LEGISLATIVE ASSEMBLY

Wednesday 5 May 2004

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Mr Speaker (The Hon. John Joseph Aquilina) took the chair at 10.00 a.m.

Mr Speaker offered the Prayer.

STOCK DISEASES AMENDMENT (ARTIFICIAL BREEDING) BILL

Second Reading

Debate resumed from 2 April.

Mr GERARD MARTIN (Bathurst) [10.00 a.m.]: I support the Stock Diseases Amendment (Artificial Breeding) Bill. Honourable members would be aware that the artificial breeding industry is a significant part of the animal breeding industry in New South Wales. Artificial breeding is used extensively by the dairy industry and its use is becoming increasingly widespread in beef and sheep enterprises and other livestock industries, such as the goat industry. It is an increasingly lucrative rural activity, particularly the export market. In New South Wales the artificial breeding industry consists primarily of small operations. These operators include both non-veterinarians and veterinarians. In addition, several large centres progeny test significant numbers of livestock each year.

The activities of the artificial breeding industry are varied. Some artificial breeding operations rely solely on the sale of semen and equipment. Others provide a more extensive range of services, including artificial insemination, semen processing, semen storage and embryo transfer. Other organisations limit their services to the provision of education and training in the techniques of artificial breeding and pregnancy testing. The industry is concerned to ensure that it is kept disease-free and that export markets are protected, without being subject to overregulation. It is vital that we protect the relative disease-free status of our New South Wales and Australian industries, thereby retaining our premium export status to Asia and the rest of the world. In the past the fact that Australia is an island has been seen as a disadvantage, but it is a distinct advantage with respect to the control of stock disease. Therefore, we must take every measure to ensure that our present status is protected.

Export of stock semen, ova and embryos is a growing trade, worth $1.6 million in 2003. Indeed, I would suggest that now the figure is significantly higher for this rapidly growing market. Therefore, the industry needs assurance that there will be no interruption to this trade from the proposed amendments, and I am pleased to advise that the Minister in the other place has given that assurance. The proposed repeal of the Stock (Artificial Breeding) Act 1985 will not commence unless and until an independent national export licensing scheme is established. Honourable members may not be aware that the Australian Quarantine and Inspection Service already approves centres for semen and embryo collection that engage in export. This is appropriate because the Federal Government is responsible for quarantine trade under the Australian Constitution.

However, the Australian Quarantine and Inspection Service does not have an independent licensing system. Rather, if an artificial breeding centre is licensed by NSW Agriculture, it is also approved by the Australian Quarantine and Inspection Service for export purposes. The main standards for export licensing are set out in the Code of Practice for Australian Livestock Artificial Breeding Centres and the Minimum Health Standards for Stock Standing at Licensed or Approved Artificial Breeding Centres in Australia. The first is the national industry code. The second is a publication of the Australian Quarantine and Inspection Service. These documents both describe national, not New South Wales, standards. However, these same standards are also applied in New South Wales. Therefore, moving from State-based licensing to a national scheme does not mean that artificial breeding centres will face new licence conditions or requirements. The transition should be relatively painless.

Other States have kept legislation on their books to either facilitate export approval from the Australian Quarantine and Inspection Service or for reserve power purposes. Although the legislation is retained, there is very little inspection and policing of the standards, except in premises exporting semen or embryos. Other States have retained the capacity to control disease movement or spread in artificial breeding material. These

provisions are usually embedded in their livestock disease legislation rather than in a separate Act. The New South Wales Government's move to repeal the Stock (Artificial Breeding) Act 1985 and to pick up its disease control provisions in the Stock Diseases Act 1923 is, therefore, entirely consistent with what happens in most other States. This bill reflects a balanced approach to regulation of the artificial breeding industry. However, we should move with caution to protect this valuable asset, which is a relatively disease-free producer of agricultural stock with significant export potential. I commend the bill to the House.

Mr ADRIAN PICCOLI (Murrumbidgee) [10.11 a.m.]: The Opposition spokesman on agriculture, the Hon. Duncan Gay, MLC, will deliver in the Legislative Council the detailed response of the Opposition to the Stock Diseases Amendment (Artificial Breeding) Bill 2004. However, I take this opportunity, as the Opposition's representative in the Legislative Assembly on agriculture matters, to make a few comments. The Opposition will not be opposing this bill as it contains some commonsense measures related to artificial breeding. Artificial breeding has become an important part of livestock management and breed management not only in New South Wales but also across Australia, so its regulation is very important. Animal safety and welfare, and therefore stock disease controls, are critical issues to the future of the New South Wales livestock industry. This is why the Coalition takes this matter very seriously.

The nature of agriculture and farming generally is becoming more and more complex, not just due to technological changes—a case in point being artificial breeding—but also in dealing with the myriad government regulations, some essential but some not necessarily essential. So any opportunity to remove legislation or regulation, as is proposed by this bill with the repeal of the Stock (Artificial Breeding) Act 1985, we would regard as a positive step. We also regard as a positive measure that all of the provisions of the Stock (Artificial Breeding) Act 1985 relating to artificial breeding are to be rolled into the Stock Diseases Act.

However, the Opposition has a number of concerns about the impact of this amending bill on the Stock Diseases Act, particularly its powers of entry provisions. I know that such powers are contained in many other pieces of legislation, but whenever they are proposed they raise concerns. I know the Legislation Review Committee also raised the question of the powers of entry and infringement of people's rights. It is one thing to provide in legislation powers of entry that can be more or less harmless, but it is another thing to consider how those powers are implemented. Implementation issues are very much dependent on how individual officers of regulatory authorities or departments interpret their powers. It is in that regard I make the point that it is incumbent upon those regulatory officers to use their powers appropriately and with proper judgment. I do not think that in the past we have encountered problems with the exercise of these types of powers, and I hope that we will not have problems in the future.

The other issue of concern to the Opposition relates to compensation in the event that stock or artificial breeding materials are seized. The bill amends section 19 (1) of the Stock Diseases Act to confer on inspectors powers to seize stock and materials without compensation to the owner, to provide that stock and materials may be destroyed or sold, with the proceedings of any sale being disposed of at the Minister's discretion. Clearly, people who are doing the wrong thing do not deserve to profit from their wrongdoings, but items may be seized in circumstances where people have not knowingly done the wrong thing. This broad power to seize and sell stock and materials should not necessarily be exercised at the expense of those who do not knowingly do the wrong thing.

A great deal of money is invested in this part of the stock breeding industry. Artificial breeding is a technologically advanced procedure, involving a lot of equipment and the investment of large sums of money in the trade of semen and other products. Therefore this broad power of seizure without compensating individuals or corporations from whom items are seized is perhaps excessive, and some explanation from the Parliamentary Secretary in reply to this debate would be appropriate. Those are some of the main concerns of the Opposition but, as I mentioned, the Hon. Duncan Gay will identify in more detail the many technical issues that the Opposition wishes to raise.

In conclusion, I might say that as I come from a farming family I know that the increasing regulation of farming is becoming a significant burden superimposed on the difficulties that farmers encounter on a daily basis. These are not limited to farmers, but also to small business generally. The increasing regulation is becoming almost repressive. So any move to reduce regulation and legislation that farmers and others involved in agriculture need to consider is welcome. I encourage the Department of Agriculture to examine further ways of reducing regulation and legislative restrictions so that farmers can get on with doing what they do best, that is, farming, producing agricultural output, growing our economy and growing our exports for the benefit of the people of New South Wales and Australia.

Mr STEVE WHAN (Monaro) [10.19 a.m.]: I support the Stock Diseases Amendment (Artificial Breeding) Bill. Artificial breeding of livestock is regulated to some extent in all States, but not in the Australian Capital Territory and the Northern Territory. However, the actual activities that are defined to constitute artificial breeding procedures, as well as the activities that constitute acts of veterinary science, differ between the jurisdictions. Queensland has repealed most of its artificial breeding legislation. Now, unless a semen collection centre is exporting semen, the Queensland Department of Primary Industries makes no inspection of operations or facilities.

Other States keep artificial breeding legislation on their books primarily either to facilitate export approval from the Australian Quarantine and Inspection Service [AQIS] or for reserve power purposes. Although the legislation is retained, there is little inspection and policing of the standards except in premises exporting semen or embryos. Of course, the AQIS controls the import of this type of artificial breeding material. What the other States have definitely retained is a capacity to control disease movement/spread in artificial breeding material. However, these provisions are usually embedded in their livestock disease legislation, rather than in a separate Act, as is currently the case in New South Wales. Therefore, the New South Wales Government's move to repeal the Stock (Artificial Breeding) Act 1985 and to pick up its and other disease control provisions in the Stock Diseases Act 1923 is consistent with what happens in the other States.

One recommendation of the review upon which the bill is based was to ensure that people were not unduly prevented from becoming involved in the artificial breeding industry while also seeking to protect the welfare of animals. Many artificial breeding procedures involve only a very low level of discomfort and disturbance to the animals concerned. However, others involve surgical procedures. Since procedures involving surgery can have serious animal welfare implications, it is entirely appropriate that the performance of those procedures be limited to veterinarians. But it would be an unwarranted restriction to impose a similar requirement on artificial breeding procedures that have low animal welfare impacts. Both the freedom to participate in the industry and the welfare of animals are supported by the provisions of the Veterinarian Practice Act 2003. Under those provisions, which honourable members may recall were put in place last year, only veterinarians are permitted to carry out artificial breeding procedures involving surgery. Any person can carry out other procedures.

The purpose of this bill is to preserve all the desirable regulatory controls of the Stock (Artificial Breeding) Act 1985. At the same time, the industry and consumers of its services will benefit from the removal of an unnecessary licensing regime. In discussion of this bill, Country Labor members raised a couple of issues with the Minister. Also, the caucus committee asked the Minister how departments and the community would be able to keep track of who is conducting artificial breeding once much of the industry is effectively deregulated. We have discussed this matter with the Minister, and he has confirmed that a register of all artificial breeding premises will be established to ensure that officers of the Department of Primary Industries will be able to maintain an effective monitoring regime. This measure can be introduced by regulation after the bill is passed. That is the only concern raised by Country Labor members about the legislation, which is effectively deregulation of the industry as part of national competition type processes.

This deregulation will free up the industry but at the same time ensure that we keep in place proper controls over disease and that those in the industry, particularly those involved in exports, meet the appropriate standards that now apply. In the future regulation of the industry will be provided under Commonwealth arrangements or under other more generic New South Wales legislation applying to stock diseases and veterinary practices. The new regulations will maintain the current standards applying to the industry. The standards are spelt out in the national Code of Practice for Australian Livestock Artificial Breeding Centres and the Commonwealth Government's Minimum Health Standards for Stock Standing at Licensed or Approved Artificial Breeding Centres in Australia. Basically, the standards require that donor stock is free from a wide range of diseases that may be transmitted in semen or ova. The diseases include vibriosis, brucellosis, leptospirosis—honourable members may have realised that I do not know much about those diseases—and Johne's disease, which I know a fair bit more about.

I should like to comment on the timing of the proposed changes. The Minister said that the Stock (Artificial Breeding) Act 1985 will not be repealed until the new disease control measures under the Stock Diseases Act 1923 and an effective national licensing scheme are in place. That seems to be a prudent and sensible approach. Obviously, the Government wants to ensure that the transition to the new arrangements is seamless but at the same time ensure that the highest standards are maintained in the industry while this happens. I commend the bill to the House.

Mr IAN ARMSTRONG (Lachlan) [10.24 a.m.]: This legislation is important for the animal breeding industry. The practice of artificial breeding is increasing as technologies and science evolve. This morning I specifically mention the contribution made by New South Wales Agriculture over the past 25 years or so as artificial breeding has evolved. The practice of artificial breeding was established in the 1970s, and the contribution of New South Wales Agriculture has been significant, if not dramatic, in many ways. The practice of electro-ejaculation from bulls was very crude in the old days; many bulls were badly injured and so on. The Department of Agriculture did some great pioneering work in animal welfare issues with that particular practice.

Embryo transplant involves the flushing of females. In recent times we have seen some enormous prices being paid for females. Embryos can be flushed from the females and put in host dams. Again, the Department of Agriculture has done some pioneering work and research in that area. While I support the Opposition's position on this legislation, I would say that the potential for artificial breeding has probably not yet been fully realised. A lot more can be done to perfect the practice and to improve on the genetic gains that can be made through artificial insemination. We talk mainly about cattle but it is applicable to a raft of animals—everything from poultry through to other domestic type pets, dogs, et cetera. So it is not just cattle, sheep and bovines.

In the horse industry, the harness racing industry has long approved artificial insemination and embryo transplant but the thoroughbred industry seriously bans artificial breeding to preserve the genetic types, to keep a broad range of genetic families available in our country and to stop the dominance of one particular family or a couple of particular families and therefore close the gene pool. The final point I make is that probably one major fear of the leading stud breeders in this nation since artificial breeding started is that there would be a dominant strain and the gene pool would be restricted through artificial breeding. That has not happened. The breeders, along with the Department of Agriculture in this State and departments in other States, have been vigilant and have planned and sold the concept very well indeed.

Artificial breeding is an important part of our animal business and our rural economy. It is a very important part of our export drives as we continually battle to keep our exports up. Australia has some of the leading genes in the world today in everything from hereford and poll hereford cattle running through to angus cattle and some horse lines. Indeed, the Australian Stock Horse Society is about to start exporting horses into America commercially, and a lot of that will be done through artificial breeding. So this bill is not just another piece of legislation; it is important legislation. It is important to recognise that the bill is a major stepping stone in cementing Australia's expertise in the animal husbandry industries. We are a world-class country with world-class scientists and breeders, and that should be respected.

Ms MARIE ANDREWS (Peats) [10.28 a.m.]: I support the bill. Representing the electorate of Peats on the Central Coast, where there is a significant chicken growing industry, I understand the importance of stock disease control. The devastating outbreak of Newcastle disease at Mangrove Mountain in 1999 reinforced the importance of the bill. For more than 50 years the various practices that collectively constitute artificial breeding in animals have been regulated. Regulation has ensured that the considerable knowledge and skills required in the performance of artificial breeding practices effectively are possessed by all practitioners. Regulation also ensures that disease is prevented and animal welfare standards are applied. Legislation on artificial breeding in New South Wales first came into effect in 1956 with the introduction of the Stock (Artificial Insemination) Act 1948. This Act became outdated, and from 24 November 1989 the Stock (Artificial Breeding) Act 1985 came into force. The new Act extended the area covered by the legislation to embryo transfer.

It was recognised at the time of introduction of this Act that if the artificial breeding industries maintained high ethical, legal and disease control standards, alternative forms of regulatory control were a legitimate objective. Towards the end of the 1990s the review of the Stock (Artificial Breeding) Act under national competition policy principles resulted in recognition that licensing of artificial breeding centres was anti-competitive. The terms of reference of that review were to assess whether the public benefits of the Act exceed the costs and whether the legislative objectives could be achieved only by restricting competition. The review group concluded that there was no rationale for continued government intervention to enforce compulsory licensing of artificial breeding premises.

It considered that the compulsory licensing system under the legislation imposed significant compliance costs and restricted the range of artificial breeding services available in New South Wales. It also concluded that the movement and use of semen and ova should be subject to the disease control principles established in the Stock Diseases Act 1923, that is, they should be treated as if they were stock for the purposes of animal disease control. It proposed that the Stock Diseases Act should also cover, where necessary,

significant inherited genetic diseases. The review group recognised that an artificial breeding centre should not be eligible to export semen, ova and embryos unless it was licensed by the State. It determined that the ability to license or approve premises for export should be retained until the responsible Commonwealth agency, the Australian Quarantine and Inspection Service [AQIS], assumes all licensing functions for export premises.

The New South Wales Government's intention is to manage the repeal of the Stock (Artificial Breeding) Act and the implementation of the AQIS licensing procedures so that semen exporters are in no way disadvantaged. The proposed amendments to the Stock Diseases Act take all these issues into account. One of the issues I want to focus on is the different trade and disease status of the industry since the first controls were imposed on artificial breeding. The most significant change has been the eradication of one of the most serious cattle diseases transmitted sexually and through infected semen—brucellosis in cattle. Brucellosis was the scourge of the dairy and beef industries for many years. It not only caused abortions in infected cows but it also caused severe illness in humans, especially farmers and abattoir workers.

I have abattoir workers in my electorate, and I have made representations on behalf of a number of constituents who have been affected by that dreadful disease. Eradication of brucellosis in cattle was a major achievement in animal disease control. This occurred in 1989, following a combined eradication commitment by governments and the cattle industry. Together with the tuberculosis eradication program, it was part of the most complex animal health program ever undertaken in Australia. I am advised that bovine brucellosis probably entered Australia with early importations of dairy cattle. From about the 1930s State departments of agriculture progressively introduced control programs. However, it was not until the 1970s that a co-ordinated and concerted attempt was made to eradicate the disease.

The severity and importance of bovine brucellosis was one of the main drivers for controls over artificial breeding. It was considered imperative that artificial breeding be controlled so that all the hard work in eradication was not undone by a major transmission of the disease in infected semen from artificial breeding centres. The eradication of bovine brucellosis in 1989 changed the risk profile for artificial breeding forever. There are a few other sexually transmitted reproductive diseases of cattle, but none of them is as important as was brucellosis. It is opportune to reflect on what eradication of bovine brucellosis and tuberculosis has done to Australia's reputation for government-backed disease control programs. Australia has been the only nation to effectively eradicate these diseases, despite the fact that many nations have tried.

For example, bovine brucellosis and tuberculosis still exist in parts of the United States of America and Europe. It was our ability to eradicate these diseases that set us apart from other nations in terms of government veterinary services. When we talk of Australia having a relatively disease-free animal status, the eradication of these two diseases is largely responsible. In identifying the eradication of brucellosis as a major contributor to our reputation for excellence in government veterinary services we should not forget that the eradication of the disease contagious bovine pleuropneumonia occurred in the 1960s. This also was a major achievement, since it is a disease that can be more devastating in some countries than foot-and-mouth disease.

More recently we have almost eradicated enzootic bovine leucosis from dairy cattle, something that our trading partners have not been able to achieve. I emphasise these disease control achievements for two reasons. Firstly, the simple fact is that the transmission of a devastating disease, like brucellosis, in cattle semen is no longer a possibility. This means that it is right and proper to review the legislation that was implemented during the time that brucellosis in cattle was a major issue. Secondly, the Government has no intention of throwing away its hard-won international reputation for government-backed disease management excellence. It is a fact that the governments of our trading partners, whether domestic or international, rely on our reputation for excellence and integrity in ensuring that our livestock products are disease free, and that we can provide government certification to that effect.

As new markets such as China emerge, the ability for our Government to negotiate against the backdrop of proper legislative control of important diseases remains paramount. Thus, I am pleased to note that this amendment bill does not do away with the power to control infectious diseases transmitted in animal semen or embryos. In fact, it strengthens our ability to control such diseases by making artificial breeding material subject to the provisions of the Stock Diseases Act, just as it applies to livestock. It is absolutely critical that all producers and veterinarians understand the concept of reporting "notifiable" diseases. Without this, government control of animal diseases is made much more difficult.

However, I note that the Legislation Review Committee has expressed concern that the amendment may provide inspectors with the power to enter private dwellings at any time to enforce the Act in relation to

artificial breeding material. The Minister will undoubtedly address these concerns in his response to the committee's correspondence. Members on both sides of the House will be aware that it was the delay by the swill-feeding pig producer in reporting his sick pigs that resulted in the multi billion dollar losses to the economy of the United Kingdom. The provisions of the bill make it an offence not to report the presence of a "notifiable" disease in reproductive material of livestock. This is not an onerous provision. The Government expects all operators in the artificial breeding industry to comply with it. This obligation puts the members of the artificial breeding industry on a par with all livestock producers, who are also obliged to report notifiable diseases when they occur. The placing of operators of artificial breeding enterprises on the same ground rules as livestock producers working under provisions of the Stock Diseases Act is appropriate. I commend the bill to the House.

Mr MATT BROWN (Kiama) [10.38 a.m.]: I support the bill, which members of the House are aware provides for the implementation of the recommendations of the review of the Stock (Artificial Breeding) Act as part of legislative reviews under national competition policy principles. One of the key elements of the bill is to transfer the disease control provisions of the Stock (Artificial Breeding) Act to the Stock Diseases Act. I assure the House that the bill does not reduce the controls in this State for animal disease—quite the opposite. The Government is firmly committed to ensuring that all the legislative powers we need to control animal disease are in place.

The primary legislation to control animal diseases in New South Wales is the Stock Diseases Act 1923, which defines diseases of livestock and gives the Minister and inspectors under the Act appropriate powers to control effectively any notifiable disease. Notifiable diseases are diseases that may require government intervention if they are to be adequately controlled. These diseases may be endemic, in other words they already exist in New South Wales, or they may be exotic diseases that have not yet been introduced into this country. As far as endemic diseases are concerned, we need the power to order people to control animal diseases where there would be adverse consequences to the community or economy as a whole if the disease were allowed to spread.

For example, footrot in sheep is occasionally reported in parts of New South Wales. By itself, isolated instances of the disease would cause no adverse trade consequences. However, we have dramatically reduced the prevalence of footrot over the past 10 years. Failure now to control outbreaks would be devastating for most of the sheep-producing areas in the State. The most important issue is that when an owner suspects that his or her livestock have been affected by footrot, they report it immediately to the Government's veterinary service. Through NSW Agriculture and the rural lands protection board district veterinarians, the Government maintains this veterinary service to respond to diseases like footrot.

The Government also maintains a laboratory network that is capable of diagnosing virtually any animal disease. Once the disease is reported and diagnosed, the Government's veterinarians immediately impose a quarantine order and trace any animals that have moved off the property. All of these activities are done under the provisions of the Stock Diseases Act. Similarly, the provisions of the Stock Diseases Act apply to tuberculosis in cattle. This disease has been almost eradicated from Australian herds and Australia is regarded internationally as free of tuberculosis in cattle. Nonetheless, there have been instances of herd breakdowns with tuberculosis in the Northern Territory.

Two years ago it was found that cattle from such a herd had been dispersed from the Northern Territory through 24 sites in New South Wales. This resulted in tracing of all animals that were still alive, placing any suspected infected properties under quarantine and de-stocking of any infected properties. It also resulted in the testing of neighbouring properties to ensure that the disease had not spread. Once again, all the powers that enabled the Government's veterinary services staff to manage this incursion were provided under the Stock Diseases Act 1923.

The amendments in this bill will ensure that artificial breeding material, such as semen and embryos, are treated in the same way as infected stock under the Stock Diseases Act. The definition of "disease" in the Stock Diseases Act has been extended to include diseases of semen and embryos. The bill also provides that inspectors have powers to control any disease of artificial breeding material. This means that inspectors can order its destruction or require it to be tested for disease and require the disinfection of any fittings that have come in contact with any artificial breeding material. The bill firmly endorses the requirement that veterinary surgeons notify the discovery of disease or infected artificial breeding material.

One of the reserve provisions of the bill provides for the Minister to impose temporary orders for up to six months to manage any specific disease outbreak that is being spread by artificial breeding material. At this

point, this provision is regarded as an insurance measure that would be brought into effect only if a new disease emerges. The Government does not intend that the Minister will apply this provision for any particular disease at this point. We need to keep in mind that new diseases occasionally emerge and it is important that we have provisions under the Stock Diseases Act to cater for them. Members may not be aware of a new infectious animal disease that emerged in New South Wales a few years ago. This disease, which was subsequently named Menangle disease, was spread from bats to pigs. It was reported for the first time in the world near Sydney in 1998 and 1999.

The outbreak was quickly stamped out and the disease has caused no further problems for the pig industry. Any emerging disease that is identified as being transmitted in semen or embryos will be able to be controlled using the powers of the Stock Diseases Act. In addition, apart from existing endemic diseases, the New South Wales Government has power to control exotic diseases introduced from overseas. These powers are contained in the Exotic Diseases of Animals Act. The powers under this Act are quite substantial and are needed in the event that an exotic disease enters Australia. The provisions of this Act apply to semen and embryos. Thus, the New South Wales Government has ensured, through these amendments to the Stock Diseases Act and through the existing Exotic Diseases of Animals Act, that any disease situation can be effectively managed.

