Dubbo last week that if the police advise me that there needs to be changes to operational policing because of the risk at single-unit stations, I will listen to those requests and make changes. I have said that. I have put that on the record. I am now waiting for the police to put forward any recommendations.

Mr Stoner: Point of order: The point of order is in regard to relevance. The question was about a review promised by the previous police Minister in December last year.

EDUCATION SYSTEM REVIEW

Mr GAUDRY: My question without notice is to the Minister for Education and Training. What is the latest information on efforts to improve the support of the Department of Education and Training for teachers and related matters?

Mr Humpherson: Point of order: Questions to Ministers are supposed to be concise and seek specific action as well as information. My point of order relates to the actual question. The use of the phrase "and related matters" invites the Minister to go into matters well beyond the question, and it then becomes a ministerial statement.

Mr SPEAKER: Order! That terminology has been used in this Chamber since long before the member graced it.

Mr Humpherson: I have not finished the point of order yet.

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

Mr Humpherson: Are you going to let me finish the point of order?

Mr SPEAKER: Order! There is no point of order. The member will resume his seat.

Mr Humpherson: What was the reason?

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

[*Interruption*]

Mr SPEAKER: Order! I call the honourable member for Davidson to order for the third time. His disgraceful behaviour does not befit a member of this Chamber. If he behaves in the same way in the future, his stay in the House during question time will be very short.

Mr O'Farrell: Point of order: What is disgraceful about asking for a reason from you on a ruling from the Chair? What is disgraceful about that?

Mr SPEAKER: I gave my reason.

Mr O'Farrell: You did not give a reason.

Mr SPEAKER: I gave my reason.

Mr O'Farrell: He asked for a reason. What is disgraceful about that?

Mr SPEAKER: Order! I call the honourable member for Gosford to order. I gave my reason to the honourable member for Davidson and asked him to resume his seat. He defied my ruling and I called him to order for the second time. He continued to defy my ruling and I called him to order for the third time.

Mr O'Farrell: With respect, *Hansard* will show that you gave no reason.

Mr Knowles: For the edification of the Opposition, it is clearly a matter for the Speaker as to whether a reason is given for a ruling on a point of order. Opposition members know that.

Dr REFSHAUGE: It seems that rumours that the Deputy Leader of the Opposition is going Federal to replace Bronwyn Bishop may be true, as all of these leadership aspirants come alive and display themselves around the Chamber. He is blushing! The Government took to the last election more than $670 million in carefully costed, carefully planned commitments for education and training. But, unlike the policies of the Opposition, which relied on tearing $700 million out of front-line child protection, we made a promise to which we are fully committed and which we are able to deliver fully funded.

We will honour every one of the election commitments: commitments that will provide all of our schools with more teachers—1,500 new positions to reduce class sizes and 30,000 casual teachers. Our promises will result in improved classrooms—more airconditioning and increased security fencing—and provide better support for our front-line teachers by providing training for professional development and establishing an institute of teachers. These promises will ensure that our education system provides a multitude of opportunities for students, workers and families to continue to study and train throughout their lives.

In our globalised world the old notion of having the same career for life no longer applies. Today people will change careers regularly. New South Wales needs an education system that can provide families with lifelong learning opportunities. Today I announce proposed changes that will refocus and reshape the Department of Education and Training to get teachers back into the classrooms, to provide greater support to teachers at the coalface, and to bring schools and TAFEs closer together.

Mr Hartcher: Point of order: I draw your attention to a ruling by Speaker Kelly, a well-recognised Speaker—you were in the Chamber when he was here—who ruled that statements of public importance that announce and touch on some policy or a proposed action by the Government constitute a ministerial statement. The Deputy Premier is announcing policy the Government proposes to adopt. In accordance with Speaker Kelly's ruling, I ask you to uphold the dignity of the House and rule that this is a ministerial statement.

Mr SPEAKER: Order! Many prominent Speakers, including Speaker Rozzoli, have ruled that the Chair is not at liberty to tell a Minister how he should answer a question. The Minister has the call.

Dr REFSHAUGE: The proposal will go out for consultation with staff and key stakeholder groups over the next five weeks. The shake-up proposes a reduction in the bureaucracy, such as its head office and corporate services, by about 1,000 and would return up to 300 teachers to the State's classrooms. This is about getting people out of the bureaucracy and teachers back into the classroom. Our front-line teachers need and deserve better support from the department. These changes will ensure that the focus is back on helping teachers in our schools and TAFEs. The shake-up includes a proposal to set up eight new regions across the State, which will reduce the bureaucracy and provide greater access to learning by reducing duplication.

Key features of the draft proposal would result in up to 300 teachers returning to the classroom. Of this total, 150 are now in district consultant positions and the other half are in various positions throughout the department. Other key features include the appointment of 64 new chief educational officers to support teachers and schools, which will bring to 104 the total number of chief educational officers in our regions; a reduction in the corporate bureaucracy by 600 positions through the merger of TAFE and Schools Corporate Services; the reduction of more than 130 head office policy positions; the reduction of up to 100 positions in co-ordination support, communications and marketing; the establishment of eight new educational regions across the State, incorporating 10 of the 11 existing TAFE institutes; the establishment of a TAFE Commissioner to strengthen the advocacy of the world-class New South Wales TAFE network; and the establishment of a new online teaching and learning system that will allow all teachers to access state-of-the-art teaching advice and methodology via the Internet.

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

Dr REFSHAUGE: We will streamline the Board of Vocational Education and Training, the Vocational Education and Training Accreditation Board, and the Board of Adult and Community Education. It is important to note that the outstanding New South Wales school sport and performing arts programs will be retained; they will not change under this plan. I want the department to listen to the needs of school communities and to focus on its core responsibility of delivering the highest possible standard of public education.

Mr SPEAKER: Order! The Leader of the Opposition will come to order.

Dr REFSHAUGE: Under this proposal, eight new regions, broadly aligned with other key State Government service agencies, would be set up to support teachers as they deliver and develop locally based education programs. The new regions, unlike previous regional structures, would not be caught up with the administrative functions of the past but would focus their resources on supporting and delivering education. They will be freed up from paperwork and payroll administration so that they will have more time to focus on helping schools. The regions include northern New South Wales based at Tamworth, western New South Wales based at Orange, Hunter based at Newcastle, Illawarra and southern New South Wales based at Wollongong, Sydney based at Ultimo, south western Sydney based at Miller, western Sydney based at Penrith, and northern Sydney and the Central Coast based at Gore Hill.

The campuses of the Southern Sydney Institute of TAFE would be incorporated into Sydney or South Western Sydney institutes. In addition, educational support centres or new regional offices would be established in all current 40 school districts. These centres would be staffed with a range of consultants and senior chief educational officers who would provide a higher level of support for nearby schools. All schools would have access to more senior expertise to ensure that their programs and courses are of the highest standard possible, and that the needs of the community are better met. Our new state-of-the-art online teaching and learning system would also allow teachers in schools and TAFEs to share their curriculum online and exchange valuable information on how to improve education.

TAFE institutes and schools would continue to deliver their services in precisely the same way that has made them so successful, but they would benefit from a greater sharing of expertise and resources. It is also proposed that the course delivery arm of the department's distance education network—the Open Training and Education Network—become a faculty of the TAFE Western Sydney Institute. Our TAFE institutes and schools already deliver world-recognised standards of education, but I want them to get more support so their standards will be even higher. This plan will go out for consultation with staff and key stakeholder groups over the next five weeks. I encourage those groups to have their say on the future of our education system.

DUBBO YOUTH CRIME

Mr McGRANE: My question without notice is to the Premier. What is the Government's response to community concerns about youth crime in Dubbo?

Mr CARR: There are serious problems with street crime involving young people in Dubbo. I understand that recent reports include suggestions that children as young as eight are engaging in public disorder, malicious damage and minor property crime. I note that a petition has recently been circulated conveying local concerns about the matter. I share the concerns of the signatories and the local member, and I want to focus on practical solutions to the deep-seated problems.

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

Mr CARR: I do not support the call made in the petition for the removal of young children from their families, and I welcome the comments by the Leader of the National Party as reported in today's *Daily Liberal*. He said, "We won't be institutionalising 8 or 9 year olds … we want to work with families, where possible, so that children can remain at home." We are dealing here with tough social problems that include truancy, family breakdown, and drug and alcohol abuse. I urge the Dubbo community to be wary of any politician or social commentator who claims a monopoly on wisdom in this area and suggests there are simple solutions to these problems. We all want to make Dubbo a stronger, safer place.

I am pleased to welcome the recent donation by Nestlé of $200,000 to the Dubbo Police and Community Youth Club [PCYC] for the development of employment programs for Dubbo youth. I congratulate the company on this initiative. The first stage of the State Government's response will include more high-visibility policing and Operation Vikings blitzes on antisocial behaviour. It will target drug hot spots, drug houses and public consumption of alcohol. This is in addition to the 28 new probationary constables appointed to the Orana Local Area Command over the past 18 months—a significant boost. The Government's response gives Orana a record strength of 141 officers, which is well above the region's allocated strength of 128 officers.

The Government will not neglect the causes of crime. I am pleased to advise that we will invest almost $800,000 over the next year to provide six separate services for children and their families in Dubbo. This will

include $400,000 for services run by UnitingCare Burnside to provide accommodation, counselling and support for homeless young people; $194,000 for two services run by the Dubbo City Community Services and Information Centre to counsel families and young people; $76,000 for a family support service at the Grace Cottage, along with almost $50,000 for Families First initiatives in Dubbo and Narromine; and $34,000 for UnitingCare Burnside to run the east Dubbo supported playgroups to bring parents together and give them information about child development and parenting.

Truancy is not just a major source of crime. Truants are likely to commit more serious offences over time. A young truant is three times more likely to commit an assault, five times more likely to commit malicious damage, and nine times more likely to engage in property crime. Part of the answer is to step in where families are in difficulty. That is why a key part of our plan is new and expanded programs to improve school attendance by young offenders. This includes $27,500 for long-term suspension programs aimed at reconnecting youth with schools. We will also expand after-school activities and youth outreach programs through the Dubbo PCYC, and establish after-school youth outreach programs in local schools. We are also working to provide additional funds to continue the long suspension centre at the Gordon centre. Negotiations have also commenced with the Federal Government to extend the centre's opening hours to 11.00 p.m.

Another key element is early intervention. I am pleased to announce that we will spend some $835,000 on a preschool in Dubbo West Public School, targeting Aboriginal children with early intervention programs, along with continued support for running a supported playgroups project in east Dubbo. This July, under the Families First Program, we will conduct a "gathering" of Aboriginal parents and other carers for children aged up to eight years. We will also work to divert young people away from street crime and into supervised recreational pursuits. That is why we are spending $88,000 over two years on community patrols, which help pick up children from the streets and take them to either supervised activities or their homes.

We will also provide additional youth workers to divert young people off the streets and into supervised recreational activities, to especially target young people in the city area and the Orana Mall. We will establish sport and recreation traineeships run through the PCYC, to assist disadvantaged children to get involved in sporting activities and encourage gifted children to act as role models. We are also negotiating for the establishment of an Aboriginal men's group in west Dubbo, to include a community street patrol and employment partnerships.

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

Mr CARR: Our support for individuals and families will be joined by new support for public housing communities. This year we are providing $170,000 for community renewal programs in Department of Housing estates in Dubbo, including an arson minimisation project, the appointment of a community development officer, and the demolition of severely vandalised properties. To cut crime, we are also spending $400,000 on intensive tenancy management of local housing estates, a project which has been found to significantly cut crime in Sydney housing estates by up to a third. We will closely monitor the situation over the coming months. No-one pretends to have all the answers to these deep-seated social problems, but the aim is to try every available, potential solution. The Premier's Department will continue to work with various government agencies to achieve a common approach. The agencies will report back on how the plan is going and what we can do in the future to make our community stronger. I look forward to continuing to work with the honourable member for Dubbo in finetuning these initiatives. I echo the sentiments of Dubbo police chief Ian Lovell as recorded in the *Daily Liberal* on 12 June 2003. He said:

> These are young people who probably haven't had the start in life that I got and they deserve better than they're getting at the moment.
>
> They deserve to feel safe, they deserve to be well fed, they deserve to have a parent or two …

[*Interruption*]

Here speaks an Opposition leader who, as the keystone of his policies during the last election campaign, wanted to do away with hundreds of child protection places. If the Coalition had won, there would be no child protection in Dubbo or anywhere else.

Mr Hazzard: Point of order: The Premier is lying his head off. In fact, as at today, fewer than half the 130 extra places the Premier promised have been filled. The Premier has lied his head off, and he has also lied about the Department of Community Services. Nothing is better, Bob. Fix it!

KANGAROO MEAT EXPORT MARKETS

Mr BLACK: My question without notice is to the Minister for Regional Development. What is the latest information on New South Wales kangaroo meat entering new overseas markets?

Mr CAMPBELL: I thank the honourable member for Murray-Darling for his question and acknowledge his keen interest in the welfare of regional communities. I also acknowledge his colourful comments on the issue from time to time. Last week I visited the State's far west, including Broken Hill and Cobar. Members of this House will be interested to know that, despite the impact of the drought, businesses in the region are continuing to grow and expand, creating new jobs and export markets. Their recent success benefits the local community and our State's economy.

Redgum Commodities is a kangaroo meat processor based in Broken Hill. It is a company that the New South Wales Government has supported through Transition 2010 funding. The company originally produced pet food but is now value adding local kangaroo meat and is marketing its low-fat meat for human consumption. As a result, the company is forging ahead with plans to expand its operations to the world's gourmet markets. The company has spent nearly $2 million on upgrading its Broken Hill processing plant to meet strict Australian and international standards. Its commitment to excellence means that the company has passed accreditation for its kangaroo meat to be eaten in Europe, Asia and South Africa.

Members of the House will be interested to know that just last week Redgum passed inspection enabling it to export kangaroo meat to Russia. It is full steam ahead now for this Broken Hill company. Its move into export markets has created 17 jobs, and there are plans to increase its work force to 25. That is good news for workers' families in Broken Hill and surrounding areas. In addition, the company's expansion means that it supports approximately 30 local shooters who also earn income as a result of the operations of this business. Redgum Commodities is now busy shipping its product to the world. Recently two shipments of quality product were exported to Hong Kong. A consignment of nearly 40 tonnes of kangaroo meat from the Broken Hill area is now heading to the tables of Asian consumers. Another shipment of nearly 20 tonnes is scheduled to be sent to South Africa. Following last week's accreditation, it is expected that 120 tonnes of product will be sent to Russian markets within a matter of weeks.

Redgum Commodities is currently processing approximately 1,000 kangaroos a week, and this figure could more than double. The New South Wales Government continues to support the harvesting of kangaroo meat for human consumption. Australia currently exports kangaroo meat to 50 countries. This product injects up to $200 million a year into the national economy. It also creates jobs for approximately 2,000 people in rural and remote parts of New South Wales. The Murray-Darling region is home to almost all commercial kangaroo harvesting operations in New South Wales. Redgum Commodities is ideally placed to take advantage of this target export market. This industry also highlights the potential of Broken Hill as a community in which business success works hand in hand with New South Wales Government support. The emergence of a successful new business such as Redgum Commodities in the Broken Hill area is good news. It is another important transition for the Broken Hill community as it moves beyond traditional mining industries.

CITYRAIL PASSENGER TRANSPORT CAPACITY

Mr DEBNAM: My question is directed to the Premier. Why has he covered up the fact that trains on the CityRail network are crowded beyond the CityRail benchmark of 135 per cent of seating capacity, as revealed in the draft Auditor-General's report?

Mr CARR: I have not.

POLICE COLLEGE TRAINING REVIEW

Mr CORRIGAN: My question without notice is directed to the Minister for Police. What is the latest information on improvements to initial police training at the New South Wales Police College?

Mr WATKINS: I am glad to have been asked this question today because it gives me a chance to provide the House with an update about the changes that have been made, and will continue to be made, to initial police training at the New South Wales Police College. Let me assure the House that both Commissioner Moroney and I are committed to ensuring that NSW Police has training that is up there with the world's best, and that we have made great advances in that regard. But let me deal with this morning's story up front. I seek

leave to table the report entitled "Review of the Diploma of Policing Practice 2002—Final Report" by the NSW Police College and Charles Sturt University, dated 18 December 2002.

Leave granted.

Report tabled.

First, I will outline the response from NSW Police. Earlier today, the Commander of Education Services issued a statement that reads in part:

> Staff from across the entire force were asked to provide critical analysis and feedback on the training of Probationary Constables to identify areas where we can improve.

Mr Dobson said that he would continue to encourage constructive criticism from his instructors and other police officers. He went on to state:

> We will vigorously critique our methods to ensure our standards remain world class.

The statement ends there, and that is exactly what I would expect from this commander—a person who is in charge of education services. That is what we want him to do. Let me be clear: The report is part of an ongoing, internal Police Force process to make sure that police training continues to improve. In recent years, police training has improved—let us not forget that. It has been improving to the extent that Commissioner Moroney stated today:

> ... the directions we are taking on many levels of training are setting the benchmark for national education standards.

However, I must say I found it surprising that this morning the new shadow Minister for Police was unaware that the Government had already put in place a further means of improving the initial training of recruits. As other members may be aware, former police Minister Anderson was commissioned by the former Minister for Police, Michael Costa, to undertake a ministerial inquiry under section 217 of the Police Act. That inquiry followed concerns that had been expressed—concerns of the nature reported today in the newspaper—about the quality of initial police training. That process has already delivered improvements. The final report is due to be presented to me by the end of this month.

The first stage of Mr Anderson's review was completed in February last year. At that time, former police Minister Costa announced a raft of changes to the Diploma of Policing Practice [DPP] which included changing the length of the course to 31 weeks, fitness testing after the first 13-week session rather than later in the course, training in officer safety and 80 hours of work in police stations prior to attestation, weighting of the practical policing studies part in the course, and the introduction of three 14-week sessions of distance education after attestation but before graduation. The first recruits to benefit from the changes commenced their training in May last year as part of DPP 14. That class was attested—that is, sworn in—in December last year. That means that the review under discussion today in the media was primarily about the shortcomings of the course undertaken by recruits who were trained before the May 2002 changes came into effect—that is, recruits who were trained under the old course—and that happened because of the timing of the review.

The review was completed on 18 December. Probationary constables from DPP 14 were sworn in as police officers on 20 December, two days after the review was completed. They began their work in local area commands on 23 December. In short, the timing makes it clear that the practical policing skills of DPP 14 were not assessed before the review was completed. Let us face it: It is the street readiness of probationary constables that we are concerned about.

Mr SPEAKER: Order! There is too much audible conversation in the Chamber.

Mr WATKINS: The comments of local area commanders that were reported in the internal review were made about recruits who were sworn in the under the old course. Things have changed since then. From my own experience as I have travelled around the State and spoken to local area commanders, there is high praise for the quality of recruits that local area commanders are receiving under the new course. In this sense the review confirms what the force, the former Minister and Mr Peter Anderson knew in February last year—that initial police training needed to include more practical training to better prepare probationary constables for life on the streets. Let me repeat a direct quote from former police Minister Costa's press release of February 2002:

> Frontline police have told me the course was too academic... The new course will produce more police with practical life skills. All officers will have the operational know-how they need.

Through the Anderson inquiry, the Government is making those changes happen. The first changes were made in May last year; that was the first stage of Mr Anderson's inquiry. The report from the second stage of the inquiry is due to come to me at the end of this month, and I fully expect there to be further changes arising from that report. Over the past few weeks the working party that makes up the inquiry, which includes the Police Association, the Ministry for Police, representatives from the police college and the Executive Director of Human Resources from the Police Force, has been busy putting the finishing touches to the inquiry's next report. Unsurprisingly, in finalising the report, I have asked Mr Anderson to consider the internal review that I tabled today. I look forward to receiving that report and working co-operatively with Commissioner Moroney to implement its recommendations.

Questions without notice concluded.

MILLENNIUM TRAINS

Personal Explanation

Mr O'FARRELL by leave: During question time today, when the Premier was seeking to defend himself against Auditor-General revelations of a blow-out in costs and safety concerns about the Millennium trains, he claimed that a 1993 document emanating from the office of the Minister for Transport bore my signature. As a matter of the public record, I left that office in 1992. The Premier has been lying his head off again.

CONSIDERATION OF URGENT MOTIONS

Drought

Mr WHAN (Monaro) [3.31 p.m.]: This urgent matter should be debated today because 88 per cent of this State is still in the grip of drought. Farming families, their incomes and their livelihoods are suffering as a result of the drought. Unfortunately, in the past week we have had comments in the media and in the community suggesting that the drought is over. It is vital that Parliament reinforces today to farming families in New South Wales that we know the drought is not over, that there is a long way to go, and that we are still here to support them.

Police Training

Mr DEBNAM (Vaucluse) [3.32 p.m.]: I am pleased to have the opportunity to explain to the House why it is important to debate police training today.

Ms Allan: The Minister has answered the question.

Mr DEBNAM: The Minister has not answered the question; he tabled a report today. Unfortunately, there is a lot more yet to be tabled. One concern I highlight today is the review of detectives that is under way at the moment. That review is integral to the whole question of police training. However, a report on that review is not available from the Government, and we do not know when we will get it. It was only the Opposition and the media digging to get this particular report that finally resulted in its being tabled today. Anyone looking through the report tabled today would agree that the House should debate this urgent matter. That is without commenting on the motion of the honourable member for Monaro. Perhaps both motions should be debated at some time.

Police training is fundamental to what is happening in this State. It is all about a cover-up, it is all about incompetence in portfolios, and it is all about a total lack of honesty and transparency in dealing with critical issues. The Minister has given a belated explanation as to why the report is reasonable in his eyes, but no-one knew about that report before today. Members of the public were unaware that front-line police were having problems. All members of this House would be aware of the problems local police have had in recent years on the streets of New South Wales, especially in Sydney, in dealing with thugs with guns, for example. It is clear from the report that a heavy emphasis was placed on theoretical and academic training and less emphasis was placed on skills training. And that is the problem. It is no wonder new recruits and new police have problems when they are put on the streets, including what can only be described as dangerous streets in some parts of Sydney. Also, it is no wonder the report—the Government's own report—stated:

> Inadequate skill levels could have the potential for serious repercussions, including injury or death.

Those are not the words of the Opposition or of members of the public. They are the words of the Government's own review. As I have pointed out to the media today, this whole issue is urgent because, for once, at least getting the report out publicly lifts the lid on political expediency in policing in New South Wales. As I have said in this House many times before, no doubt one problem with police is the series of Ministers who have held the police portfolio. The current Minister rattled around a number of other portfolios, where he had real problems, and ended up in policing. As I have pointed out before, there will be one or two problems. The Minister is an ambitious card-carrying lefty but he is confused and disappointed to end up with this portfolio.

The Minister's appointment to this portfolio was completely out of left field for all of us. When I look at what he is doing, I often think he is like a little boy lost, with no real interest in police, no direction and no plan other than to escape the portfolio. His only formal stated objective to date is to be tough on police unhappiness and on the causes of that unhappiness. That is why we have ended up with the problems highlighted in the report. The current Minister followed Minister Costa, who is like a bull in a china shop. Minister Costa was in the police portfolio for a little over 12 months with a lot of lights, camera and action, attempting to create a sense of change. However, he created a sense of confusion and fundamental flaws in many management structures of the Police Force which will come out in the next year or two, and which the current Minister will have to deal with.

Unfortunately, the current Minister is simply not prepared for it and has not been interested in the police portfolio before. That will be one problem. As I said, one of the key reports still outstanding is the review of detectives' training and operations in New South Wales. The Carr Government ran down the number of detectives in this State from approximately 1,650 to about half of that number. That has created a major problem with criminal investigations. All honourable members have problems in their electorates with investigations not happening. This criminal investigations problem will continue for some time. [*Time expired*.]

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

DROUGHT

Urgent Motion

Mr WHAN (Monaro) [3.37 p.m.]: I move:

That this House:

(1) expresses its concern about claims by the chief agricultural forecaster, ABARE—the Australian Bureau of Agricultural and Resource Economics—that the drought has ended; and

(2) notes that 88 per cent of New South Wales is still drought declared.

Members of this House who represent rural electorates know that the drought is not over. That is why it was a great concern to see one of the nation's normally reliable agricultural research bodies, the Australian Bureau of Agricultural and Resource Economics [ABARE], recently making comments that suggested the drought is over. The view from the Edmund Barton Building in Canberra might be green, but it is important that this Parliament let New South Wales farmers know that we recognise that times are still tough and that we have a long way to go before the drought is over. Recent rain may have made some parts of country New South Wales look like the drought is over. However, looks can be deceiving. In many places this is a green drought. For all intents and purposes, it is still a drought.

The ABARE predicted that the country winter grain crop will be 33.6 million tonnes. That is an optimistic prediction, but the sting in the tail is the comment in the ABARE release "assuming there is sufficient planting rain over the next month". Last year the entire nation produced less than half that amount. I hope that the ABARE's forecasts will come true, but I think most of us would think that they are optimistic at best. My concern from the ABARE comments was the widely reported claim, apparently based on its crop predictions, that the drought was over. As Justin Toohey from the Red Meat and Advisory Council said on ABC Radio:

> If it's going to focus its forecasts on the grain sector, please make it clear that the drought is not over, it's far from over, and as far as the livestock sector is concerned, we have a hell of a long road to hoe.

The *Canberra Times* used the example of the Martins, who operate two farms in my region—at Naas and Bungendore. They reported that last year's crop was a 100 per cent failure. Recently they had to sell 90 calves.

They need this year's crop just to keep afloat. We all hope that their crop is a roaring success, but the Martins are realistic about their chances. With just 88.4 millimetres of rain falling in the local area during autumn, things are not looking up, especially considering that the average rainfall is around 150 millimetres. Mrs Martin summed it up best when she told the *Canberra Times*:

> I'm surprised that anyone could say the drought is over. You've only got to take a drive from Canberra into the centre of New South Wales to see the conditions are just terrible particularly in places like Cowra and Wagga.

I have previously mentioned in this House the plight of farmers in the Braidwood area who have seen one of the lowest years of rainfall on record. David Cargill from Braidwood told me recently that he had lost 360 lambs and 200 ewes. His calves, which normally weigh about 350 kilograms, now weigh only up to about 200 kilograms. He is holding on to them hoping for some feed to fatten them up. As with all droughts, the biggest difficulty faced by farmers in the area is keeping their stock fed and watered. The community and the Government must recognise that in Monaro, as with most of the State, this coming winter will be extremely tough. It is now too late for pasture growth this winter in Monaro. Bruce Bashford, Monaro rural counsellor, told me yesterday that his, "active client base [which covers Monaro and the far South Coast] are all looking forward to a very tough winter." I am not sure that "looking forward" is the right terminology but that is how he put it. Bruce's clients in Monaro have seen the condition of their stock run down and many are very worried about lambing and survival after lambing.

Bruce also looks after dairy farmers on the far South Coast. Dairy cattle need to be kept in good condition. In many cases those farmers are facing for the first time in memory a winter with no feed. There is some pasture growth but it will not be enough to continue through winter. The situation has become so desperate for some New South Wales farmers that they have to look overseas for feed. The headline on the front page of last Thursday's *Land* newspaper read "Feeding panic", and that describes the predicament in which many find themselves. Farmers have resorted to importing grain from Sri Lanka to feed starving stock as they enter into their second, and in some cases third, winter of handfeeding. Pellets have been the saviour of some farmers desperately feeding lambs and calves by hand. The State Government has assisted through its fodder and transport subsidies. Country Labor is concerned about the ABARE'S forecast.

Mr George: Who?

Mr WHAN: Country Labor. It is the body that won the seat of Monaro from the National Party at the last election. Eighty-eight per cent of New South Wales is still drought declared. That alone should be enough to ensure that claims made by the ABARE do not show that the drought is over. Country Labor will always back our farmers. We have reminded the media, the community, the State Government and especially the Federal Government that our farmers are doing it tough and will continue to do it tough. That is why the Carr Government has put in place more than 50 separate drought assistance measures for farming communities and businesses affected by the drought. It is a shame that the Federal Government has not been as supportive.

Farmers agree that the Federal Government's exceptional circumstances [EC] system just does not work. It is cumbersome, costly and bureaucratic. One Braidwood farmer complained to me recently about the excessive amount of paperwork required to gain an exceptional circumstances declaration. He said it was too bureaucratic and too hard. He remarked recently, "If what we have been through over the past 18 months is not exceptional circumstances, what is?" Let us look at the history of the exceptional circumstances declaration. It took the Federal Government almost five months to declare part of the Northern New England Rural Lands Protection Board an EC area. The Riverina Rural Lands Protection Board was in the same boat. Farmers on the Southern and Central Tablelands are still waiting. In Monaro the Cooma Rural Lands Protection Board has decided not to resubmit an EC application because the criteria is too tough to meet, yet I defy anyone to tell me that those farmers are not suffering. I welcome the Federal Government's decision to extend interim EC, but its criteria means that Federal assistance for Monaro farmers will be gone well before they get any spring growth. Braidwood is resubmitting an EC application and I urge the Federal Government to process it without delay.

I am pleased that the Opposition did not oppose consideration of this urgent motion, because it is something that deserves bipartisan support from the Chamber. Over the weekend the National Party at its conference told us it would be singing from a new song book over the next couple of years in an attempt to regain its rural base. I was elected to this Chamber because Country Labor is standing up for rural communities. The National Party's new song book, as demonstrated in question time and the urgent motion it put up, is actually John Brogden's song book. It is disappointing that the honourable member for Murrumbidgee is not here to sing the National Party's apparent new theme song, *I Was made For Loving You, Baby* which I gather is an old Kiss. It is a pity it did not choose a more modern Australian song. I understand the Leader of the National

Party attempted a rendition of the song at its conference. I thank the National Party for recently faxing me by fax the motions it was going to consider at the conference. I am sorry I could not attend.

I suspect the actual theme song was, *I Was MadeFor Loving You, Broggie.* The National Party just tags along with the Liberals in every way, as we have seen over a number of years in the Monaro electorate and surrounding electorates. The National Party is unable and unwilling to stand up for the people of regional New South Wales. With 88 per cent of the State still in drought, now is not the time to close the file on support for our farmers. Farmers in the Monaro region and others have been given assistance from the New South Wales Government. It is better than what they have been receiving from the Federal Government, which is very little.

Mr Constance: How much did they get?

Mr WHAN: The honourable member for Bega, who has hardly said a word in this place since he was elected several months ago, interjects. The Opposition often makes funding comparisons. Honourable members opposite compare projected funding from the Federal Government with actual funding from the State Government. It is wonderful that the Federal Government has included in its budget enormous sums to supposedly assist people, but it never spends the money. It never gets around to it, and the next year we see the Federal Treasurer claiming to be a wonderful bloke for delivering a surplus. Today we must ensure that the media and the New South Wales community understand that tough times for our farmers will not be over for a while and that they must be given continued support.

[*Debate interrupted*.]

BUSINESS OF THE HOUSE

Urgent Motion: Suspension of Standing and Sessional Orders

Motion by Mr Scully agreed to:

That standing and sessional orders be suspended to allow three Independent members and two additional Opposition members to speak to the motion for urgent consideration for up to five minutes each.

DROUGHT

Urgent Motion

[*Debated resumed*.]

Mr ARMSTRONG (Lachlan) [3.48 p.m.]: I appreciate the opportunity to speak to the motion moved by the new member for Monaro, who could not fill in his time without giving a political diatribe for nearly 2 minutes and 50 seconds. He could not think of enough to talk about. One could talk for a month about the drought, which is one of the worst droughts on record in this nation and in New South Wales in particular. This will be the fourth growing season without any sustainable growth.

Mr Black: It is the third in the west.

Mr ARMSTRONG: Yes, it is the third winter of drought in the west, and inland New South Wales has not had sustainable growth for two autumns and two springs. That is unprecedented. Comparisons regarding drought are somewhat odious, because no drought is the same; they are all different. There is no such thing as a normal season or a normal drought. Both Federal and State governments must provide drought assistance. I am disappointed that the Federal bureaucracy has created a false sense of security in many people by suggesting that the drought is over.

I must correct the honourable member for Monaro on his pronunciation of "Naas". There is Top Naas and Naas, where the Oldfields and the Reids have lived since almost before the arrival of Captain Cook! Let us put on record some facts about the drought and who is doing what to whom. Since the State election the Carr Government has been delisting—quietly, secretly and without fanfare—those areas that had previously been eligible for New South Wales drought assistance. We can see on Country Labor's web site that it has delisted parts of the Tweed-Lismore area. Country Labor has delisted the Kempsey, Gloucester, Moree, Tamworth, Walgett, Narrabri, Northern Slopes and Maitland rural lands protection boards [RLPBs]. Country Labor has had a field day delisting all those areas from the drought assistance register. No wonder the Australian Bureau of

Agricultural and Resource Economics, which is based in Canberra, thinks the drought is over. Its officers undoubtedly look at the New South Wales Government's web site to see what it is doing and notice that it is delisting RLPBs. I sympathise with those bureaucrats sitting at their computers who have acted in accordance with what Country Labor has done.

I agree with the honourable member for Monaro, who referred to the complexities of the exceptional circumstances [EC] assistance application. However, I point out that the Carr Labor Government has signed off on two agreements regarding the EC application process. Country Labor is bagging both the previous agriculture Minister and the Cabinet for agreeing to that process. I agree that the current process is an anomaly and fails to consider the enormous amount of bureaucracy associated with making EC applications. That is why I called on the Government during the election campaign to adopt the National Party's policy and make rural lands protection boards' applications for drought assistance the basis for the State's prima facie case for assistance to the Commonwealth. The Department of Agriculture should not second-guess it; we need only two bureaucracies, not three. The boards' applications should be supported by the State and forwarded directly to the Commonwealth.

I challenge honourable members to tell me that the rural lands protection boards do not understand the character of droughts or good seasons in their local areas. They understand seasonal conditions and the local economy. They understand also the nuances of property values. For instance, some farmers might have a big year because they took a punt and bought many calves cheaply the previous season, and this can distort the overall figures. The RLPBs take account of anomalies such as that. As far as I am concerned, when the rural lands protection boards say they are suffering exceptional circumstances, they are. If the National Party's policy had been adopted in Monaro four years ago the properties of Wendy Hain, who lives just outside Cooma, and two of her neighbours would have been declared drought affected. There is no doubt they were in exceptional drought but they did not fit the parameters of the current EC assistance regime—the pigeonholes were not right. Those landowners were victimised as a result.

Five years ago and again three years ago October frosts affected areas that were suffering from drought in the south-west of the State from Temora to Junee and across to Greenethorpe near Cowra and virtually wiped out the crops in those areas. Some farmers lost their entire crops. Yet those areas were not determined to be eligible for exceptional circumstances assistance. Four summers ago the cherry crop in the Young district was wiped out by heat stress. Those farmers should have been eligible for assistance under the rural lands protection board application but they were not eligible according to the agreement signed by the State Labor Government and the Commonwealth that defined exceptional circumstances.

Let us stop the number crunching and consider the facts. Today virtually every major inland water reservoir is at less than 10 per cent capacity. Unless there is unprecedented heavy rainfall across the catchment areas, from Keepit Dam in the north to Hume Dam in the south, there will be no irrigation season in the coming year. As a consequence, there will be few opportunities to store fodder in the empty hay sheds and fill the grain silos in case of drought next year or to sustain those industries that have been caught in the middle by this crisis. The dairy, poultry, pork and feedlot industries have seen feed prices double, and in some cases treble, but they are not eligible for any sort of assistance. Unless we have an irrigation system and fodder prices, such as those for lucerne and barley, ease, the industries will be in desperate trouble. I suggest that not one piggery in New South Wales—or probably in Australia—is making money. I challenge someone to prove me wrong on that score. I also suspect that no dairy in New South Wales is making money for the same reason.

We must think outside the square. It is no use spouting figures in this place about the extent of the current crisis: we must consider all the ramifications of this drought. Those industries that I have mentioned are intense operations that employ many people. Lots of ancillary operations depend upon them. For example, abattoirs depend on the piggeries and trucking companies depend on the abattoirs. The trickle-down effect of the drought is dramatic. The Commonwealth will spend about $450 million on assistance to New South Wales farmers during the current drought and recovery phase from a total national expenditure of $1 billion. The Commonwealth expects to spend more than $900 million on this drought. I ask Country Labor members to confirm whether the New South Wales Government has spent more than $40 million on this drought.

Mr Black: It has spent $86 million.

Mr ARMSTRONG: How much money reached the farmers? How much was used to pay administration costs? The Premier admitted only a few weeks ago that some assistance money was used to pay the bureaucrats. Has that practice stopped? Are administrative costs paid independently or is that money coming

from assistance payments? Is the State Government prepared to extend assistance to those dependent industries to which I have referred? Does the Government recognise that its new water policy will deny farmers in the Young district any new water with which to save their cherry orchards that are dying in significant numbers? How does the Government intend to help those intensive industries honour their contracts? What will we tell those people who depend upon agricultural products but who cannot get them? As far as I am aware, the New South Wales Government has not offered any comfort or any guarantees that it will help our producers to honour their contracts during this dry time so that they can continue their businesses when the drought is over. I ask the Government to consider the drought's social and economic consequences for retailers, machinery distributors and technical workers, such as mechanics, and financial planners, who are leaving our country towns in droves.