The House may be interested to know what the Stock (Artificial Breeding) Act contains regarding disease control measures and whether these measures will be retained in the new provisions. The regulations under the Stock (Artificial Breeding) Act provide that commercial premises used for artificial breeding are licensed. The licence requires that the premises are operated in accordance with nationally agreed minimum standards. These standards require that all donor animals used for the collection of semen or embryos are tested for a range of diseases. Although the domestic licensing provisions are being discontinued, the testing procedures can be transferred to the new provisions. Since the eradication of brucellosis and tuberculosis in cattle, some of these testing requirements are outdated. Nonetheless, in principle, it is expected that so far as disease control is concerned, those provisions will be able to be transferred under the Stock Diseases Act. Once this bill is passed, a consultative process will be commenced with all industry stakeholders to define what, if any, disease testing requirements should be made the subject of regulations.

This review process will need to take into account that the disease patterns have changed and the structure of the industry has also changed. Some of Australia's leading artificial breeding companies are multinational organisations. These companies set the standard for commercial operations of artificial breeding centres and therefore play an important self-regulatory role within industry. Thus, it is appropriate that consultation occurs with all sectors before any decisions are made regarding regulatory testing requirements in artificial breeding centres. The process of consultation will include the circulation of an issues paper, the requesting of submissions, publication of draft regulations and consideration of a regulatory impact statement. I emphasise that the House will have opportunities to consider the impact of these sorts of regulations at the appropriate time. In the meantime, the proposals in this bill are comprehensive in the overall context of animal disease control. I commend the Minister and his staff as well as the department for the hard work they put into this bill, and I commend the bill to the House.

Mr GRAHAM WEST (Campbelltown—Parliamentary Secretary) [10.46 a.m.], in reply: As various members have noted, the artificial breeding industry is an important part of the animal breeding industry in New South Wales. In particular, artificial breeding is used extensively by the dairy and beef industries, with its use becoming increasingly widespread in other livestock industries. Moreover, the industry is not only important domestically but is a significant part of the agricultural export sector. As such, the Carr Government is concerned to ensure that the artificial breeding industry is appropriately regulated, but not overregulated. I am confident that the research and consultation undertaken by the review panel and the recommendations that it made to the Government are well founded.

I turn to a few of the comments made by the honourable member for Murrumbidgee and the Legislation Review Committee in its digest No. 6 of 3 May. The committee states it is concerned that the powers of inspectors to enter land may enable an inspector to enter private dwellings in order to enforce the Act. The committee sought the Minister's advice as to what limits exist on the places and times inspectors may enter land and buildings as well as the need for such broad powers. I assure the House that inspectors under the Stock Diseases Act are trained by the department to be well aware of the technical nature of their powers and the great responsibilities and accountabilities that accompany them. They are also trained as to the consequences of inappropriately exercising their powers, one of which is of the risk that a magistrate or a judge may exclude any evidence obtained as a result, risking the success of a prosecution.

Inspectors are trained to exercise their powers reasonably, in strict accordance with the Act. This means that entering private premises without a reasonable suspicion that any stock or artificial breeding material may be inside is inappropriate. Inspectors are trained that the onus is on the inspector to prove that the entry was reasonably required. It also means that except in the gravest of circumstances the exercise of these powers out of business hours could be found to be unreasonable without the consent of the land occupier. In most cases inspectors must travel long distances to inspect land or animals. They need to organise with the land occupier a time and date for such inspections in order to avoid a wasted trip.

Inspectors are well aware that it would not be reasonable to force entry through a locked gate or door in order to complete an inspection. Most inspections performed by stock inspectors are done with consent or at the request of the landowner. Only when such co-operation cannot be obtained are the entry powers under the Act enforced. In such circumstances the inspectors are trained to carefully exercise their powers strictly in accordance with the Act so as to ensure that any evidence collected during the inspection is admissible as evidence should the matter proceed to court. These powers have existed in the principal Act for over 80 years without significant problems having arisen, as the honourable member for Murrumbidgee said.

I assure the House that the inspectors are aware that misuse of their powers will attract appropriate action. They are also aware that misuse of their powers can result in their efforts in enforcing the Stock Diseases Act being wasted, as any evidence illegally obtained is likely to be thrown out by a court. In addition, any abuse of such powers would result in significant disciplinary measures taken against the offending officers. NSW Agriculture takes its responsibilities most seriously and recognises that any abuse will undermine many of the efforts that have been undertaken with the community as a whole. Consequently, any abuse of inspectorial powers will be viewed in the harshest possible light.

The honourable member for Murrumbidgee also stated his concerns relating to the discretion of the Minister to order that the net proceeds of any sale of any seized animal or item can be disposed of as the Minister sees fit. I assure the House that when the owner of a seized animal or item is able to be identified, the net proceeds of the sale of such animal or item will be returned to the owner, if they so desire. However, there are many cases in which animals or items are seized, but no owner can be reasonably ascertained. When animals or items have been seized owing to a breach of the Act, owners, if not known to NSW Agriculture, are reluctant to come forward, particularly when the animal or items are of little value to them. Instead of the department being left with the net proceeds of sale on behalf of a person who cannot be found, the Minister has been given the discretion to decide what the money will be used for.

I thank the honourable member for Lachlan for his support of the bill and for his emphasis on the importance of artificial breeding to the Australian livestock industry. The Stock Diseases Amendment (Artificial Breeding) Bill seeks to implement the recommendations by various groups and I believe it provides a sound regulatory basis on which to further build the industry. I commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

FISHERIES MANAGEMENT AMENDMENT BILL

Bill received and read a first time.

Second Reading

Mr GRAHAM WEST (Campbelltown—Parliamentary Secretary) [10.53 a.m.], on behalf of Mr David Campbell: I move:

That this bill be now read a second time.

This bill introduces a number of minor but important amendments to the Fisheries Management Act 1994. These changes support ongoing implementation of share management in our fisheries, give effect to a Government election commitment to increase penalties for illegal commercial fishing, and introduce minor changes that will greatly improve practical administration of the Act. Specifically, the bill defines the concept of a commercial fishing business. This will allow for recognition of current fishing operations and reinforce current controls on fishing effort as share management is progressively implemented.

It provides for the catch history associated with a fishing business to be retained for future use, should this be required, in conjunction with a share management plan. Another amendment provides for management charges and community contributions to be levied in accordance with individual shareholdings and at a rate specified in the management plan to create a fairer, more flexible charging scheme. The bill also simplifies current arrangements for a fisher to nominate another fisher to operate a fishing business on their behalf. It provides for commercial fishing licences, fishing boat licences, and charter fishing boat licences to be issued for longer than the current one-year period. It also provides better protection of important fish habitat by improving the current definition of "harm" to marine vegetation. A number of minor changes that increase the efficiency of general administration of the Fisheries Management Act are also introduced.

Before I discuss the specifics of each amendment I would like to set the context for these changes. As many honourable members know, the seafood industry in New South Wales is worth half a billion dollars to the State's economy and employs about 4,000 people. The commercial fishing sector of the industry is an important and highly valuable part of the economy of many New South Wales coastal communities. To ensure commercial fishing is conducted in a sustainable manner it is carefully managed against environmental, economic and social objectives. Management tools available under the Fisheries Management Act include fisher and boat licensing arrangements, controls on the types of fishing gear, fishing closures and mechanisms to cap the number of fishers in a fishery.

The Act also provides for additional incentives that encourage fishers to adopt the most modern fishery management practices, particularly through the allocation of property rights or shares in a fishery. Share management has been available for use as a management tool since the current Act was proclaimed in 1995. It gives fishers greater security of access to a fishing resource and provides a real incentive for fishers to protect their fishery. Until recently, abalone and lobster fisheries were the only two of the State's significant commercial fisheries that were administered as category 1 share management fisheries. The shares held by fishers working in abalone and rock lobster fisheries are automatically renewed every 10 years—they are issued in perpetuity.

Moreover, compensation must be paid if the fishery is removed from the Act as a share management fishery. Recently the Minister announced that the remaining major commercial fisheries had been included in the schedule to the Act as category 1 share management fisheries. This is a significant development for the many hardworking people in these fisheries. It is a change that will give the overwhelming majority of the State's commercial fishers the highest available level of security over their resource. Commercial fishers have shown their willingness over many years to help develop and implement fishery management changes, and show that they are good environmental managers. Issuing category 1 shares significantly upgrades the level of tenure fishers have over their access rights to the resource and provides an appropriate incentive to manage their fisheries in a sustainable way.

This change provides an important incentive for fishers to make decisions in the long-term best interest of a fishery. The level of permanency and asset security provided by this change significantly improves current arrangements. It is important that honourable members are aware that the move to category 1 share management and the changes proposed in this bill come after very thorough consultation with the commercial fishing industry. At each step along the way the proposed share management changes and the Act amendments have been discussed with industry advisory bodies. As recently as 23 March, for example, almost 30 members of the fishing industry and other key stakeholders met in Parliament House to discuss the draft bill. Ideas and suggestions raised in that forum have been incorporated into the bill.

I turn now to the specific amendments in this bill. First, a procedural amendment introduces a definition of a fishing business into the Act. A definition is currently contained in the regulation to the Act, but this amendment is necessary to ensure the concept remains legally consistent with other share management provisions of the Act. The term "fishing business" as currently used refers to all the various components of a fishing business, including the boat or boats, fishing gear, and validated catch history. The concept of fishing business is now well established within the industry and is used as a basis for managing overall levels of commercial fishing activity.

The bill makes it clear that the individual components of a fishing business, including the boat, fishing gear, and validated catch history, cannot be sold individually, except in accordance with agreed policy or regulation. Item [22] of schedule 1 to the bill allows the validated catch history to be preserved for future use, if necessary, for more precise species or effort-based management programs. Validated catch history will also be able to be used to create a new class of shares in the future, where provided for by a share management fishery management plan.

Another important amendment concerns fishing business nominations. Currently the Act provides that fishing business owners can allow others to fish on their behalf only if the department is advised and approves the nomination of that person—a very bureaucratic and cumbersome process. Under the proposed amendment they will be able to do this much more quickly than is currently the case. Fishers will be issued with a card that lists their fishing entitlements. They can then give this card to another licensed fisher who can work the fishing business on their behalf, and then simply notify the department that this has occurred.

Limiting the number of active fishers by the nomination process means that only one fisher can work the business at any one time, which greatly reduces the risk of an increase in fishing pressure. Some of our more sensitive fisheries such as the estuary general fishery have chosen not to have this scheme and have a strict owner-operator only policy to limit fishing pressure from inexperienced operators in their fishery. The new arrangements will provide greater flexibility, as well as administrative and operational efficiencies.

The bill also introduces a practical proposal for new supporting plans. A supporting plan is a vehicle for the creation of generic rules that apply across two or more share management fishery management plans. Some examples of supporting plans that would ensure that common provisions appeared in just one place, and not in multiple plans, are: a structural adjustment share trading scheme whereby, for example, minimum shareholding rules will aim to control fishing pressure for new entrants to the industry; a uniform penalty point scheme for serious offences which can lead to licences being suspended or cancelled and, in some severe cases, shares cancelled; and cost recovery, where we are developing a scheme that moves away from the current flat charges to one that better reflects the different levels of access that fishing businesses have.

When a section of a supporting plan is amended, the change will affect all fisheries identified as being subject to that section of the plan. Using supporting plans therefore enables us to make fishery management plans simpler documents, requiring less revision as only one document would need to be amended—the supporting plan. It is important to note that a supporting plan will apply only where the share management plan says that it applies; it cannot override a provision of a share management plan.

Another issue addressed in the bill is the community contribution and industry management fees paid by fishers. The Government is supportive of diversified fishing businesses and arrangements that encourage operators to move to fisheries where stocks are more abundant, taking fishing pressure off other stocks. At present the Fisheries Management Act provides that fishery management charges and the community contribution are levied at the same rate, irrespective of the number of fisheries a fisher can work in. This practice creates a financial disincentive for fishers to operate in more than one fishery. The proposed amendments will allow the introduction of arrangements that encourage fishers to remain or become diversified. For example, the rate of the management fee and the community contribution could be reduced with each additional fishery endorsement held by the fisher. A practical example of how this might operate can be found on the Clarence River. The Minister spent some time recently on the Clarence River looking at new net designs that substantially reduce the by-catch of fin fish in the prawn trawl fishery.

Many Clarence River prawn trawl operators work in the prawn trawl fishery during the summer months when prawns are abundant, and move into the estuary fishery to catch fish such as bream, whiting and mullet when prawns are less so. In the winter months many of them diversify again into the ocean beach haul fishery to catch sea mullet for the export market. This diversification takes pressure off the prawn resource while still providing fishers with a relatively steady income stream. The Government believes that we must have a charging system that does not penalise fishers for being diversified and, in fact, the charging systems should be capable of being structured so they actually encourage diversification. The proposed arrangements will allow management fees and community contributions to be set in accordance with the provisions of a share management plan, and thereby to better reflect the circumstances of individual fishers.

I now turn to the amendments concerning fishery management strategies. Before final shares are issued, management strategies and environmental impact statements must be prepared for significant commercial fishing activities. These environmental impact statements are required by the New South Wales Environmental Planning and Assessment Act. So far, fishery management strategies have been finalised for the estuary general fishery, the ocean hauling fishery, and the estuary prawn trawl fishery. Strategies for the abalone, lobster, ocean trap and line fishery, and the ocean trawl fishery are well under way.

The bill makes minor changes in relation to fishery management strategies to reduce bureaucracy and provide for the timely uptake of new information. One amendment will allow provisions in new or revised fishery management strategies to apply to existing strategies when this is necessary. For example, this means

that when we find out something new about a fish stock that is common to more than one fishery and should therefore be recognised in another strategy we can adopt this change simply, with minimum administrative effort and cost. Industry has suggested that to ensure transparency there should also be a provision to co-ordinate actions under various strategies and set priorities for these strategies. The bill provides for this to occur.

I now turn to charter boat, commercial fishing boat and commercial fishing licences. Amendments in the bill will provide for longer-term licensing arrangements. At present licences are issued for one year or less, and renewed annually. To reduce administration cost the proposed changes to the Act will make it clear that licences can be issued for more than 12 months. The bill implements one of the Government's election commitments: the commitment to increase penalties for unlicensed commercial fishing. Illegal commercial fishing is a matter of great concern to many commercial fishers. For example, on the North Coast there are reports of 50-kilogram catches of garfish being taken in scoop nets, and of large catches of prawns being taken on the Hunter River in illegal trawl nets. However, as well as undermining the viability of a commercial fishery, illegal commercial fishing also usually operates outside food safety regulations, which creates a very real public health risk. The bill will ensure that individuals who fish on a commercial scale without a licence will be subject to a maximum penalty of $110,000. For corporations the maximum fine will be $220,000.

I will now address the amendments concerning harm to marine vegetation. At present sections 204 to 205B of the Fisheries Management Act deal with the protection of certain marine vegetation. Those provisions contain a definition of "harm" to these types of marine vegetation, and prohibit anyone harming such vegetation without a permit. However, the current definition of "harm" does not cover harm to vegetation caused by deliberate alteration of the environment. Consequently, people are not restricted from making certain changes to the environment that harm vegetation such as mangroves and seagrass, which are important fish nursery and habitat areas. Honourable members may be aware of the significance to juvenile fish of mangroves and seagrasses as nurseries for future stocks. Without mangroves and seagrass areas, many of which have already been lost, stocks of fish and other marine species will be further depleted. The shading of seagrass by structures such as jetties that are sometimes built across seagrass beds is one example of the type of activity that this amendment is directed towards. The actual construction work may do very little harm to the seagrass, but the resultant shading from the structure will eventually kill the seagrass.

To make sure this type of outcome is subject to controls and prevented when necessary, an amendment to the current definition of "harm" is proposed. The proposed amendment does not impact on any developments that have already been subject to an approvals process. Finally, the provisions in the Act dealing with overdue management fees and payments, and associated interest, will be amended to make it clear that interest will be charged only after a reasonable sum has accrued. This is commonsense and will avoid the costly exercise of sending out bills for small amounts of interest that cost more than they raise. The bill, although brief, brings important changes to the legislation. These changes will help implement real changes to the State's commercial fishing industry. The bill is the product of close consultation with commercial fishers and the seafood industry over the past year, and the fishing industry is supportive of the proposals contained in it. I commend the bill to the House.

[*Debate interrupted.*]

BUSINESS OF THE HOUSE

Bill: Suspension of Standing and Sessional Orders

Motion by Mr Graham West, on behalf of Mr Carl Scully, agreed to:

That standing and sessional orders be suspended to allow the progress of the Fisheries Management Amendment Bill through all remaining stages at this sitting.

FISHERIES MANAGEMENT AMENDMENT BILL

Second Reading

[*Debate resumed.*]

Mr ADRIAN PICCOLI (Murrumbidgee) [11.10 a.m.]: I support the Fisheries Management Amendment Bill 2004. The Opposition spokesperson on fisheries, the Hon. Duncan Gay, has given a detailed response to this bill in the Legislative Council. However, as the Opposition spokesperson on fisheries in the Legislative Assembly I will make a couple of comments. The Opposition will not oppose this bill because it seeks to make a number of small administrative amendments to the Fisheries Management Act 1994, most of which are commonsense and which we support. Some of the amendments streamline current administrative arrangements designed to prepare the groundwork for the move from a restricted management fisheries framework to a share management fisheries framework. The move to the category 1 share management fisheries

is supported by the Opposition and the industry because it creates shares as perpetual property rights, which will deliver greater stability, improve confidence and stimulate investment in the industry.

The fishing industry has gone through substantial changes over the past 10 to 20 years. It has been a tumultuous period and those involved have mounted protests in front of Parliament House and elsewhere. Fishermen are concerned about their investments in licences, boats, fishing equipment and shore facilities. They are concerned about how past and possible future changes will affect those investments, and that concern is legitimate. They are subject to the whim of government changes, which can significantly affect their incomes and the value of their investments. Anything which improves confidence and stability in the industry and which stimulates investment is a step in the right direction.

Furthermore, with category 1 share management fisheries, should the Government decide to close down any of the State's commercial fisheries, the establishment of shares as permanent fishing rights will mean the industry is entitled to compensation. The industry has argued for that arrangement for some time, and it is only fair. The Opposition firmly believes in property rights as a fundamental principle of industry and business. It is also an underlying principle in the support of small business. We cannot expect people to invest in an industry without some confidence that if any of their rights are removed they will be entitled to some form of compensation. The Opposition certainly supports that notion. The Opposition has concerns about a number of issues, and those concerns are shared by the industry. One is the issue of full cost recovery. The industry's biggest concern is the cost of moving from a category 2 share management fishery to a category 1 share management fishery. This move is expected to cost the State's five commercial fisheries about $800,000 each, and individual fishers' management costs are expected to increase from $1,200 to $5,000. In addition, the industry will be forced to pay a community contribution, which Treasury is expected to set at about 6 per cent. The industry is concerned about those costs for obvious reasons.

The fishing industry is also concerned about the full cost recovery principle because the revenue collected will be used to fund NSW Fisheries. The industry wants to know why NSW Fisheries is not contributing to the cost of moving the industry to the category 1 share management framework. We are looking to the Minister for an explanation. Obviously, as with any small business, the issue of costs is significant. It is not surprising that NSW Fisheries is looking to shift some of the costs to commercial fishermen. As I said, members of the industry have protested and raised concerns about licences, rights and the increasing costs of going about their business. If those costs are increased so that NSW Fisheries can manage its budget more appropriately, the industry's legitimate concerns must be addressed. The issue has been raised on a number of occasions with the Government and the Opposition. As I said, the Hon. Duncan Gay has given a detailed response to this bill, and I know that other honourable members of the Opposition wish to speak on other matters relating to this bill. The Opposition will not oppose this legislation.

Mr STEVE WHAN (Monaro) [11.15 a.m.]: I support this bill. As the Parliamentary Secretary noted in his second reading speech, this bill introduces some minor, but essential, amendments to the Fisheries Management Act. These amendments will improve the way our valuable commercial fishing stocks are managed. They will also introduce greater efficiencies and make some necessary consequential changes. The changes introduced by this bill are required for several reasons. Many arise from a set of reforms to the Fisheries Management Act made in 2000. Those reforms were made to accommodate the transition from restricted fisheries to share management commercial fisheries. The amendments before the House are minor adjustments to that system. They are required to enable the efficient implementation of that system.

When the Fisheries Management Act commenced in 1995, it was envisaged that share management fisheries would be declared immediately. However, most commercial fisheries have been managed under a restricted fishery framework since 1997. Only the abalone and lobster fisheries have progressed to full share management thus far. As stated in the second reading speech, the other main commercial fisheries have been redefined as category 1 share management fisheries. This change gives the fishers much greater security. In particular, it provides fishers with the right to compensation if their shares are cancelled, as well as the automatic renewal of their shares in the fishery.

The move to share management will also provide greater business flexibility for operators. For example, at present to work in the ocean hauling fishery a skipper must find another person who has the appropriate entitlements before they can form a crew to operate their net. This has been problematic in my electorate as skippers have had difficulties finding crew to help with their operations. Under share management, the same type but different numbers of shares will be allocated to skipper and crew—that is, general ocean hauling shares. Under the management plan a fishing business owner could buy enough shares to allow him to employ directly any licensed commercial fisher to assist in an operation. This issue has been raised by fishers in the Monaro electorate, which covers Eden, a major fishing port in the State and Federal fisheries. I have forwarded those concerns to the Minister and I am pleased to see that these amendments address some of them.

The management plan for a particular fishery is an important aspect of the share management system. This plan, known as the "fishery management plan", gives details of how the fishery will be run over coming years. Plans for the abalone and lobster fisheries were finalised some time ago. Plans for the six commercial fisheries that were recently converted to category 1 are progressing well. The amendments contained in this bill will facilitate the fishery management plan approach. In particular, the amendments will introduce the idea of a "supporting plan", under which general matters that apply across fisheries can be addressed in the one plan. For example, the supporting plan could cover matters such as fees, charges and priorities for implementing actions. Where appropriate, the plan for a particular fishery will be able to adopt the provisions of the supporting plan. The individual plans will also be able to adopt other supporting plans, such as for fishery monitoring.

Other amendments in the bill include a statutory definition of a fishing business, the introduction of a streamlined way to nominate someone to fish on behalf of a fishing business, plus various minor, but important, changes. As the Parliamentary Secretary and the Minister noted, these changes have been developed in close consultation with the commercial fishing industry and they are supported by that industry. I have received positive feedback from commercial fishermen in the Monaro electorate regarding the way they are able to discuss with the Minister and the Government the issues they face in the industry. Not long ago I organised for a fishing operation from Eden, Pelagic Fish Processors Pty Ltd, to meet with the Minister to discuss issues of concern. Pelagic Fish Processors was established in Eden after the closure of the Heinz cannery in 1999-2000. The business was established using funding from an Eden adjustment package, which was mostly Federal funding.

Interestingly, for a while the company received a Federal grant to help establish the business, but then the Federal Government restricted access to the fish that the company wanted to catch. That was a regrettable situation at the time, but fortunately the matter was resolved and the business is continuing. To date the company has spent $3 million on establishing the business in Eden. The company fillets, packages and freezes the fish, and it now employs about 34 people, providing a boost to the local community of about $840,000 per annum, which is significant in a small town.

As with many fishing businesses, Pelagic has raised concerns about the industry. The company certainly appreciates the fact that the Minister has been willing to discuss those issues of concern with it on a couple of occasions. After the company's last meeting with the Minister, I received an email from Stan Soroka of Pelagic Fish Processors thanking me and my staff for the work we did and stating that the meeting with the Minister was extremely successful, to the point that changes are being implemented.

The entire fishing industry, including Pelagic Fish Processors, is very important to Eden. As a person who has been campaigning in the area for some time, I have found the fishing industry to be extremely complex. The limits on State fisheries, which cross over into Federal fisheries, are extremely confusing, and I compliment the fishing industry on its ability to navigate, so to speak, the many aspects it has to deal with under various jurisdictions. It would certainly be pleasing if some of that could be rationalised in the long term.

I have received positive feedback from the industry about the way in which the Minister is liaising with professional fishers, to ensure their views are heard by government and taken into account. As we know, it is an important industry and obviously it is important to balance the industry against the legitimate needs of recreational fishers along the South Coast. Monaro now comprises only a small part of the coastal area, but the fishing industry remains a very important industry for the Monaro electorate.

The effect of the amendments in the bill will ensure a more efficient, streamlined and user-friendly share management system. As such, the amendments improve the way in which our commercial fishing industry operates and the way we safeguard our valuable fisheries. I am sure everyone would be aware of the ongoing debate over the last decade or so about how we manage fisheries to ensure that we do not overfish and that we do not have too many operators. Obviously, it is in the long-term interests of the industry, as well as the community, to ensure that we have a sustainable catch. This bill is one small part of that, and therefore it should be supported by all members concerned about the good management and long-term future of fishing in this State. I welcome the fact that the Opposition has indicated that it will not oppose the bill, and I commend it to the House.

Mr JOHN TURNER (Myall Lakes) [11.25 a.m.]: As the honourable member for Murrumbidgee said, the Opposition will support the bill, which has been a long time coming. There has been so much frustration in the fishing industry about this issue. For the benefit of those who are not familiar with the history of the matter, share-managed fisheries were introduced in 1994 by the then Minister for Fisheries, Ian Causley. In 1995, when

the Carr Government came to office, it held a cutting of red tape symposium—from memory, at the Convention Centre at Darling Harbour—at which it held out share-managed fisheries as being the centrepiece on cutting red tape. There was some concern at that time, because then Minister Martin was in the process of dismantling share-managed fisheries at that stage, and he proceeded to do so. This created terrible consternation in the fishing industry, and it resulted in some nasty incidents and demonstrations, which I, as then shadow Minister for Fisheries, suggested were completely unnecessary.

Share-managed fisheries were the way to go: they were sensible, they were well planned, and they had community and industry support. Yet, because of some agenda that then Minister Martin had—which was unknown to any of us who tried to fathom it through the years—he continually refused to implement the system and embarked on various avenues that resulted in significant disruption in the industry. I feel very sorry for the fishing industry. It has been disrupted for many years, including under the Greiner Government and the Wran-Unsworth Government. It took a long time for the Greiner Government to get to the stage of introducing the share-managed fisheries legislation of 1994. We thought we had resolved the disruption problems but, as I said, when the Carr Government came to office, for reasons unknown to many of us—including Government members, because many of them spoke about Minister Martin's attitude—the disruption continued. Nevertheless, share-managed fisheries are now progressively being introduced and this legislation will enable that to be expanded further.

There are many positives in share-managed fisheries, not the least of which is that it provides for stability in the industry, gives property rights to the participants in the fisheries that will come into the share-managed fisheries, and gives them certainty and sustainability in relation to the product they catch. We often forget that commercial fishing plays a very important role in providing healthy and good-quality foods for our tables. It also plays an important role with regard to the importation of fish, in that perhaps less stringent conditions apply to the taking of fish in overseas countries. I applaud the fishing industry. It is not an easy industry; it is hard and solid, and the people involved in it are salt-of-the-earth people. They are families who have handed down their fishing prowess from generation to generation. The bill is a step in the right direction; it has all the hallmarks of creating some stability in the industry. Of course, only time will tell on that.

A few matters concern me, some of which the honourable member for Murrumbidgee dealt with. They include full cost recovery. Understandably, if a sector industry is required to pay the full cost recovery of administering the industry, yet it does not have a say in relation to the running of that agency, it can create angst. If it is perceived—and I am not pointing the finger at this stage—that there are inefficiencies in the department or agency, and the industry then has to fund the full cost recovery, there is a potential for some concern, frustration and agitation in the industry. The Minister will have to be extremely diligent in ensuring that there are efficiencies in his department and that the full cost recovery does not pay for inefficiencies.

The community contribution was an extremely contentious issue when Minister Martin sought to introduce share-managed fisheries. I cannot remember the details; it was such a mess. In those days there were so many disallowances of regulations, I am not sure where the matter ended up. But I know that the figure of 6 per cent was kicked around in those days. I think that figure is a bit savage, but I will not rock the boat there because the industry will take its own stance in that regard. However, as I said, the industry now makes a valuable community contribution by providing a healthy product at a reasonable price.

The other matter I want to talk about relates to seagrasses. Some years ago, when the section relating to harm was introduced, Minister Martin could not answer the questions I posed to him regarding actions in relation to seagrasses. For example, I asked him if the fin of a surfboard going across some of the seagrasses would constitute damage. A strict reading of the legislation would deem that to be damage and could attract a fine of up to $10,000, I believe, although realistically it would be an on-the-spot fine. I asked questions about what happens when an anchor drags on the weed, as technically that would breach the section. I could not get a satisfactory answer to that question. I had a number of queries relating to the section.

If a person wishes to enforce the rules to the nth degree some silly outcomes could result. That might sound pedantic, but I hope that such matters are taken into consideration in a practical way and not regimentally enforced against bona fide users of our waterways. The specifics mentioned by the Parliamentary Secretary in relation to deprivation of light, particularly under jetties, concern me because that could constitute a de facto code for not building any more jetties or wharves because every jetty or wharf that is built would obviously fall under the deprivation of light category mentioned in the bill. I would like to hear in reply what the position is in relation to future wharves and jetties and how the Government will deal with the section in the legislation that relates to harm to marine vegetation.

I also note that the bill provides that the changes do not affect the continuation for a period of five years of any activity that would be lawful but for the changes. That concerns me also as it indicates that after five years there will be some significant changes to structures and activities on the water or adjacent to the water. In my view that has not been spelt out sufficiently either. The final matter I want to speak about is the following statement in the bill, under the heading "Fishing business transfers":

> Under the amendments, a ***fishing business*** is defined as a business determined by the Director-General to be a separate and identifiable fishing business.

That worries me considerably. I can recall a lot of heartache and concern from people who, for many years, even generations, believed they had been conducting fishing businesses and with a stroke of a pen they were told that was not so. An opportunity was available to appeal the decision, but stringent conditions were put on appeals and an appeal could end up in the District Court. Regulations were brought in to try to stop appeals; it was a real mess. Fishermen may be getting better, but by and large they are not record keepers. Sometimes they might not have the records that the director-general would regard as being necessary to prove that a fishing business is in existence. I hope some commonsense is built into the director-general's discretion to determine what constitutes a fishing business. It is important that that should occur, particularly having regard to what has happened in previous years in relation to the identification of fishing businesses.

Many people have said to me, "We have been fishing all our lives, all we want to do is sell our business and get out of fishing but can't because of the deficiencies in our catch history records". I might add that people also spoke to me about their great concern over the method by which the catch history was recorded in the department, sometimes being attached willy-nilly to anyone who came along. Indeed, when the catch history came out a number of people came to me and said, "I have never fished in this fishery, yet I have now been given a catch history in it". One fisherman who had been around for a long time said, "I don't know even now what this fishery is. I have been fishing for 40 years and I have been given this fishery and I do not even know what it is". That came from the department.

It is important that the director-general have a significant role in determining what constitutes a fishing business. The department's records must be correct and the decisions by the director-general must be made correctly. The department should not be regimental in knocking back people who obviously are and have been fishermen for many years. We support the bill. It has been a long time coming. I hope that it will give those in the industry some stability so they can do what they do well, that is, provide a healthy food product for the people of New South Wales and Australia.

Ms LINDA BURNEY (Canterbury) [11.35 a.m.]: As the Parliamentary Secretary said, this bill will make important improvements to the Fisheries Management Act, particularly the share management provisions of the Act. The bill is an important step in ensuring good management of the State's commercial fishing stocks. In this debate we need to think a little more broadly outside the States because the bill will expand and build on the ecological health of the ocean. At the end of the day the oceans have no borders so its health can be regarded as an important environmental, sustainable management issue.

I shall address two of the amendments contained in the bill. The first concerns the preservation of validated catch history and the second concerns extending the period for licences. I will also speak on the valuable work that is currently under way to improve indigenous access to and involvement in fisheries. Before beginning, I should explain what validated catch history is. I am sure this matter has been canvassed but I will touch on it briefly. Validated catch history is a verified account of what fishers caught between 1986 and 1993. Fishers submitted their catch figures to NSW Fisheries every month and have since been given the opportunity to test their figures through a review process.

This bill contains an important amendment that will allow validated catch history to be preserved for future use. In particular, an amendment will allow validated catch history to be used as the basis for issuing new classes of shares for particular species. In that context we understand just how important this amendment is in terms of validated catch, because it will determine the amounts taken in future years. It could also be used as the basis for more detailed management controls to be introduced. If so, these controls would be developed in accordance with the management plan. At the end of the day what we are talking about in terms of this legislation is long-term planning and sustainable fishing. As such, the amendment to validate catch history will deliver a further useful tool for managing our fishery resources.

I turn now to the amendments concerning long-term licences for charter boats, fishing boats and commercial fishing. We know that the issue of commercial fishing as opposed to recreational fishing often

sparks a passionate debate, not only among those in the industry but among the many thousands of people who consider fishing to be part of their lives. At present the Fisheries Management Act allows licences to be issued for 12 months only. At the end of each 12 months all licences have to be renewed and re-issued. As honourable members can imagine, this involves a great deal of administrative time, both for the industry, which is made up of individuals, and for the Government.

In the past there have been good reasons for annual renewals. The regulation of fishing boats, charter boats and commercial fishing was going through a period of transition and it was appropriate that licences were issued only for short periods. However, we are now entering a period of consolidation. Much of the work has been done and it is no longer appropriate to restrict licences to only 12 months for these categories of fishers and boats. Therefore, amendments in this bill will overcome the current restrictions in the legislation. Once enacted the amended provisions will allow licences to be issued for one, two or five years. Therefore, these amendments are welcome. They will provide greater certainty and security for licence holders. At the same time the changes will ensure savings to all parties and will relieve the incredible administrative load created by 12-month licences.

I now refer to indigenous fishing. The bill deals only briefly with indigenous fishers directly but its effect is quite broad. The bill makes it clear that consultation will be undertaken with indigenous groups as part of developing share management. However, the lack of reference in the bill to indigenous matters does not mean that indigenous fishing has been neglected. The House would be aware that the New South Wales indigenous fisheries strategy was released in December 2002. In a previous life I had a fair bit to do with that strategy, which identifies a variety of important and valuable tasks, many of which are well advanced.

The strategy was prepared in consultation with indigenous representatives, including the New South Wales Aboriginal Land Council. More than 1,500 copies of the draft strategy were distributed to Aboriginal communities, 25 meetings were held with Aboriginal communities across regional New South Wales and 378 submissions were received. I participated in a number of those meetings and gained the understanding that indigenous fisher people are extremely passionate about fishing. The strategy recognises that fishing has been an integral part of Aboriginal culture for thousands of years. Aboriginal people have used coastal and inland waters for ceremonial purposes, for trade and for food. Their culture also requires them to be custodians of this resource. In recognising the traditional cultural fishing practices of Aboriginal people, the strategy seeks to ensure that indigenous communities are involved in the management of fisheries resources in New South Wales. However, there is some controversy with respect to catch sizes, bag limits and so forth.

The Government allocated $1.6 million to implement the strategy in its first two years. The strategy comprises several aspects, including addressing indigenous issues in fishery management and marine park planning, and cultural awareness training for NSW Fisheries staff. The strategy also seeks to develop an economic basis to encourage people to obtain fishing licences and operate fishing businesses. I highlight an extraordinarily successful Aboriginal family fishing business in Taree that is using best practice. In addition, the strategy encourages the involvement of indigenous people in aquaculture, community workshops and business development. It also involves a review of the permit system, aimed at improving ongoing indigenous access to fisheries resources for traditional cultural activities.

An important part of the indigenous fisheries strategy was the establishment of a working group which comprised indigenous people from various parts of the State and representatives of industry and management of this resource. Members of the working group have met on several occasions to discuss issues of concern. A project manager also has been appointed to work with Aboriginal communities to implement the strategy. The indigenous fisheries working group helps to identify and consider strategies to address issues of concern to the indigenous community. NSW Fisheries is continually working closely with indigenous representatives to obtain sound advice on implementing the strategy and to address issues that affect indigenous communities in particular.

In terms of specific activities, considerable work has been undertaken to encourage Aboriginal community involvement in commercial opportunities associated with our fisheries resources. That is important for the wellbeing of those communities and in providing employment and economic opportunities. Scoping workshops have been held, feasibility studies approved or encouraged, training conducted and work done to assist indigenous involvement in aquaculture. In conclusion, I call on all honourable members to support the sensible and important reforms in this bill. Honourable members should also be encouraged by the important work that is currently under way in the indigenous fishing arena. I commend the bill to the House.

Mr ANDREW CONSTANCE (Bega) [11.44 a.m.]: The Coalition supports the Fisheries Management Amendment Bill on the basis that the amendments proposed are generally administrative in nature and are necessary to move to category 1 share-managed fisheries. The industry supports the bill on the basis of consultation with the Hon. Duncan Gay, MLC. I reiterate the comments of the honourable member for Myall Lakes. My electorate extends from Ulladulla to Pambula and includes the large fishing areas of Bermagui and Ulladulla. Those two co-operatives do a wonderful job in providing seafood to the consumers of New South Wales.

Over the past 10 years the industry has undergone significant upheaval. The objective of share-managed fisheries is to provide the certainty and sustainability that is so critical to the industry. People involved in the fishing industry on the far South Coast are the salt of the earth and they do a wonderful job in a highly regulated industry. However, they often feel that they are not allowed to have sufficient input into the regulations that govern and license the sector. Full cost recovery in moving from a category 1 to a category 2 share-managed fishery is the major concern for the industry. Under the plan the move is expected to cost the State's five commercial fisheries $800,000 each. The industry views this full cost recovery as funding NSW Fisheries. Therefore, the industry calls on the Minister to explain why the department is not contributing to the cost of moving the industry to a category 1 share-managed framework.

The Government must communicate more fully with the industry to provide greater certainty to fishers. The management costs for some individual fishers are expected to increase from $1,200 to $5,000. On top of these increased management charges and fees, the industry will be forced to pay a community contribution, which Treasury is expected to set at around 6 per cent. Under the current category 2 arrangements the industry pays a flat community contribution rate of $100 to Treasury for use of the State's fisheries resource. Therefore, it is imperative for the Government to provide more information to fishers.

The bill contains a number of sensible measures and for that reason the Coalition will not oppose it. In essence, the bill is administrative in nature and paves the way for the introduction of the category 1 share-managed fisheries framework for particular types of fisheries. The bill is supported by the industry. Indeed, commercial industry representatives have acknowledged that the bill reflects the consultations that have taken place. One sensible measure is the amendment to permit charter boat, fishing boat and commercial fishing licences to be issued for more than one year. That is a sensible measure that will reduce the burden on fishers in terms of the administrative requirements that are placed on them.

In terms of the increased penalties for illegal fishing, the bill implements a commitment to increase the penalties for unlicensed fishing on a commercial scale to $110,000 for individuals and $220,000 for corporations. That sensible measure will only be welcomed by the industry. On numerous occasions I have had meetings with commercial fishers in the Bega electorate and will no doubt continue to do so. From time to time they raise a number of concerns about license arrangements. Only in the past week I had a meeting with a number of commercial fishers who expressed concerns specific to their fishery, and in due course I will write to the Minister for Agriculture and Fisheries to express their concerns.

The fishing industry has had a lot of uncertainty, and it has been through a lot of upheaval. All players want to ensure as much as possible that they have the right regulatory framework in place to provide the necessary ongoing certainty and surety for their industry. In particular, they want to know that their investment and employment in the industry will not be wasted and will not be a poor investment on the back of regulations that are implemented by government. An important step is being undertaken in terms of trying to provide more certainty to the industry through the movement from category 2 to category 1. It is important that the Government, as much as possible, do a lot more to communicate more broadly with the industry in addition to dealing and consulting with the necessary peak industry bodies.

Mr MATTHEW MORRIS (Charlestown) [11.52 a.m.]: It gives me pleasure to join with my colleagues in speaking on the Fisheries Management Amendment Bill. The Charlestown electorate is a coastal one and we are exposed to extensive fishing practices along the coastline. Therefore, it is important that the Government acknowledges its responsibilities and implements appropriate changes in the industry. As the Minister in the other place explained, and as my colleagues have advised today, this bill brings significant improvements to the Fisheries Management Act, mainly to the share management provisions of that Act. The bill is an important part of the good management of New South Wales commercial fishing stocks.

Today I shall comment specifically on two aspects of the bill. The first concerns the general effect of the amendments, particularly in relation to the sustainability of our fisheries; the second concerns the increase in

penalties for unlicensed commercial fishing. The bill provides some important improvements to the Fisheries Management Act. It is now 10 years since the Act was introduced and the way we manage our fisheries has changed significantly in that time. The changes in this bill build on those changes. They will ensure that share management is introduced in a fair way that ensures a sustainable and viable commercial fishing industry for New South Wales.

Share management provides enhanced security for operators, and will promote greater husbandry of the resource. Following the environmental assessment process, statutory management plans will be implemented for each fishery. The amendments in this bill complement the overall framework by recognising the definition of "fishing business" to ensure that overall effort across the industry can be effectively managed. The allocation of shares at the endorsement level provides a stronger mechanism to adjust at that level and manage specific gear types, and the provision to allow further classes of shares to be issued at a species level will ensure that we can respond to emerging information in a meaningful way.

I turn now to the increases in penalties for unlicensed commercial fishing. I note that at the last State election the Government committed itself to increasing penalties for unlicensed commercial fishing. The amendment in this bill that raises the penalty from $11,000 to $110,000 delivers on that commitment. The increased penalty reflects the seriousness of illegal commercial fishing. It sends a clear message to the courts and the community that illegal commercial fishing activities will be dealt with harshly. The increase demonstrates that the Government is willing to be tough on fisheries crime. The increase also reflects the high cost of illegal fishing activity, particularly in the area of high-value species such as abalone.

All honourable members should support the bill on that basis alone. However, the bill brings many other welcome improvements, such as the extension of the definition of "harm" to marine vegetation, which is aimed at rejecting the mercenaries of future fish stocks. I call on all honourable members to support the bill, and I am pleased that many have indicated that there will not be any opposition to it. Managing fisheries stock as a natural resource is an important process, and the bill sets the way in which future stocks, an important natural resource, will be available for the long-term viability of the industry and also provides a level of protection and enhancement of that resource. Fisheries stocks are important to our community, which recognises and understands the intricacies of managing such a delicate resource. I am pleased that the Government and the Minister have been active in getting a balance between industry needs, community needs and social outcomes. I am pleased to support the bill, which I commend to the House.

Mr STEVE CANSDELL (Clarence) [11.56 a.m.]: Although not opposing the legislation, I have some real concerns about the allocation of shares on a catch history basis. There should be more emphasis on investment in the industry and current product returned to the industry. We want some fairness shown in the allocation of shares in the prawn trawl fishery. One of my constituents owns and operates a prawn trawler at Yamba. Three families obtain their livelihoods from this trawler. If the present scheme for the distribution of shares is continued, the future will not be bright for all concerned. On 8 March 2004 my constituent attended a meeting at Maclean which was chaired by Steve Dunn of NSW Fisheries. He came away with all his questions still unanswered and was still uncertain about the future of the fishing industry.

Steve Dunn said that the proposed share allocation guidelines were a product of the management advisory committee [MAC]. However, my constituent has had no information from his MAC member, and he believes that the whole consultation process is a sham. Primary production is becoming harder and harder, and the fishing industry is no different. Skyrocketing fuel prices, insurance premiums, superannuation, survey costs and registration, the Safe Food Act, workers compensation premiums, the threat of foreign prawn farms, lack of trained staff and reductions in areas that can be fished—marine parks, et cetera—are having a big impact. Maintenance costs and administration fees are all impacting on the industry. Last but by no means the main factor that determines whether they can go to work is mother nature itself.

With all of the those matters to deal with, the last thing those in the fishing industry need right now is for fisheries to change course. The North Coast communities are already suffering high unemployment and many businesses in this region rely heavily on the fishing industry and seafood. This might sound like an exaggeration but it is not. The Minister should show some compassion and fairness, and look at the way shares are being allocated at the moment. No consideration has been shown to the Government's commitment to the fishing industry. By "commitment", I mean the size and cost of a fishing business. Since 1985 the allocation of units has been the focus of trading within the industry. These units were allocated on the basis of size and power, and became an owner's fishing right. How can they now be left out of the share allocation principle?

An example is a fisherman with an ocean prawn trawler at Yamba. His investment is more than half a million dollars and he provides massive returns to the co-operative each week. Down the road is another trawler worth $50,000 that very rarely travels, but because the owner has a bigger catch history he will get more shares. A constituent of mine tells me:

> There is a small trawler moored at Yamba, not far from me that has perhaps worked six nights at sea in the last six months. The owner does not employ anyone and contributes very little to the industry or its economy. I believe with this proposed share issue he will receive maximum shares and I will receive approximately half. I'm not saying I deserve more shares but I'm certain I deserve no less and I am prepared to fight for my fishing rights.

I would like to provide an analogy that I hope better explains the situation, using the dairy industry. Take two dairy farmers. One farmer milks 10 cows a day on his property of 100 acres and has done so for 30 years. The other farmer milks 1,000 cows a day on 5,000 acres and has been in operation since 1990. The Government now says it is going to make the dairy industry share managed and because the first farmer has been established for 30 years he receives 100 shares. The second farmer receives 50 shares because he has been in operation only since 1990. No consideration is given to the fact that the second farmer's investment is far greater than the first farmer's investment. Is this reasonable or fair? I am sure the second farmer says no. He supplies to the industry 100 times more milk than the first farmer, employs two full-time staff and spends a lot of money in the local economy.

To add to the second farmer's woes, the Government says that in the future it will be converting shares into the number of cows a farmer can have at, say, two cows per share. Thus, the first farmer will be allowed to keep 200 cows and the second farmer 100 cows. With the introduction of shares the second farmer has gone from having a million dollar investment to having an investment that is no longer viable, whereas the first farmer stands to make a small fortune from the sale of shares that are surplus to his requirements. This may sound ridiculous—which it is—but this is what NSW Fisheries is proposing for ocean prawn trawlers.

Why is the appeals process required when fishers went through a validated catch history appeals process in 1993-94? If the validated catch history appeal panel made its decision then, why should NSW Fisheries not acknowledge that decision now? If NSW Fisheries will not acknowledge previous validated appeal catch decisions, what was the use of the panel in the first place, and what power did it have? Now, because of share-managed fisheries, there is concern about future share trading. The Government is asking industry to enter into a share-managed system, which is being promoted as providing more secure access to resources, but without any indication being given to industry whether share trading will happen, and under what arrangements. We must question how the lobster and abalone share-managed fishery is working. It has been in share management for a while and I have heard it is not working very well.

In summary, the main issues are: the time frame is insufficient for fisheries to read, comprehend and provide informed comment; the appeals process is too fast; consultation is not negotiable; and all the options presented in submissions to NSW Fisheries have not been incorporated in any projects or programs. There has been minimal input. Fishermen consider that nothing they put forward suits NSW Fisheries' agenda and they believe there is no scope for negotiation. Finally, if the introduction of share-managed fisheries takes place, will the Government be prepared to assist fishermen—who are financially disadvantaged because of its policy—to purchase additional shares so they can continue to work and employ people? There is a proposed minimum shareholding. Assistance is available to other struggling primary producers such as those in the sugar industry and the farming sector, so why not fishers? We believe in more consultation with the industry and less haste in implementing share-managed programs.

Mr MATT BROWN (Kiama) [12.04 p.m.]: I support this bill, which makes a variety of improvements to the Fisheries Management Act. In particular, the amendments contained in the bill will greatly facilitate the share management approach to managing our commercial fisheries. The amendments will also improve various other aspects of the legislation. I shall address two aspects of this bill. The first concerns the amendments to section 7C of the Act, which deal with certain aspects of fisheries management strategies. The development of management strategies and environmental impact statements for each of our major fisheries is essential to ensure that fisheries are sustainable and viable. Management plans were completed for commercial abalone and lobster fisheries some time ago.

More recently, strategies were finalised for the estuary general, estuary prawn trawl and ocean hauling fisheries. Strategies and assessments are under way for the other major commercial fisheries. The Government has ensured that the strategies and environmental assessments have been subject to a high level of involvement by key stakeholders and the public. As a result of this experience, significant improvements are being made to

the strategies that are currently being developed. But we must ensure that these improvements also apply to the strategies that have already been completed.

The amendments to section 7C of the Act will allow improvements identified in later strategies to be applied to earlier strategies. Specifically, the amendments will allow subsequent strategies to expressly amend earlier strategies, without the need to re-make each of the earlier strategies. This approach will operate in the same way as new legislation amends previous legislation, in the same way that this bill will amend the Fisheries Management Act. This approach will bring significant savings in cost and time. Additionally, the amendments to section 7C will permit the setting or revision of priorities for the many actions that are required under a strategy, or for the implementation of actions that are common to two or more strategies. This will ensure that the implementation of actions can be targeted at the fishing activities that pose the highest risk to the environment.