Mr BLACK (Murray-Darling) [3.58 p.m.]: I support the motion of the honourable member for Monaro. As the honourable member for Lachlan said, it is easy to prove that New South Wales is still in drought. I will give a few examples. Last Friday week a Mildura stock and station agent conducted a sale at Benenong station some 50 kilometres north of Euston. An article in the local newspaper stated:

> "It started about 9am", Mr Curran said. "Buyers driving to the sale had their headlights on all the way. Visibility was down to about 100 metres and stayed that way all day—it did not let up."

Mr Curran called it the worst dust storm that he had seen in 56 years as a stock and station agent. An article in the *Sunraysia Daily* carried the glorious headline "Council graders working to beat back drifting sands" and explained how the council was using graders to push dust off the roads during this record drought. Another article that appeared in last week's edition of the *Rural* stated, in part:

> Dust storms rolled along the plains near Oaklands...

The article, which features a magnificent picture, refers to "dust storms not normally seen at this time of the year". The *Cobar Age* reported:

> The Cobar district and almost the entire Western Division this week entered its third drought winter without adequate feed for remaining livestock.

This week five mayors from the Western Division—five very good mayors—will meet with Warren Truss and John Anderson. So far they have not been able to secure a meeting with the Prime Minister to underscore the seriousness of this drought and to endeavour to sort out proper assistance for farmers in western New South Wales under the exceptional circumstance provisions. The crisis in the Western Division has reached critical proportions. Last night Geoff File, drought co-ordinator for New South Wales, stated that the sheep population in the Western Division was down to 2.4 million. To put that into perspective, Geoff Wise from Dubbo prepared a graph reflecting sheep numbers in the 1890s. Depicted in that graph are not the Bungarees or Collinsvilles that we see today but a smaller sheep that produces, after shearing, about five pounds of wool.

In the 1890s the Western Division carried about 13 million sheep. Last week 5,000 people were interviewed by telephone and they said—and I believe these figures to be accurate—that the sheep population in western New South Wales is down to 2.4 million. In 1942, the last occasion that we had a record drought, the sheep population in the Western Division was down to 4 million. The current sheep population of 2.4 million is being depleted. People have no hope of restocking because they cannot get any stock. Another article in the *Rural* entitled "Last hurrah" stated:

> Jerilderie suspends sheep sales until further notice

Jerilderie, which is supposed to be located in good country, draws sheep from a range of 200 kilometres. Last week, at the live sheep sale, 16,900 head of sheep were sold when usually about 30,000 or so are sold. According to this newspaper article, all sheep sales at Jerilderie—which is supposed to be good sheep country—have been suspended until further notice. People are not selling their sheep; they are hanging onto the breeders that are left. Dairy farmers in the south of my electorate have had it. They are broke and they are walking out of their businesses. The Federal Government and those great heroes Warren Truss and company from the National Party are saying that dairy farmers are facing a taxing time. Dairy farmers, who are not restocking and who cannot put the money that they are earning from selling their herds into the farm bank, are being told by the Federal Government, "It is too bad; you have to pay."

Many dairy farmers who have sold off their herds are paying record taxes because their incomes have increased by 300 per cent. Hugh Watson, President of the Grasslands Society, said that many farmers de-stocked

in order to survive the drought, but that some had tripled their income in the process. He also said that, come tax time, they would find themselves in dire financial trouble. What an insensitive Federal Government we have! Despite the fact that John Anderson recognised the severity of this drought, last week the *Rural* reported that people outside the Western Division—allegedly those people farming in better country—are not getting industry subsidies. That article refers, in particular, to Richard Skipper from Rural Business Services, Wagga.

Mr GEORGE (Lismore) [4.03 p.m.]: I share the concerns expressed by the honourable member for Lachlan and by farmers across the State about the recent declaration by the Australian Bureau of Agricultural and Resource Economics [ABARE] that the drought is over. While some parts of New South Wales experienced good rains—a factor alluded to by a number of Country Labor members—88 per cent of the State is still suffering the effects of the drought. The drought is not over for most people in New South Wales. The honourable member for Lachlan, who has a great deal of experience in rural issues, said that ABARE's comments, which were badly timed, were based primarily on projections. The Coalition's message to ABARE is clear: The drought is not over for many primary producers and farming communities in this State.

Despite what Government speakers said in debate on this issue, the Federal Government has not said that it plans to cut Federal drought assistance in light of ABARE's comments. In fact, the opposite could be said to be true. The Federal Government said that it would continue payments, including exceptional circumstances payments and Centrelink relief payments, to drought-affected farmers across this State. Unfortunately, the Carr Government and members of Country Labor spend too much time criticising the work of the Federal Government in supporting drought-affected farmers. This Government or Country Labor members might like to explain why the Minister for Agriculture took a large number of rural lands protection boards off the drought-declared list early in May. The honourable member for Lachlan, one of the most experienced people in this House, referred earlier to rural lands protection boards having control over the making of such declarations. I support his views—Coalition policy that was expressed at the last election. Country Labor members should look at our policy and perhaps adopt it.

I am concerned about the pig, dairy and poultry industries, which are all having trouble coping with the high prices of grain brought about by this drought. Industries that are operating in areas that are no longer on the drought-affected list are losing money and finding it difficult to survive. The Lismore, Richmond and Tweed rural land protection boards have been taken off the drought-affected list. Casino Rural Lands Protection Board is still suffering the effects of the drought. Although there is green grass throughout the Casino area, dams in that rural lands protection board area are dry. ABARE and people in this State must be aware that, although some areas might look green, they do not have water. Farmers in those areas are heading into winter without water and feed, which is not acceptable. The honourable member for Wagga Wagga told me earlier about the problems affecting farmers in the Wagga Wagga electorate. I am concerned about the problems that will confront the meat industry in this State when the drought breaks—problems of which this Government should be aware.

Mr MARTIN (Bathurst) [4.08 p.m.]: I am pleased to support the urgency motion moved by the honourable member for Monaro. It has been agreed by members on both sides of the House that the research undertaken by the Australian Bureau of Agricultural and Resource Economics [ABARE] is disappointing to say the least. It is clear that the drought is not over. It is hard to understand or fathom how ABARE came to its conclusion when 88 per cent of New South Wales is still drought declared. ABARE failed to recognise that, without rain, our farmers will be in a worse position than they were last year. The rain that we have had has been selective and patchy.

Farmers received little, if any, income from last year's crops and many farming families are doing it tough—and that is an understatement. Farmers who have been able to put in a winter crop have no guarantee that it will not fail, as did their previous two crops. Any income from a successful crop will not make up for income lost during summer and autumn. Research from the Australian Bureau of Agricultural and Resource Economics [ABARE] gives the Federal Government an excuse to stop the limited assistance it has been providing. At the National Party conference held in Forster last weekend—that was not really out in the bush—the Deputy Prime Minister claimed that to date New South Wales has spent only $17.5 million on drought assistance. Members on this side of the House know that the correct amount is in excess of $80 million. That is a significant disparity. Perhaps it would be better if John Anderson stopped playing politics with this important issue and took a statesmanlike attitude to it, as do members of this Government.

Exceptional circumstances funding might offer farmers income support and loan subsidies, but it is almost impossible for them to access that assistance. Dairy farmers were recently hit with a tax burden,

particularly those who had disposed of their herds. I hope that tax problem will be addressed in coming months. Federal Government officers responsible for approving exceptional circumstances assistance have been dragging the chain, despite undertakings from Federal agriculture Minister Warren Truss that the approvals would be streamlined. On the other hand, the Carr Labor Government has slashed red tape in an endeavour to make it as easy as possible for farming families and businesses affected by the drought to get the help they need to stay afloat. There is no question about it: the drought is far from over.

Research from ABARE leads people who are not on the land to believe that the drought is over. Our farmers need realistic advice and support, not pie-in-the-sky academic projects that do not reflect what is happening at the farm gate. Last summer's grain crops fell by about 56 per cent from last year's 2.3 million tonnes. Farmers still need our support, and Country Labor will make sure that the State and Federal governments focus on that need. The honourable member for Lismore was critical of the Government because many rural lands protection boards were, in his words, having their areas declared not in drought. That argument does not stand up against the official figures from NSW Agriculture showing that 88 per cent of the State is in drought. Therefore, not too many boards would have declared their areas to be not in drought.

One feature that distinguishes the current drought from others is its severity. That has obviously led to a major impact on pastures. As the honourable member for Dubbo would know, Burrendong Dam, which is a huge inland dam, is at only 8 per cent of its capacity despite recent rain on its headwaters. It will be a long time before the water catchment areas in inland New South Wales are back to satisfactory levels. Major centres such as Orange will face major water supply problems if winter rains do not eventuate. That impact will escalate from the farm gate to urban areas because drought-affected farmers have no funds to purchase their supplies. That impact will continue to escalate if the drought continues. I commend the honourable member for Monaro for moving this urgent motion.

Mr SLACK-SMITH (Barwon) [4.13 p.m.]: I support the motion moved by the honourable member for Monaro. ABARE has announced its predictable forecast that the drought has ended. To anyone who wants to buy stock I say: If ABARE forecasts that the wool industry is going to be good for 20 years, they should sell all their sheep and buy cattle. Some years ago that is exactly what ABARE predicted, and within six months the wool industry crashed. Three years later it predicted that there would be a boom in the beef industry, and a few months later the beef industry crashed, and stayed down for about three years. Although ABARE has announced that the drought has ended, my electorate in the north-west of New South Wales is still drought affected—in Burren Junction there is no moisture in the ground to allow plantings. From my area all the way to Bourke the ground is as bare as the carpet in this House.

Many farmers planted crops following a little rain earlier this season. However, the wheat is going back into the ground, and the land cannot be used for stock because there is no feed there. After three years of failure many farmers have given their wasted wheat seed a decent burial. The impact of the drought in many areas of New South Wales is huge. There is a little greenness to the east of my area and to the west of the Great Dividing Range, but it has no nutrition and is too short for stock to pick up. We call it the green drought: it looks good, but it provides no feed. We need follow-up rain in that area and general rain throughout New South Wales—something we have not had for several years. This year farmers are desperate, and the situation is worse than previously.

Further west, farmers are still hand feeding their stock. The greatest affront to the farmers was ABARE's statement that the drought is over. I criticise NSW Agriculture for making the very foolish claim that the drought was over in some areas, and I criticise the Minister for failing to lodge new exceptional circumstances applications for Armidale, in the electorate of Northern Tablelands, until only recently. I would like to know why the applications were lodged so late, and whether the Minister will cover any gap in assistance payments caused by the late lodgement. My heart goes out to people in the Northern Tablelands and Armidale districts who have missed out because of that inexcusable late lodgement. The Government should be ashamed.

Many areas of the State are drought affected and unless there is a lot of general rain in the short term farmers, especially wheat farmers, will be even worse off. The honourable member for Bathurst referred to the low levels in dams. Virtually all dams in the State are nearly empty. Unless there is some good rain in the coming months there will be no water for the State's irrigation industry. I advise the Minister for Agriculture and Fisheries that if ABARE makes a prediction he should take the opposite view, and he will definitely be on a winner. ABARE has not proved its forecast; it has never got it right! Many people have suffered because they made a judgment based on ABARE's advice.

Mr TORBAY (Northern Tablelands) [4.18 p.m.]: I support the motion moved by the honourable member for Monaro and congratulate him on moving it. Given the flow-on effects for Australia of the drought, the opportunity to debate the drought in this Chamber should be welcomed. As previous speakers have done, I express my concern about the public forecasts of the Australian Bureau of Agricultural and Resource Economics [ABARE]. I do not know what the forecasts have been based on but they clearly do not reflect reality. The forecasts have raised the ire of many people, particularly in regional and rural New South Wales but also in metropolitan areas. People have seen the effects of the drought and are concerned about the accuracy of the forecasts.

I join other members in asking ABARE officers to get out of their offices and have a look. If they did I am sure they would adopt a very different view. Comments about the severity of the drought remain valid. The significant negative impact on the farming and business communities flows on to the wider community, and this should be emphasised. I take up the comment by the honourable member for Barwon about exceptional circumstances application requirements. He said that the application was lodged late. I feel sorry for the bureaucrats who were putting together the application. The contribution of the honourable member for Barwon today was his first in this Parliament since the election.

The requirements for exceptional circumstances applications are appalling. A former Minister for Agriculture, the honourable member for Lachlan, stated in this Chamber only a few moments ago that the procedure needed to change. There has been too much political sparring about exceptional circumstances funding but I must respond on behalf of the bureaucrats who were trying to meet the criteria put forward by the Commonwealth and agreed to by the State. I share the honourable member's concerns, but when the rainfall criteria do not qualify the bureaucrats cannot be condemned for not lodging an application, something they know is going to fail. The honourable member for Barwon seems not to have read anything factual about exceptional circumstances processes.

Some time ago the Leader of the National Party debated the drought without mentioning exceptional circumstances arrangements. I am always eager to debate the State Government's contribution and to help drought-affected communities. We cannot debate drought assistance without considering all levels of government. Processes should be streamlined so that the impacts can be lessened. Let us continue to do that and take up the challenge that the Minister for Infrastructure and Planning, and Minister for Natural Resources was talking about in the context of his portfolio. Let us look at constructive solutions. There has been far too much political sparring in this place and in the Federal Parliament. The State and the Commonwealth should work together in the areas covered by the Minister's portfolio. That is the way forward. Let us reduce the impact of the drought and support regional, rural and metropolitan communities, which all rely heavily on what is produced in regional New South Wales.

Ms HODGKINSON (Burrinjuck) [4.23 p.m.]: In speaking in this most serious debate I can certainly verify that the drought is not over. Yass has only just gone back to level four water restrictions and Goulburn is still on level four water restrictions. The electorate of Burrinjuck has been in drought since last October, and the situation is not getting any better. There has been some rain but not nearly enough; a lot more is needed. It is a green drought with a layer of green from the very short grass that has grown as a result of the rain. At home we are hand feeding our stock, as are many of our neighbours and others in the electorate. The drought is far from over. Any claim by any authority that the drought has ended is clearly not based on factual information. I have grave concerns about anybody making such statements.

The dams in my electorate, including Burrinjuck, contain minimal levels of water. Recently farmers in my electorate asked about the possibility of getting more grain from the silos at Boorowa. I contacted the Australian Wheat Board and Graincorp but there is no more grain in the Boorowa silos. Grain is running very short and people are really feeling the pinch, particularly in our area. I think that it was the honourable member for Lismore who mentioned that meat workers would soon be facing job cuts. That is true in our area: Southern Meats in Goulburn has already laid off many staff. I commend the manager of Southern Meats, Neville Newton, for the excellent way in which he warned the community that the job cuts would eventuate, given the reduction in flock numbers across the State. He gave ample warning to the community and to the employees. He was most professional in his approach to the impending job losses. I commend him for the honourable way in which he let the community know about the reductions. I would expect other meat workers across the State to face problems in the foreseeable future.

There has been a lot of confusion about exceptional circumstances applications, with many people ringing my office. The application process must be totally overhauled. The "blame politics" being indulged in

by the Carr Labor Government against the Federal Government has been absolutely ridiculous. Farmers just want answers. Just before the State election the Carr Government lodged a raft of applications for exceptional circumstances funding with the Federal Government, while at the same time being heavily critical of the Commonwealth for delays in approving the funding. Those applications were fundamentally flawed because they did not accurately represent the true state of the terrible drought in our area.

Graziers in areas such as Wee Jasper, Brindabella and Gunning are suffering significantly worse drought conditions than graziers in other areas of the central and southern tablelands. The New South Wales Labor Government did not even attempt to differentiate between the worst-hit areas and other areas. There was a broad-brushed and rushed approach to a complex problem. I have spoken to staff of local rural lands protection boards who have significant concerns about the processes and the investigations made by the NSW Agriculture in formulating the local exceptional circumstances applications. We just want solutions; we do not need this buck-passing. There is obviously a problem, there is obviously a drought, and farmers and small businesses are in need. We need solutions. The buck-passing has to stop.

Farms are small businesses. Employees are being laid off because of the drought. Farmers are selling up and moving off properties. It is a very sad situation. We also urge banks to continue to support farmers. It is a particularly arduous time. Growing numbers of farmers and rural businesses are under enormous and continuing financial pressure. I note that at a meeting convened between the Federal Government and the banking sector in December 2002 each bank confirmed its intention to maintain its policy on interest-rate margins for farmers receiving exceptional circumstances assistance. But we plead with banks and other lenders for ongoing support and assistance to ensure that farmers and rural businesses come through the drought in the best shape possible. Even the Blowering Dam upgrade has had to be postponed because of the drought. I also call on the Government to look at cloud seeding. [*Time expired*.]

Mr DRAPER (Tamworth) [4.28 p.m.]: I fully support the motion moved by the honourable member for Monaro. Like many other members of my community, I was extremely shocked to find that apparently the worst drought on record had now ended! It is unbelievable that an individual, let alone an organisation such as the Australian Bureau of Agricultural and Resource Economics, could make such a nonsensical claim. It could not be further from the truth: not a single person in the electorate of Tamworth would agree that we are now free of drought. We are reaching a crucial point in the annual farming cycle. A large number of land-holders still do not have their crops in the ground. Those farmers are rapidly approaching the point where they will miss the window of opportunity to plant their winter crops. That in itself is disastrous, but for most of them this is not the first time that it has happened; for many it is the second, if not the third, year in a row that they have had no winter crop.

Once again, that means no income. Many families in my electorate are suffering. Recent falls of rain have done little more than frustrate farmers, who are already fearing for their future, especially given the downpours on the coast and in Sydney in recent weeks. There appears to be a misconception on the part of the bureaucrats that the drought is over. In fact, rain has rarely fallen on the other side of the Great Dividing Range. This drought is far from over and there is very little prospect that it will end any time soon. With the onset of winter, farmers are facing more difficulties. Frosts are a part of every winter season, and the lack of moisture in the ground appears to have made them worse this year. Without the rain we so desperately need, this winter will be just as bad as, if not worse than, the desperate times we experienced last year.

As I said the last time I spoke in this place about the drought, only a handful of crop farmers in my electorate have qualified for exceptional circumstances [EC] drought relief, and most graziers cannot access any assistance. The difficulty farmers face in trying to get EC assistance has hurt the morale of many land-holders trying to survive probably the toughest period of their lives. We have all been heartened to learn that the likelihood of rain is now much better than it was. The electorate of Tamworth has recently experienced more regular rainfall, but not enough, and most has not fallen in the right places. Land-holders around Gunnedah in particular are doing it tough. Many have missed out almost totally. I challenge the Australian Bureau of Agricultural and Resource Economics [ABARE] to find one farmer in the Gunnedah area who would suggest that the drought is anywhere near over.

This drought is fast approaching a critical point for Tamworth, which is the largest city in my electorate. Just two weeks ago I visited Chaffey Dam with the Minister for Roads, the Hon. Carl Scully. From the lookout, some 100 metres above the water's edge, we could see a thick film of blue-green algae across the dam. Up close, one can see that the dam is infested with algae and the air is filled with a horrible pungent odour. The dam is the water source for Tamworth and the irrigators along the Peel River, and it is just over 30 per cent

full. Recent rain may have helped a handful of farmers, but it has added no water to the dam. The water level is so low that irrigators' entitlements for next financial year have been cut to zero. That means no irrigators will be able to draw water from the Peel River. Honourable members should try telling the irrigators downstream from Chaffey Dam that the drought is over. This is an incredible situation. Priority for water allocated from the dam has been given to the residents and businesses of Tamworth. However, given the level of water in the dam, that will not last forever. Tamworth—a city of almost 50,000 people—faces the real risk of running out of water within 18 months. That is the worst-case scenario, but unless significant rain falls in the catchment area Tamworth will face an extremely serious problem.

Although rainfall in the catchment is the only way to improve the situation in Chaffey Dam, consideration should be given to raising the dam wall now so that we can safeguard the irrigators, businesses and towns downstream, which all rely on the dam. The New South Wales Government should be looking to the future during this time of extreme need. It was encouraging to see reports in the Tamworth media this morning that water consumption is below the winter average. I congratulate the residents of Tamworth on their efforts to conserve water. However, we all know that consumption will increase again as soon as the temperature rises after winter. Without decent rain soon water restrictions will be tightened like never before in Tamworth. Many farmers and residents in my electorate have faith that the situation will not get that bad—that rain will fall and in the right places. Unfortunately, I am not that confident.

I agree with the honourable member for Northern Tablelands that it is time for the bureaucrats to get out of their offices, to come to the country and to experience what is going on first hand and then to be brave enough to say that the drought is over. This drought is far from over. There is little end in sight and even when sufficient rain falls in the right areas it will take years for farmers to recover. I will be the first to welcome news that the drought is over, but claims such as that made by ABARE are obviously false and can only hurt our farmers and rural communities.

Mr McGRANE (Dubbo) [4.33 p.m.]: Like all other speakers today I support this motion. In the number of debates held in this place about the drought, members from both sides of the House have offered suggestions about how the State Government and Federal governments might be more effective in working through the associated problems. Like other members, I am of the view that the drought is not over. I am amazed that the Australian Bureau of Agricultural and Resource Economics [ABARE] could announce that it is. Until now ABARE has had credibility, but this announcement sends the wrong message to everyone, not only to people in rural areas who know what is going on but also to city residents throughout Australia. When an organisation with the profile that ABARE enjoys makes an announcement people take notice. It is unfortunate that the announcement about the end of the drought was made; it is now a matter for this House to correct. I am pleased that the honourable member for Monaro moved this motion. We must all support it because we must get the message through to ABARE and the general community that the drought is not over.

The effects of the drought in farming and grazing areas are far worse than they were at this time last year, when farmers and graziers had some cash, fodder and seed reserves. They now have no reserves because they planted their seed last year but did not harvest any crops. Those who have had some rain have bought seed, fertiliser and chemicals and that has put extraordinary stress on their cash reserves. Those in mixed farming areas can plant more grain in the hope of increasing their income next year, but the situation is different for graziers. As the member for Murray-Darling said, sheep numbers in the Western Division are down to 2.5 million from about 8 million. If the drought were to end tomorrow, it could take six years or more to restock. Graziers will not sell stock; they will need it for breeding. Consequently, they will have no cash flow, and that will have a flow-on effect in nearby towns and cities. When the drought ends grazing areas will experience a cash drought. The same applies in the cotton growing areas. The water level in Burrendong Dam is less than 9 per cent, and that means no water will be available to irrigate cotton crops next planting season. Cotton growers on the Darling River have not harvested crops this year and had very small crops the year before. They could go for three years without income, and that will have a major impact on local economies.

All these issues combined have a dramatic effect not only on the people involved in those businesses but also on small businesses in rural communities, large and small. Even when the drought breaks, those communities will suffer as a consequence of these flow-on effects for many years. Action must be taken by the State Government and the Federal Government to ensure that carry-on finance is available for farmers and graziers and small business operators also. Small business operators have been forgotten in reporting on the drought. Like farmers, they are hanging in and waiting for the drought to break. However, some are closing their doors, and that is having a dramatic impact on local economies. Of course, it also causes an exodus of the unemployed to larger centres, and this in turn puts pressure on those centres. It is like a snowball rolling down a

hill: it gathers momentum. Neither the State Government nor the Federal Government has done enough. We must urge both governments to do more to assist everyone affected by the drought in rural New South Wales.

Mr WHAN (Monaro) [4.38 p.m.], in reply: I thank all honourable members who contributed to this debate. It is important to record the New South Wales Parliament's disagreement with the announcement last week by the Australian Bureau of Agricultural and Resource Economics [ABARE]. The members for the electorates of Murray-Darling and Bathurst, as members of Country Labor, have been in this place longer than I have and have played a part in the Carr Government's response to the drought. The Government has provided for flexibility in the delivery of assistance in areas in which it is needed.

I welcome the contributions of the honourable member for Lachlan and the honourable member for Lismore, both of whom support the motion. The honourable member for Lachlan provided a number of valuable criticisms of the exceptional circumstances [EC] processes. The honourable member for Northern Tablelands also commented on the EC processes. The honourable member for Burrinjuck referred to the lack of water in Yass and Goulburn and the plight of Southern Meats in Goulburn. The electorates of Burrinjuck and Monaro, which are separated by the Australian Capital Territory, have similar weather patterns. The honourable member for Tamworth highlighted problems in his region. I look forward to visiting Tamworth, where Country Labor is holding its conference in a few weeks time. The honourable member for Dubbo referred to the significant concerns of his constituents.

It is important that honourable members make it clear regularly to the community and the media that this drought is not over. People in regional New South Wales are concerned that the media provides a blast of coverage for the first few months of drought conditions and then interest diminishes as people forget about the plight facing farmers during drought and rebuilding stock and herds after a drought breaks. The figures released by the ABARE last week are optimistic but not realistic. I hope they eventuate; we will just have to wait and see. It is difficult for people to take the claims of ABARE seriously when 88 per cent of the State is still in drought, and many parts expect below average rainfalls this winter.

I take to task some members of the National Party for their criticism today of recent announcements that the number of drought-declared areas was decreasing. Recently in a media release the Minister stated that 88.3 per cent of New South Wales is still in drought. He said that it was important to understand that the drought status of an individual rural lands protection board [RLPB] was based on monthly recommendations made by individual boards. Honourable members are correct when they suggest that the RLPBs have important local knowledge upon which to make such recommendations. The State Government has delivered more than $80 million in assistance, and that shows that during this drought the Premier and his Government have been willing to be flexible about the rules and eligibility requirements. For example, recently a few areas in New South Wales were no longer regarded as drought-declared areas, and the Government changed the rules so that if those areas slipped back into drought they would be immediately eligible for subsidies.

Today the criticism levelled by members on both sides of the Chamber at the inflexible approach of the Federal Government was justified. I want to see some positive steps taken towards reforming the exceptional circumstances criteria. At present they are too inflexible and difficult. Even in declared EC areas very few people are getting assistance. We need to discuss the criteria with the Federal Government but it insists on trying to transfer costs of assistance to the State. I heard a rumour in my area that EC applications had been refused because the Federal Govervent was of the view that the drought was about to break. Perhaps it was listening too intently to ABARE in that process. It is important to acknowledge in this place—as honourable members have done today—that the drought is continuing and conditions remain serious. I hope that governments at State and Federal levels will continue to address the drought positively.

Motion agreed to.

AUDIT OFFICE

Report

Madam Acting-Speaker (Ms Saliba) tabled, in accordance with section 38E of the Public Finance and Audit Act 1983, the Performance Audit Report entitled "State Rail Authority—The Millennium Train Project", dated June 2003.

Ordered to be printed.

PLACES OF WORSHIP TERRORISM INSURANCE

Matter of Public Importance

Mrs PERRY (Auburn) [4.45 p.m.]: I ask the House to note as a matter of public importance the impact that terrorism insurance premiums are having on my constituents, particularly the Islamic community of Auburn, a number of whom—community leaders and ordinary citizens—have spoken to me about their concerns. Of course, this matter impacts on all communities, irrespective of their beliefs. I have heard unconfirmed reports that the Commonwealth Terrorism Insurance Bill 2003 may cover religious places of worship. I am concerned about that because as late as this afternoon no formal confirmation on the matter has been received from the Commonwealth. It will be a positive step if the legislation is extended to cover places of worship. Many places of worship, including mosques and associated community facilities, are finding it increasingly difficult to obtain insurance.

The Islamic community in New South Wales is but one example. It is a large, diverse and growing community with approximately 20 mosques in New South Wales alone. Within the Auburn electorate the Omar mosque and Al Faisal College have to pay exorbitant insurance premiums. Their insurance premiums have increased 150 per cent between 2002 and 2003. In 2002 their insurance premiums amounted to $20,000; in 2003 they increased to $51,000. In 2004 they are expected to double. The Auburn Gallipoli mosque, which is also in my electorate, has obtained public liability insurance that does not cover damage caused to the mosque by reason of terrorism or vandalism. That is of great concern to members of that mosque. The Lakemba mosque, one of the nation's largest, cannot get insurance within Australia—but it is not alone. Many other mosques and places of worship are experiencing similar problems.

Because of September 11, Bali and the war in Iraq some insurance companies have inserted clauses excluding acts of terror, and this has had significant implications for places of worship, which are now the favoured targets of extremists. Many places of worship can no longer obtain, or afford, insurance. That is why, last Friday, while addressing the Ministerial Council for Immigration and Multicultural Affairs in Melbourne, Minister Hatzistergos called on the Commonwealth to extend coverage of terrorism insurance in legislation currently before the Federal Parliament to places of worship and associated facilities. New South Wales also made representations in Adelaide on 29 November 2002 to the Commonwealth's Standing Committee on Immigration and Multicultural Affairs. The Premier made a submission in relation to the terrorism insurance bill and stated:

> The Bill responds to the crisis in reinsurance following the events of September 11, 2001 and the collapse of the World Trade Centre and surrounding buildings which produced significant commercial insurance claims. As a result of reassessing the risks involved reinsurance companies left the market creating major difficulties for insurers and, consequently, for those insured in finding adequate terrorism insurance cover.

In that letter the Premier also stated:

> I have previously written to the Prime Minister expressing concern about the coverage of the scheme for risks of terrorism to places of worship, especially mosques and synagogues, which in the current environment have a heightened risk of terrorist attack.
>
> Moslem and Jewish groups in the community have approached the NSW Government concerned about the cost and availability of insurance cover for their places of worship. Such places are not commercial enterprises and as such are not the focus of the Bill. However, because of the problems faced by them, consideration should be given to including insurance for places of worship in the package.

The Premier then said:

> I was pleased to receive an assurance, in a letter from the Prime Minister dated 13 February 2003, that this is a matter which the Treasurer is considering in developing the regulations to support the Act. In this regard, it is important to note that there are community groups, without a large commercial funding base, and cannot bear in reasonable costs. I would encourage the Treasurer to ensure that premiums for these groups will be reasonable.

The underlying principle of our argument is simple and straightforward. It is that, whatever one's belief, a place of worship is a special place and, therefore, deserves special recognition. That principle is implicit in our Constitution. The Commonwealth Government must immediately recognise that fact. Widening the proposed coverage of the scheme will greatly assist many religious and community organisations by providing financial security and peace of mind. Despite the unanimous support from States and Territories, last Friday the Commonwealth refused to expand its legislation to cover places of worship and associated community facilities. As of last Friday the bill covered commercial businesses and infrastructure. Unfortunately, the facilities owned by not-for-profit organisations, like places of worship, were not covered.

Another matter of concern to me is that last week it was reported that a spokesperson for the Treasurer said there had been no demonstrated market failure in respect of terrorism insurance cover for places of worship. With the greatest of respect, that is an outrageous statement, and it is completely out of touch. It is certainly not the experience in my electorate and in the electorates of other honourable members. Last December the Premier wrote to the Prime Minister expressing concern about the coverage of places of worship, which in the current environment face a heightened risk of attack. As I have noted, the Premier received an assurance from the Prime Minister that the matter would be considered. However, at this stage we are not clear what is happening.

The Commonwealth's scheme for the provision of terrorism insurance cover is scheduled to come into effect on 1 July 2003. I am mindful that insurance coverage for many mosques in my area, including the Lakemba mosque, is due for renewal quite soon. For those reasons, given the timing of the legislation and the other issues to which I have alluded, this matter is extremely urgent. A national issue needs a national approach. We ask the Commonwealth to seriously consider this matter. In many respects it is a bipartisan matter. I ask the Coalition to take it on board and to make representations to its Federal counterpart. I urge the Commonwealth Government to extend the provisions of the Terrorism Insurance Bill to cover places of worship and associated facilities. At the end of the day, if that is not done, many of those places, including schools, will have to close down. That would have implications for school fetes, sports days, et cetera. This is a real crisis. I will continue to pursue this matter vigorously, as will the Government.

Mr HARTCHER (Gosford) [4.55 p.m.]: There is no doubt that today the world is facing an insurance crisis, largely as a result of the terrorist activities of September 11 but also because of the magnitude of capital involved in reinsurance. As a consequence many organisations, especially those of a voluntary and community-based nature, have had trouble paying increased public liability premiums. This Parliament has taken action to reduce the level of public liability claims and to protect voluntary and community organisations. In the United States of America special legislation has been enacted. The President signed the Terrorism Risk Insurance Act in November 2002, under which private insurers and the Federal Government share the risk of future losses from terrorism for a three-year period.

In Australia, the Howard Government has been looking at ways of assisting organisations to address the threat posed by terrorism and the cost of terrorism insurance. This issue has been much discussed at recent meetings of the Council of Australian Governments. Many voluntary and community organisations are affected by this issue, as are religious organisations. The mosques and centres of prayer of the Islamic community are affected, as has been outlined this afternoon. It is important that that community, along with every voluntary organisation, receive suitable and appropriate protection.

The Jewish community also has suffered severely. It now has armed guards at its synagogues, schools and cultural centres. A couple of years ago when I went to the Hakoah Club I was amazed to see armed guards in the car park. Anyone walking past the Great Synagogue on a Saturday morning will see armed guards outside it. Clearly, the Jewish community, as well as the Islamic community, is plagued with the consequences of the threat of terrorism and the high cost of terrorism insurance. Therefore, it is appropriate that all Parliaments across Australia seek to address this problem. The Federal Parliament and the Federal Government have acknowledged the problem and are keen to have it resolved.

It is important that New South Wales play its part. It is not good enough for the Government of New South Wales simply to seek to shift the blame for every problem onto the Federal Government. That approach is taken again and again. If hospitals are involved, the response of the State Government is simply to say, "We do not get enough money from Canberra." If schools are involved, the Government's response is, "We do not get enough money from Canberra; it is all going to the private schools." Yesterday the Premier's only response, when talking about population pressures in Sydney, was to blame the Federal Government for its immigration program. We need leadership by New South Wales. Unfortunately, we have not been getting appropriate leadership from the Government.

If the best the State Government can do to assist the Islamic and the Jewish communities—the two communities facing the hardest times as a consequence of terrorism and the cost of terrorism insurance—is to have the Minister for Justice issuing press releases calling upon Canberra for action, that is an abdication of responsibility by the State Government. The Islamic community of New South Wales knows it has the full support of the Coalition, both in relation to resisting terrorism and in ensuring that responsible policies are put in place to assist that community to pay its insurance. The Jewish community knows likewise.

New South Wales communities want leadership, not hand wringing from the Premier, whose approach is to ask, "What is Canberra doing?" If that is the only response, there is no point in having a State Government.

The State of New South Wales might as well close Parliament and walk away. The Constitution of Australia provides that insurance is a Federal matter, other than State insurance. Nothing is preventing New South Wales from assisting either the Islamic or the Jewish community. This State has the opportunity to stand behind all our communities and say, "If you are facing a problem, we will help you. We will not stand back and say, 'Go to Canberra.'" The Premier should now address what every fair-minded person in this community acknowledges is a problem. Every person in this community would acknowledge that communities should not need armed guards at their mosques or synagogues. It is not right that mosques and synagogues should be forced to pay double, triple or even quadruple public liability insurance premiums. They should not be declined insurance. On Friday 13 June on *AM*, in a program entitled "Religious institutions seek terrorist insurance", ABC Online quote Michael Vincent saying:

> The Lakemba mosque may be one of the nation's biggest, but it cannot get insurance in Australia.

Keysar Trad, the spokesman for the Islamic community, said:

> It's been very difficult since September 11th. We've had to go through a number of different companies where our brokers have tried all over Australia with very little success, and eventually they've had to turn overseas.

Michael Vincent then said:

> For the Jewish community it's the same story.
>
> President of the New South Wales Board of Jewish Deputies, Stephen Rothman, says they've had to look overseas or pay out hefty premium rises.

Stephen Rothman said:

> In relation to the Great Synagogue in particular, they've gone up very significantly, something like 700 to 800 per cent.

Yet the Premier and the Attorney General produced a bleating, hand wringing, irresponsible response: They would do nothing to assist the Great Synagogue, the Jewish community, the Lakemba Mosque or the Islamic community, except to say, "Go to Canberra!" It is not good enough. The State carries its own insurance and it is able to insure the property of the State: education, health, police and public service institutions. It has a Treasury-managed GIO insurance fund, and it had a government insurance office. It has ample constitutional power to rectify insurance problems. Last year the State Government passed legislation to limit claims on insurance schemes, yet when the great communities of this State—be they Christian, Jewish or Islamic—face these extremely difficult situations they are denied assistance; they are denied the help they need. Every responsible person in this State who wants freedom of religion and a fair go for minority groups wants to know why the Premier is not doing something about it.