For instance, a scientific observer program, which has been identified as a necessary tool for managing the majority of our fisheries, can focus on the fishing activities that have the greatest level of bycatch, or the stock assessment process can focus on the fish species at greatest risk. This is a practical and responsible way to implement management strategies in a cost-effective way. The Government takes this step to ease the burden on commercial fishers at a time when the commercial fishing industry is not in a position to pay the full potential costs of each and every action flowing out of the fisheries management strategies.

The second aspect of this bill that I refer to concerns the amendment to the definition of "harm to marine vegetation". An amendment to section 204 will make it clear that harming marine vegetation by changing its environment, such as blocking out light through construction activity, will be an offence unless a permit has been issued. Before I go into the details of the amendment, let me make it clear what "marine vegetation" means in the context of these amendments. Section 205, which is the section prohibiting harm to marine vegetation, applies to mangroves, seagrasses and any other vegetation prescribed by the regulations. At present, only one type of vegetation is covered in the regulations, namely, large seaweeds. These types of vegetation have been singled out because they are important nurseries for juvenile fish and are often referred to as the engine room of our fisheries.

I turn now to the amendment. The bill amends the definition of "harm" in section 204 of the Act. Previously section 204 had relied on the definition of "harm" in part 7A of the Act, but it failed to cover harm arising from a change in the physical environment. The way the definition was worded, marine vegetation could not be cut or removed. However, people were not prohibited from harming marine vegetation by altering its environment, which could eventually kill the vegetation. The definition was therefore incomplete. With the amendment in this bill, the full extent of "harm" will now be covered. The amendment will make it clear that one can harm marine vegetation by blocking sunlight, as well as by ripping it up. The amendment closes a loophole in the legislation.

Let me give an example. If someone builds a jetty they have to get approval to sink the poles and construct the decking. They need a permit for this. The actual work of building the jetty may not have much effect on the seagrass underneath. However, the jetty could then block the sunlight from getting to the seagrass. Eventually, this could kill it. In doing so, the nursery ground for fish is destroyed. However, under this amendment, the seagrass will be better protected. A person building a jetty would need a permit from NSW Fisheries if seagrass was going to be harmed. As part of the permit process, NSW Fisheries would advise on how best to build the jetty without damaging the seagrass.

Finally in relation to this amendment, I highlight a transitional provision. Honourable members would see in the amendments to schedule 7 to the Fisheries Management Act that existing approved activities are exempt from the change to the definition of "harm". This means that if someone has gone through the proper process and got the correct authorities and permissions, he or she will not be affected by this change. This is a sensible and practical approach and will provide the necessary certainty required. Overall, this bill brings significant improvements to the fisheries legislation. I commend the bill to the House.

Mr JOHN BARTLETT (Port Stephens) [12.10 p.m.]: The Fisheries Management Amendment Bill amends the Fisheries Management Act 1994. I will not speak to all of the 12 major objects of the amendments. Port Stephens is a popular recreational and professional port. Stockton Bight and Newcastle Harbour are on the eastern edge of my electorate. I have lived in the Port Stephens area for more than 40 years so I have a little understanding of the fishing industry. While preparing this speech I remembered my good mate George Pain, a trawler fisherman, taking me out one night off Stockton Bight. I am a slightly better politician than I am a deep sea trawler fisherman, but we will not go there.

Over the last 15 years the number of businesses in the fishing industry has declined from some 2,000 to the present 1,200 because of the need to conserve resources, the lack of resources and the buy-out in different areas to try to manage fisheries on a much better basis. The goal of the bill is to provide certainty and a tradeable asset to the people engaged in the fishing industry. The bill makes a variety of small but important amendments to our fisheries legislation aimed at streamlining current practices, improving fisheries management, expanding options for the industry and safeguarding the environment. Most importantly, the bill deals with several aspects of the shared management provisions of the Fisheries Management Act. The amendments complement the conversion of category 2 commercial fisheries to category 1. The change will give many of the State's commercial fishers greater security in their fisheries and will provide greater incentive to conserve our valuable resources.

The bill also introduces a definition of commercial "fishing business" to the Act, which will allow the current controls on overall fishing effort to be maintained as share management is being implemented. It also allows the validated catch history of a business to be preserved and used, if necessary, in the future. In this way new classes of shares could be issued to manage particular species so long as the relevant management plan permitted it. The Government has agreed to the industry request that the validated catch history years be defined as 1986 to1993. This is to reflect the validation process that was finalised as part of the implementation of restricted fisheries. So if a buy-out occurs because of environmental or other factors, the validated catch history will be the basis. Results in that period will be divided by three and multiplied by two.

Investment warnings were issued to new entrants advising that the validated catch history may be used in future management decisions. So people who invested had in mind that the validated catch history would be used for buy-out purposes rather than the new catch history. Fishing business owners were able to appeal to an independent panel to have their catch history amended and finalised as part of that process. If fishers are not happy with their share allocation they can request a desk-top review in the first instance. If they are still not satisfied they can go to an independent share management fisheries appeal panel to have their allocation reassessed. However, as catch history has been finalised the panel will not be able to recommend amendments to a fisher's validated catch history.

The amendments also provide for management charges and community contributions to be paid in accordance with a management plan. This will bring greater flexibility and fairness to our system. In addition, the amendments introduce streamline arrangements for nominating fishers to operate fishing businesses on behalf of the owner. This streamlining will reduce costs—in both time and money—for commercial fishers and the Government. More broadly, the bill makes several amendments to introduce long-term licences. The amendments will apply to commercial fishing licences, fishing boat licences and charter fishing boat licences. Once again, these amendments will provide savings in both time and costs to commercial operators and the Government.

In terms of environmental protection, the bill closes a loophole that allowed marine vegetation to be harmed, as was mentioned in detail by the honourable member for Kiama. The amendments close the loophole by extending the definition of "harm" to include the change to the marine vegetation's environment. In this way the valuable breeding grounds will be further protected, ensuring future generations of fish. Finally, the bill introduces a number of minor changes to clarify matters and to increase efficiencies in the administration of the Fisheries Management Act. It brings welcome improvements to the legislation that all members of the House should support as most people in the fishing industry see advantages for their business. I commend the bill to the House.

Mr BOB DEBUS (Blue Mountains—Attorney General, and Minister for the Environment) [12.17 p.m.], in reply: I thank honourable members for the points they have raised in the debate. I acknowledge particularly that various members have dealt with issues of cost recovery, seagrass, catch history, allocations and appeals. In those respects I would refer them to the Minister's speech in reply in the other place as recently as yesterday. Nevertheless, I will ensure that the concerns raised by honourable members are referred to the Minister. I also invite members to raise them with him directly should they wish to do so. I commend the bill for the consideration of the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

HEALTH LEGISLATION AMENDMENT BILL

Second Reading

Debate resumed from 2 April.

Mr BARRY O'FARRELL (Ku-ring-gai—Deputy Leader of the Opposition) [12.19 p.m.]: The Health Legislation Amendment Bill amends five pieces of health care legislation. Each year we deal with a Health Legislation Amendment Bill when we try to tighten up the State's health care by changing various pieces of legislation. The first of the five Acts changed by the bill is the Dental Technicians Registration Act 1975. The amendment will permit a dental technician to perform dental prosthetics as part of an approved course of training to become a dental prosthetist.

The amendment will assist students involved in distance education in dental prosthetics—a course developed by TAFE New South Wales. At the moment, distance education is primarily utilised by practitioners in non-metropolitan areas who would otherwise have difficulty accessing appropriate training. My Nationals colleagues are concerned about availability and waiting times for people requiring dental services in rural and remote New South Wales. We support these changes because they are directed to improving the skills base available in those parts of the State.

However, I note some comments of the New South Wales branch of the Australian Dental Association. The branch is on the record as strongly supporting the credentialing process required to vary the competencies of professional groups. It has made the point that there must be appropriate rigour within the process to ensure a public benefit without compromising standards and safety. As with the Dental Practice Act 2001, the branch has developed a position on practice oversight, which becomes a contractual relationship between providers to ensure that in the event of a complaint the boundaries of competency and authorisation are well defined. The branch is concerned that this may mean that prosthetists' training will be an indenture process rather than a formal education process.

The challenge for the statutory body will be determining how the standards are maintained and documented. The concern is about self-education without due qualified process, competency, credentialing and privilege. The branch is not certain that these amendments will give the public that level of benefit. It has indicated that it supports following this path, but that there must be appropriate regulation and transparency. In respect of these amendments fulfilling a public-benefit test, the Parliamentary Secretary's remarks in the second reading speech about this issue were very brief and did not attempt to address it in any way, except for pointing out that the amendments will make it easier for those engaged in TAFE distance education courses to undertake training. In itself, that is a good thing. However, the Australian Dental Association is keen to ensure that, once the training process is over and practice begins, there is appropriate oversight and accountability. I make those remarks on behalf of the association.

The second Act being amended is the Human Tissue Act 1983. The legislation contains six amendments to the Act: first, to remove the requirement for businesses that supply blood back to the donor of the blood to be authorised to supply by the Department of Health; secondly, to remove the requirement for the consent of a parent before a 16-year-old or 17-year-old can donate blood; thirdly, to permit the removal of blood from a child under the age of 16 years without agreement of the child in certain limited circumstances; fourthly, to remove the restrictions on the premises at which blood can be collected; fifthly, to permit the regulations to prescribe defences against offences or actions in tort or contract brought in relation to infections from prescribed contaminants in blood; and, sixthly, to increase certain penalties and to make other minor amendments.

In relation to the permission to remove blood from a child, the Opposition is satisfied that the limited circumstances, which relate to benefit to siblings or parents of the child, are appropriate. It would require parental permission and is an appropriate course of action. It accords with the Opposition's views in relation to other aspects of the Human Tissue Act, particularly regarding organ donations. In the brief remarks made by the Parliamentary Secretary in introducing this legislation the commentary on the decision to remove the requirement for parental consent for 16-year-olds and 17-year-olds is not explained in any way.

I do not have a particular problem with 16-year-olds and 17-year-olds being able of their own volition to donate blood, and I cannot think of a circumstance in which a decision to lower the age of consent for such blood donations could be abused. However, to paraphrase the Australian Dental Association regarding the earlier bill, when legislation is introduced the case for the public benefit should be explained. If the Minister

does nothing else in responding, I would welcome an explanation of the rationale for the decision to allow 16-year-olds and 17-year-olds to donate blood without parental permission, albeit the issue does not worry me at a personal level.

The third Act being amended is the Mental Health Act 1990. The amendments seek to make it a requirement that the assistance of the police be sought in the involuntary admission of a person only if a serious concern exists about the person's safety, and to permit the chief health officer to delegate his or her functions under the Act. This issue has been acted upon following concerns expressed by NSW Police that officers are being required to transport mentally ill people in a way that is affecting their other duties. I will raise two issues: First, the New South Wales branch of the Australian Medical Association [AMA], which I also consulted about this matter, pointed out that the existing Act already requires an apprehension of risk or harm to justify involuntary admission and, therefore, the use of police to transport people suffering mental illness.

The AMA is concerned that these amendments do nothing more than reflect the status quo. It also points out that memorandums of understanding with police do not always help to achieve agreement on the circumstances in which assistance is required. I do not think anyone disagrees about the objective of ensuring that police are called in appropriate circumstances. However, through the AMA the doctors have indicated that formulating guidelines that appropriately reflect those circumstances is much harder than it sounds. The second issue I wish to raise is that if, as is appropriate, the use of police to transport people suffering mental illness is to be reduced, the vacuum will have to be filled by another service. We know that ambulance services across the State are involved in such duties and that in many cases hospitals and the other health facilities are also involved. Again, the second reading speech is lacking in that it does not state who will take up the slack, and what additional burdens will be placed on the rest of the health system and those working in it. Our ambulance services are already struggling to meet response targets for urgent medical calls.

The fourth and fifth Acts being amended by this legislation are the Nurses Act 1991, to permit the Director-General of the Department of Health to approve guidelines that provide for the possession, use, supply or prescription of drugs of addiction by nurse practitioners and midwife practitioners, and the Poisons and Therapeutic Goods Act 1966, to permit the Director-General of the Department of Health to approve a nurse practitioner or a midwife practitioner as a prescriber of drugs of addiction. In its explanation of this amendment, the Government argued at some length that it is consistent with its policy regarding the greater use of an expansion of the role of nurse and midwife practitioners. The Government specifically instanced the case of rural and remote New South Wales and the capacity of practitioners in these fields to continue, amongst other things, the State's methadone program. Certainly the availability of that program is not a matter that I have a problem with.

However, organisations such as the Australian Medical Association are concerned when decisions are made to further increase the powers and authorised activities of nurse and midwife practitioners. They make a case—in my view a legitimate case—that this is contrary to their discussions during the last term of the Parliament with the former Minister for Health, Craig Knowles, regarding the role of nurse and midwife practitioners. An explanation is owed to the AMA for the discrepancy between what this bill represents and what was previously relayed to the association by the former Minister in relation to the role of nurse and midwife practitioners. Having said that, the Opposition does not oppose the legislation. As I said, it provides an annual process of seeking to improve the operation of health care in New South Wales. Given the continuing crises in the New South Wales health system, far be it for us to stand in the way of any improvement in that system.

Ms LINDA BURNEY (Canterbury) [12.31 p.m.]: I support the Health Legislation Amendment Bill, the introduction of which came about following an extensive consultation process with the two peak organisations, the Australian Medical Association and the Rural Doctors Association, both of which do a substantial job for their members. The Government is committed to ensuring that rural and regional New South Wales have access to quality dental services. Currently, dental technicians who live in country areas and want to further their training are forced to travel to Sydney for such training. The bill proposes amendments to the Dental Technicians Registration Act that will assist our rural communities with regard to access to training. The amendments are needed to allow dental technicians living outside the metropolitan area to access training in dental prosthetics. Currently the only training available in dental prosthetics is provided by TAFE at the Randwick campus, which is not helpful for people living in country areas who wish to undertake such training.

The training requires nine hours attendance per week for three years. One can imagine how difficult it would be for people who live outside Sydney to access the training. In fact, it is virtually impossible if such a

person does not make a commitment to leave his or her community and move to the city. The fact that the training requires nine hours attendance per week over three years complicates the decision even further. Improved access to such training for people who live in rural communities would increase the provision and level of service in those communities and also increase the opportunity for employment of local people in local positions. Clearly, it is not acceptable that country-based practitioners be placed in such a situation, and the Government's proposed changes go a long way towards addressing this problem.

Any good measure such as this must be balanced by appropriate safeguards, and in our view the appropriate safeguards are clearly built into the legislation. For that reason, any course training will have to be approved by the Dental Technicians Registration Board. Members of this House would probably be aware that there is an extraordinarily strong regulatory framework regarding the way in which TAFE provision of such training is approved. In this case, the fact that the training will be approved by the Dental Technicians Registration Board will provide an important safeguard. Any dental technician enrolled in a course will only be able to practise dental prosthetics under the supervision of a registered dentist or dental prosthetist. These safeguards are reasonable and will help to provide people with a quality service.

The bill also proposes amendments to the Human Tissue Act. It allows for a child of 16 or 17 years of age to consent to blood donation from their own body. The amendments have been introduced to bring the legislation into line with other surgical and medical procedures for which a child of 16 or 17 years of age can give consent. In a sense, the bill tidies up the issue about those who are 16 or 17 years old making decisions about their own bodies, particularly regarding blood. Under the current legislation, blood can be taken from a child with a parent's or guardian's consent if the child agrees and a medical practitioner certifies that such removal of blood will not be detrimental to the child's health.

The amendments are extremely helpful for situations in which the blood of children can be used to treat diseases in their parents or siblings. The bill is a sensible approach to addressing the community's expectations regarding the decisions of those who are 16 or 17 years old in a whole range of areas in their lives. Blood will only be able to be taken in this situation if the parent or sibling is likely to die or suffer serious damage. In addition, the parent cannot consent to blood being taken from the child where its use is for the treatment of that parent.

The safe supply of blood is an important issue. I am sure everyone would agree that New South Wales must have a safe and secure blood supply. Given the influx of, and public knowledge about, a number of blood-borne diseases over the past few years, we understand why the security of our blood supply is so important. As we are all aware, there have been many examples of real tragedies as a result of an insecure blood supply. For this reason the Act provides that a person who removes blood from another person without a declaration as to the donor's suitability is guilty of an offence.

The donor declaration system is a good one, and it is an important mechanism for ensuring the safety of blood. The maximum penalty for not obtaining a donor declaration is two penalty units. Given that this measure has a significant impact on the safety and security of the blood supply, the bill proposes a fiftyfold increase in the maximum penalty. This reflects the community's demand and our responsibility for ensuring that the security of the blood supply is paramount. The penalty should fit the seriousness of the offence, and that is exactly what the proposed changes do.

Over the past few years I have had a lot to do with hospitals and the medical system, mostly through relatives and friends who have required an enormous amount of hospitalisation. So I understand that particularly the Mental Health Act and the Human Tissue Act are extremely important in relation to the tidying up of this legislation. My contact with the medical system has been extensive and I have extreme admiration, as an observer and a visitor, for the people who work within the public and private systems. We should all respect deeply the vocation that provides this sort of public service. I commend the bill to the House.

Mr THOMAS GEORGE (Lismore) [12.40 p.m.]: I support the shadow Minister's comments on the Health Legislation Amendment Bill. The amendment to the Human Tissue Act 1983 removes the requirement for parental consent to allow a 16-year-old or 17-year-old to donate blood. I presume that will increase the numbers of blood donors for the Australian Red Cross Blood Service. However, if that is the reason for the amendment, I have concerns about it. The Australian Red Cross Blood Service does a mighty job throughout this country, and especially this State, and I pay tribute to it. However, since becoming the member for Lismore I have seen the mobile services that service offers to country and regional areas wound back. In my electorate a number of people provided blood to the Australian Red Cross Blood Service but the facilities that were available

years ago have been wound back and restrictions have made it impossible for the mobile blood services to continue in country and regional areas.

The Australian Red Cross Blood Service has been taken out of towns. At Casino I had to fight to have it re-established. I had a phone call the other day from the Australian Red Cross Blood Service saying, "We are going to do away with Kyogle. People can drive over to Lismore to donate blood." I said that as the local member I would not accept that because it is a 45-minute drive from Kyogle to Lismore and 45 minutes back again. People do not have that time in this day and age, let alone the comfort of having transport between the two communities. People are just not going to be able to take time off work and drive to Lismore to give blood.

Blood is needed throughout the State and throughout the nation, and 16-year-olds and 17-year-olds will be brought in to support this service. But we need to be aware that in country and regional areas we need mobile services that are user-friendly and can be utilised by everyone who wants to give blood. The community wants to support the service. I register my concern about the amendment but I stress that what I have said is in no way a criticism of the service that is provided by the Red Cross. However, I am concerned that mobile units are being wound back. I am also concerned that some communities will lose their service completely and will be deprived of the opportunity to provide blood to the Australian Red Cross Blood Service.

Mr PAUL McLEAY (Heathcote) [12.43 p.m.]: I also support the Health Legislation Amendment Bill, and I will speak in particular about the two amendments to the Mental Health Act 1990. The Government is committed to improving mental health services across New South Wales. In the mini-budget the Government announced a $241 million boost to mental health funding. NSW Health has already committed to a review of the Mental Health Act. I recently attended a forum, organised by New South Wales Young Labor, where I spoke about the review of the Mental Health Act. I thank again Michael Meurer, the convener of that committee. There were a lot of interesting speakers, including Susan Goldie, who is a mental health first aid officer, and Rhoda Immerman, from the Association of Relatives and Friends of the Mentally Ill, who talked about support group meetings and the information provided by the organisations.

Leanne Nichols, who suffers from mental illness and is an advocate for mental health services, told us about "Mind Matters Magazine", a periodical she is putting together to broaden public discussion about mental health and to encourage early intervention and treatment to maximise health and wellbeing. The forum, about which I have spoken previously in this House, was very well attended. Many people were interested in what a review of the Mental Health Act is and what it means for the community. It is also an issue that people in my electorate are very concerned about, and in fact preparations are already being made for the Sutherland Shire Memory Walk to take place at the end of the year to raise money for, and awareness of, the treatment of Alzheimer's disease. I congratulate Mr Ben Maiorana for his involvement in that cause and for his continued support.

The first discussion paper on the Mental Health Act review, released in March, talks about privacy and information sharing. The second discussion paper about operational aspects and the forensics system is due for release shortly, and we hope to introduce legislation into the Parliament this calendar year. The work to improve mental health services continues with this bill. The amendments to section 22 of the Mental Health Act 1990 is a priority. Section 22 of the Mental Health Act allows for a medical practitioner or authorised person to obtain the assistance of police to take a mentally ill or disturbed person who has been scheduled under the Act to a psychiatric facility.

The provision is necessary to ensure the safety of the patient and staff. The proposed amendments to section 22 are in response to concerns by the police that this provision is not being utilised as intended. The Act currently provides that police assistance can be required where the practitioner is convinced that a patient's condition is such that a police presence is necessary and there are no other means of transporting a patient to hospital. NSW Police has raised concerns that the provision is being used from time to time for convenience and not when it is strictly necessary. As a result, police resources are being diverted from front-line services, particularly in regional areas where there are larger distances to cover. One amendment provides that police assistance may be required when the medical practitioner is of the view that there are serious safety concerns to the patient or other persons if police assistance cannot be obtained. The provision would read:

> You should not request this assistance unless there are serious concerns relating to the safety of the person or other persons if the person is taken to hospital without the assistance of a member of the Police Force.

That provision is significant for a community. Doctors and general practitioners will have to use discretion, which they already exercise, but the police will be able to concentrate on front-line policing rather than be used

as a ferrying service. The police can continue their important work in driving down crime**.** The results last week from the Bureau of Crime Statistics and Research are very good news, and our local cops will be allowed to continue to do their important work. The option now exists for medical practitioners to retain the power to obtain police assistance where, in their opinion, there is a serious risk to the health or safety of the mentally ill person or some other person. In other cases, liaison with respect to transport options should take place between the local mental health service and the Ambulance Service.

Another section of the Mental Health Act to be reviewed relates to delegation by the chief health officer. Under the Act the chief health officer has the power to transfer forensic patients between prison and hospital. However, the chief health officer may delegate the function of authorising the transfer of a forensic patient from hospital to prison but not the transfer of a patient from prison to a hospital. Corrections Health staff are in a much better position to assess whether such a transfer is clinically indicated and, therefore, it is appropriate that the function be delegated. The general power of delegation simply means that the time of the chief health officer can be utilised in the most efficient and effective manner. My contribution has concentrated on those two amendments, which are reasonable and will ensure better operation of the Act. I commend the bill to the House.

Ms KRISTINA KENEALLY (Heffron) [12.50 p.m.]: I support the Health Legislation Amendment Bill and express particular support for the provisions relating to mental health. I am aware that my constituents want more police where they are needed. The honourable member for Heathcote referred to the fact that the amendments will allow police to focus on front-line services rather than providing transport simply for convenience. It is important to remember also that the amendments will work in favour of people suffering from mental illness and who require safe transport. In particular, I am reminded of members of a family in my electorate I have been assisting who have, at times, needed the assistance of police for the valid reason that their safety or the safety of a family member was in doubt. For them, and others like them, these amendments will ensure that when safe transport is required, it will be available.

The bill proposes amendments that will continue the success of the nurse practitioner program in New South Wales. Registered nurses are already involved in the delivery of the State's methadone program. Indeed, my sister-in-law, Josie Byrne, is a registered nurse working in the methadone program at the Royal Prince Alfred Hospital. I have spoken to her about these amendments. She is of the view that extending the nurse practitioner program to allow nurses to be involved in prescribing methadone would make the process much simpler and easier for both the nurses involved and the clients of the program. The proposed amendments will allow certain nurse practitioners to take a greater role in that program and help deliver the program to more people.

This is particularly important for country New South Wales. There is a shortage of medical practitioners available to participate in the methadone programs in non-metropolitan areas. The effect of this change will enhance services in rural and regional New South Wales. I can advise the House that appropriate safeguards and measures have been devised to ensure safety at all times. Qualified nurses would only be able to participate after undertaking appropriate training in methadone prescribing. I can also advise that prescribing of this sort would be governed by practice oversight guidelines approved by the Director-General of Health. These guidelines would be developed in consultation with the medical practitioner groups and methadone prescribing organisations.

The bill proposes other changes, including amendments to the Human Tissue Act. I know that previous speakers have spoken at length on this issue. The screening of blood is very important and it is the best way to ensure safe supply. But the screening of autologous supply, that is, blood that is removed from a person for that same person, is not required. I am advised that this sort of supply is usually involved in transfusions or storage of blood, generally following or during surgery. There is no risk that that blood, if appropriately looked after, will become infected. As a result, there is no purpose in subjecting the patient to the screening process. This bill introduces many important amendments to health legislation in New South Wales and will help to make our health system more efficient. I commend the bill to the House.