Why can he not find a solution to the problem rather than try to blame Canberra? Neither Keysar Trad from the Islamic community nor Stephen Rothman from the Jewish community suggested that they would go to Canberra or that the solution to their problem was in Canberra. They both acknowledged that they were doing their best to obtain insurance for their institutions. They both accepted that terrorism and insurance is a worldwide problem that must be solved by everyone. It would be a great start if New South Wales had a Premier and an Attorney General who, with other Labor Premiers across Australia, were prepared to work together with Canberra to solve these difficult problems rather than turn them into a political football. It is a tragedy for the State that the only time the Premier makes an announcement he passes on responsibility to Canberra. The Coalition will help both the Jewish and the Islamic communities, and we will work with everyone to solve these difficult problems. [*Time expired.*]

Mr PEARCE (Coogee) [5.05 p.m.]: This matter is as important to my electorate, particularly the Jewish community, as it is to the electorate of the honourable member for Auburn. This morning unconfirmed reports stated that the Commonwealth will move to cover religious places of worship in the Terrorism Insurance Bill. Those reports said that the Commonwealth, in the event of a terror attack on a place of worship, would act as a guarantor of last resort for up to $10.3 billion. That decent and commonsense initiative would provide some real long-term security to our places of worship. Unfortunately, as of this afternoon we have had no confirmation from the Commonwealth. I take this opportunity to refer to the effect of such an initiative, which is strongly advocated by the State Government, on Australia's Jewish community, many of whose families live in the electorate of Coogee.

In New South Wales the Jewish community numbers around 40,000, and members of that community reside mainly in Sydney's east and on the north shore. It is an important community that can trace its history in

Australia back to the First Fleet in 1788. It is a community that has made and continues to make a tremendous contribution to this nation. In New South Wales alone the Jewish community has established more than 30 synagogues, places of worship, that require adequate protection and appropriate insurance coverage. Attacks on places of worship have resulted in spiralling insurance premiums. The New South Wales Government raised this issue as early as December 2000. The then Minister for Fair Trading, Mr Watkins, reported that the premiums for Parramatta Synagogue had increased by a massive 300 per cent.

Parramatta Synagogue was forced to take $10,000 excess in the event of an attack—10 times the usual excess. As we know, this trend has continued. Recently, the President of the Great Synagogue in Sydney, Mr Herman Eisenberg, reported that insurance premiums had increased by a staggering 800 per cent. Some members of the Great Synagogue include survivors of the Holocaust. In the electorate of Coogee the story is no different. The Coogee Synagogue has also experienced a sharp increase in premiums, which have increased by some 50 per cent over the past two years. The State Government has raised the issue of insurance premiums on numerous occasions. The Premier wrote to the Prime Minister on three occasions between November 2001 and February 2002 about other terrorism and insurance-related issues and again, as the honourable member for Auburn pointed out, in December last year.

We have good reason to be concerned. On 9 June a *Four Corners* program reported detailed Al Qaeda plans to attack Jewish institutions in Australia. I cannot think of a more likely terrorist threat in this climate than a place of worship, particularly a synagogue, church or associated community facility. Insurance premiums reflect that, albeit in a skyrocketing fashion. The President of the New South Wales Jewish Board of Deputies, my friend Mr Stephen Rothman, said that approximately 20 to 30 Jewish institutions have been affected by this insurance crisis. As a result, the Jewish community is being forced to look overseas for insurance cover. Even then there is no guarantee that the cover will include insurance against acts of terrorism. It would be sad if a place of worship were unable to insure itself because it was deemed to be at such a high risk from extremists. That would be a win for the extremists. Places of worship would be forced to close, not because of an attack but because of a lack of insurance cover.

That is why, as the honourable member for Auburn said, last Friday at the Ministerial Council for Immigration and Multicultural Affairs the State Government asked the Commonwealth to extend its scheme to cover places of worship and associated community facilities. If today's reports are correct, I will be the first to congratulate the Commonwealth Government on its decision to give this special consideration to places of worship and associated community facilities. If the reports are not correct, I assure local communities that the New South Wales Government will continue to lobby to implement the changes as quickly as possible. [*Time expired.*]

Mrs PERRY (Auburn) [5.10 p.m.], in reply: I acknowledge members' contributions to this important discussion, and I should like to address some of the matters raised by the honourable member for Gosford. I sought to make the point that there is now a window of opportunity for the Federal Government to assist Islamic and Jewish community groups. The State Government's concern is that the terrorism insurance bill, which is before the Federal Parliament, clearly addresses damage or acts of terror that may occur to commercial properties but does not cover places of worship, whether they be for Islam, Buddhism or any other religion. The Federal Government has the relevant legislation before its Parliament and is therefore in a position to assist these groups.

The Opposition suggests that the State Government is seeking to shift the blame to the Federal Government, but the opposite can also be said. In debate on important issues such as this, which impact upon many community groups and voluntary organisations, it is not helpful to raise such an argument. As the honourable member for Gosford rightly pointed out, the Federal Constitution provides that insurance is a Federal Government responsibility, and the State Government shares that view. Once again I acknowledge the productive debate on this matter and thank members for their contributions.

Discussion concluded.

Mr DEPUTY-SPEAKER: Order! It being almost 5.15 p.m., business is interrupted for the taking of private members' statements.

PRIVATE MEMBERS' STATEMENTS

RAYMOND TERRACE POLICE STATION

Mr BARTLETT (Port Stephens) [5.13 p.m.]: I wish to speak about Raymond Terrace police station and statements made about it. For 16 years I was a military reservist based at Williamtown, and during that period I spent time in buildings that were in a very poor state of repair. So in 1999 when I became the member for Port Stephens I visited Raymond Terrace police station to observe the conditions there. Between 1999 and 2003 there was no Carr Government commitment to capital works funding for Raymond Terrace police station. However, over that time, due to lobbying by me and the community, some 23 additional police officers have been attached to that facility. During a recent radio interview I was asked who caused the problem at Raymond Terrace police station. I said that I did, but that the station now has 23 extra police officers. There is a functioning police station at Raymond Terrace, due to the professionalism of its officers, but it is a most dysfunctional building. The Carr Government has not promised any capital works funding for the station between 2003 and 2007.

I understand the problems associated with making capital works funding promises. When I was Mayor of Port Stephens some of the area's capital works programs, such as drainage works, kerbing and guttering, and footpaths, extended over some 20 years. As the local member I faced the problem of wanting a new police station built in Raymond Terrace but not having any capital works funding. I asked former police Minister the Hon. Paul Whelan why it was necessary for the police department to own 507 police stations, instead of leasing some of them. The former Minister said that leasing of police stations had not been the usual practice, but that he would consider the proposal. I also raised the issue with former police Minister the Hon. Michael Costa, and recently I raised it with Minister Watkins, and both said they were happy to consider the proposal.

In 1993 I opened Port Stephens Council chambers. In front of the chambers are Raymond Terrace police station, the Roads and Traffic Authority office, and the fire brigade station, each of which Port Stephens Council wishes to acquire. The council is in the process of rezoning the land at the rear of the council chambers. The proposal is that the council acquire the police station site, to give it a piazza onto William Street, the main street in Raymond Terrace, and that the new police station be built on the land at the rear of the council chambers. I discussed the proposal with former Minister Whelan when he visited Raymond Terrace on 7 September 2001, with Minister Costa when he visited Raymond Terrace on 18 January 2002, and with Minister Watkins on 8 May 2003. Indeed, Minister Watkins said I was the first backbencher to speak to him about leasing police stations.

I am extremely committed to securing a decent facility for the Raymond Terrace police officers. It has been claimed that I have constantly made promises about doing so. An article published in the Port Stephens local newspaper headed "John Bartlett MP promised emergency protection gains and he is delivering" referred to what I delivered from 1999 to 2003, what I have promised for 2003 to 2007—which includes new fire stations in Raymond Terrace and Medowie—and the projects I am currently working on. It has been claimed that the various projects I am working on are, in fact, Carr Government promises that have been broken. That is patently not the case. I am still working on a plan—for which I do not have capital works funding—to lease a new, privately built police station at Raymond Terrace.

NORTH SHORE STAMP DUTY

Mrs SKINNER (North Shore) [5.18 p.m.]: The constituents of North Shore are greatly concerned about the increase in stamp duty they are forced to pay when buying properties in the area. Stamp duty on the purchase of properties in North Shore suburbs has increased by more than 100 per cent since the Labor Party came to government eight years ago. Young families already find it difficult enough to buy a property in the area because of the huge increase in property prices, but the enormous additional stamp duty slug simply makes it impossible for many of them. Many of my constituents have lived in the area for a number of years, and they aspire to continue to live there. However, they would have to pay an enormous amount of stamp duty to purchase even one of the cheapest units in the area.

An analysis of data provided by property research agency Residex shows that in 1995 stamp duty on the sale of units in my electorate ranged from $7,363 to $8,465, but that by 2003 it had risen to between $14,750 and $26,315. One cannot imagine how any young person can afford to pay for not only a unit but also up to

$26,500 for stamp duty. The situation is even worse with houses. In 1995, stamp duty on the sale of houses ranged from $13,693 to $25,951, but by 2003 it had risen to between $35,290 and $68,803. An analysis of the Residex figures shows that in more than 170 Sydney suburbs house prices have doubled over the eight-year life of the Carr Government but that stamp duty has tripled.

During that time the Carr Government has had the benefit of massive increases in revenue while it has taken more and more out of the pockets of taxpayers. My constituents are fed up with this and they want tax relief. They were very pleased when prior to the last election we announced that we would abolish the premium property tax on the family home. They are delighted that the Coalition has announced that it will review all taxation, because they are paying more and more and what is there to show for it? Our roads are still choked, our schools need upgrading, our hospitals are run down, and our rail system is unsafe.

State Government stamp duty revenue from property has increased from $1.09 billion in 1994-95 to $3.4 billion in 2002-03. The Australian Bureau of Statistics recently confirmed that New South Wales taxes are the highest in the country. It is high time the Government provided stamp duty relief. I conclude by giving some examples of median sale prices of properties in suburbs in my electorate and the stamp duty payable on them. These figures demonstrate the kinds of problems confronting people who want to buy into the area. The highest increase in stamp duty is for houses in Cremorne, where in 1995 the median sale price was $475,000 and now it is $1.275 million, and where stamp duty has increased from $16,865 to $55,615. A unit in Cremorne has increased from $253,500 in 1995 to $465,000 in 2002. That means that Cremorne is being priced out of the reach of a lot of people. It is high time the Government lowered the stamp duty rate so people can have a fair go.

WESTPOINT SHOPPING CENTRE REDEVELOPMENT

Mr GIBSON (Blacktown) [5.23 p.m.]: I speak tonight about a problem that the Blacktown Westpoint shopping centre has had for quite some time. Due to its size and the predicament it now faces, an estimated $500 million worth of business has been going out of Blacktown each year. I am pleased to say that following final approval recently from its senior management, Queensland Investment Corporation [QIC] has announced an immediate start to the construction of a $300 million redevelopment of the Blacktown Westpoint shopping centre. This will be one of the largest construction projects in New South Wales. The Westpoint redevelopment will generate more than 1,000 jobs during the construction phase, and 2,500 full-time and part-time jobs on completion.

The redevelopment will almost double the size of the centre to around 100,000 square metres. Construction will take three years, and the redevelopment is expected to be finished by mid- 2006. The new centre will boost Blacktown city's role as a retail, leisure and financial centre for the Blacktown community and the surrounding regions. The redevelopment includes the relocation and expansion of several major retailers, including Target, Big W, Woolworths, Franklins, and a Hoyts theatre complex, and the construction of a new Coles supermarket. In the redevelopment the number of specialty shops will increase from 154 to more than 280.

The Mayor of Blacktown, Councillor Alan Pendleton, has welcomed QIC's new investment in Blacktown and has agreed to commemorate the redevelopment by turning the first sod on the site. The community has been calling on business and the Government to upgrade our city centre to reflect the growing importance of Blacktown as a retail, leisure and financial centre for greater western Sydney. This redevelopment is an important step in recognising that role for our city. It will incorporate improved public transport facilities in the city centre with the construction of a public transport tunnel and a bus station below the expanded centre. There will be easy access into Westpoint from Blacktown railway station and the bus terminal. An additional 2,000 car parking spaces will be created, bringing the total to around 4,800. Land required for the redevelopment includes the temporary car park off Alpha Street, which is due to close on Saturday 21 June 2003. That will create a problem because a lot of people who catch trains on weekdays use that car park, and its closure will add to the problem of parking in Blacktown in the short-term.

Stage one of the redevelopment is due for completion by mid-2005, and it will deliver a relocated and expanded Woolworths, Big W, Target and Hoyts cinema complex, and about 105 extra stores and mini major stores. Stage two is due for completion later the same year and will feature the opening of a Coles supermarket, Franklins, and a fresh food precinct on level one. Stage three is due for completion by mid-2006 when the refurbishment works in the existing centre and several new mini major stores are finished. Level one will redefine the meaning of fresh food shopping with the inclusion of the fresh food precinct and the relocation and expansion of major retailers Woolworths and Franklins. This level will also house a new Coles supermarket,

giving customers improved choice and convenience. Levels two and three will be anchored by Grace Bros at one end and by a new BigW on level two and a new Target and an expanded 700-seat food court on level three at the other end.

Both levels two and three will have direct pedestrian access from the Blacktown CBD, the Civic Centre, and the railway station and bus interchange. Level four will include a new leisure and entertainment precinct, adding a new dimension to entertainment for the people of Blacktown. The Hoyts complex will give movie lovers the latest state-of-the-art cinema experience complemented by alfresco cafe and restaurant dining and entertainment. This redevelopment has been a long time coming. The people of Blacktown have waited with great patience, because it has taken a long time for council and the QIC to work out many of the finer points of this redevelopment. The $300 million will be a great investment for the people of Blacktown, and the $500 million of business that was previously lost each year will stay in Blacktown, making the centre even greater than it is today.

CHATHAM HIGH SCHOOL STUDENTS ROAD SAFETY

Mr J. H. TURNER (Myall Lakes) [5.28 p.m.]: I speak tonight of concerns about road safety at Chatham High School and, by association, St Clare' High School, which is across the road. Chatham High School and St Clare's High School together have 1,600 students. There is also a primary school in the vicinity. Chatham High School has one of the largest, if not the largest, education support units in the State, with nine classes of intellectually and physically disabled students attending the school. That also complicates some of the road safety issues in the area. Of course this means that crossing the road is very difficult for some students. Some time ago the parents and citizens association wrote to me outlining a number of issues of concern. The letter states:

> Schools speed zones are signposted so that some motorists enter the zones without passing a 40 km/hr sign.
>
> Davis Street [a street which runs between two schools] is a short street that becomes a "bus only" thoroughfare at school starting and finishing times. It has a large number of buses running to strict schedules that enter and exit the area quickly. Students from both high schools need to negotiate the extremely busy street and the equally busy Oxley Street to both catch buses and leave the School. Neither street has any form of crossing.

The letter also states that as Chatham High School has a support unit some of its students find it very difficult to cross the street. Many students in wheelchairs have to cross the street. There is also concern that some students have had to stand in crowded buses for prolonged periods. These matters were drawn to my attention and to the attention of the Greater Taree City Council. The council referred some matters to the Roads and Traffic Authority [RTA]. At this stage, the problems involve the RTA, the Department of Education and Training, the Department of Urban Transport and Planning and the council.

The problem has been evident for some time. The council elected, through its traffic committee, to approve kerb blisters near the two main school exits onto Davis Street and to also prepare a detailed design, in consultation with representatives of the bus company and the school. The concerns that are related to the RTA's 40 kilometres-an-hour zone have been satisfactorily addressed, but a very real problem still remains: There is no safe access for students. The President of Chatham High School P and C Association Incorporated, Warren Fischer, recently stated in a letter to the Joint Standing Committee on Road Safety:

> We feel that the condition of this area is extremely unsafe. This is compounded by cars using part of the footpath to drop off students.

The difficulty is compounded by the fact that the footpath also has a large drain. That makes it hazardous for people both to negotiate the footpath and to avoid cars that have been driven onto the footpath. An integrated approach needs to be taken to address these problems. Although some action has been taken and some advance has been made to date, it seems that more still needs to be done.

The parents and citizens association has stated that construction of 1.5-metre kerb blisters may alleviate some concerns, but no plans are evident for a pedestrian crossing or a patrolled crossing. At this stage I have difficulty in accepting marked pedestrian crossings as a solution. Marked pedestrian crossings can be very dangerous if people become overconfident and think they are 10 feet tall and bulletproof when using them. Such a proposal will have to be examined very carefully. Taking into account the sheer number of students that congregate in that area within short time spans, an integrated approach needs to be adopted.

The parents and citizens association believes that meaningful consultation between all interested parties, including representatives of St Clare's High School and Chatham High School's parents and citizens

association, should take place. That really has not occurred to date, although some meetings have been held with other representatives. I ask the authorities to which I have referred to come together in the interests of creating a safe pedestrian precinct for students. In conclusion, I wish to refer to the Tuncurry Campus of the Great Lakes College, which is adjacent to a very busy road. The school needs flashing lights installed near its 40-kilometre-an-hour school safety zone. Presently it is too easy for motorists not to notice the zone, and that needs to be addressed. I will draw that matter to the attention of the House in greater detail on a future occasion when more time is available.

GABRIELLA AVENUE-FREDERICK ROAD INTERSECTION, CECIL HILLS

Mr LYNCH (Liverpool) [5.33 p.m.]: I advise the House of concerns of constituents of mine who reside in Cecil Hills concerning the proposed prohibition of right-hand turns into Gabriella Avenue from Frederick Road. Cecil Hills is a comparatively new suburb in the Liverpool area. There are only two access points to the suburb, Frederick Road at its intersection with Cowpasture Road, and Windsor Road at its intersection with Elizabeth Drive. There have been real issues about how long it takes to get in and out of the estate, especially during peak periods. Those problems have been the subject over time of vigorous representations from me, including speeches in this place, and appropriate responses by the Minister for Roads. As a result, the relevant parts of Cowpasture Road and Elizabeth Drive are now being widened and construction is well advanced. Additionally, traffic lights are being installed at the intersection of Cowpasture Road, Frederick Road and North Liverpool Road. These are all good things. When this work is completed, it will add significantly to the amenity of the area.

However, one less than welcome consequence has been an attempt by the Roads and Traffic Authority [RTA] to prevent right-hand turns from Frederick Road into Gabriella Avenue. This has understandably caused considerable consternation to the residents who use that intersection. As I understand the issue, the RTA wishes to prevent right-hand turns because the Gabriella Avenue-Frederick Road intersection is close to the Frederick Road, Cowpasture Road, North Liverpool Road intersection. The minutes of the Cecil Hills Community Liaison Group's meeting, which was held on 15 May this year, set out the RTA's position:

> The RTA apologised for not speaking to the residents before implementing the change to traffic but it was done for reasons of safety. Under the road design guide the minimum length required for the right turn lane is 40m, the RTA require 55m. The length of the right turn lane is 27m. Although it appeared to work well in a one-lane roundabout situation, the implementation of the traffic signals has changed the intersection. The RTA was concerned that buses crossing from North Liverpool Road to Frederick Road may be left in the intersection because traffic could not move into Frederick Road because of the backlog of traffic waiting to turn right into Gabriella Avenue, owing to the very short taper.

There is a very real practical problem with the RTA proposal. Approximately 400 families live in the portion of Cecil Hills that is accessed by the Frederick Road-Gabriella Avenue intersection. There is only one other access point and that is at the intersection of Gabriella Avenue and Spencer Road. Those two access points are at opposite ends of this part of Cecil Hills. If residents who normally use the Frederick Road entrance are prohibited from using it, they will be faced with an extra drive of some distance to access their homes. It is no surprise that there is some anger about the proposal. Minutes of the community liaison group record the concerns of residents:

> The residents raised several issues regarding the right hand turn ban into Gabriella Avenue:
>
> - Inconvenient for residents.
> - Concern that it will push more traffic down through Frederick Street, impacting on the safety of high school students crossing the road.
> - Concern that Liverpool City Council has declined and to install a pedestrian crossing for the high school students.
> - Could the RTA consider 'keep clear' markings painted on the road at the intersection of Frederick Road and Gabriella Avenue?

Two particular aspects have aggravated the concern felt by the residents. One is that Frederick Road is really a local road, which should be subject to council's decisions rather than RTA decisions. Granted the usual criticism about how difficult it is to get the RTA to do anything, I find it slightly ironic that the RTA wanted to do work on a road that it did not have to do. The second aspect of aggravation is that the work was done with basically no-one being told in advance. A concrete median strip preventing access simply appeared one day, without prior warning or discussion—a process that is almost designed to provoke an adverse community reaction. I understand that the proposed median strip did not feature on any of the maps for the area. Certainly the council had not been advised of it. Following community reaction, the concrete was removed, pending a final determination of the issue.

The community's attitude to this matter is certainly very clear. I conducted a survey of the affected area. There was a very high response rate to the survey questionnaire I posted and responses are still coming in. Of the area I surveyed, five people supported prohibition, one person was not sure, and 146 opposed it. Essentially that means that 96 per cent of the community in that area of Cecil Hills opposes what the RTA is suggesting should be done. Part of the community's feeling is summed up in an extract from a letter I received from an affected resident, John Stephen:

> As a resident of Cecil Hills I would like to strongly object to the RTA's plan to block off the right-hand turn from Frederick Road into Gabriella Avenue.
>
> Without exception, all of our neighbours and other residents that I have spoken to are outraged by this decision by the RTA. In addition, the RTA did not consult anyone before blocking off the right-hand turn with a concrete median strip. The only reason that the concrete has been temporarily removed is because the local bus company complained that their bus route had been blocked without even the courtesy of them being notified.

I have made fairly vigorous representations on this issue to both the Minister for Transport Services and the Liverpool City Council. Hopefully a sensible outcome will result which will mean that the residents' view will prevail and the right-hand turn prohibition will not be implemented.

PITTWATER PUB TO PUB WALK AND FUN RUN

Mr BROGDEN (Pittwater—Leader of the Opposition) [5.38 p.m.]: One of Pittwater's great traditions is the annual Pub to Pub Walk and Fun Run. It is a fun run that starts at the Dee Why Hotel and finishes at one of the great institutions at Pittwater, the Newport Arms Hotel. Eleven pub-to-pub runs have been held since 1992. Over the past 11 years, close to $300,000 has been raised for local charities and beneficiaries, including the Manly and Mona Vale district hospitals, the Dee Why Surf Lifesaving Club, the Newport Surf Lifesaving Club, the Northern Beaches State Emergency Service and an organisation that is dear to my heart, the New South Wales Rural Fire Service in the Warringah-Pittwater District. Last year a record 1,680 people took part in the run and over $40,000 was raised. More than anything else, the pub-to-pub run is a community event that has grown because it is fun and gives something back to the local community. Sadly, it was announced yesterday that this year's pub-to-pub race has been cancelled. It seems to have attracted the attention of one too many bureaucrats.

As in previous years, the race organisers have produced a traffic management plan and a traffic control plan. This year's plans have cost the organisers more than $10,000. Unfortunately, the Roads and Traffic Authority [RTA] has told organisers that it will not sanction, support or approve this year's event. This is despite the fact that there have been no accidents or incidents over the past 11 years. It is unfair and, to put it bluntly, it is mean of the RTA to take this position. Supposedly, the only way the RTA might consider allowing the pub-to-pub run to continue is for the route to be closed entirely to traffic. Clearly, the complete closure of Pittwater Road and Barrenjoey Road from Dee Why to Newport on a Sunday morning is out of the question for a main arterial road on the northern beaches.

What I am struggling with is why this requirement has suddenly been placed on the organisers of the run, when over the past 11 years it has not been a requirement to close the route completely. Traditionally, one lane has been blocked off, with motorists and runners still able to use the roads, and this has worked well. Earlier today I met with the Minister for Roads to see if commonsense could prevail and let the pub-to-pub run proceed. I am pleased to say that in a very bipartisan spirit the Minister has agreed to look at the matter urgently and seek a resolution that will ensure that the charity run, organised by the Bayfield hotel group, the owners of both the Dee Why Hotel and the Newport Arms Hotel, can continue. If the run does not go ahead, the only loser will be the community. It is the organisations that benefit from this run.

The run is strongly supported by surf clubs, who do a fantastic job acting as marshals along the route. On many occasions I have been pleased and honoured to act as one of the local representatives presenting prizes to people who either win or are placed in the race. Also, because of the nature of the race, it attracts disabled athletes. Indeed, one such race was the first time I had the opportunity to meet one of Australia's truly inspirational and successful athletes, Louise Sauvage, the well-known and highly successful wheelchair athlete. I am willing to put this on the record: I will go one step further and say—this is not an inducement—that if the Minister is willing to do the fun run with me I will show him the best hospitality and shout him a steak and a beer afterwards. That is probably no good to the Minister—I think he is a vegetarian, so it might have to be something else. Either way, if the Minister is able to help me out, in a true bipartisan spirit—he was very accommodating in the meeting earlier today—I will go one step further and provide him with a drink and an enjoyable word at the end.

The pub-to-pub run has been a successful activity over a long period. It has also been an enormous fundraiser for the local community, strongly supported by many of the organisations that benefit directly from it. I have a friendship with the Bayfield family: Neville Bayfield, OAM, a president of Royal Life and, I think, international vice president of Royal Life; and his two sons, Wayne and Mark, who are involved in the business. Mark has acted as the initiator and co-ordinator of the run for some years. I would like to see the run go ahead. It does not make sense that conditions that have been observed over the past 11 years have suddenly become too stringent and prohibitive for this race to move forward. For the sake of the charities on the northern beaches that benefit from this run year on year, I look forward to a beneficial resolution from the Minister in the next few days.

REVESBY BLUE LIGHT DISCO

Mr ASHTON (East Hills) [5.43 p.m.]: I agree with the Leader of the Opposition that in all electorates there are worthwhile organisations that raise money for the wider community. Tonight I will talk briefly about the Revesby blue light disco, which was established back in 1988 and is still going nearly 16 years later. An important point to keep in mind is that blue light discos were established—and there were many of them—as an attempt to get young people working together with police. The disco is an opportunity for young people to have a good time dancing and listening to the music that they enjoy nowadays—I will not say any more about that—while police volunteer to supervise. The idea of the blue light came from the police being involved in supervising the discos.

The Revesby blue light disco is one of the few blue light discos still active in Sydney. Each month at the South Bankstown YMCA in Revesby young people between the ages of 8 and 16 attend the dances. In the nearly 16 years the blue light disco has been operating, 42,000 young people have been through the YMCA and enjoyed the dances. Over the years the Revesby blue light disco committee has provided nearly $90,000 to our local community. Yesterday I had the pleasure of attending a presentation at which cheques of $1,000 each were given to 20 local schools in my district by the Revesby blue light disco. As I said, that brings the total to nearly $90,000. That is a fantastic amount of money for a community organisation to raise. I take the point made by the Leader of the Opposition about insurance and the difficulties of getting insurance sometimes. Fortunately, the Revesby blue light disco has received funding made available for insurance under the police and community youth club arrangements, and that funding has enabled it to continue to operate.

The Mayor of Bankstown, Helen Westwood, was in attendance at the presentation yesterday, as was Deputy Mayor Allan Winterbottom, Councillor Max Parker, the superintendent of the Bankstown local area command, Mick Plotecki, and Constable Andrew New, who has actively supported the blue light disco. Importantly, the blue light disco gives young people the opportunity to see police in a slightly different role to what they may imagine—certainly, the role they had years ago—and it gives police a chance to see that young people can have fun and entertain themselves, although they must have supervision. Blue light discos have broken down many barriers over the years. Revesby Blue Light Incorporation also runs a mid-day blue light disco every December to raise funds for the Caroline Chisholm special school in my electorate. That is one of the many outstanding achievements of Revesby blue light disco.

Some people have been involved in the blue light disco for many, many years. One of them is Councillor Max Parker, who was a political opponent of mine sometimes. He has also served as the mayor and deputy mayor of Bankstown over the years. His father, Gordon Parker, was also a mayor of Bankstown. Max, Gloria Hanson, the treasurer of the organisation, and Rosemary Daley are involved today. I go back a little further to Joe Kaplan, police officer Warren Fitzgerald and Sergeant Paul Bounds. The late Mal Slater, who was the commander at Revesby in those days, was keen, with John Redshaw and others, to get the blue light disco established. Bill Lovelee, a former member for Bass Hill, who may have been a colleague of some members of this House, was keen to establish the blue light disco. Bill had some good contacts with the police force and a blue light disco was established at Sefton, but it does not survive today.

The message is that young people have a good time at blue light discos, which are free of alcohol and drugs. Good behaviour is insisted upon, but young people do not feel that the police stand and watch every move they make. I encourage people in my electorate—I will be doing this through the information put out in our community—to let others know that the disco is still operating and that their children between 8 and 16 years of age should be encouraged to go. I also ask as many parents and police as possible to attend the discos. It is all voluntary. Blue light discos have been a wonderful establishment over the years. I wish the Revesby blue light disco continued success for many years to come. In particular, I thank it for its great donations to various organisations and people in my electorate.

BURRINJUCK ELECTORATE PRESCHOOL FUNDING

Ms HODGKINSON (Burrinjuck) [5.48 p.m.]: The early years of our children's schooling are vital. During these formative years children develop their socialisation and interrelationship skills upon which their academic and later lives so firmly depend. Tonight I speak directly on behalf of three preschools in my electorate—the Goulburn Preschool Association, the Yass Montessori Preschool and the Adelong Preschool. These preschools, widely separated by distance, all share a concern that is common across rural New South Wales, that is, the appalling lack of State Government funding for community-based preschools.

Last year I spoke to Mr Neil Turner, president of the Yass Montessori Preschool management committee. In 2001 the Yass Montessori Preschool received only $22,453 in funding from the Department of Community Services [DOCS]. Mr Turner informed me that the preschool has set its fees as high as possible compatible with the economic ability of the parents to pay, and still it is having trouble making ends meet. Last year I asked questions in Parliament about the average level of funding received by preschools in New South Wales and was told by the Minister that the average funding for preschools across the State is $70,000 per service, but in rural areas around my electorate it is only $61,000. This is another example of the Government treating rural residents as second-class citizens. I made representations to the Minister for Community Services on behalf of Mr Turner and was told that he should contact DOCS to discuss the individual needs of his service. In response Mr Turner told me:

> I have tried exhaustively to increase our funding through DOCS to an equitable level because at the moment we are relying substantially upon a subsidised Sister of Mercy teacher, and we are required to conduct extensive fund raising to survive.

Parents from Adelong Preschool have written to me as follows:

> Due to the State Government freeze on early childhood funding which began 10 years ago, we are finding it more and more difficult to run our preschool as operating costs increase, and still keep our fees affordable for all families in our community.

They further stated:

> With funding based on 1993 costs, surely it is now time for the State Government to accept their share of the responsibility for early childhood education in NSW.

The Goulburn Preschool wrote to me recently in the following terms:

> We are writing to express our deep concerns relating to the future of community based Preschools in NSW due to the present recurrent funding levels.
>
> Every year we work on a tightening budget to meet the never ending increase in costs. Rising insurance premiums, higher wages and superannuation have had the biggest impact on our budget and accounts for the vast majority of the total expenditure.

In December last year the Independent Education Union of New South Wales, which represents some 24,000 teachers across New South Wales and the Australian Capital Territory, commented on a report by the New South Wales children's services forum, part of the Council of Social Service of New South Wales. The report entitled "Who Sank the Boat" is a damning indictment of this Government's abrogation of its duty of care and failure to provide sufficient funds for community-based preschools. In part the report stated:

> New South Wales is one of the few places in Australia yet to accept that the funding of high-quality preschool services is a State responsibility and it is pushing the system to crisis point.

The report stated that as a result of poor funding arrangements:

> … many services, particularly smaller stand alone services and services in rural areas, are facing a crisis that could result in their closure or at the very least, loss of places and/or quality.

The Independent Education Union of New South Wales said that the report found that in nearly every other State and Territory in Australia a deliberate policy has been implemented to ensure a minimum level of universal, affordable access to preschool in the year before starting school. The "Who Sank the Boat" report further stated:

> Neglect of State funded children's services over the past 10 years means that many families and their children now cannot afford to access a preschool place and that the children who are missing out are, on the whole, the children who would benefit most from early childhood education.

The report calls for an urgent, fundamental rethink of the value of preschool education, including the need for more equitable-based funding to support the needs of community-based services. The Goulburn Preschool Association said—and I will leave these as the final words:

> We believe that early childhood education makes a lifelong difference to children's learning as well as being a source of parent support and part of the community in which we live.
>
> Funding shortfalls are placing unwarranted pressures on our staff, volunteer management committees and families.
>
> Our preschool is striving to do our best however we need urgent assistance.

I call on the Government to provide the necessary funding to preschools across New South Wales, in particular, country areas, and to show support for preschools such as the Goulburn Preschool, Yass Montessori Preschool and Adelong Preschool—all those preschools so desperately in need of funding—to ensure that our children's future is secure.

CHINESE AUSTRALIAN SERVICES SOCIETY

Ms BURNEY (Canterbury) [5.53 p.m.]: Tonight I want to talk about an organisation in my electorate called the Chinese Australian Services Society. I thought I was an energetic and enthusiastic person, but the people who work in this organisation leave me for dead. Established in 1981 this service, fondly referred to as CASS, has developed in leaps and bounds over its relatively short history. The society is ably headed by Henry Pan, chairperson of the board, and its general manager is a wonderful woman called Ms Bee Koh. The service provides a wide range of services targeted at Chinese-speaking people residing in and around the inner west and south-west areas of Sydney. Many honourable members will be aware of this organisation. All people are invited join CASS and to become involved in its decision-making processes, thereby ensuring that services meet the ever-changing needs of our community. The board is made up of 15 members, who are elected annually by members of the society at the annual general meeting and who serve in an honorary capacity.

I recently attended the tenth anniversary of one of CASS's Hua Ann seniors groups and thoroughly enjoyed the experience and warm welcome I received. I look forward to many more opportunities to take part in the society's activities and celebrations. I was humbled to see people well into their seventies, eighties and nineties enjoying life in a meaningful way. CASS excels in organising community events such as cultural performances, the Dragon Charity walk and cultural exchange programs. As I said, its services are outstanding. Social and recreational activities are essential in reaching the society's targeted groups, with outings tailored to appeal to the elderly, women, young people and special interest groups. Y-CASS—targeting youth issues—was established in 2002, and ran its first program in September. The Asian Girls Recreational Program included participants in basketball, social outings and many other activities.

The inaugural team, part of the young CASS basketball program, were runners-up in the 2002 Hong Kong Dim Sim Cup and came third in the local competition of the Sydney City Basketball Association. Two youth men's teams also performed well, with the CASS blue team winning the 2002 Emperor's Garden Cup division two tournament, bringing home the trophy for the first time since 1996. To top it off, Kevin Yeung from the CASS blue team won the award as top scorer. Special interest groups such as art classes, dance, Cantonese opera and stamp collecting are also on offer. CASS offers practical education and training classes that equip clients in language, particularly English classes, as well as in small business management, first aid and computer courses. Personal development and counselling is another area where CASS has demonstrated consistent expertise. The society has successfully tackled problem gambling through financial assistance from the State Government through the Casino Community Benefit Fund. Migrant settlement services such as referral, free assistance to fill in forms, and general inquiries are an integral part of CASS's role.

Children's services are yet another field where CASS has filled the gap. It provides family day care, playgroups and other support services. I am impressed with the level of service provided for the aged. A large number of elderly citizens now have an enhanced quality of life through the provision of exercise classes and social outlets. They also actively participate in cultural exchange and environmental care activities. Another feather in the cap of CASS was a funding grant through the New South Wales Environmental Trust to provide assistance in conducting a 12-month environmental education program within the Chinese community. Talks and seminars target all CASS groups. Activities include visits to recycling centres, tree plantings and a drawing competition for the kids. CASS has the best web site I have ever seen, and a visit to "happy corner" will provide a few laughs! As the member for Canterbury, I thank CASS for its dedication and hard work. I assure CASS that it can depend on me to provide support any way I can. It is a wonderful organisation, which caters for so many people in our community.

SUTHERLAND SHIRE COUNCIL PUBLIC ACCOUNTABILITY

Mr KERR (Cronulla) [5.58 p.m.]: The accountability of Sutherland Shire Council to the State Labor Government is of great concern to residents in my electorate.

Mr George: Shame!

Mr KERR: Indeed. Sometime ago flooding at Taren Point and Kurnell caused extensive damage to residences and businesses. On 5 March I wrote to the then Minister for Local Government, the Hon. Harry Woods, outlining how a constituent, Mr Stephen Veale, had provided a copy of a report about drainage works that he had observed at Taren Point. Mr Veale is a drainage expert and is often called upon to give evidence about such matters in court cases. This correspondence was entered into before the flooding occurred but I have yet to receive a reply from the present Minister for Local Government. This is the same Minister who failed to contact my office when the flooding occurred and provide information to assist my constituents. The honourable member for Lismore is shocked, but I assure him that that is what happened—or, to put it more accurately, what did not happen.

I am still awaiting a reply from the Minister for Local Government. I can assume only that my representation is being considered carefully and that the Department of Local Government is doing an enormous amount of work on this issue. The recent flooding has led to calls for an independent assessment of drainage in the Sutherland shire, particularly in Kurnell and Taren Point. Sutherland Shire Council should initiate such an inquiry so that residents never again suffer the hardships that confronted them this year.

I have constantly raised in this place the issue of signage and the need for the Sutherland Shire Council to erect road signs. This is a public safety issue as well as an access issue—people should be able to travel with ease from journey's beginning to journey's end. It is also about accountability. I made a representation to the Roads and Traffic Authority regarding the signage at the intersection of the Kingsway, Mackay Street and Port Hacking Road South, Caringbah. On 29 May I received a reply, which stated:

> A search through the RTA's records indicates that a similar request for signage at the intersection of the Kingsway, Port Hacking Road South and Mackay Street was made by Sutherland Shire Council in June 2002. At this time a full site inspection was completed and an assessment of the request made.
>
> Council was informed that the Mackay Street sign, on the traffic signal mast arm, at the intersection was installed in accordance with RTA policies and the mast arm structure is only capable of carrying one road name plate sign for each traffic direction. In this instance the Mackay Street name plate has been installed, as this is the road that is located on the northern side of the intersection, where the mast arm is located.
>
> It is also suggested that Council could provide an additional sign for Port Hacking Road South (a council controlled road) on the southeast corner of the intersection. The RTA provided the appropriate design for a black and white local road name plate sign that could be mounted on pipe posts. A recent site inspection indicated that Sutherland Shire Council has installed an additional road name sign for Port Hacking Road South at this intersection. However, the sign that was installed is green and white and does not conform with the road name plate design provided by the RTA and therefore does not meet Australian and RTA standards.

Sutherland Shire Council is keen to remove signage erected by local businesses on footpaths and the like, so it is time that it was brought to account in relation to its activities. I call on the Minister for Local Government to respond to my representations on behalf of my constituents.

MANLY ELECTORATE SCHOOL MAINTENANCE

Mr BARR (Manly) [6.03 p.m.]: I talk today about matters relating to capital works and maintenance in schools in my electorate. On 14 May a demountable classroom at North Balgowlah Public School was evacuated because of serious leaking. That classroom is 1 of 11 on the site—there are only 6 permanent classrooms. Some 35 litres of water were pumped from the carpets of the demountable and the building has since been repaired. An additional demountable that was due at the school at the beginning of the year has now arrived. Year 6 students occupy the school hall and dance classes are held in the library due to a space shortage. Classes are also held in the after-school care building, which is a non-departmental building. This is a stark reminder that much remains to be done to improve the infrastructure of schools not only in my electorate but also across the State. When the former education Minister, the current Minister for Police, was first appointed I met him and presented a list of the many concerns of all schools in my electorate.

I will briefly outline those concerns. North Curl Curl Public School requires the replacement of its Bristol temporary classrooms, an upgrade of the hall and a canteen. A new block of classrooms has been built at

Harbord Public School—with which everyone is most happy—but the school still requires refurbishment of its existing buildings. Parents at Manly West Public School have contributed more than $130,000 for an extension of the library and they are still awaiting dollar-for-dollar funding from the State Government. I have made representations to the Minister's senior staff that that funding should be allocated quickly. All schools in my electorate have particular needs—some more serious than others—but there is nothing more important than ensuring that students are educated in good facilities. I hope that the budget to be announced next week will include significant funding to improve the circumstances of schools across the board, including those that I have mentioned.

I am also concerned about school maintenance. For almost five years ProGroup Management Pty Ltd has been contracted to provide condition-based planned and reactive maintenance services but its contract is due to expire on 30 September. Therefore, there is a contract run-out period between 1 May and 30 September during which only essential, urgent repairs, insurance works, miscellaneous works and demountable works, such as installations and removals only, will occur. A letter from the deputy director-general of corporate services has been sent to schools stating that they will continue to receive an appropriate level of school maintenance, and listing various works. However, concern has been expressed to me that the maintenance work conducted in this period will not cover essential work, including work classified as level two under the contract.

I have written to the Minister seeking clarification as to precisely what work conducted during this interim period will entail, as there is concern that school maintenance will be run down. This concern is relevant to all 330 schools across the State, not only to those in my electorate. I await the Minister's response to my concerns. I hope that the forthcoming budget will allocate adequate funding so that work may be undertaken in schools to ensure that our students are educated in the best possible facilities. In conclusion, I note that the Minister announced today a restructure of the school and TAFE systems. I am not sure what that will entail. Many restructures of the education system have occurred over the years, some of which have been unsuccessful—especially in the case of TAFE. I will reserve my opinion on the current plans until I have examined them properly. Whatever happens, I hope it will be for the betterment of schools and their infrastructure.

TEACHERS SALARIES

Mr DRAPER (Tamworth) [6.08 p.m.]: Today I speak about an issue that is not unfamiliar to honourable members—that is, the ongoing debate concerning teachers' salaries. Over the last few weeks I have received close to 100 emails from the Teachers Federation on behalf of teachers in the Tamworth electorate. Honourable members would already be aware that teachers are angry at the pay rise they have been offered by the Government. They have become increasingly frustrated in their teaching role not only because of this debate about their salaries but also because of the impact of the child protection legislation. I state at the outset that my wife is a teacher, but this matter is not about my wife; this matter is about the thousands of hardworking teaching professionals who play an incredibly important role in our society but who are not adequately recognised for their work. Honourable members would be well aware of the Government's paltry pay rise offer of 6 per cent for teachers over two years. I read to the House a letter I received from Mr Monte Fairhall and Mrs Jackie Fairhall, married teachers who live in Gunnedah. I believe that their view is a view that the Labor Government will want to listen to. The letter states:

> Dear Sir, my wife and I are both high school teachers and were, for many years, active members of the Australian Labor Party. As Labor supporters, we were involved in the distribution of electoral material...
>
> We are no longer members of the Labor Party and for the first time in our lives did not vote Labor in the most recent State Election. The reason for our disenchantment with the state Labor party is the ongoing disgraceful manner in which the NSW State Government has treated public school teachers since coming to power. Their endorsement of the package proposed by Doctor Boston and the manner in which subsequent negotiations were conducted and protracted did untold damage to the bulk of public school teachers.
>
> We, and many of our colleagues, have not forgotten or forgiven the current government for the way that they and the media, with their encouragement, engaged in a program of teacher bashing in a successful attempt to sell a remuneration package that clearly downgraded the value of public teachers and, as a result, public education.
>
> The direct result of this deliberate denigration of teachers and public education by the government has unquestionably led to a loss of confidence by the electorate in public education and a mass exodus of students from public to private schools. The continuing low morale within the teaching profession is evident in the large numbers of early retirements and the loss of talented and dedicated teachers into more rewarding employment.
>
> It appears that the current government has learned nothing from the past, and despite their recent patronising praise for teachers and public education, seems to be engineering a repeat of the last disastrous pay negotiations.

> Most teachers view the Federation as having "caved in" by accepting the previous pay offer and they will not tolerate a repeat capitulation. Anything less than a SUBSTANTIAL PAY INCREASE will be seen as an attempt by the government to grossly undervalue the worth of public school teachers.
>
> There is a strong chance that the Carr government with its ongoing refusal to adequately fund public education and, specifically its teachers, will be recorded in history as the period of government which destroyed public education as an institution enjoyed by the bulk of the population in the twentieth century.

There we have it, straight from two invaluable teachers in the Tamworth electorate. Mr and Mrs Fairhall are not alone. If the work of our teachers is not recognised there is a real risk that we, our children and generations to come, will suffer. The Government must establish where we are heading and it must recognise the concerns of teachers who are directly affected. Unfortunately, neither teachers nor I like what we see in the Government's forthcoming plans. It is already difficult to find staff for some of the smaller schools in regional New South Wales. The unfair recognition of our teachers is making the situation almost impossible.

It has been widely reported that, in the next few weeks, teachers are due to hold a stop-work meeting around the State as part of their ongoing campaign for higher wages. That stop-work meeting should clearly indicate to the Government that teachers will not give up their fight for fair recognition. In years to come we may not have anywhere near the number of schoolteachers that we need, which would be a complete and utter tragedy. The Government appears quite determined to divert attention from the ongoing pay dispute with its revelation today that there will be a restructure of TAFE and the education system. Teachers will not be distracted by those diversionary tactics. I applaud their efforts in trying to obtain suitable recompense for their invaluable work in our community.

Private members' statements noted.

[*Madam Acting-Speaker (Ms Andrews) left the chair at 6.13 p.m. The House resumed at 7.30 p.m.*]

BUSINESS OF THE HOUSE

Bills: Suspension of Standing and Sessional Orders

Motion by Mr Scully agreed to:

> That standing and sessional orders be suspended to allow the introduction and progress up to and including the Ministers' second reading speeches at this sitting of the following bills, notices of which were given this day for tomorrow:
>
> Statute Law (Miscellaneous Provisions) Bill
> Pacific Power (Dissolution) Bill
> National Parks and Wildlife Amendment (Telecommunications Facilities) Bill
> Firearms Amendment (Prohibited Pistols) Bill
> Cancer Institute (NSW) Bill
> Industrial Relations Amendment (Adoption Leave) Bill
> Occupational Health and Safety Amendment (Dangerous Goods) Bill
> Explosives Bill

INDUSTRIAL RELATIONS AMENDMENT (ADOPTION LEAVE) BILL

Bill introduced and read a first time.

Second Reading

Ms MEAGHER (Cabramatta—Minister for Fair Trading, and Minister Assisting the Minister for Commerce) [7.31 p.m.]: I move:

> That this bill be now read a second time.

Adoption leave is a form of parental leave which is taken in connection with the adoption of a child by either the adoptive father or adoptive mother in order to be the primary caregiver of the child. Under the Industrial Relations Act 1996 adoption leave is currently restricted to the adoption of a child under the age of five years. The Industrial Relations Amendment (Adoption Leave) Bill will amend the Industrial Relations Act 1996 to extend adoption leave entitlements to working parents to adopt a child who is up to 18 years of age. Since the introduction of the Act in 1996 the Government has sought to identify any anomalies that may exist in its application. Where anomalies have been found the Government has improved the Act, when and where

appropriate. As the Act stands, parents who adopt a child under the age of five years only are entitled to adoption leave. This is a relatively minor amendment, yet without it parents who adopt children over the age of five years are left with no choice but to give up their jobs.

The purpose of this amending bill is to remove the age of five years as the limit to eligibility for unpaid adoption leave. The rationale for setting that age limit reaches back to a time when most adoptions were of babies born in Australia, and most were under the age of two years. It made sense to put a school-age limit to adoption leave. However, current statistics on adoption tell a very different story. Most children now adopted in New South Wales come from other countries. Inter-country adoption is a comparatively recent development in Australia. Australian families began adopting children from overseas in measurable numbers in about 1975. Since then the number of overseas adoptions has grown and the number of locally born children needing adoptive placement has fallen dramatically.

The Department of Community Services requires prospective adopting parents to undertake that one parent will be a full-time primarily caregiver for a minimum of six months. The overseas adoptions facilitated by the Department of Community Services include children of all ages. The expectation that adoptive parents will commit to be at home caring for their adopted child for an adjustment period of 6 to 12 months also extends to all children, regardless of age. These overseas-born children could be 10, 12 or 15, but will still be in need of an adjustment period to allow for a transition from their previous circumstances to their new family. Though of school age, a child might not attend school for some time while adjusting to the new family and environment. There will almost certainly be, at the very least, a new language to learn.

The parental leave provisions of the Industrial Relations Act provide the right of return to one's own job after a period of parental leave. Without this amendment, adopting parents of overseas children have little choice but to resign from the workforce, since they have no entitlement to their job after caring for their adopted child during that all important settling in period. It is worth being clear about the numbers I am talking about. During the financial year 2001-02, 71 overseas-born children were adopted by parents in New South Wales. Among those adoptions, only eight children were over 5 years old, and none was over 10 years old. While the numbers affected by this amendment are few, the positive benefits are significant. Working parents who make the commitment to adopt a child from overseas will not have to consider the loss of a job to do so. They can provide their new child with the same settling and bonding period that birth parents can provide under the Act, with the security of knowing their job is protected while they are on parental leave.

So the financial and opportunity costs that have to be factored into the decision to adopt or not can be diminished. That is one less source of concern for adopting parents to consider. While the positive benefits for employees in this amendment are significant, there are no negative consequences for small businesses should they be affected. Small businesses will not have to deal with a premature exit from the workplace by an adopting parent, nor with the recruitment and retraining costs that accompany such exits. The small business owner can optimise the investment made in the employee with the right of return after parental leave. This proposed amendment is another step on the Government's path towards enabling the working population of New South Wales to be better able to balance work and family commitments. The aim of this legislative change and the Government's whole approach to work and family is to promote an industrial environment in New South Wales where employers, employees and their families can maximise the benefits of continued workplace participation without compromising family life. I commend the bill to the House.

Debate adjourned on motion by Mrs Hopwood.

OCCUPATIONAL HEALTH AND SAFETY AMENDMENT (DANGEROUS GOODS) BILL

EXPLOSIVES BILL

Bills introduced and read a first time.

Second Reading

Ms MEAGHER (Cabramatta—Minister for Fair Trading, and Minister Assisting the Minister for Commerce) [7.41 p.m.]: I move:

That these bills be now read a second time.

I am pleased to introduce two bills, the Occupational Health and Safety Amendment (Dangerous Goods) Bill and its cognate bill the Explosives Bill, that together constitute a revised regulatory regime for dangerous goods

in New South Wales. The bills arise out of the recent review of the Dangerous Goods Act 1975 conducted by WorkCover. Late last year WorkCover conducted targeted consultation on an issues paper entitled "Review of the Dangerous Goods Act 1975". The purposes of the review were, one, to formulate a proposal for adopting in New South Wales the National Standard for the Workplace Storage and Handling of Dangerous Goods, issued by the National Occupational Health and Safety Commission, and, two, to address national competition policy legislation review requirements.

The review of New South Wales dangerous goods legislation was timely as it was the first comprehensive review of the New South Wales regulatory package for dangerous goods since 1975. It allows New South Wales to complement national initiatives in the regulation of dangerous goods by taking into consideration the national standard that was released in 2001. Further, the review addresses growing public concern about the safe keeping of dangerous goods at a time when the security of dangerous substances has become a matter of global concern. The national standard marks a significant improvement in the approach to the effective control of the storage and handling of dangerous goods.

It establishes a duty of care and a performance-based approach combined with a system of notification to the regulatory authority, of high-risk quantities of dangerous goods. It incorporates the principles of information provision, hazard identification, risk assessment and risk control combined with more specific provisions. The national standard was developed in consultation with all States and Territories, with extensive consultation taking place with industry, unions and key government agencies dealing with occupational health and safety and dangerous goods. The Workplace Relations Ministerial Council agreed to the adoption of the national standard by all States and Territories so as to ensure a nationally consistent regulatory regime for the storage and handling of dangerous goods.

I will now deal with the provisions of each bill separately. Dangerous goods are currently regulated in New South Wales by requiring their keeping, conveyance, in certain circumstances, and use to be licensed by the WorkCover Authority under the Dangerous Goods Act 1975 and its supporting regulations, the Dangerous Goods (General) Regulation 1999 and the Dangerous Goods (Gas Installations) Regulation 1998. Dangerous goods covered by the Act follow the classification set out in the Australian Dangerous Goods Code and include chemicals and materials such as explosives, fireworks, gases, flammable liquids, flammable solids, oxidizing, toxic and corrosive substances and combustible liquids.

The Occupational Health and Safety Amendment (Dangerous Goods) Bill extends the operation of the Occupational Health and Safety Act 2000 to the regulation of dangerous goods whether or not at places of work. The revised Act will apply to all quantities of dangerous goods within workplaces and to quantities over prescribed levels for non-workplaces. The expansion of the Act will allow regulations to be made under the Occupational Health and Safety Act that adopt the national standard. Under the national standard, prescriptive requirements are replaced by a more rigorous duty of care and performance-based approach combined with a notification system.

The Government has decided that the most effective way of adopting the national standard in New South Wales is by way of amending the Occupational Health and Safety Act due to there being considerable overlap in the duty of care, performance-based and risk management approaches of the Occupational Health and Safety Act and the national standard. Further, considerable numbers of dangerous goods locations are workplaces and therefore already subject to occupational health and safety legislative requirements. This approach increases legislative efficiency by having all occupational health and safety related requirements under one Act, simplifying interpretation and application, particularly with regard to risk management requirements.

The new approach will benefit businesses by reducing the number of legislative instruments that need to be complied with, and the new risk management provisions will allow industry greater flexibility and innovation in managing and addressing the hazards and risks associated with the handling and storage of dangerous goods. It is proposed that the Occupational Health and Safety Regulation 2009 will be amended to adopt the approach of the national standard. The regulation will require hazard identification, risk assessment, risk control, labelling, information provision and notification for places where dangerous goods are stored and handled. "Dangerous goods" to be covered by the regulation will include all of the dangerous goods listed above except for explosives.

The amendment to the Occupational Health and Safety Regulation will include the establishment of a notification system in relation to dangerous goods to replace the current New South Wales licensing system. Occupiers of premises where dangerous goods are located will be required to notify WorkCover, at specified

intervals, of the type and quantity of dangerous goods that are being kept on the premises, together with details about the location of the site and the persons who are in control of the site. This information will be used to maintain a comprehensive database on the location of stored chemicals within the State, which can be used, among other things, for the development of proactive preventive strategies and emergency planning and response. Other matters from the national standard that will be incorporated into the regulation include the duties of occupiers of premises where dangerous goods are located to identify, assess and control risks and to obtain and provide information about the dangerous goods on site.

Specific control measures will relate to such things as the means of separating different types of dangerous goods, ways to contain spills, the placarding of sites where dangerous goods are located, fire protection measures and emergency procedures. The regulation will further specify duties for manufacturers, suppliers and importers to classify dangerous goods and provide information in relation to the dangerous goods being supplied. Various record-keeping provisions will also be included. The draft amending regulation will be the subject of a thorough public consultation process with appropriate industries, unions and government agencies. As it is important for industry and the community to be educated about the new approach to dangerous goods, WorkCover will put in place a communication strategy and public awareness program for the new dangerous goods regime prior to its introduction.

I now turn to the Explosives Bill. The bill deals with explosives and explosive precursors and maintains the current licensing approach of the Dangerous Goods Act to these substances. Explosive precursors are chemicals and materials that can be combined to create an explosive. Explosives have been separated from other dangerous goods requirements proposed for regulation under occupational health and safety legislation because of the particular public safety issues related to explosives and explosive precursors. Dealing with explosives under a separate Act recognises the particularly high risks associated with explosives and the potential for the misuse of explosives. I emphasise that explosives kept and used at workplaces will still be subject to all occupational health and safety requirements and that the provisions of the Explosives Bill are in addition to the requirements of the Occupational Health and Safety Act.

The Explosives Bill continues, modernises, and expands the current licensing regime in New South Wales for the licensing of explosives. The bill expands on the current licensing regime in relation to explosives by providing the capacity to extend the licensing requirements to explosive precursors. Clause 6 of the bill provides that a person must not handle explosives or explosive precursors unless authorised to do so by a licence granted under the Act. Examples of the types of activities which constitute handling of explosives under the bill, and which will therefore be required to be licensed, include conveying, manufacturing, possessing, using, supplying, disposing of and importing explosives into the State from another country. The clause applies to the handling of explosives or explosive precursors that will be prescribed by regulation. Licenses may be granted either unconditionally or subject to conditions.

Clause 13 of the bill continues the role for the Commissioner of Police to report to the regulatory authority in relation to applicants and holders of licences. The type of information that may be sought includes matters such as whether an applicant or licence holder is the subject of a firearms prohibition order or has a history of violence or threats of violence. There is also power under clause 22 for the regulatory authority to suspend or cancel an explosives licence where the regulatory authority believes that the holder of a licence cannot be trusted to have access to explosives because the person has a history of violence or threats of violence.

Offences in relation to the negligent use of explosives, access to explosives during conveyance and the supply of explosives to minors are maintained in the bill. Inspectors exercising powers under the Explosives Bill will have the powers of inspectors under the Occupational Health and Safety Act 2000. These provisions streamline the powers of inspectors so that they are consistent, whether dealing with dangerous goods under the Occupational Health and Safety Act or with explosives under the Explosives Act. The bill also contains a power to prescribe penalty notices, or, in other words, on-the-spot fines, for situations in which it is judged appropriate to deal with the particular safety concern in an immediate fashion.

The bill includes appropriate regulation-making powers for the purposes of the Act. Matters such as the types of explosives and explosive precursors to be covered by the Act and the types of licences and licence conditions can be provided for by the regulations. There is also a power to make regulations for dangerous goods not captured under the proposed amendment to the Occupational Health and Safety Act that will allow for the prescription of specific control measures to regulate smaller quantities of dangerous goods in non-workplaces.

As with the dangerous goods amendment to the Occupational Health and Safety Regulation, there will be industry and public consultation on the draft supporting Explosives Regulation before it is finalised. It is intended that both the Occupational Health and Safety Amendment (Dangerous Goods) Bill and the Explosives Bill, once passed, will not be commenced and the Dangerous Goods Act will not be repealed until detailed supporting regulations have been drafted and been the subject of consultation These two bills set the foundation for a revised regulatory regime for the storage and handling of dangerous goods in New South Wales that will complement and be consistent with existing occupational health and safety legislation.

The revised dangerous goods legislative framework will provide a balance between performance and prescriptive provisions in relation to dangerous goods. Any essential prescriptive requirements from the current dangerous goods regulatory regime that need to be retained will be retained in regulations while the performance-based, risk-management and notification approach of the National Standard for the Storage and Handling of Dangerous Goods will be applied to dangerous goods in New South Wales through a streamlined and integrated occupational health, safety and dangerous goods legislative package.

The expected outcomes of the new regime for dangerous goods include economic benefits of reducing inefficiencies in the storage and handling of dangerous goods, and, as other States and Territories proceed to adopt the national standard, elimination of unnecessary costs incurred in complying with differing State and Territory requirements. More importantly, the adoption of the national standard for dangerous goods, other than explosives, and the modernised regime for explosives are expected to result in safer storage and handling of dangerous goods and explosives, meaning fewer deaths, injuries, illnesses and accidents. The new regime should also lead to improved protection of property and the environment. I commend the bills to the House.

Debate adjourned on motion by Ms Hodgkinson.

NATIONAL PARKS AND WILDLIFE (TELECOMMUNICATIONS FACILITIES) BILL

Bill introduced and read a first time.

Second Reading

Mr DEBUS (Blue Mountains—Attorney General, and Minister for the Environment) [7.55 p.m.]: I move:

That this bill be now read a second time.

This bill will allow the Minister for the Environment to authorise, subject to rigorous new environmental assessment criteria, the installation of new telecommunications facilities on lands reserved under the National Parks and Wildlife Act 1974. This Government supports the improvement of telecommunications services, particularly in rural and regional areas of New South Wales. In July 1997 the Commonwealth Telecommunications Act came into effect requiring, for the first time, certain activities of telecommunications carriers to comply with relevant State and Territory laws. In particular, telecommunications facilities in national parks are not classed as low-impact facilities and are therefore subject to the laws of New South Wales.

Although the National Parks and Wildlife Act permits the installation of certain types of facilities, such as for electricity transmission and pipelines, the Act does not currently allow for the installation of new telecommunications facilities on lands reserved under the Act. The Act also allows the Minister to grant a lease or licence to use and maintain a telecommunications facility that is already situated on reserved lands. The Act has not kept up with technology—these provisions were drafted well before the invention of modern telecommunications technology such as mobile phones. The national park estate includes many elevated hilltops and like topography that would be suitable for telecommunication facilities. In fact, the National Parks and Wildlife Service has been approached on numerous occasions by telecommunications carriers seeking to improve network coverage, particularly in rural and regional New South Wales. This bill seeks to correct this anomaly.

Left in its current form, the National Parks and Wildlife Act will continue to impede the establishment of an effective statewide network of telecommunication services. By allowing telecommunications facilities in appropriate locations within the national park estate, mobile telephone coverage will be extended both within the parks as well as in the immediate surrounding areas. This will particularly benefit the rural and regional parts of the State where communications services are often of a lower standard than in urban areas.

One such example concerns the mobile phone coverage in the upper Clarence area, in the electorate of Lismore. To provide regional mobile phone coverage in the area, three sites were identified as necessary to meet acceptable service standards. One of these locations is on Haystack Mountain in Yabbra National Park. The height and location of this site would provide mobile phone coverage in the hilly terrain of the upper Clarence area as well as extending coverage westward to nearby regional communities. I am grateful to the honourable member for Lismore for bringing this case to my attention. As a result of this legislation, his constituents in towns such as Bonalbo will be able to access improved telecommunications services, which are currently denied to them.

The bill will also provide the capacity to improve communications and safety in emergency situations, such as bushfire and rescue operations. In this context, I note that the New South Wales Coroner only very recently recommended in his Goobang National Park fire inquiry that a mobile telephone repeater be established in the national park to service the community and to provide additional communications during times of emergency. Improved telecommunications facilities will assist National Parks and Wildlife Service staff in day-to-day park management as well as emergency services staff, particularly where they are required to work in remote and rugged areas that may not have radio coverage.

An improved communication network will also lead to an improvement in the safety of people visiting national parks and reserves throughout the State. To cite one area as an example, the Royal National Park on Sydney's southern outskirts is one of the most heavily visited national parks in the State. Unfortunately, the rescue of lost or injured visitors is a common occurrence in this park but, because of the hilly terrain, mobile phone coverage is patchy at best, even though the park is right on Sydney's doorstep. Wattamolla is an example of one particular mobile black spot where the National Parks and Wildlife Service has installed an emergency telephone. This phone utilises a telecommunications tower located in the nearby suburb of Cronulla. However, I understand that it is a common occurrence for that tower to become overloaded. That often results in a loss of signal to the emergency phone, which unfortunately then ceases to be operational.

An event such as that could mean the difference between life and death in an emergency situation. I understand that just over a week ago, a group of four bushwalkers became lost in the Royal National Park. They were lucky in that they happened to be in a good location to get a signal and so managed to alert authorities by using their mobile phone, and this led to their successful rescue. However, in hilly terrain or remote areas such as Nattai or Blue Mountains National Park, if a walker is lost or injured he or she may simply be unable to use a mobile phone to seek emergency assistance without first climbing to the top of a hill or by walking a long way out to get help.

No government has done more than this Government for conservation in New South Wales. Since 1995 more than 1.86 million hectares have been added to the national park estate, which is now among the best in the world. It has approximately 21 million visitors every year. This bill ensures that the conservation values of the national parks estate will not be compromised. The Government will not allow new telecommunications facilities to be constructed in the national parks estate at will. The installation and on-going maintenance of telecommunications facilities within the national park estate will be subject to rigorous environmental assessment processes under part 5 of the Environmental Planning and Assessment Act 1979. I can assure the House that the conservation of biological diversity and ecological integrity will be a fundamental consideration when determining whether the installation of telecommunications facilities within the national park estate should proceed.

In addition to the environmental safeguards afforded by the Environmental Planning and Assessment Act, this bill requires that telecommunications facilities cannot be approved in the national parks estate unless certain criteria are met. Firstly, the Minister will need to be satisfied that there is no other feasible off-park option. National parks should and will not be seen as a soft option relative to land outside the estate. Telecommunications carriers will have to provide evidence that they have examined alternative locations outside the reserve estate and explain why those locations are not feasible. Facilities will also need to be essential for the provision of telecommunications in the park or in surrounding areas that would be served by the facility. This criterion will reduce the potential for a proliferation of towers. Once the facility becomes redundant—as a result of advances in technology—it must be removed and the site rehabilitated. This will ensure that redundant infrastructure does not proliferate in parks.

The siting of new telecommunications facilities must take into account park management objectives. This is important to ensure that the operation of the facility does not compromise the value of the area and that the impact of the facility on park management and park users is minimised. Lastly, when selecting the preferred

location for new telecommunications facilities, any existing easements and structures within the park are to be assessed for the suitability to co-locate the new infrastructure. This is intended to consolidate impacts onto sites that are already disturbed. As a matter of policy, the telecommunications facilities would also be subject to the National Parks and Wildlife Service's construction assessment and approvals procedure, which ensures the safety of structures built within the national park estate. Carriers would also be encouraged to be inventive with design of telecommunication facilities to minimise visual impacts upon the environment. In addition, the National Parks and Wildlife Service will develop guidelines for environmental assessment and approval processes for telecommunications facilities proposals.

The bill will provide the Minister for the Environment with discretion to grant a lease, licence or easement for telecommunication facilities in the national park estate. The granting of an easement is generally only appropriate for optical fibre cables and copper cables. In all other cases the Minister would consider the issue of an appropriate licence—the accepted practice across other government land management agencies. The granting of a licence also enables explicit operating conditions to be attached to any licence, with the primary aim of minimising impacts on lands managed by the National Parks and Wildlife Service. Similarly, conditions can be negotiated before an easement is granted. This will ensure that facilities are located, designed and maintained consistent with the management objectives of the area.

In addition, the National Parks and Wildlife Service would negotiate a rental or fee agreement that reflects the commercial nature of the proposal. This is consistent with the whole-of-government review of the licensing and pricing regime for telecommunication sites on Crown lands, and reflects the current practice of government land management agencies with respect to the administration of telecommunication facilities. The receipt of revenue will also benefit the management of national parks as such funds would be dedicated for a range of conservation works. This necessary and sensible bill will bring the National Parks and Wildlife Act up to date with modern telecommunication technology, and this in turn will benefit rural and regional New South Wales as well as park staff and visitors in emergency, rescue or park management situations. I commend the bill to the House.

Debate adjourned on motion by Mrs Hopwood.

FIREARMS AMENDMENT (PROHIBITED PISTOLS) BILL

Bill introduced and read a first time.

Second Reading

Mr WATKINS (Ryde—Minister for Police) [8.07 p.m.]: I move:

That this bill be now read a second time.

I am pleased to introduce the Firearms Amendment (Prohibited Pistols) Bill, which will amend the Firearms Act 1996, the Firearms (General) Regulation 1997 and the prohibited weapons legislation to implement the Prime Minister's handgun controls. This agreement was reached at the Council of Australian Governments [COAG] on 2 December 2002. The Firearms Amendment (Prohibited Pistols) Bill 2003 fully implements the National Agreement, which places a range of restrictions on handgun target shooters. These include restricting handguns that can be used for target shooting to a maximum of.38 calibre, semi-automatic handguns with a barrel length of 120 millimetres or more, and revolvers and single shot handguns with a barrel length of 100 millimetres or more.

Proposed sections 4C and 8 of the Act will create this new class of prohibited pistol, with proposed section 58(2) making it an offence with a maximum penalty of five year's imprisonment to unlawfully possess a prohibited pistol barrel. However, in line with the COAG agreement, there will be two limited classes of person who may access a prohibited pistol. Proposed section 16B provides for persons participating in International Shooting Sport Federation events, which count as Olympic and Commonwealth Games qualifiers, to access highly specialised target pistols which fail to meet the new barrel restrictions. The COAG agreed to this restricted use on the grounds that these highly specialised target pistols are large, visually distinctive and not readily concealable due to their overall size.

In addition, schedule 2 inserts a new clause 59A in the Firearms (General) Regulation 1997 to allow the issue of a commissioner's permit for pistols with a calibre of more than.38 inch—but not more than.45 inch—that are used in an approved shooting competition. In line with the COAG agreement, these competitions have

yet to be agreed to nationally. At this stage the Prime Minister is of the view that metallic silhouette and single—or western—action events should be the only events to be accredited to use.45 calibre handgun.

Representatives of New South Wales handgun target shooters requested that the sport's International Practical Shooting Competition be accredited to use the.45 calibre handgun. The Premier wrote to the Prime Minister requesting that he consider including this as an accredited sport. The Prime Minister has responded that he continues to support metallic silhouette and single action shooting as accredited events using the.45 calibre handguns. Under the national agreement, pistol magazines with a capacity of above 10 shots will also be banned. Proposed section 51E implements this by making it an offence to possess or use a pistol with such a magazine in it. This offence will attract a maximum of 14 years imprisonment.

The National Agreement also includes provision for a prohibited pistol buyback. Proposed section 78 provides the framework for this buyback. The cost of the buyback will firstly be funded from the $15 million remaining from the 1996 buyback, and then shared on a two-thirds, one-third basis between the Commonwealth and New South Wales. As the finer details of the compensation package have yet to be agreed with the Commonwealth, proposed section 78A contains general regulation-making powers in relation to compensation on items to be the subject of compensation—such as parts and accessories.

In line with the national agreement, the bill also contains provisions for firearm collectors in relation to the collection of pistols manufactured after 1946; a new probationary pistol licence scheme that limits ownership of pistols completely in the first six months and provides for limited ownership in the second six months; a provision allowing the commissioner to revoke a licence where negligence or fraud on the part of the licensee has caused a firearm to be lost or stolen; and a "no questions asked" amnesty for the surrender, without compensation, of illegal firearms to police. Also as part of the buyback the Prime Minister has agreed that if handgun owners wish to surrender their target shooting licence, they can be compensated for both their prohibited and non-prohibited handguns. Both the buyback and the illegal firearm amnesty will commence on 1 October 2003 in New South Wales, although some other jurisdictions will be commencing from 1 July.

Initially it was proposed that the new provisions would commence on 1 July. However, the recent New South Wales election and consequent caretaker conventions delayed important policy decisions and certain administrative arrangements could not be put in place in this timeframe. In addition, certain details of the agreement are still being finalised between the States and the Commonwealth. For example, the list of compensation payments is still to be completed. The result is that a 1 October commencement date is more feasible for NSW Police. It is intended that the handgun buyback and the amnesty for surrender of illegal firearms will run for six months—from 1 October 2003 to 31 March 2004.

The bill was developed following consultation with the Coalition for Gun Control and members of the Firearm Licence Holders Working Group. This group consists of representatives from a range of shooting disciplines and associations, including the Amateur Pistol Association, the Sporting Shooters Association of Australia, and the Firearms Dealers Association—in addition to representatives from rural and farming groups such as the State Council of the Rural Lands Protection Board and the New South Wales Farmers Association. Although it cannot be said that the working group supports COAG's decision to restrict access to certain handguns, members of the group have nevertheless generously contributed their comments as part of the bill's final drafting process.

Also, a new clause 82A allows that an executor or administrator of an estate does not commit an offence in respect of the possession of the deceased's firearm if they are retaining the firearm for the purposes of disposing of it lawfully. Also this section creates a requirement that an executor or administrator must notify the Commissioner for Police of the death of the person who possessed the firearm as soon as practical after the death. This will assist the Firearms Registry with ensuring that firearms of the deceased are not in the community illegally.

The administrative procedures for the buyback are being developed by NSW Police, which is establishing three mobile handgun buyback vans to collect guns and issuing compensation. It is proposed that two vans will visit pistol clubs in metropolitan and regional centres, whilst the third processes stock held by firearm dealers. The schedules of the vans will be posted on the NSW Police website. Letters will also be sent to handgun licence holders before a van visits their area to advise of the location and opening times. Handguns surrendered under the buyback will be crushed and disabled at the van, before being transported via secure courier to Police Weapons Disposal. Strict safety and accountability measures will be in place at each buyback van.

All handguns will be examined to determine whether they fall within the new prohibited class. If this is the case, the owner will need to establish whether he or she falls within the limited class of persons able to access the prohibited pistol in order to retain it. Operators in the van will enter customer details into the computer, and customers will be issued with a cheque on the spot for surrendered handguns and accessories that are listed on the National Compensation List. The list has yet to be completed and agreed nationally, but will be placed on the NSW Police website when it is finalised.

Customers owning non-prohibited pistols will be given a blue identification tag to reassure them that the firearm is legal. A new firearms registration certificate will be sent out by mail at a later date. If there is a dispute as to the amount of compensation which should be paid for a handgun, because of modifications made to it or because it is not on the National Compensation List, this can be referred to an independent valuation panel. If a gun is identified as an historic firearm, it will not be destroyed but will be recorded by police as reserved for independent assessment and referral to a relevant museum.

In addition to internal police audit procedures, the buyback process will be independently audited to ensure its integrity. The mobile buyback vans will be supported by a website to answer questions from gun owners about the terms of the buyback and the amount of compensation to be paid. Persons without access to the website will have access to a 1300 Buyback Hotline for further information. NSW Police will be writing to all handgun licence holders to advise them of these details. The changes in the Handgun Control Agreement will significantly strengthen the controls over access to handguns. This bill fully implements the national agreement. I commend the bill to the House.

Debate adjourned on motion by Mr Debnam.

PACIFIC POWER (DISSOLUTION) BILL

Bill introduced and read a first time.

Second Reading

Mr WEST (Campbelltown—Parliamentary Secretary), on behalf of Mr Knowles [8.17 p.m.]: I move:

That this bill be now read a second time.