Mr BOB DEBUS (Blue Mountains—Attorney General, and Minister for the Environment) [12.55 p.m.], in reply: I thank all honourable members for their contributions to the debate and for acknowledging these significant changes to health legislation in New South Wales. It is appropriate that considerable emphasis was placed on the amendment to section 22 of the Mental Health Act to ensure a more efficient division of responsibility between health officials and members of NSW Police in the transportation of mentally ill patients. NSW Police has raised concerns that the provision, as it presently stands, is used in

situations where assistance by the police is a matter of convenience rather than being strictly necessary. As all honourable members would be aware, from time to time police resources are diverted unnecessarily from other priority areas. This change will improve that situation.

The Deputy Leader of the Opposition referred to clinical safeguards that might be in place concerning changes to the Dental Technicians Registration Act. I can confirm that any relevant course of training proposed under these amendments will need to be approved by the Dental Technicians Registration Board and that any dental technician enrolled in a course of that nature will only be allowed to practise dental prosthetics under the supervision of a registered dental practitioner or prosthetist. There is no scope for a dental technician to independently practise dental prosthetics under the proposed amendment.

The Deputy Leader of the Opposition referred also to blood donations by children under the age of 18. Amendments to the Human Tissue Act 1983 allow for a child of 16 or 17 years of age to consent to the removal of blood from their own body. That will put consent to blood donation on the same footing as other surgical and medical procedures for which a child of 16 or 17 years can give his or her own consent. The Act presently provides that blood can be taken from a child with the consent of a parent or guardian if the child agrees and if a medical practitioner certifies that the removal of blood is not likely to be detrimental to the child's health. There is no capacity for donation of blood in cases where the child is too young to understand the procedure and therefore agree with it.

There are instances where the blood of very young children can be used to treat diseases in siblings or parents and it is important that a mechanism be in place to allow for blood to be taken from such a child. Blood may only be taken in those cases where the parent or sibling is likely to die or to suffer serious damage to their health without the blood. A further safeguard is built into these provisions. Where the blood is to be used in the treatment of a parent, that same parent cannot consent to blood being taken from the child. Again I thank honourable members for their contributions and I commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

FILMING APPROVAL BILL

Bill introduced and read a first time.

Second Reading

Mr BOB DEBUS (Blue Mountains—Attorney General, and Minister for the Environment) [1.00 p.m.]: I move:

That this bill be now read a second time.

The Filming Approval Bill has been introduced to allow filming within the national park estate and marine parks, subject to the imposition of strict environmental conditions. The national park estate conserves a unique diversity of outstanding landscapes in New South Wales, from the red desert to rainforests, alpine areas and vast tracts of wilderness. It is the very diversity of magnificent locations that is a key factor in attracting both the Australian and international film industries to New South Wales. Our national parks have already served as successful locations for many Australian and international films, such as *Mission Impossible II, Lantana, Rabbit Proof Fence* and *The Mask 2*. A number of these films have won awards. Similarly, successful Australian television series such as *Fireflies* and *Home and Away* have been filmed, in part, in our national parks.

The New South Wales film and television industry provides around 50,000 jobs and is worth some $4 billion a year to the State's economy. Therefore, the Government strongly supports the industry and is keen to see it develop and flourish in this State. The Government is of the opinion that filming is an appropriate activity within our national park estate. It frequently provides an opportunity to promote national parks and to increase public appreciation and understanding of the natural and cultural values of our national parks. It is an activity that also helps to promote national parks to both local and international visitors. For example, who can forget the inspiring and romantic images of the Snowy Mountains seen in *The Man from Snowy River*? Honourable members would be familiar with *The Lord of the Rings* films, which showcased New Zealand's magnificent national parks and natural landscapes with such remarkable effect. Those areas in New Zealand are now being widely promoted to people who want to visit the stunning areas where the films were made.

The need for this legislation arises from the recent making of a film known as *Stealth*. The Department of Environment and Conservation recently granted consent for the filming of *Stealth* in a part of the Blue Mountains National Park which also happens to be in a declared wilderness area. The decision was challenged in the Land and Environment Court by the local conservation group, the Blue Mountains Conservation Society. While the court did not make any adverse finding about the environmental impact of the proposed filming, it nevertheless set aside the department's consent on the basis that commercial feature filming was inconsistent with the objects of the National Parks and Wildlife Act and the management principles of the Wilderness Act. Specifically, Justice Lloyd said:

> I do not think that a production of a commercial feature film is appropriate public recreation in the context of the objects of the National Parks and Wildlife Act or the purpose of reserving land as a national park. Such an activity has nothing to do with these objects or that purpose.

There is sufficient case law to suggest that in these circumstances such activities would be unlawful in a national park. In this instance the activity in question is the making of a commercial feature film. In ruling on the *Stealth* case, the Land and Environment Court has specifically drawn attention to doubts concerning the power to approve the making of any commercial feature film in any national park or reserve, whether or not the land in question is in a declared wilderness area. I stress that the court's observations were not limited to *Stealth*; they were made with respect to any commercial feature film. The court has also drawn attention to doubts concerning the power to approve the making of any film in a wilderness area, at least in the following circumstances: first, when the filming is being undertaken commercially, that is, for sale, hire or profit; and, second, when the filming requires exclusive use of the area in question. The Government is committed to eliminating these doubts.

As the law now stands, it is entirely possible that magnificent Australian feature films such as *The Man From Snowy River*, *Lantana* and *Rabbit Proof Fence* could not be filmed in a national park in New South Wales. It is even possible that the making of a nature documentary or a tourist promotional video in a wilderness area, at least in those cases in which exclusive occupation was necessary to film, would also be unlawful. These are unacceptable restrictions and ambiguities on the making of films in New South Wales. They undermine the Australian film industry's ability to film in our magnificent Australian bushland settings. The bill will remedy this problem by putting beyond doubt the power of the Minister for the Environment, or a delegate, to authorise the making of a film in the national park estate. A similar power will be conferred on the Minister for the Environment and the Minister for Primary Industries, or their delegates, to permit the making of a film in a marine park.

This power will apply within the national park estate or a marine park, whether or not filming is for commercial purposes, and will include the power to authorise exclusive access to and use of a specified area for a defined period of time. To ensure that the precious values of wilderness areas are protected, filming will be restricted in these areas. Wilderness includes large natural areas that remain substantially unchanged by modern human activity. They are the most intact and undisturbed expanses of our remaining natural landscapes and their special values are managed by the National Parks and Wildlife Service to ensure that they are disturbed as little as possible. The Minister for the Environment will have the power to approve commercial filming in declared wilderness areas, but only when the film is for scientific, research or educational purposes or for the promotion of tourism, and when the activity is consistent with the wilderness values of that particular area.

Of course, filming will only be permitted within the national park estate or marine parks subject to strict environmental conditions. Indeed, I reiterate that the Land and Environment Court did not make any adverse finding regarding the environmental impact of the filming of *Stealth* within the Blue Mountains National Park. In fact, the Department of Environment and Conservation's thorough environmental assessment concluded that any impacts could be mitigated through the imposition of conditions in that case. This bill has been carefully drafted to enable filming to take place within the national park estate and marine parks in certain circumstances whilst ensuring that environmental protection is paramount.

Let me outline the steps that will ensure such an outcome. Firstly, the bill ensures that the Minister or delegate will have the power to impose appropriate conditions when issuing filming approvals. This may include conditions to provide that the filming is conducted in a manner which minimises or, indeed, eliminates adverse impacts upon the natural or cultural values of an area, requires existing means of access to be used where feasible, restricts the area in which filming is conducted and restricts the period during which filming is conducted. Filming proposals will be subject to an environmental impact assessment under part 5 of the Environmental Planning and Assessment Act 1979. This means that the Minister will require the preparation of a review of environmental factors or, if needed, an environmental impact statement.

Finally, if filming is proposed in Aboriginal co-managed national parks, such as in Mutawintji National Park in western New South Wales, the concurrence of the board of management for those lands must be obtained prior to granting any approval. This will ensure that the views of the Aboriginal owners are respected when filming occurs in these areas and that Aboriginal sites are protected. These statutory safeguards are further strengthened by the Department of Environment and Conservation's filming and photography policy, which ensures that filming activities do not compromise the unique natural and cultural values that our national park estate protects. That policy will be reviewed and amended following passage of this legislation.

The Government remains committed to creating and managing one of the world's very best systems of protected areas. Since coming to office in 1995, the Government has established around 345 new national parks and reserves, adding up to about two million hectares of land. In total, our national parks system now conserves 7.4 per cent of the total land area of New South Wales. The Government has also more than tripled the area of declared wilderness in New South Wales. Approximately one-quarter of the State's protected area network is wilderness. The bill will allow films to be made in the national park estate and marine parks whilst ensuring that the environment that we have worked so hard to protect will receive maximum protection. In particular, to ensure that the special values of wilderness areas are protected, filming will only be allowed in these areas for scientific, research and educational purposes, or for the promotion of tourism, and will be subject to very strict environmental safeguards.

This is a necessary and sensible bill, which takes a positive step for New South Wales. It will enhance the protection and public appreciation of our national park estate and will encourage tourism to these beautiful places, whilst also enhancing the State's international reputation as a film-making centre, attracting investment and creating jobs in the local film industry. Finally, I welcome feedback on the provisions in the bill. I have already met with representatives of the Blue Mountains Conservation Society about the legislation and I expect to receive a submission from it in the near future. As always, the Government will be prepared to consider amendments that will improve the legislation. I commend the bill to the House.

Debate adjourned on motion by Mr Russell Turner.

[*Mr Acting-Speaker (Mr John Mills) left the chair at 1.10 p.m. The House resumed at 2.15 p.m.*]

QUESTIONS WITHOUT NOTICE

Supplementary Answer

CAMPBELLTOWN HOSPITAL PATIENT MISTREATMENT ALLEGATIONS

Mr JOHN WATKINS: Yesterday the Deputy Leader of the Opposition asked me a question about the response of police to allegations of patient assault at Campbelltown Hospital. I provide the following supplementary answer. Following the honourable member's question I received the following briefing from Chief Inspector Mark Hiron from Campbelltown Local Area Command, who has been dealing with this issue. Chief Inspector Hiron advises:

> On the afternoon of 3 May, 2004 I—

that is, Chief Inspector Hiron—

> had a conversation with Leanne MILLS, the director of Nursing at Campbelltown Hospital. She related to me—

Chief Inspector Hiron—

> an incident that occurred at the Campbelltown Hospital on Thursday 29 April, 2004, where a nurse was treating a 93 year old … dementia patient. The patient was of non English speaking background. The patient, whilst resisting some treatment, slapped the nurse who is alleged to have immediately slapped her back. There were some threats about the use of a pillow to restrain the patient, however they were not expanded upon, and in any case did not take place. The patient was uninjured and these events were relayed to Ms MILLS by a student nurse who was working within the ward at the time. There was a third nurse working with them at the time, and whilst she witnessed the incident, she did not immediately report it.
>
> Ms MILLS immediately suspended the nurse, with pay, until the matter was investigated. The Hospital has protocols in place for incidents of this type and they were put in place.
>
> The patient's son was informed of what the allegations were and is happy for the Hospital to conduct its inquiry into the incident.
>
> I—

Chief Inspector Hiron—

> am told that the investigating body will be headed by a dementia specialist from another Area Health Service. That team is in the process of being assembled.
>
> The patient has been transferred to Liverpool Hospital where she has undergone unrelated medical procedures.
>
> On the afternoon of 4 May, 2004 I—

that is, Chief Inspector Hiron—

> spoke with the General Manager of the Campbelltown Hospital, Ms Joanne FISHER who confirmed the above information.
>
> It is my—

that is, Chief Inspector Hiron's view—

> that this matter, in terms of an assault, is one of a very minor nature. It is one that Police would not normally become involved with and that was my—

Chief Inspector Hiron's

> advice to both the Director of Nursing and the General Manager of the Hospital. There certainly are disturbing overtones to the allegation, however these are matters to do with health care practice and procedure and patient treatment.
>
> I—

that is, Chief Inspector Hiron—

> do not see the involvement of the criminal justice system in this matter as being the optimal means of dealing with the allegation.
>
> The Hospital has Standard Operating Procedures in place to deal with such incidents and has put them in place.
>
> There is ongoing communication with the Hospital, to whom we have pledged our expert assistance should the investigation at some time require it.
>
> This matter was not referred to Strike Force COSSA as its terms of reference relate to a series of deaths at the hospital and this matter is outside those terms of reference.

That is the end of the full official statement that Chief Inspector Mark Hiron of Campbelltown police provided to me after the Opposition's question yesterday. Having received the brief from the Chief Inspector, there were two details I had checked by the director-general of the Police Ministry. He has since advised me:

> Confirmed by Coroner's Office to Insp. O'Reilly, [Operations Response Unit], who also advised that Campbelltown [Local Area Command] had discussed the matter with COSSA officers.

I seek leave to table the report entitled, "Allegations of Assault Upon Female Patient Whilst at the Campbelltown Hospital on 29 April 2004, dated 4 May 2004.

Leave granted.

Report tabled.

DEATH OF MR PETER DOE

Mr SPEAKER: It is with regret that I advise honourable members of the death of Mr Peter Doe. Peter worked for the Parliamentary Food and Beverage Service for 29 years and, as members would be aware, in recent times managed the parliamentary bottle shop on level 5. He was always pleasant and easy to deal with. We offer to his sister, Jill Doe, and his niece Helen, who are present in the Speaker's gallery today, the sincere condolences of all members.

ADMINISTRATION OF THE GOVERNMENT

Mr SPEAKER: I report the following message from His Excellency the Lieutenant-Governor:

LIEUTENANT-GOVERNOR
J. J. Spigelman

OFFICE OF THE GOVERNOR
SYDNEY 2000

> The Honourable James Jacob Spigelman, Chief Justice of New South Wales, Lieutenant-Governor of the State of New South Wales, has the honour to inform the Legislative Assembly that, consequent on the Governor of New South Wales, Professor Marie Bashir, being absent from the State, he has this day assumed the administration of the Government of the State.
>
> 3 May 2004

MINISTRY

Mr BOB CARR: I advise honourable members that during the absence of the Minister for Fair Trading due to illness the Minister for Regional Development, Minister for the Illawarra, and Minister for Small Business will take questions on her behalf.

PETITIONS

Balgowlah North Public School

Petition requesting an upgrade of the Balgowlah North Public School facilities, received from **Mr David Barr**.

Nowra Public School Specialist Literacy Tuition

Petition requesting suitable accommodation for specialist literacy tuition at Nowra Public School, received from **Mrs Shelley Hancock**.

Milton-Ulladulla Public School Infrastructure

Petition requesting community consultation for suitable public school infrastructure in the Milton-Ulladulla districts, received from **Mrs Shelley Hancock**.

Autism Spectrum Disorder

Petition requesting additional support for children affected by Autism Spectrum Disorder in all educational settings in New South Wales government schools, received from **Mr Daryl Maguire.**

Wagga Wagga Electorate Schools Airconditioning

Petition requesting the installation of airconditioning in all learning spaces in public schools in the Wagga Wagga electorate, received from **Mr Daryl Maguire**.

Gaming Machine Tax

Petitions opposing the decision to increase poker machine tax, received from **Mr Steve Cansdell**, **Mr Andrew Fraser**, **Mrs Shelley Hancock**, **Mrs Judy Hopwood**, **Mr Malcolm Kerr**, **Mr Daryl Maguire**, **Mr Steven Pringle**, **Mr Andrew Tink** and **Mr John Turner**.

Narrawallee Subdivision

Petition opposing any form of access or egress from the subdivision adjoining Blake Place, Narrawallee, received from **Mrs Shelley Hancock**.

White City Site Rezoning Proposal

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

Water Police Pyrmont Site

Petition opposing development of the current Water Police Pyrmont site, received from **Ms Clover Moore**.

Kosciuszko National Park Management Plan

Petition opposing the formulation of the Kosciuszko National Park Management Plan without community consultation, received from **Mr Ian Armstrong**.

Lake Woollumboola Recreational Use

Petition opposing any restriction of the recreational use of Lake Woollumboola, received from **Mrs Shelley Hancock**.

Blue Mountains National Park Fire Management Strategy

Petition requesting inclusion of Woods Reserve, Grose Wold, in the Blue Mountains National Park fire management strategy, received from **Mr Steven Pringle**.

Marriage

Petition opposing any legislative changes that would violate the basic principles of marriage, received from **Mr Andrew Tink**.

Freedom of Religion

Petitions praying that the House reject the Anti-Discrimination (Removal of Exemptions) Bill, and retain the existing exemptions applying to religious bodies in the Anti-Discrimination Act, received from **Mr Andrew Tink**, **Mr John Turner** and **Mr Russell Turner**.

Coffs Harbour Pacific Highway Bypass

Petition requesting the construction of a Pacific Highway bypass for the coastal plain of Coffs Harbour, received from **Mr Andrew Fraser**.

The Alpine Way Upgrade

Petition requesting funding to repair, upgrade and realign 11 kilometres of The Alpine Way between the State border at Bringenbrong Bridge and the beginning of Kosciuszko National Park, received from **Mr Daryl Maguire**.

Windsor Road Traffic Arrangements

Petitions requesting a right-turn bay on Windsor Road at Acres Road, received from **Mr Wayne Merton** and **Mr Michael Richardson**.

Windsor Traffic Conditions

Petition requesting funding for construction of a bridge across the Hawkesbury River, from Wilberforce Road and Freemans Reach Road, connecting to the bridge into Windsor, and the rescheduling of the current road works program, received from **Mr Steven Pringle**.

Buttsworth Creek Bridge

Petition requesting funding for repairs to Buttsworth Creek Bridge to make it safe for pedestrians and cyclists, received from **Mr Steven Pringle**.

Acquired Brain Injury Patients

Petition requesting facilities for acquired brain injury patients, received from **Mr Greg Aplin**.

Coffs Harbour Aeromedical Rescue Helicopter Service

Petitions requesting that plans for the placement of an aeromedical rescue helicopter service based in Coffs Harbour be fast-tracked, received from **Mr Steve Cansdell**, **Mr Andrew Fraser** and **Mr Thomas George**.

CountryLink Rail Services

Petitions opposing the abolition of CountryLink rail services and their replacement with buses in rural and regional New South Wales, received from **Mr Greg Aplin**, **Mr Andrew Fraser**, **Ms Katrina Hodgkinson**, **Mr Daryl Maguire** and **Mr John Turner**.

Casino to Murwillumbah Branch Rail Line

Petition requesting the extension of the Casino to Murwillumbah branch line to south-east Queensland, received from **Mr Thomas George**.

South Coast Rail Services

Petition opposing any reduction in rail services on the South Coast line, received from **Mrs Shelley Hancock**.

State Forests

Petition opposing any proposal to sell State Forests, received from **Ms Katrina Hodgkinson**.

Broadmeadow to Newcastle Rail Services

Petition opposing the proposed closure of the railway line from Broadmeadow to Newcastle, received from **Mr Jeff Hunter**.

Public Transport

Petition requesting the development of a transport blueprint for public transport as an alternative to private vehicle use, received from **Ms Clover Moore**.

Bus Service 311

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

Casino to Murwillumbah Branch Rail Line

Petitions requesting the extension of the Casino to Murwillumbah branch line to south-east Queensland, received from **Mr Neville Newell** and **Mr Donald Page**.

Homeless Services Funding

Petition requesting increased funding for homeless services, received from **Ms Clover Moore**.

Underground Water Overuse and Evaporation

Petition requesting an inquiry into underground water overuse and evaporation through irrigation, received from **Mr Peter Draper**.

Isolated Patients Travel and Accommodation Assistance Scheme

Petitions objecting to the criteria for country cancer patients to qualify for the Isolated Patients Travel and Accommodation Assistance Scheme, received from **Mr Thomas George**, **Ms Katrina Hodgkinson** and **Mr Andrew Stoner**.

Horticultural Industry Water Restrictions Assistance

Petition requesting assistance for the horticultural industry to cope with water restrictions, received from **Mr Steven Pringle**.

Social Program Policy Subsidy

Petition requesting that the social program policy subsidy be extended to residents in the Hawkesbury local government area, received from **Mr Steven Pringle**.

Wagga Wagga Electorate Fruit Fly Control

Petition requesting funding for fruit fly control/eradication in Wagga Wagga, Lockhart, Holbrook and Tumbarumba, received from **Mr Daryl Maguire**.

Sow Stall Ban

Petition requesting the total ban of sow stalls, received from **Ms Clover Moore**.

Cat and Dog Meat

Petition requesting legislation banning the sale of cat and dog meat for human or animal consumption, received from **Ms Clover Moore**.

BUSINESS OF THE HOUSE

Reordering of General Business

Mr DONALD PAGE (Ballina—Deputy Leader of The Nationals) [2.39 p.m.]: I move:

> That the General Business Notice of Motion (General Notice) given by me this day [Casino to Murwillumbah Rail Line] have precedence on Thursday 6 May 2004.

My motion should receive priority because the Carr Government will axe services on the Casino to Murwillumbah rail line in 12 days. The Parliament should have an opportunity to debate this incredibly short-sighted decision. My motion should have priority not only because the rail closure is imminent but also because the service is critical to residents of the far North Coast. They have demonstrated their overwhelming support for the train service by writing letters, attending rallies, signing petitions and travelling at their own expense to Sydney on the XPT last Wednesday to protest its closure. My motion should receive priority because Minister Costa has broken his promise, made only last December, to keep this rail service running until at least December 2004 and then to conduct a proper review. Not only has he broken a recent promise, Minister Costa misrepresented patronage figures and running costs to justify his decision.

Mr SPEAKER: Order! The honourable member for Fairfield will come to order. The honourable member for Cronulla will come to order.

Mr DONALD PAGE: The Minister's figures show an average of 365 passengers using the service each day—not the 180 claimed by the Minister when he announced the closure of the line. If those 365 passengers per day, or 133,000 passengers per year, use buses as the Carr Government intends, there will be at least an extra 3,000 bus movements on local roads. That means more accidents and more money for road maintenance. The Carr Government is prepared to trash country rail services whilst investing $2.5 billion in CityRail services.

According to the Parry report, CountryLink services have a cost recovery rate of 32 per cent, whereas CityRail has a cost recovery rate of only 28 per cent. The subsidy for CountryLink is $148 million, whereas the subsidy for CityRail is $1,435 million. So it is country and coastal residents who are being treated like second-class citizens by this Sydney-centric Carr Government. Minister Costa and the Premier claimed that future maintenance costs would reach $188 million over the next 20 years. Yet figures provided to me by Minister Costa in February show the maintenance costs to be about one-third of what the Government is claiming. Closure of the line will jeopardise opportunities to introduce commuter and tourist train services and connect this rail line into the Queensland system.

Mr SPEAKER: Order! The honourable member for Fairfield will come to order. The Leader of The Nationals will come to order.

Mr DONALD PAGE: In addition, the Federal Government has recently committed $50,000 to fund a feasibility study into a commuter service on the line. Closure of the line will see it fall into disrepair and all these plans for the future will be lost. Ten days after the Minister announced that he was taking the train off the line, 8,000 sleepers were placed beside the line for maintenance scheduled for this week. This demonstrates that in the Carr Government the left hand does not know what the right hand is doing. Late last year the honourable member for Tweed dismissed suggestions about the closure of the line as "hogwash" and a National Party beat-up. Where has the honourable member for Tweed been on this issue? I ask members to support my motion. [*Time expired.*]

Mr CARL SCULLY (Smithfield—Minister for Roads, and Minister for Housing) [2.42 p.m.]: We welcome this discussion because we want to know what John Howard is going to do to replace the $300 million he stole from the people of New South Wales and transferred to Queensland. The honourable member for Ballina says John Howard is going to give us $50,000. What an absolute joke! Bring on the debate; we will have the discussion. I would like to know what John Howard is going to do in next week's budget to replace services like that.

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

Motion agreed to.

QUESTIONS WITHOUT NOTICE

CAMPBELLTOWN HOSPITAL PATIENT MISTREATMENT ALLEGATIONS

Mr JOHN BROGDEN: My question without notice is directed to the Minister for Police. In view of the fact that Ms Kathleen Moore made substantial allegations yesterday with respect to the alleged serious assault of a 94-year-old dementia patient in Campbelltown Hospital, and in view of the fact that Chief Inspector Hiron's statement was made without any discussion with Ms Moore, will the Minister now request that police discuss Ms Moore's allegations before making any further consideration about this matter?