The purpose of this bill is to dissolve Pacific Power. Its closure represents the culmination of an extensive and successful reform program undertaken by the Government over the past decade that has delivered significant benefits to New South Wales. From 1950 to the early 1990s Pacific Power was responsible for the design and construction of power stations within the State, augmenting the high voltage transmission network and managing the State's generation and high voltage transmission systems. In anticipation of the establishment of a national electricity market, Pacific Power was restructured between 1994 and 2000. Pacific Power's transmission assets were initially separated, forming TransGrid. Subsequently, its generation functions were formed into three State-owned corporations: Macquarie Generation, Delta Electricity and Eraring Energy. These entities were established with the objective of their operating within a national electricity market as independent, commercially viable organisations.

These initiatives, together with other electricity reforms undertaken by the Government, have resulted in substantial efficiency gains from which the whole State has benefited. The Government estimates that between 1995, about the time when electricity reforms commenced, and December 2002 New South Wales electricity customers have saved more than $1.745 billion in real terms on their electricity bills. Today small business customers in New South Wales enjoy the cheapest electricity prices in Australia, while households pay the lowest electricity prices of any State in the national electricity market. Following the separation of its transmission and generation assets, Pacific Power's principal activities were the operation of a coalmining business through its wholly owned subsidiary company, PowerCoal, and the provision of engineering consulting services and contracting through its business unit, Pacific Power International.

PowerCoal operated six underground coalmines with a staff of around 1,100 in the Central Coast, Lake Macquarie and Lithgow regions. In August 2002 Pacific Power sold PowerCoal to Centennial Coal Company, one of New South Wales leading independent coal producers. The sale of PowerCoal was a great result for employees, all of whom went across to the new owner. PowerCoal staff have had their jobs protected for three years following the sale and all accumulated employee entitlements are also protected. Centennial has committed to significant capital expenditure and to pursuing development and growth opportunities. These plans and ongoing coal supply contracts between PowerCoal and the State-owned electricity generators are expected to underwrite jobs at the mines well into the future.

Pacific Power International provided engineering and technical advice, and services both interstate and internationally. The business was sold to engineering consulting firm Connell Wagner in February 2003. The successful sale to Connell Wagner was the best possible outcome for employees, as the private sector is better placed to develop business opportunities and manage the risks inherent in such operations. The sale provides opportunities for the significant number of employees who joined Connell Wagner to broaden their skills and access the greater suite of opportunities while ensuring that, in the future, the Government and, ultimately, taxpayers no longer bear the commercial risks associated with this type of business.

Throughout the restructure of Pacific Power, the Government has worked constructively with employees and their unions. Without doubt this has contributed to the success of the reforms. During this time Pacific Power has also provided a range of support services to employees to assist their transition, including career counselling and skills development workshops. The Government is committed to continuing to provide these services to remaining Pacific Power employees. Most of Pacific Power's remaining employees are seeking redeployment in the public sector, while all others will depart with voluntary redundancy packages.

Pacific Power has developed and implemented a redeployment program for employees seeking placements in the public sector. This entails concentrated coaching and development of all employees and a co-ordinated approach with the Government's work force management centre to identify and match Pacific Power employees to public sector vacancies. These efforts will continue following the dissolution of Pacific Power to facilitate the successful redeployment of remaining employees to other parts of the public sector. With the recent successful sale of its remaining business undertakings, Pacific Power has no remaining long-term operational activities and should, therefore, now be dissolved.

The closure of Pacific Power is both appropriate, as it no longer has any ongoing activities, and necessary, as the infrastructure established to support an entity that previously employed thousands of staff and was responsible for the entire State's generation and high-voltage transmission systems is not suitable for the efficient wind-down of remaining residual activities. Accordingly, the bill formally dissolves Pacific Power on 1 July 2003. However, Pacific Power holds some residual assets and liabilities that need to be managed and efficiently wound up following Pacific Power's dissolution. For this purpose the bill establishes a successor entity called the Residual Business Management Corporation, which will be a statutory body managed by a general manager with reporting and accountability lines to the Treasurer.

The structure of the corporation is designed to reflect the nature of the corporation as a vehicle for wind-up activities. The corporation has no role in undertaking new business activities. Its objectives and functions, as embodied in the bill, are to efficiently, effectively and responsibly manage and wind up residual assets, rights and liabilities in a timely manner. The activities of the corporation will be monitored through an annual business plan which it will be required to submit to the Treasurer. The corporation will succeed Pacific Power as the employer of Pacific Power employees. This is one of the most significant aspects of the bill for employees because it ensures they remain on their existing terms and conditions of employment with no loss or change to their entitlements, including superannuation, annual and long service leave, and sick leave.

The existing voluntary redundancy offer and other key employee arrangements contained in a memorandum of understanding applying to Pacific Power employees will also continue to apply to employees and the corporation. On the dissolution of Pacific Power the bill provides that all remaining assets, rights and liabilities of Pacific Power become the assets, rights and liabilities of the Residual Business Management Corporation. The most significant of these assets is a Pacific Power wholly owned subsidiary company currently involved in the engineering, procurement, and project and construction management of two power plants in Queensland. These projects commenced in 1998 and 2000, and are being delivered through a consortium structure.

Although the physical construction of the plants is essentially complete, both contracts require significant management during lengthy warranty and defects liability periods. Final contractual completion for the later of the two projects is expected in 2006. The subsidiary undertaking these projects will be retained as a specific-purpose vehicle solely to fulfil existing contractual obligations for the two power stations. The company will be fully wound up at the conclusion of the two contracts. Existing guarantees that Pacific Power has provided in relation to these projects will be carried forward to the State as a savings and transitional measure. Although the corporation will initially assume all assets, rights and liabilities of Pacific Power, the bill provides scope to ultimately transfer ownership and responsibility for assets, rights and liabilities to other appropriate public sector entities.

This is consistent with the objective of establishing the corporation as an entity to manage the wind-up of residual government business, and ensuring that any obligations of a continuing nature are managed appropriately. I reiterate that the closure of Pacific Power represents a significant milestone in the Government's electricity reform agenda. Nevertheless, the bill recognises that some residual matters remain to be managed. It therefore provides a sound framework for ensuring that any residual obligations can be managed efficiently, and that commitments to former Pacific Power employees continue to be honoured. I commend the bill to the House.

Debate adjourned on motion by Ms Hodgkinson.

STATUTE LAW (MISCELLANEOUS PROVISIONS) BILL

Bill introduced and read a first time.

Second Reading

Mr WEST (Campbelltown—Parliamentary Secretary), on behalf of Mr Carr [8.28 p.m.]: I move:

That this bill be now read second time.

The Statute Law (Miscellaneous Provisions) Bill continues the well-established statute law revision program that is recognised by all members as the cost-effective and efficient method for dealing with amendments of the kind included in the bill. The form of the bill is similar to that of previous bills in the statute law revision program. Schedule 1 contains policy changes of a minor and non-controversial nature that the Minister responsible for the legislation to be amended considers to be too inconsequential to warrant the introduction of a separate amending bill. The schedule contains amendments to 51 Acts. I will mention some of them to give honourable members an indication of the kind of amendments included in the schedule.

Schedule 1 amends the Art Gallery of New South Wales Act 1980 in two main ways. Firstly, it provides that in calculating the maximum number of consecutive terms for which a trustee of the gallery may hold office, any period of appointment to fill a casual vacancy is to be disregarded. Secondly, it repeals the provisions specifying that the appointment of a trustee takes effect on 1 January in the year following the year in which the appointment is made. The instrument of appointment may specify the date the appointment takes effect. Similar amendments are made to other Acts within the arts portfolio so that the same provisions will apply to other trustees and members of boards and councils concerned with the administration of the arts.

Schedule 1 amends the Ombudsman Act 1974 to add to the circumstances in which the Ombudsman may disclose certain information. The amendment provides that information obtained in the course of discharging functions with respect to a complaint against a public authority may be given to another public authority if the information concerned is relevant to the functions, policies, procedures or practices of the other public authority. However, the amendment specifically excludes personal information from the information that may be disclosed to the other public authority. The Ombudsman or an officer of the Ombudsman may also disclose to certain authorities information relating to the safety, welfare or wellbeing of any child or young person, or class of children or young persons. That information may be disclosed to a police officer, the Department of Community Services or any other public authority that the Ombudsman considers appropriate in the circumstances.

Finally, the Ombudsman or an officer of the Ombudsman may disclose information to a particular person—for example, the governor of a correctional centre—if the Ombudsman believes on reasonable grounds that disclosure to that person is necessary to prevent or lessen the likelihood of harm being done to any person. However, that disclosure may be made only if the Ombudsman also believes on reasonable grounds that there is a risk of harm, including self-harm, being done to any person. Schedule 1 amends the Health Administration Act 1982 to provide that the Minister for Health cannot delegate a particular power. The power concerned is the power to determine the amounts of money, if any, that should be paid out of money from the Consolidated Fund to area health services, statutory health corporations and affiliated health organisations in any financial year. This amendment was recommended by the Public Accounts Committee in its report number 135 made in October last year.

[*Quorum formed.*]

Other legislation within the health portfolio is also amended. A number of Acts relating to health professionals are amended to provide for certain administrative duties of the president of the relevant

registration board to be carried out by the registrar of the board, rather than the president. The duties involve the fixing of times and places for the holding of inquiries into the fitness of applicants for registration and the giving of notice of the inquiries to the applicants. Schedule 1 also amends the Local Government Act 1993 and the Protected Disclosures Act 1994 to ensure that complaints may be made about the conduct of councillors as well as about the conduct of officers of councils. The Meat Industry Act 1978 is amended so as to retain provisions requiring the branding of meat to identify whether it is lamb or hogget. The Act currently provides that any such provisions cease to have effect on and from 1 August 2003. The retention of the branding requirement is supported by the industry, the Australian Consumers Association and other interested parties.

A number of amendments are made to legislation dealing with criminal matters, such as the Crimes (Local Courts Appeal and Review) Act 2001, the Criminal Procedure Act 1986, the Justices Legislation Repeal and Amendment Act 2001 and the Local Courts Act 1982. These amendments ensure the retention of certain provisions that were inadvertently omitted or altered in the repeal and re-enactment of the Justices Act 1902 and certain other aspects of the criminal law. For example, the amendments reinstate the former right of the Environment Protection Authority to appeal to the Land and Environment Court against certain orders made by the Local Court with respect to an environmental offence for which proceedings have been taken by that authority.

Schedule 1 also makes a number of amendments to the Environmental Planning and Assessment Act 1979. Some of these amendments ensure consistency of operation by consent authorities on the one hand, and the Land and Environment Court on the other, when modifying development consents. Other amendments avoid possible inconsistencies between councils' development control plans and State environmental planning policies or regional environmental plans. The amendments also remove any doubt as to whether the regulation-making powers under the Act extend to empower the making of regulations concerning certain procedural matters, and they extend the operation of a transitional provision that is due to expire on 1 July this year.

The last schedule 1 amendments to which I will refer are the amendments to the Hunter Water Act 1991 and the Sydney Water Act 1994. The amendments to both Acts require all the conditions of a customer contract to be set out in the operating licence of the relevant water corporation. They also allow the notice that must be published in relation to a variation of a customer contract to summarise the variation instead of setting it out in full. They insert a new requirement that copies of a customer contract that has been varied be made available to the public. The amendments to the Hunter Water Act 1991 also insert a provision identical to a provision in the Sydney Water Act 1994. That provision permits the making of regulations concerning the restriction or regulation of the supply and use of water in the area of operations of the water corporation in the case of drought or accident or other special circumstances.

Schedule 2 deals with matters of pure statute law revision consisting of minor technical changes to legislation that the Parliamentary Counsel considers are appropriate for inclusion in the bill. Examples of amendments in schedule 2 are those arising out of the enactment of other legislation, those correcting duplicated numbering and those updating terminology. Schedule 3 repeals a number of Acts, and statutory rules and provisions in Acts. The Acts that were amended by the repealing of Acts or provisions are up to date on the legislation database maintained by the Parliamentary Counsel's office and are available electronically. Schedule 4 contains provisions dealing with the effect of amendments on amending provisions, savings clauses for the repealed Acts, and a power to make regulations for savings and transitional matters, if necessary.

The various amendments are explained in detail in the explanatory notes set out beneath the amendments to each of the Acts concerned. Rather than repeating the information contained in those notes, I invite honourable members to examine the various amendments and accompanying explanatory material and, if any concern or need for clarification arises, to approach the relevant Minister regarding the matter. If necessary, I will arrange for Government officers to provide additional information on the matters raised. If any particular matter of concern cannot be resolved and is likely to delay the passage of the bill, the Government is prepared to consider withdrawing the matter from the bill. I commend the bill to the House.

Debate adjourned on motion by Mrs Hopwood.

GENE TECHNOLOGY (NEW SOUTH WALES) BILL

GENE TECHNOLOGY (GM MORATORIUM) BILL

Second Reading

Debate resumed from 30 May.

Mr LYNCH (Liverpool) [8.40 p.m.]: My constituents have expressed significant concern about gene technology. They do not want to eat genetically engineered food and they are concerned about the consequences that may flow from such products. Therefore they welcome the proposed introduction of a three-year moratorium on the commercial release of genetically modified [GM] food plants. However, if anything, they are concerned that the moratorium is only for three years. The present basis for proposing a moratorium seems to be largely to help marketing techniques and the exploration of methods to separate GM and non-GM products.

A number of substantial arguments underlie the concerns of my constituents. This is very new technology and there is a great fear that nowhere near all of the consequences of this type of genetic engineering have been made clear. Because it is so new, a very great deal of precaution would seem to be justified. The days of trusting and uncritical acceptance of science as an unqualified good are long gone. Whilst people are not irrational they are certainly sceptical, and there is a credible body of evidence to justify much scepticism about genetic modification. There is evidence of genetic modification having the unintended consequence of producing allergic effects. Some critics also point to a reduction in the nutritional value of GM food.

Apart from specific impacts on human health, there are also many concerns about environmental consequences. The commercial planting of genetically engineered, herbicide-resistant plants runs the risk of creating herbicide-tolerant weeds, the so-called superweeds. The use of genetically engineered crops, especially those designed to be resistant to the chemicals that will kill weeds—such as Monsanto's Roundup Ready soy beans or Beyers Invigor canola—simply will worsen the degradation already caused by intensive agriculture. It certainly looks like it will also increase the use of chemicals in food production, which is another matter of concern to my constituents.

Of course none of these arguments dissuade those blinded by the glorious scientific future of genetic engineering. I find the barrackers for GM crops remarkably naive, at best. For example, some claim the imminent end of world hunger if only science can have its head and GM food crops can be developed commercially. The reality is that world hunger has less to do with total food production than with the distribution of what is presently produced—and that is related to power, money and profits. In fact the promotion of this new technology leads into one of the most serious aspects of this debate: what can be called the political economy of gene technology.

A useful dose of scepticism about the technological triumphalism of those supporting gene technology is provided by an economist, Evan Willis, who wrote an article in the *Journal of Australian Political Economy* [*JAPE*] about a separate but related topic, in which he said, "The 'technological imperative' is in fact an economic imperative with technology as the tool." The prime economic movers behind the push for GM crops are large profit-seeking multinational corporations. For example, the first commercially grown transgenic crop in Australia is Monsanto's cotton BT. Members of Parliament have been deluged with a big folder of paperwork about Bayer's Invigor canola. I understand that new GM commercial crops might be introduced by Monsanto and Bayer. Some indicative figures assist the argument. In 1990, half the plant patent applications lodged in Europe were from only eight multinationals. A third of the applications came from just three multinational corporations, and 10 large multinationals now hold about 40 per cent of the world seed market.

Another article from the *JAPE*, this time by Geoffrey Lawrence, whose work I have been reading for almost 30 years, says it all in just its title: "Genetic Engineering and Australian Agriculture: Agenda for Corporate Control". Another author in the *JAPE*, Richard Hindmarsh, has also written about this issue. He argues that the key is, of course, private ownership of GM crops. Plant variety rights and plant breeder rights allow private profit-making for genetic engineering. This ownership of invention, the commercialisation of innovation, has resulted in a large number of chemical companies move into the production of GM seeds.

The chemical companies used to sell farmers just the chemicals; now they sell them everything, including the seeds. Often the seeds they sell are compatible only with their chemicals. It is worth noting, as Geoffrey Lawrence has, that over recent decades there has been a move away from the development of

technological advances in agriculture by State entities. Instead of much of the technological innovation being carried out by public bodies, it is now carried out by profit-seeking corporations. There has been a privatisation of technological innovation. Lawrence predicted in 1987 that this would lead to an increasing dependence of farmers upon agribusiness and that their oligopoly or monopoly position would lead to the generation of super profits. His predictions have been borne out in significant aspects.

One should not assume, of course, that such corporations would do anything other than support their own interests. Historically they have disregarded any interest other than their own. Monsanto is a useful example. Economist Ernest Mandel records the suppression of technological progress by Monsanto. In 1936 Monsanto was involved in suppressing a high-quality lubricant because it would have led to a reduction in the sale of other less effective products that, nevertheless, generated greater profits. Richard Hindmarsh, in the article I referred to, recorded Monsanto's refusal in 1999 to release two gene GM cotton. Producers wanted it, believing it to be more resistant to insects, but Monsanto refused, relying solely upon what it thought was in its own best self-interest rather than in any broader interest. Hindmarsh also wrote of a Western Australian case in which a GE lupin was not commercially released because it did not suit a global marketing strategy.

The role of State Parliament in this legislation is said to be restricted; we are not to be concerned with health and environmental concerns, which are said to be matters for the Commonwealth. The State's role is said to be restricted to marketing issues. To follow the comments by and about the Minister in the other place, the three-year moratorium is essentially to make the marketing of GM crops more feasible and efficient so GM and non-GM products can be effectively separated. In the real world this is an absolutely unsustainable view. My constituents do not like and do not trust genetically engineered food. In fact, no-one does. Wherever it is properly labelled there is massive consumer resistance. People are fearful of the environmental, public health, and economic consequences of GM foods. For that reason, if for no other, I welcome a three-year moratorium.

Mr SLACK-SMITH (Barwon) [8.47 p.m.]: The National Party supports the broad thrust of the gene technology bill. I believe that the honourable member for Liverpool typifies the knee-jerk reaction to people talking about genetically modified [GM] foods. I probably have more authority to speak on this subject than most others in this place, because I grow a GM product: GM cotton, or Twingard cotton. The reason I do so is quite simple: I reduce my insecticide application by 80 per cent, which is a pretty good plus for the environment. Also, I increase my yield, I improve the quality, and I can sell my cotton at a far better price overseas than most of our competitors.

We now have this scare about GM products. I agree that things must be taken slowly and that it is essential to make sure that everything is right. I am concerned about Monsanto, and the reason why Monsanto got the jump on the European Union [EU]. The reason why the EU has been so active in opposing GM food products is simply because Aventis missed the boat. The EU believes that it can initiate a program and put up a lot of resistance to GM products, that there will then be resistance against it throughout the world, and that Aventis will have time to catch up.

That has not been the case. Anyone who has eaten fried chips has consumed genetically modified material because most of the chips are cooked in cotton seed, and there is no difference whatsoever in the DNA of GM cotton and conventional cotton. Exactly the same position applies to canola because there is no difference at all in the DNA of GM canola and conventional canola. It is rather interesting to hear stipulations about segregation to ensure that harvesters and trucks are cleaned out and are completely pure to prevent contamination. Most of Australia's canola goes overseas, and guess where it goes? It goes into the hold of a ship, conventional canola and GM canola in the same hold. That happens because other countries use canola and do not care much about segregation. They believe there is no difference in the genetic make-up of the two crops.

If growers purchase a licence from Monsanto to grow canola or cotton, they must sign a legally binding agreement that defines the area in which the crops will be planted and stipulates the buffer zones. Those requirements amount to best management practice that must be adopted before farmers start growing GM crops, and I believe that is extremely important. Those stipulations should apply to all genetically modified crops. GM is not new: Dr Martin successfully spliced a gene into wheat in the 1950s at the Wagga Agricultural Institute. That gene did not have its source in a soil-borne bacteria, which is the case with the gene that makes canola and cotton crops resistant to insects. We are not talking about fish heads or other animal products when we talk about making cotton and canola crops resistant to insects, but, rather, about soil-borne bacteria that can be found everywhere. That is the type of bacteria that has been spliced into canola and cotton plants to make them effectively poisonous to certain insects.

Some concerns have been expressed about the development of a superweed as a result of weeds becoming resistant to herbicides, such as glysophate, which is really Roundup, but the fact is that weeds have become resistant to herbicides. Other herbicides that are used in the production of canola include the triazines and atrazines, which have been found in Australia's subartesian water tables. They are herbicides that do not dissolve but keep leaching further into the soil. Traces of the triazine variety of chemicals have been found in this nation's underground water reservoirs, so some of the products that are currently being used are not great.

When sorghum hybrid seeds first came onto the market they were met with a certain amount of resistance from buyers because the same variety could not be used for consecutive seasons. Farmers had to sell the crop and purchase more seed stock. Prior to the use of sorghum hybrids, a farmer who averaged a yield of 1.5 tonnes per acre was obliged to shout at the pub, yet currently it is quite common in the Liverpool Plains area and in my electorate of Barwon for yields of up to 5 tonnes per acre of sorghum to be grown. High yields are the result not only of hybridisation but also of better farming practices and better seasons.

Although I am not a great fan of Monsanto, and I have had run-ins with Monsanto and Aventis, I acknowledge that the development of biotechnology in agriculture is a very expensive enterprise. Monsanto has spent tens of millions of dollars in developing varieties and splicing genes into conventional crops. It is interesting to note also that the National Registration Authority for Agricultural and Veterinary Chemicals [NRAAVC] and Australian standards under which these products are registered are probably the toughest in the world. GM cotton was grown in many countries of the world before it was introduced into Australia simply because the national registration authority would not allow it into the country unless exhaustive testing had taken place.

A few furphies have been spread about canola. Although I understand the concerns that people have about it, there is a deal of misunderstanding about cross-pollination. Honourable members may not be aware that canola pollen is rather heavy. Scientific tests have indicated that, including pollen carried by bees, the average contamination in canola past a five-metre buffer is.007 parts per million. The minimum residue level is one part per million. The average contamination level in canola that was measured by various tests conducted by the companies and by independent testing authorities indicated that the cross-pollination rate was.007 parts per million. Cross-pollination does not seem to be a problem.

Having said all that, I make the point that we must proceed slowly and make sure that gene technology is handled correctly. I have no problem with regulation and control at all. However, the European Union [EU]—that great proponent in the anti-gene technology food debate—has not recognised that most of the people who live in Europe consume meat products from animals that have been fed GM products in the United States. A few years ago I visited the part of Europe that has the largest concentration of pig production, namely northern Germany, and discovered that those farmers feed their pigs GM soy beans from the United States. The pigs are taken down to Italy and eventually become parma ham. An article on GM food in today's *Sydney Morning Herald* states:

> In 1999, seven EU states—Australia, Belgium, Denmark, France, Greece, Italy and Luxembourg—imposed a four-year ban on GM products.

Those countries have been using GM products and have been consuming them. As far as I am aware, consumption of GM products has not caused any damage yet. There is a lot of politics in this issue and, as I said earlier, one of the causes is that Aventis—a company that is virtually a European Monsanto—missed the jump and wants to curb Monsanto's expansion into GM technology enterprises. Aventis embarked on a fairly extensive scare campaign against GM. I do not accept for one moment that we should cross fish with tomatoes, but I think that placing a common earth-borne bacterium into a plant to make it poisonous to insects, thereby reducing by 80 per cent the extent of the chemical control of insects as a benefit to the environment, is a pretty good move. Throughout the world, many environmental organisations have been trying for years to destroy the credibility of glysophate, or Roundup, and they have been unsuccessful. Roundup is a very safe product. It targets weeds only, it is relatively cheap, and it is a very valuable tool for farmers.

The information campaign on GM products must be sold to the public properly to counteract innuendoes. Scientific research indicates that gene technology is not as bad as everyone may think. As I said earlier, it is incumbent upon us as members of Parliament to ensure that gene technology is handled correctly. I am able to state from my experience of growing genetically modified cotton over many years that it is not the be-all and end-all. It will not replace good farming practices, and it is not a wonder crop. Bad farmers who grow

GM products will still go broke; it is as simple as that. The reason that single gene Ingard cotton was totally discontinued and replaced by Twingard cotton, which has two genes, is quite straightforward: insects became resistant to it. Insects and plants will continue to build up resistance to chemical insecticides and herbicides. Insects were on this earth a lot earlier than humans, and they survive because they adapt. And that is exactly what they are doing.

GM technology is not a magic bullet. Trials indicate that GM canola will out-yield conventional canola by about 20 per cent, and with good farming practices, that could probably increase. As I said, GM technology is not a magic bullet; it is a tool to be used. We should not be afraid of it as long as we understand it, we do it properly and certain controls are in place. That is one reason people purchase a licence. When people purchase a licence they sign a contract to say that they will do X, they will undertake certain farming activities, they will have certain zones in place and they will use only certain chemicals, if necessary. I support the bill, although it contains many furphies and reflects unnecessary knee-jerk reactions.

Mr ARMSTRONG (Lachlan) [9.00 p.m.]: One interesting feature of the Parliament is that from time to time members have the opportunity to participate in debates that will become historic. With this legislation, embracing or otherwise of GM technology, we are covering new ground that has been the subject of great debate throughout agriculture in the western world, and I suspect in the East as well. Australia has a very young history in agriculture, but we have a wonderful record of achieving high excellence in agriculture in general and in livestock and plant growth in particular. Most of what we know as agriculture has been brought to this continent in the past 200 years. We have not always got it right. Bitou bush is to be found on the coast, salvation Jane or Paterson's curse is denuding much of our better countryside, and prickly pear is still causing economic loss. I read in the paper recently that cane toads are going up through Kakadu. They are all introduced species. Foxes are an introduced species. It is only right and proper that we should have a debate, and this place is all about exercising our democratic rights.

Let me make a couple of points clear. I am primarily concerned about GM food crops. I am not concerned about GM cotton, which I see as a different issue altogether. I am talking about canola, but not specifically. I am talking about the brassica or cauliflora family. It is often forgotten that canola is just one part of an enormous family of brassica plant life, ranging from the common cauliflower through to milk thistles. Anybody who had canaries as a child would have fed them milk thistles as part of their diet. The brassica family ranges from wild plants through to some of the more common vegetables we eat every day. There is nothing unique about it. There has been much debate about the capacity of canola pollen to carry. I have spoken to beekeepers—no doubt many other members have also spoken to beekeepers—who have told me that bees can commute for anything up to six kilometres. And with wind on the right day it is possible for bees to travel a bit further. I will not argue with beekeepers; they make a living out of it. They are not trying to tell me how to run politics, and I will not try to tell them how to run their bees. So I believe them. On the other hand, even if six kilometres is halved to give an average of three kilometres, that is a lot further than five metres.

I have intimate knowledge of this problem. I have grown canola for 18 of the past 20 years. Indeed, I lease one cottage on my property to a family with a 12-year-old son. He was 10 the last time we grew canola, two years ago. He has an allergy to a number of plants, particularly in the spring and summer time. He was well over a kilometre away from our last two crops, yet he was in a very bad way and had to be treated medically. He had to be kept inside and was the subject of all sorts of precautions for about a fortnight when those crops reached their peak in the last two seasons. He was a kilometre, or 1,000 metres, away, not five metres away. It is nonsense to talk about pollen drifting for only five metres. Has any member actually seen a light canola crop on a hot, windy day? One need only look at the fence posts: if there is a wind blowing from the west one will soon see how far the canola pollen will blow.

When growing canola it is desirable to have bee hives because cross-pollination is a most advantageous way of improving yield. Bees and pollen are part of the process. The pollen from canola can travel up to 1,000 metres. I will vouch for that, as will the doctor who treats the boy who lives on my property. Let us get some of those myths out of the way. Those of us who grow crops do a couple of things with them. First, the crops must be harvested before anything can be done with them. The New South Wales Harvesters Association and the National Harvesters Association are vehemently and totally opposed to genetically modified crops. Why? Because they say they cannot guarantee the cleanliness of their machines after harvesting normal non-GM crops unless they effectively dismantle the machines. Honourable members might not believe that, but I guess they do not have to; they probably think that the harvesters are all telling porkies. Let us have a look at what happened three, four, five or six years ago when we started to import quite a lot of second-hand canola machinery fronts from Canada.

Mr Torbay: It's almost a double line.

Mr ARMSTRONG: It may well be, but it is the same line because it works. Those second-hand canola fronts had to be banned because they could not get the grease out of the bearings on the machines and they could not get them clean enough to guarantee that they were not bringing in impurities. If those imported canola fronts were banned because they could not be properly cleaned, how will they be cleaned if they are being moved from neighbour to neighbour, with one neighbour growing non-GM product and the other neighbour growing GM product? How will the products be kept separate? We cannot do it. I would like to think that this problem can be overcome, but that would require money and resolve. We must take that into consideration when voting on this legislation.

Let us go further down the track. Let us suppose we have the canola, we have a curtilage fronter, the pollen has not drifted, and we have brought in a harvester who is happy to harvest the crop. We have spent a lot of money; we have spent probably between $100 to $160 an acre on producing canola. To get that money back we must sell the canola to someone. Who will we sell it to? Will we sell it to Sanitarium? No. Will we sell it to ICM? No. Will we sell it to any of the Japanese companies involved with feed lots? No. All I am saying is that I am not prepared to stand by and sacrifice existing markets until someone—someone with a cheque book but preferably cash—can produce for me a letter which states that they will buy the canola. One of the first axioms in any marketing exercise is to look after one's customers. One does not divorce oneself from one's customers because other customers may be over the hill, in the next town or the next country. That is absolute marketing madness.

Australia has two things going for it. The first is its geographical isolation—we are keeping ourselves out of the disease belt very effectively—and the other is that we are extremely reliable historically in looking after markets and guaranteeing our product. If we cannot guarantee the quality of our product, and if we abandon the ICMs, the Sanitariums and a number of other major players—I have letters from most of them saying that they do not want GM canola—will someone, tonight or tomorrow, produce a letter from someone saying that they will take the crop? Then I might be happy to go down the track with them. We have a way to go yet. That is one of the reasons I supported so strongly the Opposition's policy on gene technology leading into the recent election. The policy says, in part:

> Continued research into, and trialling of GM agricultural products;

I am not opposed to trialling, and we have to continue that research. The policy goes on:

> An immediate moratorium on the commercial release of GM food crops in NSW, including Roundup Ready canola, until the NSW Minister for Agriculture has the opportunity to consider the recommendations of a GM Crops Task Force;

That policy was released by me as the then shadow Minister for Agriculture. The Government, under the premiership of Mr Carr, copied that some eight days later. The policy goes on:

> More stringent licence application processes at both the State and Federal levels.
>
> In Government, the NSW Coalition will immediately establish a GM Crops Task Force, to report back to the Minister for Agriculture within six months.
>
> The Task Force would include:
>
> - eminent biotechnology scientists;
> - representatives of companies wishing to supply GM technology;
> - grain handlers and processors;
> - grain marketers and market analysts; food processors and retailers; and
> - primary producers both supportive and opposed to GM crops in Australia.
>
> The GM Crops Task Force will investigate:
>
> - The possibility for increases in the ecological competence of crop species and a resultant increase in the potential of those crops to become weeds or pests;
> - The risk to Australia's capacity to maintain diverse farming practices because of the impact of contamination to traditional or organic crops through the use of GM crops in surrounding areas;

- Any possible unknown long term consequences that may not be adequately addressed once the GMO is widely used;
- The attitude of Australia's grain export customers to the introduction of the GMO crops in Australia and the impact the loss of GM free status on Australia's grain export markets;
- The willingness of the major Australian food processors to use GM ingredients.

That is the nub of the Opposition's policy, and I do not think anyone has much argument with it. They are sensible points and it is necessary for us to follow them. I revert again to my situation. My neighbour on the western side happens to be a small consortium of Japanese families who migrated out here some years ago. They have an irrigation block of some 50 hectares. When they purchased it 12 or 14 years ago they hand raked the whole block, not once but twice. They picked up every bit of foliage and vegetation they could. It took them about 18 months. They worked day and night, with their big straw hats on in the summertime. They cleared it because they wanted to grow organic produce. They have created a successful business that is unique in the Cowra district.

Where would they be if I started to grow the GM canola or other GM crops and happened to contaminate their organic crop? I would be polluting their crops and therefore I would destroy their market. There is a moral problem but let us cut right to the chase—where does that leave me financially? It leaves me in court. They would sue the socks off me and probably win. I cannot find in this legislation any protection for a neighbour. If it is neighbour against neighbour the Government intends to let the courts sort it out. I do not know if any member has been involved in a court case recently but one should remember the old adage that justice runs out when your money runs out, and that a lawyer means it when he says I will defend you to your last dollar. That will certainly apply to any legal provocation that may occur between neighbours over GM crops. I hope it never does.

We must continue to conduct sensible and practical research on GM crops, with the best scientific advice, until such time as we are satisfied that the research is understood and GM crops can be managed. Until somebody can produce a letter signed by purchasers, be they national or international, domestic or overseas, that they will take all the genetically modified product that we produce, my position is reserved. I am not prepared to grow a product and have it stacked in a shed or silo with no-one to buy it, when our existing customers, Sanitarium and others, are knocking on the door saying they want non-GM products.

This legislation is part of a process. I hope we can achieve a result that sees Australia once again leading the way in agriculture. However, we should tread warily because we are in a field that we do not know much about, and I suspect that those who are urging us on are not concerned about our existing customers. As long as I stand I will always look after the fellow who bought from me yesterday, as opposed to the fellow who might buy from me tomorrow and who often does not materialise.

Mr MAGUIRE (Wagga Wagga) [9.15 p.m.]: Since the topic of GM crops first hit my electorate I have done a lot of research and soul-searching. I was invited to attend a GM conference in Wagga Wagga. After attending the conference it struck me like a bolt of lightning how much I did not know about GM technology and that what I thought I knew did not relate to the issue put before that public meeting. I left that meeting and rang my good friend the honourable member for Lachlan, Ian Armstrong, to discuss my concern about the proposed GM trials and GM technology. I share his concerns. He has just spoken in great detail about GM technology.

I have always been regarded as a reasonably progressive person, always willing to look at new ideas and innovation to help farming communities, business communities and mankind in general. Although I have no objection to the trialling of GM products—and we have to do that to benefit the human race, to increase the productivity of crops and to provide productive and economic benefit to our farming community—I have very serious concern about the management of GM products and GM crops. I am concerned that a farmer growing GM products next door to a farmer who grows crops without the use of fertilisers, sprays, et cetera, or crops that are sold to a particular market, may impinge on that farmer's right to do so. In other words, the GM-free crop is infected by the GM crop.

After the public meeting I met with representatives of Monsanto. I asked them to talk to me about my concerns. I was trying to explain to them that in all this debate they had avoided the public. The anti-GM lobby was holding public meetings and inviting very challenging guest speakers, who put before the meetings their experiences, and particularly their experiences in Canada. Although some of those experiences may have been coloured and those attending heard only one side of the debate, I challenged Monsanto to put to the community the other side of the debate. I did that so that we could make an informed decision about the technology that Monsanto in particular was wanting to expand to give farmers in New South Wales the opportunity to use.

I was promised that that would happen, and it happened to some small degree, but I am not convinced that that was weighed towards a decision the public would arrive at independently. I think some companies were not open and up-front with the information they have. I also challenge the scientists who have conducted and regulated the trials to present the relevant results. I understand that that has occurred in some cases. However, I remain unconvinced that the companies have complete control of germination, and fears persist that adjoining crops might be contaminated. I reiterate that while I do not oppose advancing and developing the crops we grow at present, I am concerned that we do not have complete control of this new GM technology.

Such concerns are expressed in the documents that have been presented. They contain so much data—I believe all members of Parliament have received this information—it would take at least a couple of weeks to digest and consider it. The New South Wales Farmers Association document lists the pros and cons of GM technology and poses many questions that remain unanswered. The association is concerned about keeping GM crops separate throughout the supply chain. The honourable member for Lachlan touched on this point and mentioned that farm machinery could cause contamination. The New South Wales Farmers Association is also worried about the costs associated with maintaining crop separation.

Markets are another issue. People have the right to grow their crops in the manner they believe to be appropriate to their markets. However, I am not convinced that there is a market for GM crops. For instance, Japan has said that it would rather remain GM free and will not purchase GM products. I know also of Australian retailers who have indicated that they are not interested in GM crops. I believe we should hasten slowly. We should pursue this technology but we should do so in a way that will not impinge on farmers' rights to grow crops in the manner they see fit. That is a critical issue in this debate. Roundup Ready is a GM product. I have used Roundup—it is a wonderful product—and many farmers would attest to its benefits. However, I am concerned that it is the only product that may be used in some cases. It is a closed market. As a retailer with some 23 years experience, I am always worried about being tied to using one particular product or franchise. When retailers do not have room to manoeuvre they become captive to a particular market.

The New South Wales Farmers Association proposes that 5,000 hectares of GM crops be trialled per year. Many of my constituents who support GM technology believe that is too much. Farmers who have attended public meetings to listen and learn about GM crops support their continued trialling under stringent conditions but have expressed the wish that the Government and the companies hasten slowly. This is a big step. We must ensure that the appropriate protocols are in place and that no-one is affected adversely. I urge the Government to consider these issues.

Mr OAKESHOTT (Port Macquarie) [9.24 p.m.]: I understand that the Gene Technology (New South Wales) Bill and its cognate bill, the Gene Technology (GM Crop Moratorium) Bill, will be considered separately in Committee, when I believe the Opposition will move seven amendments. The object of the Gene Technology (New South Wales) Bill is to give effect in this State to a nationally consistent scheme for the regulation of certain dealings with genetically modified [GM] organisms. That is the issue about which I am most concerned. This State Government is usually cynical about the Commonwealth Government's motives yet it is incredibly compliant on this issue and appears to be falling into step with the Commonwealth's agenda. I believe that is cause for alarm. There is absolutely no need for Federal-State uniformity on this issue: the State Government's arguments should stand or fall on their merits. The Government's strongest argument in support of the manipulation of gene technology—which is a serious issue—is the need for a uniform and nationally consistent scheme. This Parliament surely has a role to play in protecting the public interest—including that of farmers and potential consumers of GM foods—and the interests of this State. I certainly do not support this legislation on the basis of uniformity and national consistency.

Constituents in my electorate of Port Macquarie on the mid North Coast have expressed many concerns about GM technology, GM foods and the direction in which New South Wales, Australia and the world are heading with regard to this issue. I understand that 149 GM crop trials are under way in New South Wales, so to some extent the horse has bolted. However, the three-year moratorium is most welcome. There are broader questions as to why we should be interested in GM technology. Why is no government in Australia exploring the alternative of GM-free farming and establishing markets for GM-free foods? That industry has great potential not only in New South Wales and Australia but worldwide.

I understand that the Office of the Gene Technology Regulator, the national body, has developed nationally consistent guidelines with which the States have fallen into line. I point out that this body is not independent from government. It has close ties with the government of the day—I gather that several Cabinet Ministers report on behalf of the Office of the Gene Technology Regulator—and adopts its perspective. Of

course, the government of the day is controlled by a political party that is controlled, in turn, by its supporters. It is dangerous and most concerning that we will not have independent administration of any potential gene manipulation in New South Wales and Australia as a whole.

I, like many other honourable members, will be asking obvious questions about the benefits of this legislation to farmers and consumers. What protections do we have to ensure that the moratorium is enforced, that products do not go to market and that there is no commercial release of these trials? I understand that Victoria, for example, has a 12-month moratorium. What protections do we have to ensure that we will not embark on a race with other States to achieve a nationally consistent and uniform scheme? That seems to be our goal rather than the protection of consumers and farmers in New South Wales. I have grave concerns about this legislation and about this topic in general. I hope that, with the passage of this legislation, we are acting in the public interest and not in the interest of some private company.

Mr DRAPER (Tamworth) [9.31 p.m.]: I oppose the production of GM crops in Australia. In the past few months many concerned farmers in my electorate have made representations to me. I have also had representations from a number of councils in the local area that are extremely concerned about the impact of this bill on their neighbours—an issue alluded to by the honourable member for Lachlan. It has been alleged that pollen travels only a short distance in windy conditions, but those allegations have rapidly proved to be wrong. Many farmers are concerned about the impact of GM canola on other traditional crops.

A recently completed survey established a great deal of opposition to the release of GM canola. Many people are calling for a survey of farmers' attitudes to this technology. Recently 200 growers who were surveyed said that they were extremely concerned about the impending release of GM canola and its impact on traditional crops. One canola grower, a member of the Network of Concerned Farmers, said that most people who were surveyed were opposed to GM crops. Seventy-one per cent of the 200 growers who were surveyed were concerned about the commercial release of GM canola; 67 per cent were worried about their ability to market the grain; and 80 per cent had fears about the co-existence of GM and non-GM canola.

Many people expressed concerns about on-farm contamination across crop ranges. Approximately 72 per cent—a significant percentage—were worried about liability. I live in Parry Shire Council, which is near Tamworth. Glen Inglis, General Manager of Parry Shire Council, who has been vocal in his opposition to GM crops, described the guidelines for the approval of GM food crops in Australia as "a joke". I tend to agree with his sentiments. He said:

> The Commonwealth Gene Technology Regulator was only required to take into account the health impact on humans and other species and the impact on the environment. This means social and economic risks do not come into the decision.
>
> Even if you can show that the release of a GM crop will destroy the markets of other food crops... or adjoining farming operations will be devastated by it, it makes no difference.
>
> It's a fundamental flaw in the assessment process.

I am concerned about farmers in Parry shire whose export markets demand non-GM crops. There was a risk of contamination of their crops by GM crops. Those farmers cannot guarantee that they will be able to continue to supply non-GM product, or GM-free product. Concern has also been expressed about the Federal Government not waiting for the results of its study into the feasibility of segmenting GM crops from non-GM crops to prevent contamination. The honourable member for Port Macquarie said earlier that it beggars belief to have the State Government just going along with what the Federal Government is saying. There are liability issues in countries such as Canada. Legal proceedings have already been instituted, which to me is proof that Australia should be cautious about GM canola.

Parry shire is not the only shire concerned about GM crops or products; Nundle, a small council that adjoins Parry shire, is also concerned. Parry shire approached all other councils in the area, including Quirindi, Gunnedah, Walcha and Tamworth. There is a groundswell of opinion that we should tread cautiously in this area. Someone commented recently on the water-sharing issue that is presently being debated. Corn is one of our biggest consumers of water. Corn that is imported into this country to be made into cornflakes for our children may well be GM corn. No farmer in his right mind would dedicate a huge amount of his limited water resources to the growing of corn. I said earlier that Parry shire had been extremely vocal on this issue because of the European Union ban on GM food products.

If Australian meat, cotton or other crop products were exported and there was any danger of GM contamination, we could lose that lucrative market. If we are to access that market we have to prove that our

products are GM free. At the moment it is debatable whether that will be feasible in the future. Parry shire also opposes GM products because in future non-GM products could well command high prices. The introduction of genetically modified crops could result in some highly unwelcome consequences, such as gene transfers from one crop to another, the evolution of chemical-resistant insects and the creation of insects with possibly dangerous genetic characteristics. We are stepping into unchartered waters. Prior to the last election Premier Carr promised that there would be a three-year ban on the commercial cropping of GM products such as canola, mustard and field peas. I was delighted when the Labor Party candidate in the Tamworth electorate welcomed this initiative and said:

> It could be like the release of cane toads in Queensland—if GM food crops were to prove disastrous, then it would be too late if they had been allowed to proceed without further testing.

I do not often agree with my Labor Party colleague in Tamworth, but on this occasion I am thoroughly supportive of his stance on this issue. I reiterate that there are many concerns in the community that I represent. We are stepping into unchartered territory. There are strong arguments for supporting the use of GM cotton because it has substantial benefits in the reduction of pesticide usage. However, when we cross over the boundary into food crops we are in dangerous waters. A great deal of commonsense is required and we must proceed slowly.

Mr TORBAY (Northern Tablelands) [9.38 p.m.]: I am delighted to see the Minister for Regional Development in the Chamber while we are debating the Gene Technology (New South Wales) Bill and the Gene Technology (GM Crop Moratorium) Bill. The honourable member for Port Macquarie and the honourable member for Tamworth said that concerns had been expressed to them—and concerns have been expressed to me—about gene technology and genetically modified or engineered food. There are a number of councils in my electorate but, as the honourable member for Tamworth pointed out earlier, Parry Shire Council has shown leadership on, and has raised a number of concerns about, this issue.

The honourable member for Lachlan and the honourable member for Wagga Wagga said that we should tread more carefully while we are supporting these trials. Industry representatives have said to me that they have many more concerns than the concerns that have been debated in this Chamber. We must embark on additional research prior to undertaking these trials. I noted with interest the comments made in this Chamber not long ago by the honourable member for Liverpool. My constituents would like me to raise a number of important points relating to farm issues, such as the greater use of Roundup. With respect to canola, there are co-existence issues between GE and non-GE canola. The New South Wales Farmers Association has undertaken some research on those issues. Other concerns include liability for farmers and harvesting hygiene. The honourable member for Tamworth listed a range of concerns put to him by the Network of Concerned Farmers. In its correspondence to me that organisation stated:

> It is important that Australian farmers do not lose market access because of some hasty decision from the Federal Government that allows the sale of GE canola seed from Monsanto and Bayer, formerly Aventis, for general release for the 2003 sowing season. I would suggest that the only benefits are for the overseas multinational companies with no production or financial benefits to Australian farmers or consumers at this particular time.

I am aware of the proposed amendments and I look forward to further debate at the Committee stage. I indicate, as my Independent colleagues have indicated, that I will oppose the legislation.

Mr CAMPBELL (Keira—Minister for Regional Development, Minister for the Illawarra, and Minister for Small Business) [9.40 p.m.], in reply: I thank honourable members for their contributions to the debate. I emphasise that the Government is neither for nor against the application of GM technology in agriculture. The Government values genuine community debate on the advantages and disadvantages of the commercial production of GM crops in New South Wales. However, debate on this issue is often based on a widespread misunderstanding of gene technology, its application to agricultural plants in the community, and the potential implications of those applications for human food and the environment. Some of that misunderstanding is due to the understandable ignorance in the general community of what is a highly technical area of science. The Government believes that the potential problems posed by this technology—such as the development of weed resistance and the dangers of developing insect resistance—are manageable with sound, integrated weed and pest management plans.

Farmers and the proponents of GM crops with those characteristics must meet that challenge. One main area of concern for many farmers is international marketing. For example, there are fears that Australian farmers will lose their markets in Asia and in Europe, in particular, if GM crops are grown commercially in Australia. Some claims are exaggerated—for example, that Japan is GM free and that Australia would lose a large market

in Europe if it went to GM crops. Essentially, the European Union is a net exporter of canola and imports only opportunistically, while Japan imports up to two million tonnes of Canadian canola, which is largely GM. Several studies by the Australian Bureau of Agricultural and Resource Economics have shown that international markets for confirmed GM-free canola are small and inconsistent. The studies also showed that any premiums for GM-free products are also small and inconsistent.

On that evidence, Australia does not seem to have a lot to gain from remaining GM free. However, there is no doubt that there is consumer resistance to GM food products in a number of markets and this creates nervousness in many farmers in regard to the commercial production of GM canola. This is a rapidly developing situation and currently there are few certainties about the future marketing of GM crop products internationally. That is one of the main reasons why the Government has introduced the moratorium legislation. We want to give farmers and the community time to assess the domestic and international marketing situation and to make a considered decision on the commercial production of GM crop products, particularly GM canola. The Government also wants the community to develop a mature and informed debate on the advantages and disadvantages of GM crop production, free of misleading and inaccurate information.

I turn now to issues raised in debate on the two bills. I thank honourable members for their support of the Gene Technology (New South Wales) Bill and I will not address that bill further. In respect of the Gene Technology (GM Crop Moratorium) Bill, the Opposition has indicated that it supports the bill in the main but proposes a number of amendments, three of which are significant. The amendments will be considered in Committee and I will now comment on the three significant amendments. The proposal to give neighbours the right of appeal against an exemption order which would allow the conduct of a trial on their neighbour's property would effectively undermine the exemption order process.

It does not take much imagination to see how a neighbour could totally frustrate an important research trial by taking out an injunction in the Land and Environment Court even though the case may have no substance and be ultimately dismissed by the court. In addition, the proposal could encourage farmers to take legal action against their neighbours, which is not in the normal spirit of farming communities. The issue of neighbour concerns with GM trial exemptions can be most effectively handled through requiring appropriate isolation distances, or buffers, on the property where the trial is to be grown. The whole issue of buffer zones or isolation distances and their interaction with neighbours is best handled by the advisory council. It is certainly one of the first issues that the Minister will refer to the advisory council.

The second significant amendment foreshadowed by the Opposition is to add the Australian Grain Harvesters Association to the membership of the advisory council, which will provide expert advice on a range of issues to the Minister. The Australian Grain Harvesters Association has only the single issue of crop contamination to contribute to the discussion and its representation on the council is unnecessary. The advisory council has farmer representatives from the New South Wales Farmers Association and the Network of Concerned Farmers. Representatives from Graincorp and AWB International may also have farming experience. The representative from NSW Agriculture will certainly be very experienced in farming issues. The issue of contamination from headers moving between crops and properties will be more than adequately covered by the knowledge and expertise of the existing representation on the council.

The third significant amendment proposed by the Opposition relates to a formal trigger for a review of the moratorium six months before the sunset clause of the bill. It is unnecessary to make that process a legislative requirement. The Government, the Minister and the advisory council will be involved in the deliberations on what action is necessary for the future of the legislation. Parliament will be free to deal with the issues in whatever manner it sees fit; it does not need a legislated methodology. Earlier I mentioned community controversy about the advantages and disadvantages of gene technology. I hope that a GM crop, as provided for in the bill, will provide an opportunity for an informed debate on the merits of GM crop technology. I commend the bills to the House.

Motion agreed to.

Bills read a second time.

In Committee

The CHAIRMAN (Mr Price): Order! The Committee will deal first with the Gene Technology (New South Wales) Bill.

Clauses 1 to 21 agreed to.

The CHAIRMAN (Mr Price): Order! The Committee will now deal with the Gene Technology (GM Crop Moratorium) Bill.

Clauses 1 to 10 agreed to.

Clause 11

Mr STONER (Oxley—Leader of the National Party) [9.48 p.m.]: I move Opposition amendment No. 1:

No. 1 Page 5. Insert after line 17:

11 Review of exemption order

An owner and occupier of any land that adjoins land on which a GM food plant will be permitted to be cultivated under an exemption order may appeal to the Land and Environment Court against the decision of the Minister to make the exemption order.

The Opposition's amendment to clause 11 provides a mechanism for owners or occupiers of land adjoining land on which a genetically modified food plant is planted to have an appeal right against the granting of an exemption order. The amendment puts in place something that the Government seems determined to avoid: due process for adjoining landowners. One fundamental flaw of the bill is that there is simply no appeal process for adjoining owners or occupiers against an exemption order that will allow the cultivation of GM material.

In other words, neighbours get no say at all about whether a GM crop can be planted next door to their conventional, non-GM crop. However, farmers caught growing GM crops in contravention of the moratorium and without the necessary approvals have recourse to the Supreme Court. So if you are doing something wrong you have a right of appeal to the Supreme Court but if you are a conventional farmer who does not want GM material in the neighbourhood then bad luck, there is no appeal open to you. This amendment seeks to remedy that anomaly. It inserts into the legislation an appeal right only for an owner or occupier of land adjoining land on which a GM food plant may be cultivated. This is an important appeal right and is limited to adjoining landowners or occupiers. It does not extend to other third parties. In this way appeals against the granting of an exemption order cannot be lodged or sought by anti-GM lobbyists or groups that do not want GM.

The amendment will not allow an automatic appeal against the granting of an exemption order; it provides an appeal right only for adjoining owners or occupiers. It is about giving an appeal only to a neighbour. In other areas an appeal right is allowed for a neighbour. For example, if property owners in suburban Sydney object to an approval granted by the local council for the construction of a garage on the neighbouring property they are able to appeal that approval through the Land and Environment Court. Yet this Government wants to deny neighbouring property owners the right to appeal the granting of an exemption order to allow GM food plants to be cultivated on the neighbouring property. Surely a neighbouring owner or occupier should have that right of appeal. The challenge for Country Labor members of this Chamber is to support an important amendment that will allow an appeal right for adjoining owners or occupiers. If they do not support this amendment it will be a clear indication to the people of country New South Wales that Country Labor has absolutely no regard whatsoever for the rights of conventional farmers who are concerned about the cultivation of GM food plants in their local area. I commend the amendment to the Chamber.

Mr CAMPBELL (Keira—Minister for Regional Development, Minister for the Illawarra, and Minister for Small Business) [9.52 p.m.]: The Government does not support the amendment. I note that Opposition amendment No. 7 is consequential to this amendment. The effect of this amendment would be to effectively render an exemption order ineffective as any neighbour could take legal action to delay sowing until well past the required sowing time for the particular GM plant trial. In addition, this could encourage farmers to take legal action against their neighbours, which is not in the normal spirit of farming communities.

The issue of neighbours' concerns with GM trials under an exemption order can most effectively be handled through requiring appropriate isolation distances, buffer zones or pollen traps on the property where the trial is to be grown. The whole area of isolation distances or buffer zones and their interaction with neighbours is best handled by the advisory council. It is certainly one of the first issues that the Minister will be referring to the advisory council. The Opposition should realise that the amendment is an unrealistic proposal that would render exemption orders ineffective. The Opposition should also appreciate that in other areas of neighbourly

interaction neighbours cannot prevent their neighbours from doing things that they are legally entitled to do. A farmer establishing a trial under an exemption order is legally entitled to conduct that trial provided, of course, that the farmer meets any and all conditions of the exemption order. As I indicated, the Government opposes the amendment.

Question—That the amendment be agreed to—put.

The Committee divided.

Ayes, 36

Mr Aplin	Mr Humpherson	Mrs Skinner
Mr Armstrong	Mr Kerr	Mr Slack-Smith
Mr Barr	Mr McGrane	Mr Souris
Mr Cansdell	Mr Merton	Mr Stoner
Mr Constance	Ms Moore	Mr Tink
Mr Debnam	Mr Oakeshott	Mr Torbay
Mr Draper	Mr O'Farrell	Mr J. H. Turner
Mr Fraser	Mr Page	Mr R. W. Turner
Mrs Hancock	Mr Piccoli	
Mr Hartcher	Mr Pringle	
Mr Hazzard	Mr Richardson	*Tellers,*
Ms Hodgkinson	Mr Roberts	Mr George
Mrs Hopwood	Ms Seaton	Mr Maguire

Noes, 46

Ms Allan	Mr Greene	Mrs Perry
Mr Amery	Ms Hay	Dr Refshauge
Ms Andrews	Mr Hunter	Ms Saliba
Mr Bartlett	Ms Judge	Mr Sartor
Mr Black	Ms Keneally	Mr Scully
Mr Brown	Mr Knowles	Mr Shearan
Ms Burney	Mr Lynch	Mr Stewart
Miss Burton	Mr McBride	Mr Tripodi
Mr Campbell	Mr McLeay	Mr Watkins
Mr Collier	Ms Meagher	Mr West
Mr Corrigan	Mr Mills	Mr Whan
Mr Crittenden	Mr Morris	Mr Yeadon
Ms D'Amore	Mr Newell	
Mr Debus	Ms Nori	*Tellers,*
Ms Gadiel	Mr Orkopoulos	Mr Ashton
Mr Gibson	Mrs Paluzzano	Mr Martin

Pairs

Ms Berejiklian	Ms Beamer
Mr Brogden	Mr Hickey

Question resolved in the negative.

Amendment negatived.

Clause 11 agreed to.

Clause 12 agreed to.

Clause 13

Mr STONER (Oxley—Leader of the National Party) [10.00 p.m.]: I move Opposition amendments Nos 4 and 5 in globo:

No. 4 Page 6, clause 13, line 3. Omit "10". Insert instead "11".

No. 5 Page 6, clause 13. Insert after line 24:

(j) a person appointed on the nomination of the Australian Grain Harvesters Association, and

During debate in the Legislative Council the Government rejected several similar amendments moved by the coalition, the Greens and the Australian Democrats to establish in legislation an advisory council to deal with genetically modified [GM] crops. The Government eventually accepted a Christian Democratic Party amendment to establish an advisory council consisting of 10 members and with limited functions and responsibilities. Although the membership of that council will broadly reflect the membership proposed by the Coalition, there is one notable exception—the Australian Grain Harvesters Association [AGHA]. National Party amendment No. 4 will increase the membership of the advisory council by one, from 10 to 11. Amendment No. 5 will add the AGHA to the council. The Coalition believes the AGHA should be a member of any advisory council dealing with GM crops and the reasons for that are clear. What is not clear is why the Government rejects the notion that the AGHA should be represented and why the Minister for Agriculture went to extraordinary lengths to besmirch the association's role and expertise. It is crucial that a representative of the AGHA be a member of the advisory council. The council's role is to help with protocols and appraisals to ensure that the process is correct.

The CHAIRMAN (Mr Price): Order! There is too much audible conversation in the Chamber. The Leader of the National Party has the call.

Mr STONER: The people who harvest the grain, clean the harvesters and operate professionally in this State should be represented. The AGHA represents 700 to 800 harvesters and was formed in 1973—it has been operating for more than 30 years. It was formed primarily as a result of the collective action of contractors in New South Wales who were concerned about the image of harvesting contractors and the longevity of the harvesting business. The association has a professional commitment to contract harvesting and has gained a great deal of credibility not only with Australian farmers but also with Australian governmental and regulatory authorities. It is not a fly-by-night organisation. The Minister for Agriculture seems to believe that the AGHA is opposed to GM crops and that its inclusion as a member of the advisory council will somehow skew its balance. He is wrong about the AGHA's stance. I will read from a PowerPoint presentation that the association provided to the Coalition.

The CHAIRMAN (Mr Price): Order! Honourable members will restrict their conversation.

Mr STONER: The Power Point presentation states:

AGHA—GM or not GM?

- AGHA is neither for nor against GM crops.
- Farmers & Consumers will ultimately decide on the fate of GM crops.
- Contract harvesters business viability is dependent on the harvesting of all crops.
- Contract harvesters must be able to work without restrictions or the worry of liability.

That position is clear and the AGHA is adopting a sensible position. Contrary to the Minister's and the Government's claims, the association is not against GM crops. The Minister for Agriculture stated in the other place that he wanted an advisory council with a number of voices. The AGHA would be an important addition to the council. The Minister's assertions that the AGHA is implacably opposed to GM crops are patently incorrect. The association deserves a position on the advisory council and I commend the amendments to the House.

Mr CAMPBELL (Keira—Minister for Regional Development, Minister for the Illawarra, and Minister for Small Business) [10.03 p.m.]: The Government does not support these amendments. If they were passed, the AGHA would be included in the membership of the advisory council, which would add nothing to its effectiveness. The Government believes that, as constituted in the bill, the council will be balanced and that the addition of another member will skew that balance. If necessary, the council will be able to take advice from various groups. The AGHA is concerned about only one issue—that is, contamination—so it does not need to be represented. The advisory council already has farmer representatives from the New South Wales Farmers Association and the Network of Concerned Farmers.

It also includes representatives from GrainCorp and AWB International, who may also have farming experience. The NSW Agriculture representative will certainly be very experienced in farming issues. Contamination caused by headers moving between crops and properties will be more than adequately covered by the knowledge and expertise of the Government's proposed membership. I point out to honourable members that 70 per cent of harvesting is carried out by farmers rather than by contract harvesters, and those farmers will be represented by the New South Wales Farmers Association. AWB International will be concerned about eliminating contamination and it will examine the issue carefully from crop management through to destination.

The CHAIRMAN (Mr Price): Order! Honourable members should reduce the level of conversation. Hansard is having difficulty hearing the Minister.

Mr CAMPBELL: Some of the measures that grain handlers complain about—such as the time and cost involved cleaning machinery—are good practice and have been put in place for good reasons. For example, because of the threat of parthenium weed infestation, the Government requires thorough cleaning of equipment when harvesters are moved between Queensland and New South Wales. As a result we have, by and large, controlled the spread of parthenium weed. As indicated, the Government does not see the sense in these amendments and opposes them.

Mr McGRANE (Dubbo) [10.08 p.m.]: I support the amendments moved by the National Party. The Australian Grain Harvesters Association is an important and very responsible body. It was formed because the many grain harvesters in Australia needed an organisation to look after their interests. I remind the House that one of the worst weed infestations in New South Wales was caused by seed being transported from Queensland on grain harvesters. Parthenium weed was brought into New South Wales from Queensland by a harvesting unit that had not been correctly cleaned. The Grain Harvesters Association introduced the standards for cleaning harvesting machines. It is important that the organisation that harvests the crops should be represented on this committee. I commend the amendments to the Committee.

Question—that the amendments be agreed to—put.

The Committee divided.

Ayes, 36

Mr Aplin	Mr Humpherson	Mrs Skinner
Mr Armstrong	Mr Kerr	Mr Slack-Smith
Mr Barr	Mr McGrane	Mr Souris
Mr Cansdell	Mr Merton	Mr Stoner
Mr Constance	Ms Moore	Mr Tink
Mr Debnam	Mr Oakeshott	Mr Torbay
Mr Draper	Mr O'Farrell	Mr J. H. Turner
Mr Fraser	Mr Page	Mr R. W. Turner
Mrs Hancock	Mr Piccoli	
Mr Hartcher	Mr Pringle	
Mr Hazzard	Mr Richardson	*Tellers,*
Ms Hodgkinson	Mr Roberts	Mr George
Mrs Hopwood	Ms Seaton	Mr Maguire

Noes, 46

Ms Allan	Mr Greene	Mrs Perry
Mr Amery	Ms Hay	Dr Refshauge
Ms Andrews	Mr Hunter	Ms Saliba
Mr Bartlett	Ms Judge	Mr Sartor
Mr Black	Ms Keneally	Mr Scully
Mr Brown	Mr Knowles	Mr Shearan
Ms Burney	Mr Lynch	Mr Stewart
Miss Burton	Mr McBride	Mr Tripodi
Mr Campbell	Mr McLeay	Mr Watkins
Mr Collier	Ms Meagher	Mr West
Mr Corrigan	Mr Mills	Mr Whan
Mr Crittenden	Mr Morris	Mr Yeadon
Ms D'Amore	Mr Newell	
Mr Debus	Ms Nori	*Tellers,*
Ms Gadiel	Mr Orkopoulos	Mr Ashton
Mr Gibson	Mrs Paluzzano	Mr Martin

Pairs

Ms Berejiklian	Mr Hickey
Mr Brogden	Ms Beamer

Question resolved in the negative.

Amendments negatived.

Clause 13 agreed to.

Clauses 14 to 42 agreed to.

Clause 43

Mr STONER (Oxley—Leader of the National Party) [10.18 p.m.]: I move Opposition amendment No. 6:

No. 6 Page 23, clause 43, line 2. Omit all words on that line. Insert instead:

(1) This Act expires on 3 March 2006 if before that date each House of Parliament passes a resolution that this Act is to expire on that date.

(2) The Advisory Council must at least 6 months before 3 March 2006 provide a recommendation to Parliament on whether the Act should expire on that date.

The Opposition believes that a review mechanism must be put in place prior to the repeal of this legislation on 3 March 2006. As it stands, the legislation will automatically be repealed on that date regardless of whether it has been shown that GM technology has progressed to a point where it will be widely accepted by conventional farmers and consumers. What the chairman says at the moment is that after 3 March 2006 there will be no moratorium on the commercial release of GM food crops. This amendment has two main functions. Under the amendment the advisory council is to provide a recommendation to the Parliament at least six months before the expiry of the Act on whether the Act should expire.

In order for the Act to expire on that date, each House of Parliament will be required to pass a resolution that the Act expire on that date. The intention of this amendment is clear and simple: rather than the Act automatically expiring, the advisory council will take a close look at the operation of the moratorium and the advances in GM technology, and then make a recommendation to the Parliament on the expiry of the Act. It may well be that the advisory council comes to the conclusion that there is justification for the moratorium to be lifted. Conversely, the council may conclude that there is a need for the moratorium to continue and may recommend that the legislation not expire on that date.

If an advisory council is to be an effective body, the Opposition believes that this is an appropriate role for the council. The council comprises members representing a wide range of views on the GM debate, and in 2½ years it will have examined in detail the progress of the GM moratorium and will be in a position to make its recommendation. This is an important amendment. It puts in place an appropriate review function that the Government should have thought about when drafting the bill. In short, this is another sensible and balanced amendment put forward by the Opposition and it will add considerably to the effectiveness of the bill. I commend the amendment to the Committee.

Mr CAMPBELL (Keira—Minister for Regional Development, Minister for the Illawarra, and Minister for Small Business) [10.22 p.m.]: The Government does not support the amendment. It is an unnecessary amendment, and it is unnecessary to make this process a legislative requirement. The Government, the Minister and the advisory council will all be involved in the deliberations as to what action is necessary regarding the future of the legislation. Parliament will be free to deal with the issues in whatever manner it sees fit at an appropriate time. It does not need a legislative methodology. I repeat: The Government does not support the amendment as it considers it unnecessary.

Question—That the amendment be agreed to—put.

The Committee divided.

Ayes, 36

Mr Aplin	Mr Humpherson	Mrs Skinner
Mr Armstrong	Mr Kerr	Mr Slack-Smith
Mr Barr	Mr McGrane	Mr Souris
Mr Cansdell	Mr Merton	Mr Stoner
Mr Constance	Ms Moore	Mr Tink
Mr Debnam	Mr Oakeshott	Mr Torbay
Mr Draper	Mr O'Farrell	Mr J. H. Turner
Mr Fraser	Mr Page	Mr R. W. Turner
Mrs Hancock	Mr Piccoli	
Mr Hartcher	Mr Pringle	
Mr Hazzard	Mr Richardson	*Tellers,*
Ms Hodgkinson	Mr Roberts	Mr George
Mrs Hopwood	Ms Seaton	Mr Maguire

Noes, 47

Ms Allan	Mr Gaudry	Mrs Paluzzano
Mr Amery	Mr Gibson	Mrs Perry
Ms Andrews	Mr Greene	Dr Refshauge
	Ms Hay	Ms Saliba
Mr Bartlett	Mr Hunter	Mr Sartor
	Ms Judge	Mr Scully
Mr Black	Ms Keneally	Mr Shearan
Mr Brown	Mr Knowles	Mr Stewart
Ms Burney	Mr Lynch	Mr Tripodi
Miss Burton	Mr McBride	Mr Watkins
Mr Campbell	Mr McLeay	Mr West
Mr Collier	Ms Meagher	Mr Whan
Mr Corrigan	Mr Mills	Mr Yeadon
Mr Crittenden	Mr Morris	
Ms D'Amore	Mr Newell	*Tellers,*
Mr Debus	Ms Nori	Mr Ashton
Ms Gadiel	Mr Orkopoulos	Mr Martin

Pairs

Ms Berejiklian	Mr Hickey
Mr Brogden	Ms Beamer

Question resolved in the negative.

Amendment negatived.

Clause 43 agreed to.

Schedules 1 and 2 agreed to.

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

CANCER INSTITUTE (NSW) BILL

Bill introduced and read a first time.

Second Reading

Mr SARTOR (Rockdale—Minister for Energy and Utilities, Minister for Science and Medical Research, Minister Assisting the Minister for Health (Cancer), and Minister Assisting the Premier on the Arts) [10.32 p.m.]: I move:

That this bill be now read a second time.

The bill introduces a key plank of the New South Wales Government's health policy for the March 2003 election, namely, the establishment of a cancer institute for the people of New South Wales. Cancer accounts for 28 per cent of all deaths, and almost 30,000 new cases of cancer are reported in New South Wales each year. Such a toll has a devastating impact on our community, and clearly warrants a focussed and co-ordinated response. Guiding our efforts in the drafting of the bill has been the principle that our efforts in the struggle against cancer should be not only caring but also clever. The bill equips us with a new weapon in this battle, the New South Wales Cancer Institute, which will become the tip of our spear in the fight against cancer.

The concept of a cancer institute for New South Wales was first considered almost 60 years ago when the then Premier, Sir William McKell, allocated £350,000 for that purpose. On his appointment as Governor-General the idea lapsed. Today William McKell's proposal for a New South Wales Cancer Institute is an idea whose time has come. The concept of cancer control in the legislation encompasses a very broad range of activities, including research, prevention, diagnosis, care and treatment. The proposed institute will place itself at the heart of all aspects of cancer-related activities. It will become the State's driving force to tackle cancer head on, and that is clearly spelt out in the objectives for the institute.

Clause 5 sets out the objectives, which are to increase the survival rate for people with cancer, to reduce the incidence of cancer in the New South Wales community, to improve the quality of life for cancer patients and their carers, and to provide an expert resource on cancer control. We want to see less cancer, fewer deaths from cancer and better care for those with cancer. I stress that our goal is focused on outcomes. The success of the bill will not be measured by the amount of money invested in these efforts, but in the number of lives saved and the improvements we deliver to the lives of those suffering from the disease.

In fulfilment of the Government's commitment, the bill establishes the Cancer Institute as a separate statutory corporation with a governing board of up to 11 members, including the institute's chief executive, who will be titled the Chief Cancer Officer. The board will be accountable, through the Minister, to the New South Wales community. Appointments to the board will provide not only a mix of skills, including clinical and research professionals, but also people with consumer and patient perspectives. The board's primary focus will be on how the cancer effort can deliver better outcomes for the people of New South Wales.

Clause 8 of part 2 of schedule 1 to the bill will ensure the transparency and probity of board decision making through appropriate management of any potential conflicts of interest. In addition, to enhance the objectivity and independence of the institute's activities the Minister may, under clause 21, establish an independent panel of experts, including people drawn from outside New South Wales, to review and report to the Minister on the institute's performance in achieving its objectives. It is the Government's intention that an international review panel will be convened to review periodically the institute's performance.

Consistent with the need for accountability to the people of New South Wales, the institute will be required to provide an annual report to the Minister within four months of the end of each financial year for tabling before Parliament. The reporting requirements demanded of the institute are explicit. Its annual report to Parliament must include details of the outcomes achieved from the institute's initiatives during the financial year; details about trends in the incidence, mortality and survival rates of cancer; and an overview of cancer-related research and philanthropy in New South Wales during the previous financial year.

This annual report will be in addition to the annual financial reporting requirements required of statutory bodies receiving funding through the Health appropriation. Clause 6 of the bill provides a set of guiding principles for the institute in undertaking its functions. These principles recognise that accountability, equity, the optimal use of resources and appropriate linkages both inside and outside New South Wales are essential to the success of the overall cancer effort. Most importantly, they recognise that at the centre of the cancer effort, regardless of its form, is the cancer patient.

The role of the institute will involve the promotion of efficiency in clinical and research practices. The supply of funds is not limitless and, although some areas of activity will receive resource enhancement, the Government would expect value-for-money testing of programs and services to optimise the use of public funds. The provisions dealing with the functions of the institute are set out in clause 12. The institute will have broad functions in relation to all aspects of cancer research. The establishment of the institute offers an opportunity to identify current resources going to cancer-related research and advice on future priorities for research in this area.

While the institute will be able to conduct its own research where appropriate, it will commission and sponsor research by other organisations. The institute will play a key role in fostering collaboration and co-operation across the various bodies involved in cancer research. To achieve a more comprehensive understanding of the cancer research effort in New South Wales and maximise the benefits of available research funds, it is proposed that the institute establish a publicly available register of bodies and individuals contributing to the cancer research effort.

Participation in the register will be voluntary, and participants will be able to provide a broad outline of their area of research, be it epidemiological, clinical or molecular. Strong evidence suggests that best practice principles applied consistently in cancer control will significantly reduce death rates from cancer. Take for example breast cancer, where the application of screening programs and better treatment has led to a 15 per cent increase in survival rates for breast cancer over the past two decades. A major role for the institute will be keeping abreast of the very latest developments and improvements in cancer control both in Australia and overseas, and disseminating these improvements and developments to organisations and practitioners in the field in a manner that ensures their comprehensive uptake.

Ensuring that the best health care is provided involves a systematic approach to the dissemination of relevant information. The bill allows the institute to develop clinical guidelines and protocols for use by health professionals and other health service providers or, where appropriate, to endorse a guideline or protocol developed by another body whether in Australia or overseas. The institute will be able to accredit cancer control programs that meet specified standards. This form of benchmarking will encourage excellence in cancer control.

The Institute will also be able to sponsor innovative programs within the public health system as well as work with the Department of Health and the public health system for the further promotion of a patient-focused, seamless multidisciplinary approach to cancer care. Another priority for the institute will be to foster improvements in the prevention and early detection of cancer. Prevention can include both promotion measures, such as programs to reduce the incidence of smoking, as well as campaigns for sun protection.

The institute will play a role in identifying and disseminating the latest developments in cancer screening, such as recent developments in screening for bowel cancer, and cancer genetics screening. It will be given a wide-ranging brief to review and evaluate existing programs and services, as well as new initiatives and pilot programs within the public health system. Recommendations of the institute for improvements to existing programs or new initiatives can be implemented by way of incorporation into the performance agreements between public health organisations and the director-general under the Health Services Act 1997.

It is also proposed to confer on the institute a policy, planning and review role in respect of cancer control. The bill sets out a specific and ambitious deadline by which the institute, in conjunction with the Department of Health, must develop a State cancer plan. It is envisaged that the plan will encompass the spectrum of cancer control activities to be undertaken across New South Wales. This will include clinical initiatives and research projects, as well as prevention and information strategies. A State cancer plan is necessary to ensure an integrated statewide approach to cancer control. The 30 June 2004 time frame for the initial plan will give the necessary impetus for the institute to get on with the task of enhancing the State's cancer control effort.