Mr JOHN WATKINS: I have already sought further advice from the Campbelltown Local Area Command on this issue and the status of any inquiries.

COALITION TAX POLICIES

Mr BARRY COLLIER: My question without notice is directed to the Premier. What is the Government's response to community concerns about Opposition proposals relating to State taxes?

Mr BOB CARR: Wasn't it interesting yesterday that some members opposite did not appear to be completely sorry for the plight of their leader. In fact, there was little subdued joy as the Leader of the Opposition struggled, clinging by his fingertips to the position he had enunciated, before finally succumbing and joining us to vote against his very own stamp duty measures.

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

Mr BOB CARR: The Parliamentary Library has just confirmed that there is no single instance in the history of the New South Wales Parliament where an Opposition Leader has voted against his very own legislation, which he introduced. So whatever we say about the Leader of the Opposition, we cannot deny that he is making history. Like Prufrock in T. S. Eliot, he whimpered, "No, that is not it, at all. That is not what I meant at all. It is impossible to say precisely what I mean." The Leader of the Opposition is not exactly promising a 10 per cent reduction across the board, but he is not exactly cancelling it either. And if he does cancel it, the Leader of the Opposition is not exactly certain how he would pay for it anyway.

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

Mr BOB CARR: It is clear that the Opposition has not given a moment's thought to how it would pay for it. Yesterday the Leader of the Opposition was reduced to endorsing the Government's policy, saying, "Indeed, I congratulate the Government on that, and as such the Opposition's policy has been withdrawn." While we are talking about our property tax reforms, it is worth noting that the Reserve Bank left rates on hold today at 5.25 per cent. As the Macquarie Bank speculated—and I quoted its paper yesterday—our property tax package probably helped keep the rates on hold.

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

Mr BOB CARR: Here is an interesting statistic. The Treasury has today advised me that New South Wales median house prices have risen by 82 per cent since December 2000, meaning the 2.25 per cent vendor duty will still leave investors with profits in the order of 78 per cent in just three years.

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

Mr BOB CARR: Treasury has also confirmed that land tax and vendor duty are both deductions against Commonwealth taxes. In fact, according to the *Australian Financial Review* of 8 April, the new vendor tax for the average property investor is the equivalent of increasing capital gains tax from 25 per cent to 29.5 per cent. And the Macquarie Bank report I quoted yesterday revealed that vendor duty is the same as one year's consumer price index inflation. So you can sell in June and pay the vendor tax or wait a year and inflation will eat the same amount away and, unfortunately, inflation is not a tax deduction. But enough of these distractions. Back to the Opposition.

From the mouth of the putative Opposition tax spokesman, the highly decorated returned serviceman, the honourable member for Lane Cove—where is he? I can tell you where he is, he has taken a field command and has gone off to Iraq. He is there, even as we speak, in the trenches of Falluja. Let it be said there has been no braver public relations appointment in the history of military service. Unless you have been there in the front line with a manual typewriter you don't know how tough it gets: all those press releases and all those cocktail parties, et cetera, going on. But it actually dawned on him. In the *Sydney Weekly* on 14 April he said, "There should be no premium property tax on residential homes full stop". There he is saying they would even oppose that modest stamp duty on the sale of premium properties. So there is no hint of social justice in the Opposition's tax position.

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

Mr BOB CARR: The Leader of the Opposition said on 23 April—

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

Mr BOB CARR: On 23 April the Leader of the Opposition said in the *Sydney Morning Herald* that he vowed to have an alternative property tax package before Parliament resumes on 4 May. He did not say he would do it, he vowed to do it. He did not promise to do it; he vowed to do it before Parliament resumes on 4 May. What is the date? It is 5 May and we have not got his policy! It's got to be around here somewhere.

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

Mr BOB CARR: We ain't got his tax plan any more than we've got the joy of that web site with its invocation of the *Book of Psalms* and other key sources on property tax. What is the Opposition's position on payroll tax? There has been an occasional bleating from someone purporting to be the current leader of The Nationals saying that payroll tax ought to be lower rather than higher—a very specific policy. The precision of that astounds one, does it not? Not for them the vague, broad-brush commitments, nothing sloppy about that. He says, "Payroll tax ought to be lower rather than higher". But we have not seen a commitment from the Opposition.

However, there is, courtesy of his predecessor as Leader of the National Party, a very specific commitment on one tax. It sort of emerged on the Sally Loane program on Monday and the honourable member for Upper Hunter—responsible for such fiscal achievements as Luna Park and the $2.3 billion commitment for the Blue Mountains super tunnel—was asked about the Opposition's position on gaming tax. Sally Loane said, You're not against the tax per se?" and the honourable member for Upper Hunter said, "No." So at last we have from the Opposition, extracted by Sally Loane on live ABC radio, a specific tax commitment. After yesterday's very embarrassing question time for the Leader of the Opposition we await details of the comprehensive alternative package on property tax with full funding specified, laid out rigorously, that he promised us a month ago.

LEVEL CROSSINGS SAFETY

Mr ANDREW STONER: My question is directed to the Premier. Following the tragic death of a woman at Baan Baa at a level crossing accident last night, will the Premier now make either the Minister for Transport Services or the Minister for Roads responsible for level crossings to overcome ongoing incompetence, and will the Premier now publicly release his response to the key recommendations of the 2001 Staysafe inquiry?

Mr BOB CARR: The Office of Transport Safety Investigation will be on-site today and will conduct an investigation. That is in addition to the police investigation and the preparation of a brief for the Coroner. The cause of the accident—fatal and tragic as it is—is unknown at this stage. Our commiserations are extended to the family of the deceased. The status of the level crossing will be reviewed in the wake of the tragedy. I am advised that the crossing has warning signs and has been assessed at No. 100 on a priority list of 391 level crossings identified for upgrades. The upgrade is scheduled to begin with that crossing in 2006. I will await those reports.

MOBILE ADVERTISING

Mr TONY STEWART: My question without notice is directed to the Minister for Roads. What is the Government's response to community concerns about mobile advertising, particularly in the central business district?

Mr CARL SCULLY: Most people who visit the Sydney central business district or key suburban centres would be aware of the increasing presence of vehicles travelling around the streets whose sole purpose appears to be advertising and no other. These vehicles range from motorcycles towing signs to purpose-built trucks with large A-frame billboard panels on the back. Often the vehicles travel in a convoy to maximise awareness of their message. Two, three, four, sometimes even five vehicles travel in a line to sell their message. They make an impression on consumers, but they also make an impression on traffic.

On some of the vehicles the advertising panels change periodically, others use loud music to attract attention. A number of people have made complaints to me and also to the Parliamentary Secretary about the impact on traffic and of being irritated at getting stuck behind a convoy of advertising vehicles, which are there for no other purpose than to advertise their wares. Most motorists drive from A to B with a purpose and a destination. These vehicles have a purpose, but they have no destination. They just drive and drive around aimlessly. They do laps of the city streets, round and round, to advertise the commercial interests that they are promoting. I am concerned about the growing number of vehicles that are undertaking this form of commercial activity against considerable public complaint. There is no doubt that they are contributing to traffic congestion in busy streets.

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

Mr CARL SCULLY: The only aim is to expose their message to large numbers of pedestrians, other motorists and passengers. To make matters worse, unlike other vehicles these vehicles do not enter an area and then leave, they stay there for hours on end, particularly in the Sydney central business district, North Sydney, Chatswood and Parramatta.

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

Mr CARL SCULLY: The cross city tunnel will make an improvement to traffic congestion in Sydney but there will still be congestion to be dealt with in the Sydney central business district, and these vehicles need to be properly managed. I want to make it clear that we need to draw a distinction between vehicles whose sole or primary purpose is advertising and those that have advertising on their outer structure as an ancillary part of going about their legitimate business. I have no problem with taxis, no problem with buses and no problem with service vans that have advertising on them as an ancillary part of the business that they are doing legitimately in a commercial business district across New South Wales.

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

Mr CARL SCULLY: What I do object to is vehicles whose sole purpose for existence is to promote the advertising of a client. I want to put the advertising industry on notice.

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

Mr CARL SCULLY: I am very concerned about the level of vehicles that are coming onto our roads, particularly in the congested commercial business districts of Sydney, North Sydney, Parramatta, Chatswood and other areas, and I have asked the Roads and Traffic Authority [RTA] to put a proposal to them in a discussion paper. I am not going to simply introduce new regulations to ban the advertising, but we may need to go down that path—we certainly need to consider it. The message needs to be quite strong. Unless they have some form of restraint—some form of voluntary restriction in terms of the impact on traffic congestion, particularly in the busy morning and evening peak time—we may have to act. I have asked the RTA to commence discussion with the advertising industry and other stakeholders to determine whether there needs to be some form of regulation of the number of these vehicles. I take the opportunity to thank the Parliamentary Secretary for assuming a strong role in this issue. We need to do something about this problem, and if the industry does not improve its act, we will.

HEALTH CARE COMPLAINTS COMMISSION DEPUTY COMMISSIONER APPOINTMENT

Mr ANDREW TINK: My question without notice is to the Minister for Health. Given that the former Deputy Commissioner of the Independent Commission Against Corruption, Kieran Pehm, was disqualified from investigating the Eddie Obeid Oasis scandal because he was a partner of Attorney General Bob Debus' chief of staff, how can the Minister justify his appointment as Deputy Commissioner of the Health Care Complaints Commission, a body charged with investigating matters critical of the Government's administration of health?

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

Mr MORRIS IEMMA: The recruitment of senior staff or other staff of the Health Care Complaints Commission [HCCC] is a matter for the HCCC, and I am advised that the selection went through a merit process. The recruitment of staff for the reformed, refocused watchdog body is a matter for that watchdog body.

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

Mr MORRIS IEMMA: The Government will continue the process of reform of the HCCC so that we restore public confidence in that watchdog body and health practitioners who work in the system can have confidence in that watchdog body.

Mr Andrew Tink: Point of order: The Attorney General saw to it that he stood aside when ICAC was involved. You ought to stand aside when the Health Care Complaints Commission is involved.

Mr SPEAKER: Order! The honourable member for Epping knows the standing orders as well as, if not better than, most members. He knows that he is grossly out of order. He is the manager of Opposition business and should show leadership. I place him on three calls to order.

MEDICAL WORK FORCE SHORTAGES

Ms ANGELA D'AMORE: My question without notice is to the Minister for Health. What is the latest information on New South Wales' efforts to address medical work force shortages?

Mr Barry O'Farrell: Tell us about nurse practitioners.

Mr MORRIS IEMMA: That is a very good initiative. Like every State and, indeed, every developed country, New South Wales is confronting an alarming shortage of medical specialists. There are not enough of them, and those we do have are not distributed equitably throughout our health system. The medical work force shortage is not an academic fantasy; it is not a theory. The work force shortage is a real and potent threat to our hospital system, and we are feeling its impact every day. The numbers alone are cause for concern. Nationally, we are short by as many as 2,000 general practitioners. Just 6.3 per cent of our medical specialists in training in New South Wales are working in rural areas, while the number of qualified specialists working in rural New South Wales is just 10 per cent of the work force.

Conversely, 52 per cent of all specialists work within a 30-kilometre radius of the central business district of Sydney. We already have to rely on overseas recruitment for medical specialists and general practitioners, and we value the dedication and care that they provide. It was only a decade ago that Commonwealth health planners were forecasting an oversupply of doctors. How horribly wrong they got it! Shortages extend to almost every field—orthopaedics, ear, nose and throat specialists, intensivists, obstetricians and gynaecologists. I am pleased to advise the House that New South Wales is leading the way in national efforts to remedy the shortage of medical specialists, the medical work force and other health care professionals.

Recently the New South Wales Government, led by the Premier, convened a work force roundtable at Nepean Hospital, which involved all the stakeholders—the Australian Medical Association, specialist medical colleges and health administrators—to devise a State action plan, a plan that New South Wales could take to Canberra to be adopted as part of the national action plan to deal with the medical, nursing and allied health professional work force shortages confronting our health system. That roundtable developed a 22-point action plan for implementation.

I am pleased to advise that the roundtable's action plan and communiqué was well received by the national council of health Ministers recently in Canberra and will form the basis of the action that New South Wales will take to address work force shortages. I am pleased to advise that the national action plan will incorporate a number of suggestions by New South Wales. A good place to start—and this is within the Commonwealth jurisdiction—would be an extra 100 medical school places in New South Wales. This is an opportunity for the Commonwealth to show good faith in beginning the process of addressing our medical work force shortages.

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

Mr MORRIS IEMMA: Of course, a medical faculty at the University of Western Sydney would be an even better indication of Commonwealth support in boosting medical places identified as necessary in New South Wales. That number is 100. The Commonwealth can address that through the university system. The second part of the national action plan would be for the Commonwealth to support the establishment of a medical faculty at the University of Western Sydney. We also need to make sure that our medical work force matches community need. Last month the Hunter Area Health Service had four junior medical officer positions and 24 senior clinical positions to be filled. To recruit anaesthetists the Hunter Area Health Service had to turn to South Africa, while the search for a director of trauma surgery brought no response from Australian candidates.

This is where innovative thinking will make a difference. We want specialist medical trainees spread out across the health system. As we speak, medical colleges, in partnership with my department, have now begun the process of deciding where the next batch of medical specialists will be trained. That consultation and partnership are happening because of a decision by the Australian Competition and Consumer Commission a year ago that forced colleges to consult with health agencies across the country to determine the allocation of training positions. That consultation has taken place. The Government and I are determined to have a final say in determining where we get the specialists, and that we get them on the basis of need.

We also want to develop a system to cap specialist hospital positions in areas where the work force is sufficient. We urge the Federal Government to introduce a system of geographic-based Medical Benefits Scheme provider numbers to encourage specialists into areas of undersupply. Further, we want to make sure that our public health system is the employer of choice. We will do that by giving more support to doctors, nurses and allied health professionals. We will develop innovative training programs for general physicians and other working groups, accelerate the growth in nurse practitioner numbers where we can, and train more enrolled nurses.

That will also involve finding better ways to assist and support specialist trainees who choose to work in areas of need. Our program is unashamedly ambitious. There has been a high level of co-operation between all the States and the Commonwealth on this issue, and we have argued for that. Only by adopting a national action plan will we tackle this problem. I am proud of the policy leadership that the New South Wales Government has demonstrated and I look forward to working with the Commonwealth on implementation of the national action plan in July this year.

TAMWORTH BASE HOSPITAL ACCIDENT AND EMERGENCY DEPARTMENT

Mr PETER DRAPER: My question without notice is directed to the Minister for Health. Can the Minister provide the House with details on how Tamworth Base Hospital accident and emergency staff managed the emergency retrieval of numerous victims involved in the collision between a car and a train at Baan Baa in the north-west of New South Wales?

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

Mr MORRIS IEMMA: This gives me an opportunity to outline the highly professional lifesaving work that doctors, nurses and retrieval services completed last night following a horrific accident in the State's north-west. I would have thought that the matter would receive encouragement and support from the Opposition rather than condemnation. Yesterday evening a car collided with a train near Baan Baa, a small community located between Boggabri and Narrabri. I am sure that all members will join with me in offering condolences to the family of the elderly lady who was killed in the incident and to those who are recovering after the ordeal. I am advised that the accident occurred when a CountryLink Xplorer train was travelling north and struck a motor vehicle at a level crossing. I am advised that the first carriage was derailed and the impact caused several passengers to be trapped. The New England Area Health Service disaster management control plan was immediately called into action. The New England Area Health Service retrieval team was led by emergency physician Dr Chris Trethewy, who attended the scene, and travelled by ambulance from Tamworth to Baan Baa.

Patients were assessed at the site of the accident by experienced ambulance officers and an emergency physician from Tamworth Base Hospital. Four accident victims were transferred to Tamworth Base Hospital emergency department, two by road ambulance and two by air ambulance. I am pleased to advise the House that ambulances were first on the scene, travelling from Boggabri within only 16 minutes from the time of the call

out. Many patients sustained minor injuries and shock, and were taken to the Baan Baa community hall, where a primary care centre was established. Thirty of the train passengers were transferred to the hall for triage by highly experienced ambulance staff.

Injuries included a dislocated shoulder, lacerations to the head and body of several patients, upper body bruising and shock. All of our health professionals undergo specific training for major incidents such as this. Fortunately, these skills are rarely called upon. However, on this occasion the disaster co-ordinator quickly assessed the situation. The team worked closely with the Ambulance Service, effectively co-ordinating local State Emergency Service staff, ambulance, air and road retrieval services. They worked with police to control the scene and liaised efficiently with local hospitals, with a temporary care centre at the local Baan Baa community hall.

In addition to this excellent work by the medical retrieval and emergency management team, Tamworth Base Hospital has one of the best emergency department waiting times in New South Wales. Even throughout the month of January, when the country music festival took place and more than 3,300 patients visited the new $3.7 million emergency department, average waiting times were just 27 minutes. Last month the Premier visited Tamworth Base Hospital and saw first-hand the tremendous work under way in the New England Area Health Service and at Tamworth Base Hospital, where waiting times for elective surgery are now at record lows. The number of patients waiting for elective surgery at Tamworth has been cut by 17 per cent.

New England Area Health Service is on target to have no patient waiting longer than 12 months for elective surgery by June this year. This is a result of the joint commitment and hard work of doctors, nurses and management at the New England Area Health Service and specifically at Tamworth hospital. This, along with the Government's ongoing commitment to back those hardworking nurses, doctors, health care professionals and administrators in that regional area health service, as well as the others across the State, is proving the results. In addition to the $1.5 million share of the $50 million recently announced in the mini-budget, the area health service will also receive $393,000 for 71 additional elective surgery procedures. That allocation was made in January. The efforts of the medical retrieval experts, the emergency physicians, the ambulance officers and the staff at Tamworth Base Hospital in relation to the accident last night prove that Tamworth Base Hospital is one of the best hospitals in the State.

DEPARTMENT OF INFRASTRUCTURE, PLANNING AND NATURAL RESOURCES RESTRUCTURE

Mr GERARD MARTIN: My question without notice is directed to the Minister for Infrastructure, Planning and Natural Resources. What is the latest information on catchment management authorities and the Department of Infrastructure, Planning and Natural Resources?

Mr CRAIG KNOWLES: I thank the honourable member for Bathurst for his interest in this subject. The big changes to the Department of Infrastructure, Planning and Natural Resources [DIPNR] and the move to catchment management authorities [CMAs] have been welcomed by farm groups and environmental organisations alike. In responding to the mini-budget, the New South Wales Farmers Association said that the mini-budget looks good for rural New South Wales. It described the change as a "huge step forward", with a reduction in red tape and bureaucracy, and a major step forward for farmers, "giving farmers greater flexibility and security".

Equally, the environment movement—the Nature Conservation Council and the Total Environment Centre—described the reforms as groundbreaking. They will ensure that we move to a strategic approach, making sure that the foundations are there for a more strategic planning system and hauling in some compliance issues. In response to the honourable member for Lachlan, it is not governed by the Commonwealth in that context. The restructuring of the Department of Infrastructure, Planning and Natural Resources, the legislation to build natural resources commissions, changes to the Native Vegetation Act and a move to catchment management authorities are wholly within the State's jurisdiction. I regularly pay tribute to the Commonwealth for the joint funding of catchment management authorities, but let us not pretend that this is an inspiration of the Commonwealth.

These changes, welcomed by the farming communities of New South Wales and the environment movement, have been sponsored off the back of commitments we made at the State election. At the last State election we said, along with the Wentworth group, that we would make changes to deliver more money on the ground to farmers and to cut bureaucracy and red tape, and these changes will have that effect. The reduction in

the department's size has two effects: first, it allows the Government to direct more money into the front-line government services of health, education and community services—a deliberate policy choice of the Government; and, secondly, it forces the department to focus on the things the community wants. It is not about doing more with less; it is about getting out of areas of low priority, for example, removing concurrences under the Rivers and Foreshores Act and not carrying out approvals for pergolas and backyard barbecues but focusing on the health of the river.

Other examples include the big changes we are making to water licensing, in collaboration with the Commonwealth. The move to perpetual licences removes the need for that never-ending policing and renewal cycle, liberating as it does the highly professional staff who get bogged down in that cycle for higher value work. There are many other examples. I remember standing up in the Parliament a year ago and describing what I think is the fairly appalling prospect of a farmer needing an approval to remove a willow tree from a river, taking endless time and numerous agencies to do that sort of work.

[*Interruption*]

The Opposition will have a chance to vote on the changes to remove the need for an approval. Everyone knows that willow trees are pests and must be removed, and time should not be wasted on such low-priority matters. I have announced the removal of about 70 per cent of what currently constitutes the Minister's consenting role under various environmental planning instruments and Minister's directions, allowing good officers in the former department of planning the chance to work on more strategic end projects, such as the Metro strategy and the futures forums, which we have talked about over the past couple of weeks. Despite the unsettling process of what constitutes major change in natural resource management in this State over the past 12 months, I pay tribute to the 2,500-odd individuals who work in the department. They do a good job, by and large, but it is a question of where their energies are spent. We have made a very public commitment to reduce the amount of personnel and red tape, and deliver more into the local setting.

Mr Andrew Stoner: How many net jobs out of that?

Mr CRAIG KNOWLES: I am about to come to that. The Leader of The Nationals continues to hawk, "How many jobs?" I have been to a few forums—a couple of colleagues of the Leader of The Nationals have been with me—on the stage in the town Hall at Moree. I did not see farmers holding up placards with the words, "Give us more bureaucrats" and "Give us more red tape". I have never seen that. If members opposite want to sign up to more bureaucrats and red tape, they should just say so. I say this in fairness: it simply demonstrates how out of touch The Nationals are with their constituency. The Government has committed to a process with the unions to remove unnecessary functions and to reduce staff, as I said, not to ask people to do more with less.

The reshaping of DIPNR will mean a reduction in size by about 500 and about 240 staff moving to catchment management authorities. In addition, about 200 staff functions will be transferred from head office to rural and regional areas. Frankly, I do not see the point of having water policy people in Macquarie Street when the problems that need to be solved are in places such as Albury, Tamworth or Dubbo. We will be transferring functions out of Sydney and into those regions. The jobs and the changes to the structure of DIPNR will see an emphasis on moving from Sydney to the bush. This is all being done in co-operation with the unions and with compassion and integrity. Already those people in the affected areas have been asked to respond to an expression of interest for voluntary redundancy.

Local and State-level consultative committees are being formed, involving union and senior staff representatives. That process has to be open and straightforward, and involve the unions. These people deserve good treatment. To implement the Government's policy the rules are pretty simple: no forced redundancies, contractors and agency staff to go first, staff who have been through relocation will not be subject to further relocation unless it is their wish to do so, and final decisions will always remain a matter for consultation with the unions and the consultative committees. I thank the Public Service Association [PSA] for its co-operation to date. The director-general and I will meet with the leadership of the PSA on a monthly basis to oversee the process. Part of the change is the establishment of the catchment management authorities—a focus on localism, a focus on streamlining bureaucracy at the State level, removing those silos around natural resource management.

Mr Andrew Stoner: When are you going to appoint the boards?

Mr CRAIG KNOWLES: The Leader of The Nationals is quick! Earlier today I released details of the boards; they have been announced. If the Leader of The Nationals rushes to the web site he can get them. I

might even be kind and hand over a press release I have here. These are good initiatives. To demonstrate just how popular this move has been in the bush, I can report to the House that we have had more than 850 applications—an unprecedented response. Individuals were selected on their skills and on merit, and they have the backing of the State and Federal governments.

[*Interruption*]

In answer to the interjection as to whether I read the letters to the editor in the *Land*, yes, I do. I get the *Land*; it comes out every Thursday, as the Premier knows. I have another letter here thanking me for the effort, and signed by none other than Warren Truss. He is the Minister for Agriculture, Fisheries and Forestry—that is what it says on his letterhead—and I think he is a member of The Nationals in the Federal Parliament. He states:

> May I commend you for endeavouring to achieve strength and balance in the membership of the proposed boards.

This has been a co-operative process between the two levels of government. I place on the record my thanks in particular to the Deputy Prime Minister for his efforts in taking a personal interest in these boards. I know that members opposite would be interested to know that there are some very good people on the boards. People like Dick Thompson, the head of Murrumbidgee Irrigators, a very busy man, took the time to make an application.

Mr SPEAKER: Order! The honourable member for Murrumbidgee will come to order.