The public funds which the institute will administer in each financial year will include not only its own operating budget. The institute will also have available funds for allocation to a range of cancer control activities such as research, innovative clinical programs, screening and trials. One of the functions of the institute under clause 12 will be to submit recommendations to the Minister on how the funds it will administer in a particular financial year should be allocated. The establishment of the institute will enhance the expertise on cancer available to Government and the people of New South Wales. The institute will become a focal point for advice on all cancer-related matters. It will be able to receive specific references from the responsible Minister or the Director-General of Health, to provide advice and to undertake assessments of particular programs and services within the public health system.

The institute will also have a role in co-ordinating and managing statewide cancer data collection and analysis. It will be able to manage and utilise data collections based on identified patient data established under the notification provisions of the Public Health Act 1991. In addition, it is expected to review existing data collections with a view to identifying any gaps or other inadequacies. Where appropriate, it will be able to establish and maintain its own data collections, subject to relevant privacy considerations, and to utilise information from other sources in undertaking its own epidemiology, research and policy work. In recognition of the increasing use of complementary therapies by cancer patients, the institute will be specifically empowered to investigate and evaluate these therapies.

Complementary therapies, when properly applied, may enhance the quality of life for cancer patients. The institute will assess both their effectiveness and safety and provide patients and doctors with better advice on their use. Other functions proposed for the institute in relation to cancer control include the dissemination of advice and information to the public, and the training and education of health personnel. The success of the institute in achieving its objects will depend, in large part, on a consultative and collaborative approach across all sectors which recognises the institute's diverse range of stakeholders and the need to forge strategic partnerships and undertake joint ventures as part of its overall approach. Given its importance, a specific function related to consultation and collaboration has been included.

Honourable members will be well aware that community participation and fundraising provides an important component of the overall resources devoted to the fight against cancer. While the institute will be able to engage in such activities itself, more importantly it will foster such activities across the community by other organisations. In turn, the institute may be the recipient of funds raised by community organisations or funds otherwise donated or bequeathed to it for cancer-related purposes. There are a plethora of bodies engaged in philanthropic activities associated with cancer relief. In order to maximise the benefits to cancer patients and their carers of the funds derived from charitable fundraising for cancer relief, it is desirable to harness the energies of these various bodies to achieve co-operative outcomes and a transparent and comprehensive picture of how cancer charity dollars are applied. To that end—and similar to the proposal for a publicly available research register—the institute will be able to establish a voluntary register of such bodies and will be required to provide an overview of cancer-related philanthropic activities in its annual report.

The institute will be required to establish its own ethics committee as part of its administrative arrangements. It is also recognised that delays can occur in obtaining ethical approval for multi-centre research, including cancer-related research. The institute will have the opportunity to take a leadership role in developing more streamlined systems of ethical review for multicentre and other cancer research. The institute will be involved in the allocation of funds for cancer-related research, prevention and detection, and health service enhancements across New South Wales.

In undertaking its functions the board will need to draw upon a wide range of appropriate clinical and other health-related expertise, including from the New South Wales health system. To that end, under clause 9 of the bill it is proposed that the institute establish a number of expert advisory committees with members drawn from across a variety of cancer-related fields and areas of practice. For example, the Clinical Services Advisory Committee offers the opportunity, through its membership, to draw on the skills and experience of health and related professionals practising in a variety of areas, including primary care, rural practice and paediatrics.

It is clear from the foregoing outline of the role and functions of the proposed institute that, in the absence of appropriate adjustment of the Cancer Council's role and functions, there is potential for overlap and duplication between the two bodies. The New South Wales Cancer Council, established under the New South Wales Cancer Council Act 1995, currently has a very broad range of cancer-related functions, some of which the council has not in practice been in a position to discharge. In practice a large part of the very valuable role it plays is in the areas of advocacy and patient support, fundraising, education and research. Another significant activity of the Cancer Council currently is the management of two NSW Health registers, the Pap test register and the Cancer Register, under a contract with the Department of Health.

Both registers are established under the Public Health Act 1991. Recognising the need for an adjustment of its role to complement that of the proposed institute, as well as the opportunity for restructuring and repositioning which the establishment of the institute represents, the board of the Cancer Council has indicated that it wishes to alter its legal status to that of a not-for-profit company limited by guarantee. This will enable it to better focus on its existing well-established role as a community charity capable of operating in a competitive commercial environment.

The New South Wales Cancer Council, along with seven other State voluntary cancer bodies, is now a member of the Cancer Council of Australia. A fundamental strategic direction for the council is greater integration with its national partners to lower costs, improve effectiveness and leverage international funding sources. It envisages that its future role—being focused on fundraising, community education and advocacy, and philanthropic activities for cancer patients and their families—would appropriately and usefully complement the role of the proposed institute. A future structure under the Corporations Law would provide the Cancer Council with the flexibility necessary to build on its current position as the premier cancer charity in New South Wales.

Given the Cancer Council's unique history as a statutory body with a strong existing partnership with government, and the cancer-related purposes of both the council and the institute, it is envisaged that these two

bodies will develop a close strategic partnership and working relationship in the future. The Commonwealth Corporations Act 2001 provides a mechanism for statutory corporations such as the Cancer Council to become registered as companies and operate in future within the corporate framework. These provisions enable a seamless transition from statutory corporation to registered company. It is proposed that the date of deemed registration of the council would be fixed by ministerial order, thereby enabling the timing of the transition to be set by the Minister, taking into account the readiness of the Cancer Council and the institute for the transition.

Repeal of the Cancer Council Act will take effect simultaneously with, or at a date subsequent to, the deemed registration of the Cancer Council under the Corporations Law. Before transition to registration under the Corporations Law there is a need for a due diligence process to be undertaken to identify the current assets and liabilities of the Cancer Council in its current form as a public body. This will form the basis for working with the Cancer Council to develop appropriate transitional arrangements in respect of the transfer of assets, liabilities and staff of the Cancer Council. Under clause 25 of the bill comprehensive transitional regulations to provide for such transfer can be made.

Honourable members should note that there has been significant public consultation on the proposals for the institute since they were announced before the March election. A copy of the proposed cancer strategy, which includes the establishment of the institute, has been available on the Department of Health's web site for public comment. Submissions from interested organisations and individuals were considered by the department in developing the bill's provisions. I have visited all major teaching hospitals and the key research institutions over the last two months to discuss this proposal and hear their views. Forums attended by researchers, clinicians, consumers and other key stakeholders have also been convened to discuss the proposed role and functions of the institute. Furthermore, the proposed arrangements for the future of the Cancer Council are consistent with the Cancer Council's own desired future direction.

This bill represents a great leap forward in the fight against cancer. In the years to come the New South Wales Cancer Institute will play a major role in cancer control in this State. I believe this initiative is the first of its kind for Australia. I want to specifically thank all those who have provided input into this initiative and who played a role in its development, in particular my ministerial colleague Craig Knowles, who had the foresight to push this onto Labor's election platform and, of course, the Premier for his vision in giving it his full support. I also thank the many people who were involved in the consultations on the bill. The Cancer Institute's aims are bold and its functions broad. But it cannot achieve those aims in isolation. To fully realise its potential requires the continued co-operation and goodwill of the many organisations and individuals across the State that are involved in the cancer effort. I urge them to support this historic initiative. I urge honourable members to lend their support. I commend the bill to the House.

Debate adjourned on motion by Mr Hazzard.

HUMAN CLONING AND OTHER PROHIBITED PRACTICES BILL

RESEARCH INVOLVING HUMAN EMBRYOS (NEW SOUTH WALES) BILL

Second Reading

Debate resumed from 21 May.

Mr HAZZARD (Wakehurst) [10.51 p.m.]: The Human Cloning and Other Prohibited Practices Bill and the Research Involving Human Embryos (New South Wales) Bill present a unique set of problems for members of this House because they involve the resolution of complex moral, ethical and scientific issues. The Minister who introduced these cognate bills indicated that Government members will exercise a free vote, a conscience vote. I lead for the Opposition, but the Coalition parties acknowledge that those complex issues require a free vote. Accordingly, Coalition members also will exercise a free vote. The comments I will make should not be construed as the collective position of the Coalition parties. They will be my comments and they will address the issues as I see them. In due course other honourable members will provide their own perspective on these issues, and Labor Government members doubtless will indicate their views also. The issues have been dealt with at great length by the Federal Parliament. Most honourable members will recall the great deal of public discussion and debate on cloning issues during 2002. That discussion and debate related particularly to issues covered by the Commonwealth's Research Involving Human Embryos Bill, the provisions of which are sought to be incorporated into New South Wales legislation.

Before addressing the scientific, ethical and moral issues, I will retrace the steps that have brought members of this House to the point at which we struggle to implement legislation that is appropriate at this time in the development of our scientific history. A look back over the past 30 years shows that there have been some staggering developments in the science of reproduction and cloning. It seems to have been only yesterday when the first child conceived by in-vitro fertilisation was born, and that was in 1978. It was only 25 years ago when people in the street became more aware of human reproductive technology. That was the first opportunity when people who had not been able to have children could receive assistance to produce a child by other than the usual method.

That is interesting because although this House, the Federal Parliament and other State parliaments are discussing aspects of stem cell research on human embryos, issues that date back 25 years have not been resolved. People in their twenties are walking along streets in places in Australia but their legal identities and legal rights are not clearly defined. The courts have been given the task of trying to interpret the rights of those individuals vis-à-vis their parents, their father or the donor of the gamete, and in some cases the female who was the donor of the gamete. In the early days it was mostly males who donated gametes. Social issues emerged and over the past two or three years a number of articles have been published about people who were in search of their identity.

I do not intend to delay the House for long on that issue. However, when I was the shadow Minister for Community Services I closely monitored the position of people who had been born by various assisted methods involving reproductive technology. They still do not know what their rights are, who their fathers are, and in some cases who their biological mother is. These are complex issues. Most of us are able to come to grips much more quickly with cloning than with other complex issues that have been left in the slipstream of scientific advance. Cloning legislation will not be controversial in this House, because I believe that although there have been developments in animal cloning that some people are prepared to regard as an acceptable advance in science, there is little doubt in the minds of most people that no-one will tolerate human cloning.

I may be wrong about that, but I believe that the vast majority of the community would say that human cloning should be outlawed. I do not intend to take up much time of the House other than to say that the human cloning aspects of this bill pick up the Federal legislation, which implements fairly substantial penalties for involvement in human cloning. The Federal legislation provides penalties of 15 years in gaol for persons who pursue human cloning in scientific research. I believe that many of us would agree with outlawing human cloning, as is provided in the Federal legislation and as is now being largely picked up in the New South Wales legislation. I certainly support it.

Before I move into more detail on the stem cell aspect, which is dealt with in the cognate bill, I point out that for many years in Australia, research on assisted reproductive technology has been regulated in an informal sense through the ethical committees of the National Health and Medical Research Council [NHMRC]. That system certainly seemed to work reasonably well, but as the technology grew in the number of research units involved in researching embryonic stem cells, there was also a move afoot that brought a new focus on trying to adopt a uniform approach with statutory enforcement throughout Australia.

Accordingly, as many would know, the Council of Australian Governments set about a process which culminated in an agreement on 5 April 2002 that all State governments and the Federal Government would legislate on a nationally consistent scheme to prohibit human cloning and to regulate the research on human embryos. I understand that on 19 December last year the Commonwealth passed legislation, Victoria and Queensland have passed complementary legislation, and other States have introduced complementary legislation. We are now part of that process tonight as we consider these bills.

When we talk about the use of embryonic stem cells we touch on the most complex and difficult of moral issues: what is life and when is it appropriate to perhaps let life slip away in the pursuit of providing a safer and more appropriate environment for human beings in the future. For me, the issue requires me to go back to my scientific training and reconsider the process of the coming together of the sex cells. The sex cells produce the zygote that eventually goes through various metonic processes to end up as a blastocyst. The blastocyst is a small gathering of cells, which are undifferentiated at that point.

There is no question that at the point where those two cells come together there is life, but whether it is life that should not be interfered with in any way is really the challenge for all of us to come to grips with. If it were that that blastocyst was going to be kept in a state of frozen suspended animation in readiness for implanting into a woman at some point, clearly I could not condone the use of those blastocysts for the purpose

we are talking about. However, this legislation recognises that there are something like 70,000 frozen fertilised eggs in various laboratories across the country, of which about 5,000 to 6,000 will be taken out each year because they are no longer needed.

This legislation does not allow new blastocysts, the new coming together of male and female cells, to be used for research purposes. There is a cut-off date and that is 5 April. That is the safeguard. The legislation does not allow the creation and harvesting of human life for research for at least the three years moratorium. However, any blastocyst embryos, those at that very early stage of less than five days old, that were created before 5 April and are not going to be used for the purpose for which the sex cells were brought together, which is to give differentiated life and grow into an embryo, can be considered for research purposes, subject to very strict ethical guidelines laid down by the various ethical committees of the NHMRC. Instead of being "allowed to succumb", which I think is the euphemistic term, or literally being thrown away, they can be used for research that might assist all mankind to find solutions for some of the major disorders that currently impact so substantially on the quality of life of human beings who have medical problems.

I find it difficult to accept that we should discard those embryos without being able to draw the maximum benefit from them. If there is some serious hope that mankind can benefit from research on those cells and that some of the major medical illnesses and physiological problems that can occur with human beings can be addressed, I think, on balance, that it is appropriate to support their use. I know there are some complex arguments; I have read them. I do not know that I can argue against other people's viewpoints or enlighten the House on the very substantive scientific arguments about the use of, for example, adult stem cells versus embryonic stem cells, but a good deal of research into the value of embryonic research versus adult stem cell research has been done throughout the world in the past few years. There are some very complex scientific arguments. Obviously, the attraction of using adult stem cells is that it overcomes the ethical dilemma of the succumbing of five-day-old embryos; but the scientists tell us that adult stem cells are differentiated to a point where research into them is not as valuable.

Without the undifferentiated cells from embryonic cells one cannot fully explore how to transform stem cells into various organs of the body, into new nerves, into the sorts of opportunities that might vastly increase somebody's quality of life. We remember Christopher Reeve coming to Australia last year. While the Opposition had some difficulty with the circumstances, he made the point that there are certain conditions that can befall any of us at any time and that perhaps stem cell research, particularly embryonic stem cell research, might give us all hope to address those issues. I quote John R. Meyer, who said:

> The principal ethical problem associated with [embryonic stem cell use] is the short-term culturing of human embryos. Specifically, embryos must be cultured to the bastocyst stage of development (a pre-implementation or peri-implementation embryo) prior to harvesting the ES cells.

That is the problem. It is for each of us to determine what weight we put on these issues. I find it a little difficult to accept that we are debating this issue, given that only in the past 12 months a seven-month-old foetus—in other words, an in-utero, seven-month-old developed foetus—died but the person who caused the death could not be charged with murder or manslaughter because it was not a life in terms of the law of New South Wales. Yet at the moment we are struggling with something that happens six months and 25 days before. It is a difficult ethical and moral argument, but I think on balance the opportunities that are offered through stem cell research, and which scientists tell us are offered through stem cell research, are vast.

While I do not seek for one moment to impose my ethical or moral views on other members of this House, or indeed on any other member of the community, I would say that each of us is entitled not only to struggle with this issue but also to arrive at our final position. My final position is that on balance, as difficult as it is, the benefits well and truly justify, at this point anyway, the use of blastocyst embryos for stem cell research.

With regard to the legislation, we are not Robinson Crusoe in this Parliament. There have been debates further afield than this Parliament, and we must remember that this legislation is, in effect, part of a national scheme. If we as individuals are erring on how to vote on this legislation, I would say to members, without wishing to impose my moral or ethical position on them, that perhaps the fact that this legislation is part of a national scheme—each community throughout Australia has felt it necessary to have uniform legislation to ensure there are appropriate limits and appropriate ethical guidelines on the use of such embryos—should suggest to us that on balance we should support the legislation so that the national perspective as put together by the Council of Australian Governments, can be put into law.

Ms JUDGE (Strathfield) [11.14 p.m.]: Stem cell research is an exciting part of regenerative medicine and part of a multifaceted area of biotechnology. Regenerative medicine is here to stay, and I fully support it. I have marvelled at the success of stem cells in treating different conditions. In Dusseldorf in July 2001 German doctors reported that a patient's own bone marrow adult stem cells were used to regenerate tissue damaged by a heart attack, improving his heart function. In America doctors took adult stem cells from the brain of a patient with Parkinson's disease and reimplanted them, resulting in an 83 per cent improvement in the patient. Washington Medical Centre treated 26 patients with rapidly deteriorating multiple sclerosis; 20 patients stabilised and 6 improved.

Israeli doctors inserted adult blood stem cells into a paraplegic woman's spinal cord, after which she regained bladder control and the ability to wiggle her toes and move her legs. Immune systems of children destroyed by cancer were restored using umbilical cord blood—these are adult stem cells. Surgeons in Taiwan restored vision to a patient with severe eye damage using stem cells from the patient's own eyes. In America, adult stem cells have been used to treat a blood disease, sickle cell disease. Adult pancreatic islet cells were beneficial in helping insulin-dependent diabetics improve. The leading proponents of destructive embryonic stem cell research talk about treating diabetes, but it is already happening.

A young woman rendered paraplegic by a car accident can move her toes and legs after the injection of her own immune system cells into her severed spinal cord. Recently in the United Kingdom a three-year-old boy was cured of a fatal disease by the use of stem cells extracted from his sister's placenta. This year a Swiss company may receive regulatory approval to treat burn victims with sheets of skin grown from a few of their own follicular stem cells.

What is significant about all these cures is that they have resulted from adult stem cell research. Adult stem cells or mature stem cells are stem cells that can be harvested from any one of us in this room without harming or destroying us, or from umbilical cord blood from other sources with no need to destroy embryos. These great stories we hear about are already taking place in our society and in the research community. I believe that this is perhaps one of the most important votes I will have to make in my parliamentary career. This debate is about setting the ethical limits to science. As the ethicist Paul Ramsay said:

> The good things that humans do can be complete only by the things they refuse to do.

In essence, this is about life or death. It is about how far we are prepared to go. It is about where we are prepared to draw that line in the sand. We may have the technology, but do we possess the necessary wisdom? Parliament is being asked to make not an economic or scientific decision—although this can have economic benefits—but fundamentally an ethical decision, which is to assess the effects of destructive embryonic stem cell research as opposed to supporting stem cell science with adult stem cells as a more ethical alternative. To make this ethical decision, it has been necessary for me to base my ethical decision on some ethical principles.

Allow me to give an example to highlight the basis for my decision. I fully support organ transplantation. However, some organs, for example kidneys, are purchased from poor people in so-called third world or developing countries for as little as $100. To take advantage of their poverty is reprehensible. Organ donation is an ethical practice, but some sourcing of organs is unethical. The analogy holds in stem cell research: some sources of stem cells are ethical and other sources are, I reiterate, unethical.

I maintain that embryonic stem cell research is unethical because it involves the wilful destruction of created embryos that have an inherent dignity. I fully support stem cell research that does not involve embryo destruction. This debate is not about religion versus science but about good science versus bad science. The overwhelming scientific evidence points to the fact that adult stem cell science can achieve all the benefits we want with few of the related ethical problems. On very few occasions in our scientific research have we conducted human studies before animal studies. By allowing the use of unwanted in-vitro fertilisation [IVF] embryos we have made a leap not allowed before—experimenting on humans before we experiment on animals. The term "surplus" used in this debate is a bad term. It is a misnomer. The best terminology is "unwanted embryos". I suppose it is used because in our western society we have a utilitarian approach—the use up and throw away mentality—but in this case we are talking about embryos, human life. I suppose this is a feature of our post-modern consumer society.

I also believe this debate is about good science as opposed to bad science. I have been impressed by the number of high-calibre scientists who have opposed this research on scientific grounds alone. Professor Colin Masters from the University of Melbourne, Australia's leading researcher into Alzheimer's disease, has criticised

stories about embryonic stem cells leading to cures for Alzheimer's as ridiculous and inflated. Another professor, Peter Rowe, head of the Children's Medical Research Institute at Westmead, has indicated publicly that to pursue destructive embryonic stem cell research is bad science. According to Dr Peter McCullagh from the University of Sydney, the results of this research so far have been less than spectacular. He argues that:

> … rigorous animal testing … is required for two reasons: to determine whether it works and, if so, whether it is safe.

Professor Michael Good, an Australian medical researcher and a Fellow of the Australian Society for Microbiology and Honorary Fellow of the Royal Australian College of Physicians, in a frank articulation of his views, said:

> … the science does not stack up. The Australian public has been hoodwinked by the proponents of this research.

He went on to say that the proponents of research:

> … talk about providing cures for very ill patients from human embryonic stem cells. However, embryos would have to be mass produced in order to provide the millions of cell lines that would be needed for transplantation for diseases such as diabetes, Parkinson's disease and so on. This is because we all possess near unique tissue types. It is extremely rare to find stem cells with the identical tissue type to ourselves. If not correctly matched, the chances of graft rejection are greatly increased. Furthermore, women would have to undergo super-ovulation to provide the number of eggs that would be needed to generate the cell lines.

Is this the next step—a supermarket upon whose shelves rest thousands of so-called Aussie embryos ready for the picking? In relation to the results obtained, Professor Good's comments are particularly enlightening. He said:

> In all other fields of medical research, "proof of principle" research is conducted firstly in animals. There are scant animal data when it comes to treating diseases with embryonic stem cells. Why?

I also ask why? Another reason I cannot support this bill is cloning. I know there is another bill for Parliament to consider related directly to human cloning. I am pleased we will consider and vote on the bills separately. However, ultimately the two are intimately related. Allow me to explain why. This debate is essentially about therapeutic cloning. We have enough existing stem cell lines for research. Research in embryonic stem cells in the United States of America is being carried out on existing stem cell lines. The other embryos are theoretically superfluous. However, for embryonic stem cells to be beneficial to a patient who has any of the supposed diseases it is claimed could theoretically be treated, we will need to create embryos that have the same genetic component as the patient to avoid the problem of rejection. Hence we will need to clone embryos. Average expectations suggest we will need not just one but dozens of embryos for each patient. This is not theoretical.

Some of the leading advocates of stem cell research in this country advocate therapeutic cloning and are disappointed they do not have it approved already. In a few years they will come back knocking on the door of Parliament insisting on it and will mount a public relations campaign to attain their ends. You can bet your bottom dollar on that! I read about a stem cell conference held in Melbourne on 18 and 19 September 2002, with many of the leading powerbrokers in embryonic stem cells participating. A clear discussion point for them was the approval of therapeutic cloning and the expectation of when it will come. A vote for this bill is ultimately a preparatory vote for therapeutic cloning. I cannot consent to the creation of human embryo farms, which is what we will create with cloning. It is the beginning of *The Matrix* but this time the human beings are doing it, not the machines. It will also lead to a market in human eggs, ova, to clone. This thought is very troubling. [*Extension of time agreed to.*]

Some of the main players in this debate are those with embryo banks. For me, the smell of conflict of interest is very clear. Some IVF clinics—and I will not mention names—will have embryos to experiment with and can enter financial arrangements, taking advantage of treating infertile couples. When cloning technology is needed for treatment, the people best suited to do it are those involved in IVF, hence creating further unethical markets for themselves. Furthermore, some argue quite convincingly the real gains from embryo research may not be cures but drug testing. Dr Aboud, Assistant Lecturer in Medical Ethics and Health Law at the University of New South Wales, furnished me with an article by Michael Cook, editor of *Australasian Bioethics Information*, who interviewed a number of biotechnology investors for the *Australian* recently. He said:

> They all told me that embryonic stem cells was highly risky. Cures were not even on their radar screen—perhaps 15 years away. What did excite them, however, was the very real possibility of using them to test drugs. Embryonic stem cells could shorten the long and expensive lead time required to bring drugs on the market. Whether or not they cure patients, they will fill the wallets of multinational drug companies—and the clever scientists here who developed the technique.

Cash, not cures, is driving this debate. There is nothing wrong with cash, but ethical cash is what counts. Using embryos to fill the wallets of multinational companies is not on! Ultimately the cures generated by this therapy will be a rich man's treatment, as the poor will never be able to afford what the companies will charge for all their research and investment. This is contrary to Labor philosophy and to what I stand for as a Labor Party member. We should stand for equality of opportunity, not just for those who are cashed up enough to afford this sort of therapy. Who could afford this sort of therapy? It costs many dollars. A reasonable question often posed by members of the community when the ethical position is put before them is what to do with the unwanted embryos. My initial answer is that ethical disasters often have disastrous conclusions, not easy solutions. Even the Government's proposed solution of using only embryos produced prior to 5 April is an inadequate solution. It does not address embryos created after that date or the possibility of embryos being created excessively during the IVF process.

A recent case in the Am Spiegelgrund hospital in Austria may give some light. In Vienna during World War II a Nazi doctor, Heinrich Goss, killed 789 children who were sent to the Am Spiegelgrund hospital for treatment. They were sick or handicapped children. He dissected them and carefully stored their brains in formaldehyde. After the war he became a famous neurologist and published many learned scientific studies on brain deformations. He received awards and an honorary medal from the Government of this country for the so-called pioneering work he did. He based his work mainly on the brains of his victims. Finally, the reality reached the public. The jars were removed from the anatomy museum and the doctor was put on trial. The Government tried to return those body parts to surviving relatives. Earlier this year there was a public burial attended by thousands of people of all ages—not for the children but for the body parts. It was a sign of respect for those poor children who had been, quite literally, utilised to satisfy an unscrupulous scientist's curiosity. Perhaps the frozen embryos will die anyway, but when they do we can bury them. We have the technology; we ought to have the respect and the decency.

Although these embryos are too small to see—they are microscopic—they have all the features and inherent characteristics that will allow them to become just like you or me, given a nurturing placenta. They have their own co-ordinated, continuous development given the appropriate internal environment. This bill has grave ethical implications for humanity. Should we allow scientists to create life only to discard it shortly thereafter when it has been harvested for some important cells? I respect the contrary opinions of my colleagues, who are acting in good faith in this debate. Nevertheless, on the basis of the overwhelming concerns that I have outlined to Parliament, I cannot support destructive embryonic stem cell research and will be voting against the bill.

As leaders in our community, we should endeavour to do everything possible to promote and protect life. We should do everything possible to protect and support both internal and external environments that are the foundations of life. We should ensure that decisions such as these are based on the principle of freedom for all not just the wealthy few. We must ensure that social justice and democracy, which promote freedom, are foremost and that their ambit is broad enough to include human embryos—our starting point.

Mr O'FARRELL (Ku-ring-gai—Deputy Leader of the Opposition) [11.31 p.m.]: This is an important debate in which the Coalition parties have given a free vote to their members. I direct my comments principally to the Research Involving Human Embryos (New South Wales) Bill but I state at the outset my firm support for the Human Cloning and Other Prohibited Practices Bill and the prohibition that it rightly places on human cloning. I also acknowledge upfront that the Minister for Science and Medical Research has informed the Opposition that the bills, although being debated cognately, will be voted upon separately. We thank him for that commitment, which he apparently gave to caucus earlier today.

The debate about human embryos covers a complex and difficult area—complex because of the science underlying the research and the application of stem cells in modern medicine, and difficult because once again advances in science are blurring ethical and moral borders. I thank all of those people who have given me their opinions on embryonic stem cell research. The bases for their opinions range from religion, to ethics, to the hope for a medical breakthrough. Stem cell research is a relatively recent advance. The isolation of human embryo stem cells was reported in November 1998 by James Thompson of the University of Wisconsin. Stem cells are cells that can reproduce themselves into different, specialised cells. These specialised cells can range from neural cells, including brain, spinal cord and nerve cells, to heart cells and insulin-producing cells. As a result of this specialisation, stem cell research offers the potential for medical treatment for degenerative conditions such as diabetes, mellitus, spinal cord injury, Parkinson's disease, multiple sclerosis and other conditions. Medicine cannot currently reverse the degenerative nature of these diseases and stem cell research offers the possibility of cell-based rather than drug-based therapeutics.

There are two types of stem cells: adult stem cells and embryonic stem cells. Adult stem cells are a less contentious area—they can be taken from adult tissue and umbilical cord blood. Embryonic stem cells are taken from the inner mass of the blastocyst at about four or five days. The legislation before the House arises from a meeting of the Council of Australian Governments [COAG]—that is, a meeting between the Prime Minister and the Premiers—on 5 April 2002. It was agreed at that meeting to establish a uniform regulatory scheme to govern stem cell research across this country. As the Minister said in introducing this legislation, New South Wales does not currently have a legislative framework governing this morally and ethically complex field of scientific endeavour. I think no-one would disagree that such a framework is desirable. COAG acknowledged the concerns in some quarters that this type of research could lead to embryos being created specifically for research purposes. To address that concern it agreed that research be allowed only on existing excess assisted reproductive technology embryos in existence at 5 April 2002 that would otherwise have been destroyed. The strict regulatory regime agreed to by the Federal and State leaders and established by this legislation in New South Wales includes a requirement for donor consent for any research, and donors, if they wish, can specify restrictions on the research uses of such embryos.

To understand this whole area one must understand the processes involved in research using a surplus embryo. During the in-vitro fertilisation [IVF] process the majority of embryos are frozen at the four-cell or eight-cell stages. They are later thawed and implanted in the uterus. Some IVF clinics freeze embryos at the blastocyst stage, which is at five days when the embryo consists of between 100 and 150 cells. When embryos are implanted 60 per cent to 80 per cent do not implant successfully and are lost. Because of that high rate of failure to implant and the desire to minimise the number of cycles of treatment a woman undergoes, multiple embryos are collected initially. That is why there are excess embryos in storage. While I respect the views of those who take a different position in this debate, the honourable member for Strathfield is plainly wrong. To describe those embryos as being unwanted and the product of a throwaway consumer society is simply to miss the point about the IVF process. Women around this country who want children undergo IVF treatment that has a failure rate of 60 per cent to 80 per cent.

At present, after a prescribed period excess embryos, which have been kept frozen in liquid nitrogen, are thawed and succumb when exposed to room temperature. In my view, it is this point that must be considered by those who oppose the use of embryonic stem cells for prescribed research purposes. If existing embryos are not implanted they will not grow or develop further. If these same embryos are used for research they equally will not grow or develop further. In this case all that occurs is that embryonic stem cells are extracted from the inner cell mass. So from the perspective of the moral issues involved in this debate I can find no distinction between embryos that will die and those from which the inner mass is extracted.

Embryonic stem cell research shows great promise in the isolation and growth of stem cells and in the development of new therapies. Many people who have raised these issues with me have argued that only adult stem cells should be used. Indeed, this was the position that I took to an information evening organised in August last year by the Anglican Parish of St John at Gordon in my electorate. The Parish priest, the Reverend Rob Sutherland, serves on a National Health and Medical Research Council ethical committee that considered this type of research. Adult stem cells are also important but, while the advantage of adult stem cells is avoiding rejection by the immune system, these cells retain any genetic abnormality, are more difficult to isolate and grow and the feasibility of their transplanted use is very poor. Emeritus Professor Doug Saunders spoke at the St John's seminar and argued that at the very least we should preserve the option of embryonic stem cell research until it was clear whether adult stem cells could offer the same benefits.

On this point, I note that the magazine *Nature* reported, I think in June last year, that research had shown for the first time that adult stem cells could differentiate into different cell types. The research reveals that cells taken from mouse bone marrow could differentiate into some of the basic building blocks of tissue—specifically, visceral mesoderm, which gives rise to the smooth muscle in internal organs; neutroectoderm, which gives rise to skin and the nervous system; and endoderm, which gives rise to the lining of the gut and blood vessels. These results were produced both from injecting into a very early embryo and from injecting into an adult host. It is exciting research and turns on its head the previously accepted orthodoxy about the limitation of adult stem cells. However, the consensus among scientists—including those who undertook the breakthrough research reported in *Nature*—is that research into adult and embryonic stem cells should proceed in parallel, and for this reason I support the bill.

I move now from the scientific to the personal. All of us as members of Parliament have had experiences that alter our views and approaches. Trish Langford irrevocably altered my views in this difficult, sensitive and complex area. Trish attended Ravenswood School for Girls, which is located in my electorate of

Ku-ring-gai. She was an elite athlete, who excelled in tennis, hockey and cricket. After school she studied human movement at university and worked as a development officer for the New South Wales Women's Cricket Association. During these years Trish's sporting prowess continued: She played A1 tennis, first grade hockey and was a member of the New South Wales open women's cricket team. She was a member of the Australian women's cricket squad and in 1994 captained the Australian youth team against New Zealand. In that same year Trish was struck down with a rare form of primary progressive multiple sclerosis.

Fifteen months ago I attended Trish's funeral at the Ravenswood chapel. It was a moving and emotional tribute to a life cut off in its prime. As a legislator, I believe I have an obligation to the community to ensure that responsible steps are taken to try to unlock the potential benefits that may derive from stem cell research. No-one should stand in the way of finding a cure for the type of illness that took Trish Langsford from her family and friends. Trish's parents, Roy and Carol Langsford, work tirelessly in support of a medical research foundation—the Trish Multiple Sclerosis Research Foundation—to support research to try to ensure that other parents and children did not go through the ordeal that they and Trish experienced. Stem cell research, as envisaged by this legislation—appropriately regulated, with donors' consent and for approved medical research purposes—may hold the key to what is sought by Roy and Carol Langsford and others in similar situations across this State and nation. I commend the Prime Minister for his leadership on this issue. I commend the legislation to the Parliament. I hope that medical researchers are able to unlock the exciting lifesaving potential of these stem cells.

Ms SALIBA (Illawarra) [11.41 p.m.]: As the mother of four children, not one of whom is biologically mine, I am acutely aware of the in vitro fertilisation [IVF] process. I oppose the Research Involving Human Embryos (New South Wales) Bill. Women who are subjected to the IVF process go through an emotional time. They are injected with hormones that stimulate their ovaries, their emotions and every other part of their body. A number of eggs are removed from them—in some cases 15 or 20 at a time—and a specialist then decides which eggs are the strongest and which should be fertilised. Laws in New South Wales specify that only four embryos can be transferred at one time. If 15 eggs are fertilised, 11 embryos are frozen or otherwise disposed of. This Parliament should regulate the number of eggs that can be fertilised at any one time.

Women can go to clinics and say, "If I can have four embryos transferred, I would like four eggs fertilised." However, there are very few chances of success. Many eggs are fertilised in the first place to increase the success rates of clinics running these IVF programs. Every time a woman goes through this process she has a slim chance of being successful. Unfortunately, women who participate in these IVF programs, many of whom are in the late stages of their fertility cycle, are the ones who suffer the most. The jury is still out on the question of embryonic stem cells versus adult stem cells. There is no proof that embryonic stem cells are more important or useful than adult stem cells. Earlier tonight the honourable member for Strathfield mentioned a number of cases involving the successful use of adult stem cells. Scientists and specialists should be directing their energy towards researching adult stem cells.

Where is our respect for life? From the time of conception our genetics and make-up lie in a tiny, fertilised egg. If people are ill when they reach the age of 50, are we going to tell them that they will have to go because they no longer meet the required standards? Federal and State governments do not appear to have much respect for life. Stem cell research is a moral issue about life. If we believe that life begins at conception, we cannot support the destruction of that life for any reason. About 10 years ago an article about overseas adoptions was published in a Sri Lankan paper. The reporter who wrote that article accused westerners of adopting babies from Sri Lanka for spare parts. Most adoptive families that I know in New South Wales—in particular families with Sri Lankan children—were horrified at the thought that people in Sri Lanka believed they were bringing babies to Australia for spare parts.

Ten years down the track we are saying, "We will create life for spare parts." If I walked into a bank and said, "I would like an arm or a leg," I am sure I would be told, "We will create a part for you, madam." We are talking about creating a life and using that life for spare parts. Are we soon to become immortal? Some honourable members referred earlier to degenerative diseases. Is old age not a degenerative disease? From the time of conception we are just waiting for our death. Are we going to stop that? Will this research ever end? It is frightening to think that I could be a member of this place forever. That thought might be just as frightening to other members in this place. Anyone who has seen the *Lion King* would remember the song the *Circle of Life*. Life is about conception, growth, development and death. Tonight we are trying to interrupt that circle of life.

We are not God; we do not have that right. We do not have the right to make decisions about whether somebody should live or die. We do not have the death penalty in Australia, but we are giving these embryos the

death penalty. We are saying, "Sorry, nobody wants you; out you go." If we regulated the number of eggs that were fertilised in the first place, we would not have a surplus. How did we ever reach the point where we permitted embryonic stem cell research? Was it suddenly thought up, or have governments been tinkering with the proposition for years? We must put a stop to this shameful practice. We should not be passing legislation for further research. As I said earlier, the jury is still out on the question of embryonic stem cells versus adult stem cells. We might achieve something if we put the same energy into researching adult stem cells.

I have been involved in a number of briefings and discussions. One argument that has been put to me is that more embryonic stem cells, rather than adult stem cells, should be used, as adult stem cells might be diseased. If stem cells are taken from me to create something for me and I am diseased, putting those stem cells back into me will not cause any damage because I am already diseased. If I need another arm, a spleen or a kidney, an adult stem cell can be taken from me, if the research is done, and it can be used to help me. It would be tragic if we had to rely on someone else to give us life. I will not support the Research Involving Human Embryos (New South Wales) Bill, which I believe to be morally wrong. This Parliament has an obligation to protect life, not to destroy it.

I thank the Minister for separating the Human Cloning and Other Prohibited Practices Bill and the Research Involving Human Embryos (New South Wales) Bill and for giving me an opportunity to vote on these issues separately. I was horrified at the thought of having both issues combined in one piece of legislation. First, I do not support research into human embryos and, second, I do not support human cloning. However, if those two issues were presented in one bill, I would have had to support human cloning, even if I did not support embryonic stem cell research.

I can now reject one bill and accept the other. I support the Human Cloning and Other Prohibited Practices Bill for the same reasons I have given about destroying life. We should not create life to destroy life. Honourable members would recall the first cloned sheep, Dolly. We all heard about the problems experienced by Dolly, including early onset of arthritis. I know how poor old Dolly felt, as I suffer from arthritis myself. The community does not need a supermarket where people can pick human cloning components by saying, "I'll have one of me, thanks" or "I'll have a little girl with red hair and blue eyes". People should not be put in that position. Prohibiting human cloning is the best way to demonstrate that we in New South Wales have good sense. I just wish we could use the same good sense when it comes to research involving human embryos. I have made my case.

Mr HARTCHER (Gosford) [11.51 p.m.]: The House has before it two separate bills: one to outlaw human cloning and one to allow research into human embryos. The Coalition has agreed that its members should have a conscience vote on these two cognate bills. Pursuant to Standing Order 207 I formally give notice that I will require that the bills be put separately.

Mr Sartor: We have already agreed to do that.

Mr HARTCHER: I am giving formal notice; it is immaterial whether the Government agrees. The bills are complementary to the Federal debate in which there was considerable argument as to the community's view on human cloning. Overwhelmingly, the community supports a ban on human cloning and is divided on whether there should be research into human embryos. The Federal Government has received 12,000 items of correspondence, 70 per cent of which oppose research into human embryos. It is probable that the Parliament will pass these bills. It is argued that those who oppose research into human embryos also oppose scientific and medical advances that would assist people with serious and life-threatening illnesses. That is an important argument and should be treated seriously.

Against that argument is the argument of the sanctity of human life. The embryo is human life; it is weak, but it is incipient life. The fundamental principle upon which all society is based, be it Jewish, Christian, Hindu or Muslim, is respect for human life. The great Mahatma Gandhi in his constant calls for Indian independence and freedom always based them upon the concept of reverence for life, which he called "ahimsa". The ancient Greek spiritual founder of medicine, Hippocrates, laid down the fundamental principle of "do no harm", yet it is put to us that we will do harm if we do not agree to the Research Involving Human Embryos (New South Wales) Bill. Against that is the argument that we will do harm by allowing human life to be used for experimentation even if those who carry out the experiments believe they will achieve a worthwhile outcome. That is a false and dangerous argument.

Across Australia there are 70,000 embryos. What is to become of them? The bill provides that embryos created before 5 April 2002 can be used for medical experimentation in certain circumstances and subject to

certain ethical safeguards. We are told that the alternatives are to simply keep the embryos alive forever, or to destroy them. Those choices lead us to ignore the fundamental principle upon which society is based. This debate is not about various false choices; it is about whether society believes that human life lies at its core. This Parliament is being asked to make a serious ethical judgment on the future management of human life. That judgment should not be imposed upon Parliament, because Parliament itself is ill-equipped to make that ethical decision.

Yet, given the structure of the political and legal basis of society, this Parliament and the Federal Parliament have to make those decisions. Parliament may make those decisions badly, but make them it must. Parliament cannot determine the ethical framework of society, because each of us has a conscience and each of us must act within society according to that conscience. However, Parliament does determine public policy upon which society is to be conducted. Parliament sets the framework within which society operates. If Parliament makes decisions that potential life and life are worthy subjects of experimentation because those who would undertake those experiments have noble motives, it is thus allowing the nobility of those motives to overcome the far more fundamental principle that human life, and respect for it, must be the fundamental basis of society.

The sacredness of life is diminished by permission to experiment with the human embryo. The bill allows that experimentation. I am touched, as are we all, by the suffering of many in our society. I only hope that science will work its miracles, to quote the Premier in an article he wrote for the *Sydney Morning Herald.* But science does not work its miracles by destroying the very principles upon which society is built. Science works its miracles by developing advancers within the framework of ethics and respect for human life. We do not advance human life by destroying it—and that is what this bill would allow.

Whatever the constraints imposed by the bill, whatever the ethical safeguards it seeks to implement, however worthy the outcome its supporters argue—and I recognise their good faith and conscience—nonetheless, by allowing that experimentation of human life we pull down the building blocks of our society. We are all cognisant of the extraordinary quotation from the Bhagavad-gita of Oppenheimer when he witnessed the great mushroom cloud rising over the New Mexico desert in 1944: "I am become death, the destroyer of all worlds." The culture of death does not require a mushroom cloud to bring it to our attention. The culture of death is advanced as easily in the test tube of a modern laboratory. Scientists who would reduce human life to a test-tube experiment are not advancing the cause of human life; they are advancing a narrow framework within which they operate. It is the role of this Parliament to maintain the very foundation of our society—respect for life that is shared by all religions and all cultures. We cannot allow ourselves to depart from that principle of sanctity. We are commanded to choose and we are commanded to choose life. I will oppose the bill.

Ms KENEALLY (Heffron) [11.59 p.m.]: The Research Involving Human Embryos (New South Wales) Bill bans human cloning and applies the Commonwealth Research Involving Human Embryos Act 2002, as a law of this State. I raise five objections to the bill. First, the legislation removes from this Parliament the power to determine whether human embryos created after 5 April 2002 can be used for research purposes. Secondly, the bill opens the door to creating embryos for research purposes. Thirdly, the bill relies on a flawed definition of what constitutes human life. Fourthly, the bill marks the beginning of purely instrumental uses of human life. Fifthly, embryos have become available for research purposes only because New South Wales and some other States in Australia have failed to enact legislation governing assisted reproductive technology [ART].

The Commonwealth Act restricts researchers to using excess ART embryos created before 5 April 2002. This restriction sunsets on 5 April 2005 or at an earlier date agreed to by the Council of Australian Governments [COAG]. The bill does not allow the New South Wales Parliament to have any say in whether the restrictions should be lifted. Instead, it vests all decision making in COAG. I note that in South Australia both the upper House and the lower House have voted to stop the relevant section of the Commonwealth legislation from applying in that State. I believe that this Parliament likewise ought to be able to determine now and in the future whether embryos can be used for research purposes in New South Wales. But this bill completely removes such decision-making powers from the New South Wales Parliament.

My second objection to the bill is that it leaves open the possibility that embryos will be created for research purposes. Granted, as the bill now stands it prohibits the creation of embryos for research purposes. However, the bill requires the Minister to review the Act two years from the day on which the Act receives royal assent. The review must contain recommendations about amendments that should be made to the Act. This review means that the ban on creating embryos for research purposes is really only in place for two years. To date, proponents of the legislation, such as the Prime Minister, have argued that excess ART embryos will be

destroyed anyway so it only makes sense to use them for research purposes. What the Prime Minister and others are not admitting is that the bill deliberately will leave the door open to creating embryos for research purposes—an entirely different proposition. This door ought to be firmly shut. Otherwise this bill is only a slippery slope to creating embryos for research, which is what researchers want to do. Dr Justin Oakely, head of the centre for bioethics at Monash University, called for such a step on the ABC radio program *The World Today* on 29 August 2002. Professor Julian Sevulesku said on ABC radio on 7 April 2000:

> My view is that it is ethical to perform this research on embryos and so scientists should be able to produce [these embryos] in Victoria as well as experimenting on their products.

The failure of this bill to include a non-reviewable ban on the creation of embryos for research purposes can only indicate that the real agenda of the proponents of this bill is to pave the way for such a proposition in two years time. My third objection is that the bill relies on a problematic definition of what constitutes human life. Proponents of the bill argued that a human embryo is not a viable human being and therefore not entitled to the rights and dignity according to human persons. Our current laws rely on the concept of viability to determine when legal protections apply to life before birth. For example, abortion is generally allowed before a foetus is viable, and almost always denied once it is. If a foetus is born after the point of viability, even if it does not survive, a birth certificate must be issued. If it is a stillbirth after the point of viability, even as early as 20 weeks, a funeral or a cremation is required by law.

Defining human life by its viability is hugely problematic. First, granting a foetus legal protection when it becomes viable assumes that such a clear and unmoving point exists in pregnancy. It does not. Currently, legal definitions of viability range anywhere from 20 to 28 weeks. Medically, the point of viability has moved earlier and earlier with the advance of technology. Whereas a few years ago a baby born at 22 weeks would have definitely died; today it stands a chance of survival. Will we continue to move the legal point of viability backwards as medical science pushes the point of viability earlier and earlier in pregnancy? Secondly, if we accept that only those who can exist on their own, who are viable on their own, are human, that means that the irreversibly comatose, the severely handicapped and the extremely elderly are not viable either. I am not confident that many in this House would wish to make such an assertion. Yet if viability does not define a human life what does?

Proponents of stem cell research on embryos often accuse their critics of relying on religion and ethics to answer the question. But what if we look to science? The human species is scientifically identified by its DNA and each human is characterised by a unique DNA code. An embryo, like any collection of cells, contains DNA. But an embryo's DNA is a new genetic code. It has never been seen before and it will not be seen again. The new DNA code found in an embryo signifies the beginning of a new human existence. The DNA code in an embryo is complete and equal to that of any adult. Scientifically speaking, an embryo and an adult are exactly the same, and each is a distinct human being. This bill, by making viability its key determiner of what constitutes a human life, fails spectacularly to realise that human embryos are precisely that: human. In fact, ironically, it seems to admit that in the title of the bill, which refers to research on human embryos.

My fourth objection to the bill is that it marks for the first time in this State the adoption of a deliberate and utilitarian approach to human life. That is, under the bill one form of human life will be sacrificed as a means to an end to benefit other human persons. This is new ethical territory for Australia and I believe we ought not rush in without thinking more fully about the implications of turning human life into a research commodity that can be destroyed in the name of medical advancement. The Prime Minister, John Howard, and the Deputy Leader of the Opposition, as shown by his remarks tonight in this Chamber, fail to grasp the ethical implications of the bill. The Prime Minister stated:

> I have been personally unable to find a huge moral distinction between allowing the human embryo to succumb as a result of exposure to room temperature and to ending it through research.

In fact there is an enormous moral distinction. The fact that these embryos will die is no reason to kill them in the name of research. After all, every human person will die. Does this justify our being killed? In fact, some of us will die sooner than others. Imagine if medical research believed that the key to unlocking the mysteries of Parkinson's disease was to extract brain cells in the early stages of the disease. Imagine that the process of extracting these brain cells would kill the patient. Under the logic of this bill what would stop us from proceeding? In the more advanced stages of the disease the patients would not be viable on their own. And, in the end, more people might be saved if a few thousand were killed in the name of medical research. I imagine that if such a proposal were to come before this House today it would be adamantly opposed. Most reasonable people would assert that even persons with advanced Parkinson's, regardless of their viability or the imminence of their death, have rights that protect them from this kind of research.

Human embryos differ not in kind but only in degree from my theoretical Parkinson's patients. Genetically, scientifically, they are both human beings. With the passage of this bill we open the door for other vulnerable forms of life to be used in an instrumental fashion. We say that it is permissible to sacrifice one human being for the possible benefit of others. To the Prime Minister and others I say that I hope they can grasp that letting a human life succumb naturally is ethically quite different from sacrificing it deliberately for a utilitarian motive. Let me be clear, though: my opposition to using embryos in stem cell research is not an opposition to using stem cells per se to find a cure for debilitating diseases. Actual Parkinson's patients, real people suffering from real disease, deserve our respect, our empathy and, most of all, our strongest scientific efforts to find relief. In the area of stem cell research there are alternatives to using human embryos. Multipotent stem cells are found in children and adults. Commonly known as "adult" stem cells, these remain present in the body throughout life and repair and replace tissues and organs. Adult stem cells are found in bone marrow, the brain, dental pulp, spinal cord, blood vessels, skeletal muscle, skin, the digestive system, cornea, retina, liver and pancreas.

These stem cells can differentiate into tissues other than those in which they originated. Scientists have told a United States Senate panel that therapies using adult stem cells are promising, have a track record of success and are probably safer. According to Dr Jean Peduzzi-Nelson of the University of Alabama at Birmingham, abundant evidence indicates that adult stem cells can be used as a therapy and are readily available. The conclusion from preclinical studies is that adult stem cells work just as well as, if not better than, embryonic stem cells and are probably safer. Dr David Hess, head of the neurology department at the Medical College of Georgia, cited the advantages of obtaining adult stem cells from bone marrow, and said that they are easily isolated, will not be rejected by the patient from whom they have been taken and avoid the ethical concerns involved in the use of embryonic stem cells. He pointed out that the field is moving quickly and that bone marrow derived from stem cells is already being tested in a small number of heart attack patients. While we have a viable alternative in adult stem cells I cannot see why we should use human embryos in destructive medical research.

My fifth and final concern is that embryos are available for research only because New South Wales and other States have failed to enact legislation governing assisted reproductive technology. ART has been helping infertile couples in New South Wales to conceive for many years. Many ART processes involve creating more embryos than will be needed to achieve a pregnancy. That is inevitable because, short of resorting to a crystal ball, no-one can know how many attempts will be required for an infertile couple to conceive. Since ART has been available in New South Wales this State has not enacted legislation governing the use and storage of excess ART embryos. That is not the case in other States. South Australia, Victoria and Western Australia all took proactive steps to ensure the dignity of human embryos, including ensuring that they were destroyed after a stipulated period. Mandated destruction serves a humane purpose because it ensures that embryos do not become available to researchers for toxicology studies or experimental purposes. In fact, it was to preserve the integrity of the embryos that those States mandated their destruction. Destruction also ensures that a build up of excess embryos does not occur.

Let me be clear: My concern about the build up of excess embryos is not an objection to ART. My concern is that in the happy process of helping couples to conceive, New South Wales has failed to accept responsibility for the excess embryos created. Regardless of whether that failure is the result of ignorance or avoidance, we now have 65,000 excess embryos in storage in Australia. If New South Wales and other States had accepted their obligation to look after those embryos there would not be such a large number available for research; indeed, we most probably would not have been having this debate. For those reasons—because embryos have become available for research as a result of the State's failure to govern ART, because this legislation relies on a flawed definition of what constitutes human life, because it marks the beginning of purely instrumental uses of human life, because it opens the door to creating embryos for research purposes, and because it removes this Parliament's power to decide which embryos can be used for research purposes—I will be opposing these bills.

Ms SEATON (Southern Highlands) [12.14 a.m.]: I am pleased to have the opportunity to state my opposition to human cloning and to support the establishment of a clear legislative framework for the banning of human cloning and a penalty regime. I note that the import of cloned material generated in other jurisdictions is dealt with in Commonwealth legislation and is not mentioned in this bill. I have received no representations from constituents in support of human cloning, and I am not surprised about that. There is universal agreement that human cloning should be dealt with clearly and decisively, and I am pleased to have the chance to do that in this debate.

The whole idea of human cloning is fraught with moral and ethical dangers. We must also note the lack of technical expertise among scientists who claim to have conducted successful research with other animal species and, as we are led to believe, with humans in Italy. Even if science were perfect and failsafe, I would object to the principle. Humans are unique—as they should be—and no amount of cloning or science will replicate a lost loved one, a genius, a child or a friend. We are not immortal, nor should we be, in a corporeal sense. Those of us who believe in an afterlife—I suspect that, like me, many honourable members do—have another vision of our immortality or life beyond this life.

The more difficult issue we must consider is the part of the legislation that deals with research involving human embryos. I have given it considerable thought and undertaken extensive research. Widespread debate ensued in my electorate when the Federal legislation was first introduced. It was anticipated that at some stage the issue would be debated in this Chamber and people were keen to know what I thought and to tell me what they thought. Therefore, last year I included a question on the issue in a newsletter. I received 94 letters in response. I was surprised that 12 people expressed opposition to embryonic stem cell research, 12 were unsure and 70 supported it. I anticipated different results.

At that stage I did not know whether any legislation dealing with the issue in this place would be the subject of a conscience vote. I was therefore keen to establish the views of my constituents. I received a number of letters after further debate in the Federal Parliament. More people expressed opposition to the research, but they still did not outnumber the 70 respondents who strongly supported the proposal. Many people expressed the view that adult stem cell research should be more actively pursued to avoid the need to use embryonic stem cells. Honourable members have referred to that issue this evening, and I wholeheartedly support that approach. I hope that breakthroughs in adult stem cell research will occur in the near future. I have also been persuaded by arguments advanced by scientists, the Prime Minister, the Premier and others that certain qualities in embryonic stem cells cannot yet be found in adult stem cells. According to the *Australian* of 26 June, a House of Lords committee found that:

> … although recent work on adult stem cells showed great promise, there was no guarantee that they could supply the range of cell types in the laboratory that would be needed for therapeutic uses. Accordingly, the committee recommended that research on adult embryonic stem cells should carry on in parallel to ensure that all possible routes to potential treatments were explored.
>
> The recommendation remains a sensible one.

ABC Online of 15 March last year contained a commentary on studies encouraging optimism that immature cells could be reprogrammed to grow into various types of cells that would provide a limitless and uncontroversial source of transplant material. The article further stated:

> The apparent breakthrough has come from mixing these precursor cells with embryos' cells in "co-cultures" in which, it is thought, the reprogramming takes place.
>
> The adult stem cells, according to this theory, are genetically wiped clean and converted to their highly potent embryonic counterparts.
>
> But two studies published in the latest edition of *Nature*, the British weekly science journal, say these assumptions are far too optimistic.

Austin Smith from the University of Edinburgh interpreted that as meaning that the adult cell had to co-opt an embryonic counterpart in order to become a cell with potential therapeutic use. Sadly, some of that initial enthusiasm was held back. In addition to receiving letters from several people who oppose embryonic stem cell research I have also had meetings with groups of local people in my community who are strongly supportive of it and see it as a source of hope. The first is the local Parkinson's disease support group in the Southern Highlands—men and women who are affected by Parkinson's disease in various degrees, and also their partners and carers. They have stressed the hope that in their lifetime they may see beneficial progress made on treatments that will possibly halt the progress of Parkinson's disease, or even cure it. I have met with these people on a number of occasions and I am particularly impressed by their appreciation of the concerns of those who would oppose embryonic stem cell research but, with great respect, seek to have this research carried out.

I note the work of the patron of the Parkinson's Southern Highlands support group, Dr M. Hely, who sponsored local research to the value of $10,000. He wanted to highlight the role that stem cell research might have in finding some beneficial outcomes for sufferers of Parkinson's disease. He stated that the support group has commenced what it hopes will be an important contribution to the available statistical data on the prevalence of Parkinson's disease in Australia. It is a detailed and professionally based study on the prevalence of Parkinson's disease in the Wingecarribee shire. This local government area offers a number of advantages in

terms of population size and density and the cohesion of medical services. This valuable group in our community not only helps educate members of the group who are suffering from Parkinson's disease on available therapies and how best to manage their condition; it also provides great support to carers, who work together with those who are afflicted with Parkinson's disease.

The second major group consists of the parents of young children in our community who are suffering chronic, lifelong or genetic-based disability, in particular disability based on motor and neurological disorders. In my lifetime I have seen an increase in the incidence of these disabilities. Children of my parents' generation—or even younger—who were born with a number of conditions were unlikely to survive long after birth. With the advent of new and successful postnatal technologies and treatment, including the survival of many children born very prematurely, we must now also accept responsibility for the lifetime requirements of those children. Our obligation is to give them every opportunity for a better quality of life.

We welcome medical research that ensures the survival of people who must deal with a lifetime of disability. Surely we must also now be prepared to cross the threshold, whilst respecting the genuine concerns of many people, and use medical research to improve the quality of life of those who have been saved by medical research. A six-month foetus or a child born extremely prematurely has no choice in that decision whatsoever; they may have a major disability or chronic illness. I do not believe that we should abandon them to a lifetime of what may be, in some cases, pain, dependency, humiliation and loss of dignity if, by some genius of technology, we can make a genuine difference to their lives with the type of research that is now possible. This research has only become possible in the past three or four years.

In taking that position I also reinforce my utter opposition to the notion of production of embryos for the specific purpose of research in this fashion. I do not believe that the bill opens the door to that type of research, and if it did I would not support it. The bill clearly sets out the conditions under which embryos which are destined to be disposed of may be used in certain circumstances. But I understand and respect those who say that this situation should have never developed. However, despite the less than hopeful opinions of scientists on the realities of adult stem cell research in the future, I sincerely hope the focus of future research will be on adult stem cell research so that ultimately we can rely on it to save people's lives and improve their quality of life.

Mr ASHTON (East Hills) [12.25 a.m.]: It is a great privilege to debate and to have a conscience vote on this matter. It is a privilege to speak to a bill that, on the one hand, will ban cloning and, on the other, will offer the opportunity to use embryonic stem cell research to cure many illnesses and continue scientific study. In many Third World countries we would be simply trying to feed ourselves or find clean water to drink. People in those countries do not have penicillin or proper bandages for health care. We will not solve their problems. The Western world is very advanced. If it had not been for the work that was done less than 100 years ago, penicillin would not have been invented and used to ward off infections and cure illnesses in some of those countries. Australia has a great record in scientific research, in particular for medical purposes. Putting cloning aside, the effort to set up protocols for embryonic stem cell research is a further extension of Australia's great record.

I am no different from some honourable members who have spoken in this debate who have held their views for many years, and have marshalled their evidence to prove it. I come here with the belief that we should do it, but I have not spent hours on research. One medical journal will say adult stem cells can do what embryonic stem cells cannot do and it is not necessary to use embryonic stem cells, and there is the argument that embryonic stem cells will die anyway. I bring to this debate a belief that I have had ever since I was a child: that we should do everything we can scientifically, with protocols, to ensure that there is no exploitation with baby farms or embryonic stem cell farms, as has been suggested. New South Wales is attempting to do what has been done in the Australian Parliament, the Queensland Parliament and the Victorian Parliament. South Australia is the only exception.

On the day the Premier said he had talked to scientists and visited people and seen the condition of members of their family and made up his mind to do something about it, I said I would support him, and I told people in the branches of the Australian Labor Party in my community about it. I produced a paper which did indicate some opposition to it. I put that paper out to various party branches. As anyone in the Australian Labor Party knows, those branches can have well over 100 members, and there can be nine branches in an electorate, as there are in the East Hills electorate. I have read various speeches on this subject. Peter Beattie spoke very well on it, as did the Minister in this Chamber. But so did a member of the Federal Parliament who said:

> A key fact shaping my view was that at present surplus IVF embryos are disposed of after a set period of time in storage, in consultation normally with the donor where that is possible, and largely through exposure to room temperature.

He said further:

> I could not find a sufficiently compelling moral difference between allowing embryos to succumb in this way and destroying them through research that might advance lifesaving and life-enhancing therapies. That is why, in the end, I came out in favour of allowing research involving excess IVF embryos to go ahead.

That was said not by any left-wing radical, or by anybody who believes in eugenics—the science of producing better babies and children through selective breeding, as Adolf Hitler schemed for in the 1920s. It was said by the Hon. John Howard in a debate in the Australian Parliament last year. I do not think anyone in this place would take the view that the Prime Minister is a leading advocate of radical and indiscriminate positions on these sorts of issues. However, I have read his speech and I concur with it. The cloning provisions of the bills are a nonentity. I do not believe any member of this Chamber will speak in favour of cloning, although a number of members indicated they would support the bill.

I think the last thing the Opposition would need is the cloning of several Bob Carrs! That would be their worst nightmare. Equally, we on the Labor side of politics would like to be able to clone a few more Bob Hawkes—but perhaps that is another issue. It was argued that in Italy cloning had developed to the stage of being able to produce babies. But no-one has seen that process occur. It is still difficult to prove that humans can be cloned. Though it is clear that cloning occurs in thoroughbreds and other members of the animal kingdom, human cloning has not been successful anywhere in the world, and I do not believe it will be. Our genomes, gene lines and DNA are sufficiently disparate to make us different. No matter how similar twins look, they are different. We know that from our own personal experiences.

I would like the House to carry both bills, whether cognate or separated—but I appreciate they will be separated. Cloning obviously will be banned. Protocols will be established on the way to proceed with embryonic stem cell research in order to cure illnesses, and for no other reason. As the Premier said, we have a chance in the twenty-first century to do something about Alzheimer's disease, dementia and multiple sclerosis. One of my relatives died terribly of motor neurone disease. This great aunt of mine was as fit as anyone in the Chamber, but the doctors said, " She will not last six months." She died in about five months, deteriorating from totally fit to not being able to do anything.

The passing of this bill into law and research can start the process of addressing those issues. It will not happen in the next month or maybe the next year. As with the bill to set up a cancer institute, no-one expects instant solutions, but we have to make a start. I believe Australia has the right protocols, scientists and doctors and the goodwill of the broader community to enable this country to have legislation that bans any prospect of human cloning but allows, with certain controls, research involving human embryos. As it is late and others want to speak to these bills, I simply indicate that I will vote in favour of the bill that bans cloning and also in favour of the bill that will improve human embryo research in New South Wales.

Ms BURNEY (Canterbury) [12.34 a.m.]: I wish to speak to the two bills before the House tonight, but due to the lateness of the hour I will try to keep my comments very brief. My intervention is a fairly pragmatic one. In fact, from my perspective, the two bills are of a pragmatic nature. In my comments tonight I want to truly recognise and respect the views of other people. I am extraordinarily impressed by the scientific knowledge that members have related, their deep understanding of human nature, and the detail of their presentations. I do not pretend to understand the science and the detail, but I know a bit about human nature. These bills are realistic, and we need to be realistic about these issues.

In many ways, the debate taking place in this Chamber tonight is just the beginning in this State of law-making surrounding these two issues. It has been said that these two bills are, in effect, the New South Wales component of a nationally consistent scheme to regulate research involving excess human embryos and the prohibiting of human cloning. The need for a nationally consistent scheme must be kept in mind when discussing these issues. In essence, these two bills achieve that nationally consistent scheme, but they also plug holes in our State statutes and laws. Those two points have not been mentioned much in the debate this evening.

Honourable members would be aware that in April 2002 a Council of Australian Governments [COAG] forum dealt with these issues. These bills flow from that forum. I would point out to the House that I am very familiar with ministerial councils and COAG processes; in a previous life I was very much involved in such processes. So I understand what is involved in a nationally consistent approach. All States and Territories have implemented, or are in the process of implementing, similar legislation. The effect is a consistent national approach, covering gaps that exist in our own laws and statutes. These bills are the New South Wales component of a striving for the implementation of a nationally consistent scheme that regulates on the issues that I have mentioned.

It goes without saying that there is an urgent requirement for a consistent legislative framework nationally. The other States will not wait, nor will the Commonwealth, for New South Wales. I acknowledge and agree that there are enormous moral, ethical, social and legal issues involved. It is true that the passing of these pieces of legislation will not stop the debate on such issues, especially moral and ethical matters. So we should dispel the myth that these bills will end the debate. The debate will continue. Putting an end to debate is not the aim of these two bills. Such a complex field of scientific endeavour requires a strong, consistent legislative framework at both the State and national level. I have stated already that that is important.

For me, the importance of building law around these two issues is premised on the rapid pace of changes in medical technology and on community concern. The COAG framework attempts to balance the need for research that can lead to the saving of lives and the alleviation of suffering with the oversight and sanctions necessary to address concerns in our community. I think honourable members would agree that both issues are emotive, in part because the families of all members, both immediate and extended, have been touched by debilitating diseases and shocking accidents that have reduced the person's life choices and chances dramatically. Also, there is in the community fear about the potential misuse of such technologies. It is a scary field. In part, it is scary because it is somewhat unbelievable to people in our community that this technology has reached its current point.

The bills are very careful and deliberate to ensure that principles agreed to through the Council of Australian Governments process—human cloning and other unacceptable practices associated with the use of assisted reproductive technologies are prohibited, but research using early-stage excess embryos will be able to continue within the rigorous regulatory framework—are enshrined. Several months ago I was afforded the great privilege of being part of a five-person delegation to meet very quietly and privately with Mr Christopher Reeve for an hour. It was a humbling experience. I had not thought deeply about these issues prior to our meeting, but that changed following our discussion.

Mr Reeve spoke passionately about embryo and stem cell research from a place that none of us in this Chamber have been. He spoke from the perspective of a person who was leading a fairly spectacular life. All of us know him as Superman in the movies, but he also had a family, wealth and fame. He was also a fairly nice guy. An equestrian accident resulted in his being rendered a quadriplegic. But he also knew the science and its potential. He understood and spoke about the importance of governments providing decisive and sensible leadership. His fundamental message was that this work would not stop internationally, that there are ways of dealing with the ethical issues, that it is an ongoing community debate, and that government leadership is crucial.

As lawmakers we have to deal with many such issues. We need only look back to the abortion debate of many years ago. It would seem crazy to many people now that it was a huge issue at the time. We need think only of the debate surrounding IVF, the rights of women and the position of many women—particularly those in the older age group—who seek intervention to determine whether their unborn child is okay. Are these issues ethical? We tend to accept them as part and parcel of our everyday lives. We will face other weighty issues in the future, such as euthanasia. We have already dealt with laws relating to the age of consent and we will soon have to deal with laws associated with the use of cannabis for medicinal purposes.

Our job as legislators is to provide leadership on, and safeguards for, the moral and ethical issues about which people have spoken passionately. We must think about the potential, not just the dangers, of such research: the potential of finding treatments for Parkinson's disease and diabetes—one of the most prevalent diseases in Australia, and getting worse—Alzheimer's disease and spinal cord injury. The Premier spoke passionately about our responsibility to ease human suffering and provide human dignity to those affected by debilitating illnesses. These bills provide balance. First, they enable research of such diseases and, second, they enshrine sanctions that address community concerns.

These bills recognise community and ethical standards. They are premised on human dignity and, crucially, they keep research moving toward therapies and cures for the illnesses and diseases to which I have referred. Whatever happens in this debate, some real issues will not go away. We are living longer, therefore we are more susceptible to diseases associated with old age, such as Alzheimer's. Perhaps an economic argument could be mounted around the legislation. Shocking accidents will not cease. Young men and women will continue to dive into rivers that, perhaps, are not deep enough; they will continue to ride horses, play football and drive cars.

The science in this area will not stop regardless of the decision of this Parliament because it does not have borders around it provided by the Pacific, the Atlantic and another couple of oceans. Research into cloning

and embryo use is a field of international research. Babies prone to life-threatening and debilitating diseases will continue to be born. Unacceptable activities in human cloning will continue somewhere in the world. Communities are concerned about the regulation of scientific research and the use of excess embryos. Governments have a responsibility to enact, with safeguards, legislation to assist in finding cures and therapies to allow life-saving research—matters to which many speakers from both sides of the debate referred.

In 1977, while I was studying to become a teacher, a very close friend of mine became a quadriplegic as a result of the now-outlawed spear tackle in rugby union. He was a beautiful young man with the world at his feet. Suddenly, he could neither move nor feel his feet. I saw his pain, frustration, bravery and loss of spirit. I am guided very much by that event, which happened almost 30 years ago. But I am also guided by a responsibility to provide leadership and regulation of a very sensitive issue about which people feel very strongly. I support both bills.

Mr McLEAY (Heathcote) [12.46 a.m.]: In general I support the Human Cloning and Other Prohibited Practices Bill and register my concern about the Research Involving Human Embryos (New South Wales) Bill. Researchers want to do a number of things with stem cells. The Human Cloning and Other Prohibited Practices Bill seeks to ban the creation of embryos for research and to regulate the IVF surplus, but it is silent on the diagnosis of embryos. However, the bill does not enable scientists to do anything new with embryos. If that bill is passed, current practices will be banned, regulated or not affected. Scientists will not be able to hold up legislation and say, "We can now do it thanks to this legislation."

Similar legislation introduced by the Commonwealth and other States has resulted in changes in other jurisdictions. For example, similar legislation in Victoria—where tough regulations were already in place—weakened the protection of embryos. But New South Wales currently has no restrictions. The proposed legislation will not weaken the current position: it will be a small step towards protecting embryos. The Parliament has the capacity to go even further. As the honourable member for Heffron said—and I hope I do not misquote her—although we have not taken the opportunity to go further, the opportunity to do so still exists. This is not a step backwards. The impact of voting down the legislation would be the continuation of an unregulated industry in New South Wales.

In my view the key issue in this debate is the moratorium on the use of surplus IVF embryos. The purpose of the moratorium is to prevent clinics from deliberately producing excess embryos. Clause 5 applies the Commonwealth embryo laws and all regulations in force under those laws as a law of this State. Therefore, the bill in its current form would allow the Council of Australian Governments [COAG] to lift the moratorium when it sees fit. This would provide the opportunity for clinics to create an unnecessary surplus of embryos, which they would then be able to use for research purposes. A key argument in this debate is that embryos would die in any event. However, if a change as significant as lifting the moratorium is to take place, the matter should come back before this Parliament. Therefore I ask the Minister to address in his reply an amendment similar to that recently passed in the South Australian Parliament, whereby if COAG decides to lift the moratorium, or the period expires, the matter will be referred back to this House before the moratorium is lifted.

Mr WEST (Campbelltown—Parliamentary Secretary) [12.51 a.m.]: I am sure all members are committed to ensuring the betterment of the lives of the people of New South Wales. Indeed, that is what drove them into public service in the Parliament, regardless of their background, religion or upbringing. The concern of members for the future of New South Wales is what unites them. No-one likes to see suffering, but events intervene so that we are all confronted with loved ones, friends and colleagues who suffer from debilitating diseases. Earlier today the Minister introduced cancer research legislation. This House often debates matters relating to the support given to people with disabilities and their carers. We take a constructive approach to drugs and alcohol, and to the level of pain relief given to the terminally ill.

Some would attack those who oppose embryonic stem cell research as having no compassion for those who suffer from these conditions. Let us not go down that road in this House. Instead, let us acknowledge that we are once again faced with one of those difficult issues that cause us to reflect and ultimately decide on a course of action that sets the path for the future. That exercise must be undertaken with the utmost consideration.

Today the House debated a bill dealing with genetically modified crops, a matter about which there has been considerable angst in the community. Greenpeace, farmers groups, consumers and retailers have all expressed concerns about that bill. The proponents of that technology assert the benefits to the environment of the reduced use of pesticides or increased yields. Opponents are concerned with biodiversity, side-effects, patent

ownership and control. Such is their objection and concern that some even pay a premium for organic food. The debate, which has occupied many volumes, has been conducted in an open way such that ultimately will ensure caution and choice for consumers. However, there has been no such open debate about the use of embryos for research. Many people are uncomfortable because they believe that stem cell research will result in a cure for those in pain, and in the meantime they are powerless to assist them.

This debate is the beginning of a process that has far-reaching implications for mankind. The technologies not only centre around when life begins but move the goalposts on the question of what is life. Many scientists with dollars or accolades on their minds are already saying there are not enough embryos and that a market will have to be set up to harvest them. If we look carefully at the terminology that these scientists use, it is the terminology of agribusiness. Some scientists dream of farming embryos and using them as just another crop in their gene farm. Indeed, they dream of patenting their work, just as agribusiness does with its crops. Are some scientists more interested in embryos than in using adult cells because no-one will challenge their intellectual property rights and prevent them from making their fortune?

Yes, we need to research. Indeed, much has been done using adult stem cells, animals and modelling, and this should continue. But the use of embryos for research is a potential first step in the co-modification of humanity. Dr Young, a scientist who is the chair of the ethics committee of a United States biotech company, has been reported in *The Australian* as saying that, hopefully, a ban on somatic cell nuclear transfer, either for reproductive or non-reproductive purposes, will be reconsidered. Indeed, scientists refer to this as therapeutic cloning—lining up opponents as uncaring before the debate starts.

But let us be clear about this: cloning is cloning. For many scientists this legislation is the beginning of a process that would see any process allowed—something akin to Huxley's brave new world. But what most people forget is that Huxley himself felt that such technology was improbable. The bill allows the Council of Australian Governments to remove the moratorium if it deems necessary—that is, this Parliament will not have a say in any change. I care about my community and the future my children will inherit. That is why I will oppose the Research Involving Human Embryos (New South Wales) Bill.

Debate adjourned on motion by Mrs Perry.

SPECIAL ADJOURNMENT

Motion by Mr Scully agreed to:

That the House at its rising this day do adjourn until Wednesday 18 June 2003 at 10.00 a.m.

The House adjourned at 12.56 a.m., Wednesday 18 June 2003, until 10.00 a.m. the same date.