Mr CRAIG KNOWLES: Mal Peters, the head of the New South Wales Farmers Association; nationally recognised indigenous leaders like Jack Beetson, Gerry Moore and Flo Grant; and—I know the honourable member for Lachlan will appreciate this—nationally recognised dairymen like Dennis Moxey have all applied to be appointed to these boards. I accept that many of these people are unknown to honourable members, but they are highly regarded in their industry sectors. They come from the land and have taken the time to apply to participate in the expenditure of $436 million of State and Federal government money in rolling out a new way of natural resource management. They are people with commonsense and expertise and have real skills in the area.

The catchment management authorities will now appoint the general managers. They will roll out their investment plans for the next 12 months and will finalise their catchment action plans as part of their already announced three-year funding allocation. As I have said on many occasions, their task is to spend the $436 million of State and Commonwealth money on practical, on-ground, on-farm works. In addition to that money another $100 million of former DIPNR money is being transferred to the CMAs to underpin the staffing and human resource management as the catchment management authorities take up their new role.

The organisations are already up and running. Kel Baxter, down in the Murray, has already reorganised the financial plans and investment strategies, pushing even more money into on-ground works in the bottom part of the State. In the Hawkesbury-Nepean catchment John Klein takes the lion's share of the credit for getting the money to fund the weed problem in the Nepean River. These are good people who are capable of doing good things at a local level on the ground. As I said, the changes will simply implement what we said we would do at the last election. However, it is terrific to see these accolades from organisations that are normally hostile to Labor governments recognising that by doing what we said we would do—delivering local opportunities for local people with real money, real power—they can get on with the job of better managing the natural resources of this State.

Whether it is the Farmers Association or the environment movement, it demonstrates that with good co-operation between the State and Commonwealth governments and some of the key groups you can work to get these things right. The challenge for the whingeing and whining narks opposite is whether they will turn up to the town halls or the farm meetings and hold up a placard saying "We want more bureaucracy, we want more red tape." Their traditional constituency are backing this, because they know that this is the best game going and that they are hopelessly out of touch.

Mr SPEAKER: Order! The Leader of The Nationals will come to order. The honourable member for Drummoyne will come to order.

NORTH COAST RAIL SERVICES

Mr THOMAS GEORGE: My question without notice is to the Premier. Why is he treating the people of the North Coast as second-class citizens by boasting about his $2.5 billion injection into CityRail while at the

same time closing the Casino to Murwillumbah rail line, despite the fact that CountryLink fare box revenue returns proportionately more than that of CityRail?

Mr BOB CARR: Our great commitment to the Pacific Highway gives the lie to that allegation. There is an open invitation to the honourable member's colleagues in Canberra to modify their cuts to New South Wales to the extent that would make good any of the cuts announced in the mini-budget. That is an open offer. If they return the money they will get a revision of the mini-budget announced in the past few weeks.

Mr Thomas George: Point of order: My point of order is relevance. The Pacific Highway does not go between Casino and Murwillumbah.

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

Mr BOB CARR: The question made reference to the people of the North Coast. How relevant are The Nationals when, in their registration form for their forthcoming conference in June in Dubbo, they invite people to register for a—

Mr Thomas George: Point of order: Again I highlight the point of relevance. I asked the Premier about country rail services between Casino and Murwillumbah. He should answer the question.

Mr SPEAKER: Order! The honourable member for Lismore will resume his seat. The honourable member for Lismore should know—

Mr BOB CARR: It does not run to Casino, you fool.

[*Interruption*]

Mr Andrew Stoner: Point of order—

Mr SPEAKER: Order! The honourable member for Lismore has twice taken what he claimed were points of order in relation to relevance. However, his remarks were far from being points of order; he should know better. Question time will conclude in an orderly manner. I will not allow it to conclude in such a way as to bring disrepute on the Chamber; some members may well leave the Chamber for the rest of the day. The Premier's answer will be heard in silence. I will listen to and adjudicate upon proper points of order. However, I will not entertain points of order that are taken merely to interrupt the response of the Premier or a Minister, or because members do not like that response.

Mr Andrew Stoner: Point of order—

Mr SPEAKER: A point of order in relation to my ruling?

Mr Andrew Stoner: My point of order, if you will let me make it, is that the standing orders do not tolerate the use of unparliamentary language such as the Premier used when he called the honourable member for Lismore a fool. He is not a fool; he is sticking up for his electorate. And the Premier ought to know that the people of the Tweed want to secede to Queensland because of him.

Mr SPEAKER: Order! The Leader of The Nationals should comply with the standing orders. It was a matter for the honourable member for Lismore to take exception to what was said if he believed that was warranted.

Mr Thomas George: Point of order—

Mr SPEAKER: Order! The honourable member for Lismore has missed the point entirely. The Premier has the call.

Mr Barry O'Farrell: Point of order: I refer you to Standing Order 84, which requires that dope to call him the member for Lismore.

Mr SPEAKER: Order! The Deputy Leader of the Opposition is the most thick-skinned person in this Chamber. I do not believe any of the descriptions used were ones to which he would take exception. The

Premier has the call, unless the honourable member for Wakehurst wants to take exception to my ruling on the matter.

Mr BOB CARR: I am only trying to provide information. The decision to replace train services with coaches was forced by the Federal Government's decision to gouge $376 million out of the New South Wales budgets each year for the next five years. The Casino to Murwillumbah rail line will cost $188 million to maintain over the next 20 years. In view of the Federal Government cuts that is unsustainable. The question asks how we can justify the subsidy to CityRail. CityRail provides one million passenger journeys each day. This rail service provides 190 a day but requires an investment of $188 million to provide those journeys. There will be two additional coaches to replace the one daily train service under the new arrangements.

Mr Thomas George: Point of order.

Mr SPEAKER: Order! I call the honourable member for Lismore to order for the second time. What is the point of order?

Mr Thomas George: One of relevance and accuracy. Even by the Government's own figures double the number of people use that line. It is about the Casino to Murwillumbah rail link service.

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

Mr BOB CARR: There will be two additional airconditioned coaches to replace the one daily train service under the new arrangements. There will be five daily coach services. Half of the 184 daily passengers using the single rail service currently connect to coaches from Murwillumbah. By starting these coaches out of Casino, access to faster, more frequent services will be improved. The $5 million in annual savings will be used to improve front-line health, education and community services in the Tweed. I noticed that The Nationals are promoting their conference in June in Dubbo. They are inviting people to register for a beer and bubbles behind bars night in the old Dubbo gaol. That simply confirms what we believed about the National Party for so long—in gaol or going to gaol. I thank the honourable member for his question.

Mr Donald Page: Point of order. I refer to Standing Order 138 and in particular the Premier's comments in relation to that standing order in this Chamber on Tuesday 29 April 2003, when he said:

> If I am straying from the strict sense of relevancy on a matter before the House I am addressing I would expect to be corrected by you.

I ask you to bring him back, at his request, to the relevance of the issue, which is about trains and not about the National Party conference.

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

COUNTRY LIFESTYLES PROGRAM

Mr STEVE WHAN: My question is to the Minister for Regional Development. What is the latest information on assistance to country businesses?

Mr SPEAKER: Order! I remind members that the time for questions has not expired.

Mr DAVID CAMPBELL: I point out to the House that this is another Country Labor member talking about issues in country New South Wales. The New South Wales Government, as I am sure the House is aware, actively supports and encourages regional businesses. The Government is providing $145,000 to support two new projects. This funding is part of our Country Lifestyles Program, which aims to attract skilled labour to regional New South Wales. Country Lifestyles is designed to kick-start local projects in regional towns. Those eligible for assistance under this program include local councils, development corporations, regional development boards, industry associations and alliances of local firms.

The Government is providing nearly $95,000 to the Local Government Association and the Shires Association for a co-funded project benefiting regional communities. The project is directly aimed at up to seven towns with between 2,000 and 15,000 people living in their local government area. Many smaller regional towns cannot afford to employ staff just for economic development. These funds will be used to professionally mentor people involved in economic development in seven smaller communities. It will provide professional

support and on-the-job skills development for local people involved in community economic development. Successful economic development—and healthy local businesses—means a sustainable future for small towns. And that translates to jobs for local families. The mentoring project is designed to encourage investment and growth in local communities.

The Government is also providing $50,000 for another Country Lifestyles funded project. The funds will be used to support our Regional Business Investment Program. The project follows the success of the regional business and investment tours, which have covered the 20 regional locations over the past four years. It is the next stage in the Government's determination to give regional businesses access to potential investors. The project will involve three forums—in Orange, Lismore and Albury. It will also involve a State forum in Sydney. The Country Lifestyles Program supports regional businesses. Projects such as the new small towns mentoring project and the Regional Business Investment Program can only build on what has already been achieved by the Carr Labor Government.

Questions without notice concluded.

CONSIDERATION OF URGENT MOTIONS

Australia Post Franchising

Ms TANYA GADIEL (Parramatta) [3.38 p.m.]: This matter is urgent because an Australian icon is at stake. This matter is urgent because thousands of jobs across New South Wales and Australia are at stake. Australia Post is seeking to franchise a great many of its existing corporate post offices. This matter is urgent because if it gets away with this proposal staff will lose and at best be reemployed doing the same work for 30 per cent less than they are entitled to.

Level Crossings Safety

Mr IAN SLACK-SMITH (Barwon) [3.39 p.m.]: My motion for urgent consideration reads:

That this House:

(1) notes the tragic death of a woman in a level crossing accident at Baan Baa late yesterday,

(2) calls on the Government to immediately release its response to the key recommendations of the 2001 StaySafe inquiry into level crossings.

This matter is urgent because I woman was killed and five other people were injured when a CountryLink Xplorer was travelling north from Werris Creek to Moree at about 5.30 last night. I am not saying for one moment that the Staysafe report would have saved this lady's life, but if the recommendations were implemented the result of such an accident might be different. This matter is urgent because a tragic accident occurred at an uncontrolled level crossing at Baan Baa in my electorate. The train was carrying 34 passengers, a driver and two other staff. The Office of Transport Safety Investigation will examine the circumstances and report its findings, and the police will also investigate and prepare a brief for the Coroner. This matter is urgent because the Government has taken a year to respond to the Staysafe committee's summary of recommendations on railway level crossings in New South Wales.

This matter is urgent because the committee finalised its recommendations on railway crossings in December 2002. The then chairman, the Hon. Grant McBride, wrote to the Minister for Transport Services in January 2003 informing him of the recommendations. The Staysafe committee wrote to both Minister Scully and Minister Costa in October 2003 requesting a response to the 40 recommendations—

Mr Tony Stewart: Point of order: As I understand the standing orders, the member is not allowed to put a substantive argument; he must argue urgency. He is straying from that focus.

Mr SPEAKER: Order! The honourable member for Barwon knows the standing orders. I ask him to comply with them and show why his motion should receive priority over the motion of which the honourable member for Parramatta has given notice.

Mr IAN SLACK-SMITH: I am aware of that. However, I am trying to demonstrate that this matter is urgent and far more important than privatising post offices. Paul Gibson, the chairman of the Staysafe committee, should use his discretion and release this document today. This matter is urgent because the people

of New South Wales deserve to know whether Transport NSW or the Roads and Traffic Authority is the lead agency for railway level crossings. Who is responsible? Is the Government being reactive or proactive? This Government is becoming very reactive rather than proactive. This matter is urgent because it appears that Minister Scully and Minister Costa cannot work together. I call on the Premier to allocate responsibility for railway line crossings to just one Minister. That measure is extremely urgent.

I point out that 67 per cent of level crossing accidents occur in rural areas and there are 3,800 level crossings in New South Wales. Given that, I am sure that you, Mr Speaker, would agree that this matter is urgent. The Staysafe committee's presentation to a local road safety conference in August 2002 described the majority of New South Wales level crossings as passive. It is recommended that if a train exceeds 120 kilometres a hour there be a rail corridor. This matter is urgent because the train involved in last night's accident was reportedly travelling in excess of 130 kilometres an hour. We do not want another accident on a passive crossing.

The Staysafe committee highlighted the need for a comprehensive inventory of the number and type of railway crossings in New South Wales, including public, private and departmental crossings, and the adoption of a national approach to the issue. This matter is extremely urgent and I call on the Premier to take a personal and direct interest in it. The Government should make it priority to fix these problems and to make level crossings in New South Wales the responsibility of one Minister and one Minister only.

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

The House divided.

Ayes, 46

Ms Allan	Mr Greene	Mr Pearce
Mr Amery	Ms Hay	Mrs Perry
Ms Andrews	Mr Hickey	Mr Price
Mr Bartlett	Mr Hunter	Dr Refshauge
Ms Beamer	Ms Judge	Mr Sartor
Mr Black	Ms Keneally	Mr Shearan
Mr Brown	Mr Lynch	Mr Stewart
Ms Burney	Mr McBride	Mr Tripodi
Mr Campbell	Mr McLeay	Mr Watkins
Mr Collier	Ms Megarrity	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

Noes, 34

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

Pairs

Miss Burton	Mr Humpherson
Ms Meagher	Mr Roberts

Question resolved in the affirmative.

AUSTRALIA POST FRANCHISING

Urgent Motion

Ms TANYA GADIEL (Parramatta) [3.52 p.m.]: I move:

That this House opposes any move to further franchise Australia Post retail outlets and cut thousands of jobs.

This matter is important to people in New South Wales—indeed, this matter is of importance to all Australian people. One of our great Australian icons is under threat. That icon is the humble Australian post office. But more important than bricks and mortar are the thousands of jobs across the Australia Post Retail network that are under threat. It has come to my attention that Australia Post has a plan to franchise its existing corporate post offices. That's right, honourable members, Australia Post is attempting to flog off its retail arm. This subject is something that I am quite familiar with. Most honourable members would be aware that in my former life, before being elected as the member for Parramatta, I was a trade union official for the Communications Electrical Plumbing Union [CEPU]. In fact, before I had the honour of being elected to this place I had the honour of being the first female postal official ever elected in New South Wales. Under the great Metcher-Chalker team, I was elected with 85 per cent of the vote.

I am passionate about representing my constituents in Parramatta, and I am also passionate about representing the workers who work hard every day for Australia Post. I am also passionate about Australian people getting access to a quality postal system. I am saddened that today I come to the Chamber with this motion that condemns any move to franchise Australia Post retail outlets. I cannot believe the stupidity and greed of Australia Post senior management. Such a move will affect the jobs of thousands of Australia Post workers, and the impact on our electorates will be enormous.

When the membership of the CEPU elected me those years ago, I promised to represent them, and I did. It was a job that I loved immensely. It seems ironic that, even though I left the union several years ago, today I am in this place having to defend these wonderful workers again. Having said that, though, I do so with pleasure. I have now left the CEPU, along with other colleagues like Doug Irwin and Dave McCartney. These two men are two of the best mates I have ever had. They worked tirelessly for their membership, and I know that Australia Post employees still miss them. But times change, and happily no-one is indispensable, and people like Dave, Doug and me have been replaced with new hard working officials like Susan Sheather and Peter Challoner.

I thank Susan Sheather for bringing this information to my attention. I have obtained a list, a leaked list that names the facilities that Australia Post wants to franchise—a list that Australia Post management will no doubt claim does not exist. Most honourable members in this place will have their constituencies affected if this plan comes to fruition. The offices that Australia Post plans to franchise in NSW/ACT are, in the Sydney City Retail Network: Australia Square, Bondi Junction, Broadway, Eastgardens, Glebe, Haymarket, Kings Cross, Leichhardt, Maroubra, Mascot, Queen Victoria Building and Randwick; in the Sydney North retail network: Chatswood, Crows Nest, Dee Why, Frenchs Forest, Gosford, Hornsby, Lane Cove, Manly, Neutral Bay Junction, North Sydney, St Ives, St Leonards, Tuggerah and Warringah Mall.

Ms Gladys Berejiklian: Who cares?

Ms TANYA GADIEL: The honourable member for Willoughby said, "Who cares?" That will be a very interesting question for her constituency. In the Sydney West retail network: Ashfield, Baulkham Hills, Blacktown Westpoint, Burwood, Castle Hill, Eastwood, Fairfield, Katoomba, Liverpool Westfield, Macquarie Centre, Merrylands, Mt Druitt, Parramatta Westfield, Pennant Hills, Penrith Plaza, Richmond, Seven Hills, St Marys, Strathfield Plaza and Wentworthville. The other more regional corporate offices that are proposed for franchising according to the list are Albury, Batemans Bay, Belconnen, Civic Square, Deniliquin, Goulburn, Grafton, Tamworth, Griffith, Jamison Centre, Lavington, Leeton, Wagga Wagga, Queanbeyan, Bathurst, Charlestown, Dubbo, Forster, Jesmond, Maitland, Muswellbrook, Nelson Bay, Newcastle, Orange, Raymond Terrace, Taree, Tuggeranong, Ballina, Byron Bay, Coffs Harbour, Lismore, Port Macquarie and Tweed Heads South.

I believe there is not one member in this place whose constituency will not be affected by this proposal. Let me make clear at the outset that Australia Post has flogged off its post offices before. And far as I am concerned this happened with disastrous consequences for communities, not to mention affected workers. Australia Post has in the past gotten rid of its corporate post offices by converting them into licensed post

offices, the abbreviated term for which is LPOs. How did Australia Post do this? There was an agreement made in 1994, and it was called the Retail Post Agreement. This was before my time as an official at the union, and I have been told that although the union was strenuous in its opposition during negotiations, the matter was finally determined by the membership after it was put to them with the threat of arbitration looming. I am advised that a mere 32 per cent of union members voted for it. Although this 32 per cent consisted of thousands of people, the vote was won by a mere 28 votes, or somewhere thereabouts.

This agreement fundamentally changed the life of Australia Post retail employees. In fact, when I was an official many of my members lamented the fact that they had not participated in the ballot, for if they had, maybe they would have saved their job security, their employment conditions and their communities' post offices. Australia Post got away with converting hundreds of post offices. Where a post office had fewer than five full-time staff, and ran at a loss of more than $10,000, it met the requirements for conversion. In New South Wales there were around 412 corporate post offices; now there are only about 245. If Australia Post gets away with the franchising madness, there will be fewer. And I have no doubt that the eventual plan is for Australia Post to have no corporate post offices on its books at all. This is a national disgrace.

That does not sound so bad, but they were re-employed doing the same job with the same powers for a substantially lower wage. In fact, I am informed that the wages are 30 per cent less than the wages they received while working for Australia Post. Again, that is a disgrace. Through this process Australia Post has got rid of thousands of jobs, and it no longer has an obligation to keep post offices in local communities. A great many of these post office buildings were sold. Some of them have become restaurants, such as the one in Leura, or toy shops, such as the one in Lismore. I fear that is what will happen eventually to all corporate post offices that remain in original buildings. Under the retail post agreement Australia Post got rid of every office it could. Not satisfied with what it has already palmed off, it is now having a second bite at the cherry. But this time the situation is much worse because it appears that Australia Post now intends to flog off post offices that employ five or more staff and, indeed, are profitable. I fail to see the sense in that, and it is appropriate that the Parliament condemn Australia Post for its proposal.

I am concerned about a common thread in the list of corporate post offices earmarked for franchising. I have been advised that the commonality is this. A great many of these offices are in shopping centres such as Westfield and Stocklands; the majority are grade three offices. That means that the revenue is in the highest bracket of offices, which employ between nine and 11 staff. I am also advised that these offices are surrounded by smaller corporate offices that Australia Post will seek to convert to LPOs after they become unprofitable and meet the retail post agreement criteria. Indeed, how could they remain profitable after Australia Post sucks away all the business by shifting it to the new franchised offices?

One can only speculate about where this is heading. We know that the Howard Government's agenda is to deregulate and eventually privatise the postal industry. The Howard Government failed in its attempt to do so in 2000, when it was forced to withdraw the Postal Services Amendment Bill. However, we know that there are plans to reintroduce the bill. Indeed, the former Federal Minister for Communications, Information Technology and the Arts, Senator Alston, said that was the case. So the question must be asked: What is Australia Post up to? Is it trying to flog off these offices in anticipation of the Howard Government's privatisation agenda coming to fruition? Is there any longer any such thing as job security in Australia Post? A great many questions remain on this subject. Australia Post must come clean with its real agenda. If its agenda is to get rid of all corporate post offices so they no longer have responsibility for thousands of staff, they must tell the staff and begin negotiations with the union in earnest.

Ms KATRINA HODGKINSON (Burrinjuck) [4.02 p.m.]: The motion states:

> That this House opposes any move to further franchise Australia Post retail outlets and cut thousands of jobs.

The House gave the motion priority at the expense of an extremely important motion about level crossings, train fatalities and vehicles being hit by trains at level crossings. Those serious matters are obviously of grave concern to the honourable member for Barwon, in whose electorate an accident occurred last night. They are of grave concern to all those people who have been affected in some way or another by level crossing accidents as indeed my mother-in-law was killed in a level crossing accident just outside of Queanbeyan.

Mr Tony Stewart: Point of order: The honourable member for Burrinjuck has obviously strayed from the terms of the motion before the House, which clearly deals with the franchising of post offices. I ask you to rule in that regard.

Madam ACTING-SPEAKER (Ms Marie Andrews): Order! I uphold the point of order. Clearly, the honourable member for Burrinjuck has strayed away from the subject matter of the debate. I draw her attention to the motion that is before the House and ask her to keep her remarks relevant to it.

Ms KATRINA HODGKINSON: The honourable member for Parramatta spent a large amount of time praising herself for being a member of the union. Her speech was more about self-praise for being a union member than about anything of substance. It is somewhat ironic that the member spoke about an issue that now affects so many small businesses and so many franchises in this great State of ours. It is extraordinary that she has raised another Federal issue when so many State issues need to be debated in this place: trains, hospitals, public schools toilets, roads and, as I mentioned earlier, level crossings.

Australia Post is responsible for the day-to-day operation of its own organisation. The Federal Government's role is to ensure that the Australian Postal Corporation Act 1989 establishes the proper basis for the continuing provision of postal services consistent with the Government's social and economic objectives. The establishment of the PostShop franchising system is definitely an operational matter for Australia Post, which has advised that the franchised PostShop network is to operate in parallel with the current corporate and licensed post office [LPO] networks. In my electorate of Burrinjuck in the order of more than 20 LPOs operate in tiny hamlets, small villages and towns. Each of those LPOs employs many contractors to take letters out to roadside mailboxes.

One example is Gunning. It is not a terribly large town—some people would consider it to be a village—but it has six contractors. Some of those contractors are mothers who are able to take advantage of their husbands working on-farm by becoming mail contractors and doing that job while the kids are at school, thereby earning some extra income. They are earning money at flexible hours, which is convenient for them. It is also of great benefit to the town because if families have dual incomes that means there is more income to be spent in that local community. Those jobs are good for the local community, they give those who have those second jobs self-esteem and, of course, they also act as a relief from some of the more mundane matters that some country mothers have to endure. I commend LPOs for their wonderful work in ensuring that they employ local contractors. Australia Post also offers many wonderful services to small businesses. I know that my electorate office uses Australia Post on a daily basis, as would the office of every member of Parliament. Many of those Australia Post offices are run by families, by husbands and wives, and in some cases they have sisters or brothers-in-law working with them as well. Franchises work well.

[*Interruption*]

It is interesting that the honourable member for Parramatta continues to interject, given that she read every word of her contribution verbatim and even stumbled over some of her words. I was going to take a point of order, but I was gracious enough to allow her to go on. The implementation of franchised PostShop networks is to be through a combination of the buyback of suitable post office licences on a strictly voluntary basis—the conversion of existing corporate outlets—and the establishment of new PostShops in appropriate locations. I am advised that briefing sessions for LPO licensees in the Sydney metropolitan area were held late last year both to present information about franchising and also to provide the opportunity to discuss potential investment involvement. In 2001 Australia Post consulted with the Communications, Electrical and Plumbing Union [CEPU] on the implementation of franchised PostShops. So this is not a new issue. Australia Post considers licensed outlets to be an important component within the postal network and support for franchised PostShops will not impinge on support to the wider network.

It is important for Labor to realise the importance of small business to our local communities. Small business employs in the order of one million people across the State, but you would not know it. Mark Latham is trying to be noticed in Canberra at the moment. He is talking about converting casuals to full-time employment. Members should think about what that will do to small family businesses. They should remember the Senate's rejection of legislation that sought to exempt small business from unfair dismissal laws. The Senate has rejected the legislation in the order of 40 times. According to many business surveys the key reason behind many small businesses not employing additional staff is their fear of being taken to the cleaners by future employees.

Time and again I have received complaints about people using the dismissal laws to get back at their employers and to avoid being dismissed. That is tough on employers. Labor is so anti small business that the Small Business portfolio is managed by a junior Minister. Indeed, I would have thought he would have moved this motion. Labor places such little emphasis on small business in this State that it comprises only a small unit

within the Department of State and Regional Development. Under the Government New South Wales remains the highest taxing State in Australia. Every week my office receives complaints about WorkCover premiums and WorkCover compliance costs, which have risen dramatically over the past eight years. The Government increased costs to businesses by cutting WorkCover premiums for trainees.

Margy Osmond, a great person from a great organisation, the State Chamber of Commerce, conducted a survey recently that found government red tape is costing small business up to 50 working days a year in compliance costs. That is outrageous. Labor has increased WorkCover premiums to include a superannuation component of wages, further increasing costs to small business. Business enterprise centres are an important tool for small business and those wishing to start small business, but the funding to those centres is so restricted that much of their time is spent fundraising. They receive only $75,000 a year to run an entire office and to pay the wages of staff. They are busy fundraising rather than supporting people.

Mr Tony Stewart: Point of order: My point of order relates to relevance. I fail to understand how the motion has anything to do with small business. It is about franchised post offices and I ask that you bring the honourable member back to the leave of the motion.

Madam ACTING-SPEAKER (Ms Marie Andrews): Order! Again I uphold the point of order. The honourable member for Burrinjuck is obviously not speaking to the motion. However, her speaking time has expired.

Mr PETER BLACK (Murray-Darling) [4.12 p.m.]: I take pleasure in supporting the motion of the honourable member for Parramatta, a great representative of city Labor. I speak for Country Labor when I say that my electorate has only one remaining post office. The other post offices are now mere agencies. It is my view that Australian Post is being set up for privatisation by the Federal Government, which is seeking to flog it off. First, I thank the honourable member for Burrinjuck for referring to trains. The honourable member for Ballina moved to have the House debate trains tomorrow, and Government members agreed to that. The honourable member for Lismore and the honourable member for Burrinjuck also spoke about trains.

Australia Post is facing the threat of privatisation and the bush may lose its cross-subsidies, but The Nationals seem to be concerned only about trains, even though not one of them opposed the discontinuation of the Broken Hill rail service. The Nationals were in government when that service was discontinued, yet not one spoke in support of retaining it. Now they want to talk about trains! I will return to the motion. On 11 December last year my Broken Hill office received a copy of Australia Post's annual report for the year 2002-03. That followed the introduction of the Postal Services Legislation Amendment Bill 2003, which also came to my attention late last year. I shall go through the main elements of the bill as enunciated by Richard Alston. He stated:

> The main elements contained in the Bill are aimed at:
>
> a. addressing concerns raised by competitors of Australia Post that Australia Post is unfairly competing in the market place by using its reserved services revenue to cross-subsidise its retail activities:
>
> b. ensuring that Australia Post does not set unreasonable terms and conditions for its bulk mail service.

What does that say about the Federal Government, which has predicated flogging off Australia Post and supports competition to Australia Post in Sydney, but will sacrifice services and cross-subsidies in the bush? I return to the major features of the report. It stated that fewer letters were posted last year, but Australia Post was still able to lift its net profit by 11.4 per cent to $330.8 million—not a bad profit. That was helped by the fact, of course, that the basic postage rate increased from 45¢ to 50¢. The report found that the low volumes of mail reflected an increase in Internet transactions. I presume that means emails.

I well remember after the summer of 1999-2000, when teachers were upset about wages, someone in my office downloaded 740 emails. Fancy sending me an email! However, the problem with emails is that they do not require stamps. That anomaly should be addressed. Continuity of services for the bush must be maintained. We know that cross-subsidies will be flogged off if the Federal Government gets its way. Setting up agencies and franchises is a step down the path towards privatisation. The Nationals should hang their collective heads in shame. Their concern about train services is sheer hypocrisy in view of their actions in not trying to prevent the discontinuation of the Broken Hill service or the closure of other branch lines when they were in government. Setting up agencies and franchises is privatisation by stealth, yet there was not one bleat about privatisation from the shadow Minister. I refer honourable members to the Postal Services Legislation Amendment Bill 2003, which they can download from the parliamentary web site if members have sufficient skills to do so. I conclude by stating that the Opposition reeks of hypocrisy. [*Time expired.*]

Ms GLADYS BEREJIKLIAN (Willoughby) [4.17 p.m.]: I am pleased the honourable member for Murray-Darling finished with the word "hypocrisy" because I would like to commence my contribution on that subject. I am rather appalled that the Government has chosen to move a motion for urgent consideration based on what the honourable member for Parramatta described as a leaked document, which contains supposed facts that have not eventuated and may never eventuate. Nevertheless, the Government regards a leaked document from an internal organisation such as Australia Post as worthy of urgent consideration. Government members raised issues with respect to jobs. I pose the question: What are they doing about jobs in their electorates that the New South Wales Government has failed to address? First I will deal with clubs. All members of this House would be aware of a recent report from Allen Consulting Group, which released some figures about jobs losses. Let us look first at the electorate of Parramatta.

Ms Tanya Gadiel: Point of order: We are talking about the franchising of Australia Post retail outlets.

Madam ACTING-SPEAKER (Ms Marie Andrews): Order! I uphold the point of order. I remind the honourable member for Willoughby that she should address the subject matter of the motion.

Ms GLADYS BEREJIKLIAN: Government members have spoken at length about job losses in their electorates and I am replying to those comments. That is totally in order and I will continue to speak on that issue. In the Parramatta electorate, 711 jobs will be lost because of the Government's actions with respect to the club industry. What is the honourable member for Parramatta doing about that? I turn now to other electorates.

Mr Tony Stewart: Point of order: The point of order is the same as that raised by the honourable member for Parramatta. The honourable member for Willoughby is straying from the issue before the House. The motion is clear. On behalf of the Government, I take umbrage at the comments made by the honourable member for Willoughby, which were disparaging of your ruling.

Madam ACTING-SPEAKER (Ms Marie Andrews): Order! Before I rule on the point of order I remind the honourable member for Willoughby that only one member should be at the table at any one time. I uphold the point of order. Once again I remind the honourable member for Willoughby to direct her remarks to the motion before the Chair.

Ms GLADYS BEREJIKLIAN: I know I have hit a sensitive nerve on that issue. Nevertheless, I will continue with it later in my speech. I ask the honourable member for Parramatta what she is doing about the job losses in her electorate now that the Epping to Parramatta rail link project is no longer proceeding. That will impact on her constituents and mine. I would like to know why she chooses to hide behind a motion on a matter that is not even within the jurisdiction of this Parliament when she is failing to address several other issues that are within the jurisdiction of this Parliament. Instead of doing that, she hides behind a leaked document—we understand that it is not an official policy document—that does not prove that there will be job losses. All it does is outline a particular policy direction which Australia Post might take.

Whether they are corporate offices or licensed post offices, if they choose to franchise it does not mean that there will be job losses. So that is just a fallacy put forward by the Government in an attempt to scaremonger, to divert attention from the real issues, particularly its failed policy relating to clubs, which will cost thousands and thousands of jobs in Labor electorates, its failed policy relating to the Epping to Parramatta rail link and its failed claim that it supports small business. Many franchises, Australia Post or otherwise, are businesses that are run successfully by families. Indeed, they may expand and increase employment, but this motion totally ignores that point.

It is ironic that at a time when Australia Post, like other major organisations, is struggling to come to terms with the exponential growth in telecommunications technology and in the rate of competition from other organisations, members opposite, who read their speeches verbatim, have no understanding of how the competitive market works. On top of that, they have the hide to tell a large organisation what it should or should not be doing to maintain its commercial viability and move forward. That is on top of the Government's failed policy relating to clubs. The Bankstown electorate—I note the presence of the honourable member for Bankstown at the table—will lose 987 jobs as a result of the Government's failed policy on clubs, and the Parramatta electorate will lose 711 jobs. The honourable member for Parramatta should talk about the people in her electorate who will lose their jobs. [*Time expired*]

Mr MATTHEW MORRIS (Charlestown) [4.22 p.m.]: I have pleasure in speaking on this motion in support of my colleagues the honourable member for Parramatta and the honourable member for Murray-

Darling and, just as importantly, in support of Australia Post. Australia Post has a long, proud history of providing cost-effective postal services throughout Australia for many decades.

Its ability to continue to provide postal services to all Australians is under threat from the Federal Government reforms to deregulate—or should I say degrade and disperse—postal services into the hands of the private sector. During its time, Australia Post has undergone significant reform while continuing to be customer focused, delivering a reliable and cheap postal service to all Australians, regardless of where they live.

Australia Post is owned by the people of Australia and managed by the Federal Government, which is now pursuing the privatisation of Australia Post and its services. In the Charlestown electorate we have a series of postal outlets with a large distribution centre employing a significant number of employees, who are in turn making a contribution to the economic functioning of the region. Our central postal outlet has been targeted for franchising by the management, along with a number of other outlets across the Hunter region, including Maitland and Newcastle. It is worth noting that nationally Australia Post employs some 35,000 staff and services millions of customers every day.

I firmly believe that every organisation, including Australia Post, should continually look to improve services while striving to be cost-effective. I remind honourable members that today 50¢ will allow a standard letter to be delivered anywhere in the nation. Under Federal plans, the community in my electorate is targeted for reduced services through the reduction of staffing levels and the franchising of services. Attempts by the Federal Government to deregulate the postal system clearly indicate its poor attitude to preserving and delivering important services to the community.

The deregulation of postal services will clearly result in the loss of services and increased costs to our community. Australian postal workers are at serious risk of losing their jobs while services are lost, charges are increased and the broader economic contribution is reduced. I want Australia Post to remain in full public ownership and accessible to all Australians. In fact, the Australian Labor Party has always made it clear that our postal network should appropriately be retained in full public ownership. Only by having ownership can we as a community have direct control over levels of service and costs.

Already we have heard of internal reforms to screw down employees to the point that allowances have been degraded and policies introduced to eliminate staff facilities in retail outlets. If deregulation takes place employees will ultimately no longer be government employees, and they will be exposed to greater casualisation of the work force and reductions in remuneration, as the honourable member for Parramatta said earlier. That in turn will result in zero security for employees and the lack of full-time employment status will impact on their home and family environment.

The Federal Government continues to ignore the important role that all governments have in protecting important services in the interests of our communities. I do not believe that the public interest test has been applied to the Australia Post deregulation proposal as it would clearly demonstrate that Australia Post services are rightly the core responsibility of the Government and should be preserved in public ownership to protect the level of service to all Australians. I ask all honourable members of this House to join me in strongly supporting Australia Post and its employees to ensure that this important service is maintained in public ownership in the interests of our community.

I acknowledge the comments made by members opposite about leaked documentation. The public record of our Federal colleagues clearly shows a recent debate on this issue and discussion about the reforms that are programmed for Australia Post. Australia Post as a corporate entity may wish to pursue certain reforms, but ultimately the Government will either accept or reject those reforms. Today we are debating the real risk that the Federal Government will happily sit back and let these negative reforms come into play, ultimately costing jobs and services to our communities. If we want to talk about services, here is a key issue. Members opposite raised matters relating to rail, et cetera. There is a time and place to debate those matters. This debate is about Australia Post services and employees. I am surprised that members opposite will not stand up for their communities.

Ms TANYA GADIEL (Parramatta) [4.27 p.m.], in reply: As we have heard today, one of our great icons is under threat. It is arguably more important that as a direct result there will be job losses across Australia. This is about Australia Post putting profit before people, which is unacceptable. I strongly believe that Parliament is justified in condemning Australia Post's appalling behaviour. The honourable member for Murray-Darling and the honourable member for Charlestown spoke passionately about this issue on behalf of their constituencies. They have defended their constituencies, and I commend them for that.

The honourable member for Murray-Darling spoke about privatisation and the flogging off of Australia Post. When we talk about this matter we should remember that that is undoubtedly the real agenda. The honourable member for Murray-Darling said that it is important that Australia Post not be deregulated or privatised, which would result in the bush losing subsidies. The deafening silence of members opposite on this matter is an absolute disgrace. However, I am not particularly surprised because they would rather make vicious attacks—arguably personal attacks—than address the real issues that need to be discussed in this Chamber.

The honourable member for Charlestown spoke directly about the impact on his constituency and the important role for government to support people in this State and throughout Australia. The Opposition has not argued much at all, but I will go through what members opposite said. I thank them for their unconstructive and vicious debate today. The honourable member for Burrinjuck made a number of references to this being a Federal issue and an operational matter. Obviously it is okay for a corporation to decide that local jobs are not worth preserving and it is not important to have some kind of community facility. She also talked a lot about small business. There is a classic joke about small business: How do you make a small business? You start with a big business. The honourable member said there are 20 licensed post offices [LPOs] in her electorate. That is great, and I hope, Katrina, that you keep your 20 LPOs.

Ms Katrina Hodgkinson: Point of order: My point of order relates to the honourable member for Parramatta referring to me by my Christian name in this place rather than by my title as a member for a particular electorate. In the past many Labor members have taken such points of order on Opposition members.

Madam ACTING-SPEAKER (Ms Marie Andrews): Order! I uphold the point of order and ask the honourable member for Parramatta to refer to the honourable member for Burrinjuck by her title.

Ms TANYA GADIEL: The honourable member for Burrinjuck also said it was great that there are local contractors out there, and she was particularly concerned that I was somewhat proud of my affiliation with the union. I have news for the honourable member for Burrinjuck: These contractors are members of the union. They had to join the union because of the way Australia Post tried to completely do them over in their business dealings. The honourable member talked about the strictly voluntary nature of the conversions and about the existing LPOs being in agreement. I am pleased she has looked at the Senate estimates committee transcript, because it would appear that the honourable member for Willoughby has not. If she had looked at the Senate estimates committee transcript she would have seen that this is not pie in the sky: it is happening, it is a real procedure. The people working in corporate post offices have no choice. I can tell the honourable member for Willoughby that I looked after Willoughby corporate post office; I had members there. At least I was trying to defend the people of Willoughby and members who worked in the Willoughby post office.

Ms Gladys Berejiklian: They will keep their jobs.

Ms TANYA GADIEL: They will not keep their jobs, and the honourable member for Willoughby will be responsible. She will have done nothing for them. [*Time expired.*]

Motion agreed to.

DROUGHT CONDITIONS IN NEW SOUTH WALES

Matter of Public Importance

Mr ADRIAN PICCOLI (Murrumbidgee) [4.33 p.m.]: This matter of public importance relates to drought in New South Wales, but it is a drought of good ideas and good public policy and its impact on New South Wales that I would like to talk about today. I refer firstly to an editorial in the *Australian* on Wednesday 31 March headed, "Carr's budget woes a result of laziness." That editorial encapsulates the real drought of good public policy in New South Wales. After nine years this Government has run out of ideas, as well as energy, enthusiasm and any spark that it may have had in the past. The editorial referred to the then upcoming mini-budget, and to the financial mismanagement of the Carr Government, the fact that it has run out of ideas and is unable to manage the State economy properly. That is why it has found itself in a budget black hole. The last sentence of the editorial states:

> In short the Carr Government is between a rock and a hard place, and has only itself to blame.

That is the truth, because the Government has run out of ideas. There is a drought of good ideas as to how to move New South Wales forward in the twenty-first century. It is particularly damaging for country New South

Wales. We have often heard the Premier talk about the strains put on Sydney by the increase in population of about 50,000 people a year. He has talked about wanting to restrict immigration unless there are strict controls about where those immigrants go. He does not want them all to move to Sydney, but what has he done to encourage people to move anywhere but Sydney? Has he encouraged them to move to western New South Wales? No. He probably does not want them to move to the North Coast either, because of development pressures there. So if they do not move to Sydney, western New South Wales is the only place for them to go. What has the Premier done to provide any incentive? Nothing. He has provided disincentives for people to move to western New South Wales.

Let us talk about infrastructure. There has certainly been a drought of infrastructure investment in country New South Wales. I do not think anyone here, including Labor members, would disagree with that. A number of rail branch lines are already on the hit list to be closed. In my electorate it is the Yanco to Willbriggie line. Another couple of lines are going to be closed and seven are under review. We heard today about the CountryLink service from Casino to Murwillumbah. There is absolutely no investment in any infrastructure or the provision of services. Migrants coming to New South Wales would look at that and think that the Government does not have the confidence to invest outside Sydney, so why would they have the confidence to move anywhere but Sydney? In most other parts of the world, particularly in Europe, rail transport is probably the predominant way to travel, but in New South Wales we are cutting those services.

In the past nine years of this Government there has been a drought of good ideas in financial management and how to manage the economy of New South Wales. The only solution, according to this Government—as we heard the Minister for Infrastructure and Planning say today—is to cut jobs in the public service in western New South Wales. He said it is no big deal for a country town of, say, 1,000 people to lose even two or three public service jobs. He said people will not demand more bureaucracy. Of course we do not demand that, but to say that communities do not care is an insult to those communities. The salaries and wages that those people bring home to their families are vital to the economy of those towns and the economy of western New South Wales. We were hoping for a little more exciting and innovative policy from the New South Wales Government but, as I said, there is a drought of good public policy coming from this Government.

Today in question time we heard about the proposal to establish a medical course at the University of Western Sydney. While I would in no way deny that that is a good idea—the more medical courses we have the better—I would not be surprised if the Federal Government is going to make an announcement in that regard. Obviously the State Government was posturing today so that if and when an announcement is made it can take credit for it. During question time the Minister said that 90 per cent—or whatever the figure was—of surgeons had their practices within 30 kilometres of the Sydney central business district. That runs counter to putting a proposal to the Federal Government to open another medical course in Sydney. If the big problem is getting doctors and specialists into the country we should advocate establishing a university course in country New South Wales. The Government does not have any ideas about how to get doctors and specialists into country New South Wales.

The clubs tax was raised as a matter for urgent consideration, and we have been reading about it in the press. The clubs have put out a lot of information about the number of jobs to be lost as a result of the State Government's clubs tax. I know that some members opposite have concerns about it but they are a bit too gutless to raise it publicly. They might raise it in caucus or privately. They scamper back to clubs in their electorate and say they went in to bat for them. All the words spoken in this Chamber are recorded by Hansard for future generations to read. Government members should stand up and say that they do not agree with the Premier and Michael Egan about the clubs tax but they do not have the guts to take either of those Ministers on.

This is unfortunate for their electorates, the clubs and the employees. It is unfortunate for clubs in my electorate as well. I am really concerned that Government members do not have the guts to fight against the clubs tax, which will cost jobs in my electorate. There is a drought of good ideas in the Government. There is certainly a drought of courage among Government members to take on the kingpins of the Government, namely, the Premier and the Treasurer. In education, the guy who says that he is the education Premier closed the Yanco Agricultural College. There were only two agricultural colleges but he closed the one in western New South Wales. Fortunately, the one at Tocal has been kept open. That is what I call a drought of good ideas: closing an educational facility to save $1 million.

Surely there are better ways to save money. The Premier could have sacked a few of his staff instead. The mini-budget included the clubs tax and amalgamations and cuts for departments. It would be funny if it were not so serious that every cut or tax increase is blamed on the Commonwealth Grants Commission. The

Government has increased taxes and cut jobs and services to the tune of about 1.5 billion but has blamed it all on the $375 million it claims to have lost because of the Commonwealth Grants Commission allocations. The maths do not stand up. Perhaps that is why New South Wales is in such dire financial straits. In the portfolio that I shadow, mineral resources, the Minister yesterday stated that coal royalties were insignificant to the coalmining industry. I wonder whether he has even consulted the coalmining industries. I am sure he has not. This State is in a serious drought of good public policy. [*Time expired*.]

Mr STEVE WHAN (Monaro) [4.43 p.m.]: When I saw that the matter of public importance to be discussed today was drought conditions in New South Wales I thought: Good on the honourable member for Murrumbidgee for highlighting that farmers in his area, the south of the State—my electorate is also in that part of the State—are about to go into yet another winter of severe drought conditions. However, I was very disappointed to hear his speech. He did not mention the drought in southern and western New South Wales and the extreme impact that it is having on our farmers. Most are now facing an extremely grim winter, with indications that the drought will continue to worsen.

The Monaro is absolutely desperate for rain and desperate for Federal assistance. I intend to talk about drought conditions in New South Wales. Nearly two-thirds of this State is drought declared, up from 53 per cent in March. This is the worst result since November 2003. The Minister is expecting the main drought figures fairly soon. Members representing electorates in southern and western New South Wales expect the picture to be even worse. During April much of the State received below-average rainfall, including the Hunter, the Central Tablelands and the Southern Tablelands.

The excellent member for Murray-Darling, Peter Black, has told me that areas around Mildura received their lowest ever April rainfalls. The falls have been below average across the whole south-west of the State. If there is not good rain in the next couple of weeks, let alone the next couple of months, many areas will be looking to a disastrous winter. In the Monaro it is already too late: the cold weather is starting to set in and pasture growth will probably not occur for many more weeks, if at all, even if it does rain. An increasing number of farmers are deciding to sell stock rather than feed them. Whenever the drought does break it will take years for our industries to recover.

Consumers are seeing the impact through higher prices for meat, and water restrictions are getting tighter. The river at Nimmitabel has been dry for some time: the town is going into its second year with the river dry, although last year the situation was slightly better than it is this year. That is really worrying. Water had to be trucked in at stages during the last year. In recognition of the deteriorating conditions in rural New South Wales the Minister announced yesterday that New South Wales would extend the work of its valuable drought support workers for another six months, through to 31 December. These workers have been a crucial link between farmers and important support agencies including the Rural Assistance Authority, Centrelink and rural financial counsellors.

Given the improvement in some of the north-east areas in recent months, I am very pleased to say that the drought support worker previously based in Grafton will now service Cooma, in the Monaro electorate. That drought support worker will be assisting in the work that is currently being undertaken to put in yet another application for exceptional circumstances funding from the Federal Government. The drought support worker from Gunnedah will transfer to Cowra in the Central West and drought support workers will remain in Bourke, Hay, Condobolin, Deniliquin, Scone and North Parramatta. The Goulburn area will be serviced by the Parramatta-based drought support worker and the north-east will be covered by the Scone worker.

The drought support workers will be continuing their critical role of co-ordinating drought workshops and farm family gatherings through the State. Since January 2003 nearly 25,000 farmers have attended over 560 of these meetings. The Carr Government has already committed more than $120 million in drought support measures, including the State's 10 per cent contribution to the exceptional circumstances interest rate subsidies. It is now being recognised that change is necessary in the way the exceptional circumstances funding works. Last month's national drought roundtable highlighted that, along with the longer-term issues of drought and drought preparation. Many of the farmers in my electorate would love to be thinking about preparation for drought. During the current drought they can think only about survival.

At the drought roundtable there was agreement by stakeholders that a simpler and more equitable process for Federal exceptional circumstances funding is needed. Even the Federal Minister, Warren Truss, agreed that the current system is flawed. The red tape involved in submitting and approving applications is costly and counterproductive, and the Federal Government needs to address this as a matter of urgency. The

honourable member for Murray-Darling has provided me with an article from today's *Barrier Daily Truth* demonstrating that almost everybody has decided that the exceptional circumstances funding process just does not work and needs to be changed.

John Cobb, a Federal member of Parliament, performed a major backflip and is quoted as saying that, after three years of drought and little prospect of substantial rain in the short term, it was time the Federal Government tackled drought assistance measures head on and made them more effective. A member of the Coalition Government has finally recognised that his constituents are not being served by the exceptional circumstances criteria and that they must be changed. Honourable members on this side of the Chamber have been saying that since before I was elected, and no doubt Country Labor members were saying it long before that, but we have had incredible difficulty getting honourable members opposite to agree with us.

While an estimated 41,570 farmers in New South Wales are eligible to apply for exceptional circumstances interest subsidies, the Rural Assistance Authority has received only about 4,400 applications. That is a result of the red tape involved in the process. We must facilitate the long-term preparedness referred to during the drought roundtable discussions. However, we should also continue to support the many farmers of this State who are facing another winter without adequate rainfall and feed. The State Government will continue to ensure that the entire suite of drought relief measures is provided to help rural communities.

It might have been clever of the honourable member for Murrumbidgee to talk about the drought of ideas, but now is not the time to indulge in tricky motions in an attempt to fool people into thinking that honourable members opposite care about drought-stricken farmers. The honourable member should be ashamed of his performance. He should not have let people think he wanted to talk about drought and then rabbit on about a range of other issues and try to score political points. His constituents should be ashamed of his performance, and I have no doubt they will be. The honourable member went on about catchment management authorities.

Yet again he cannot join the rest of the farming community, and even the Federal Government, in recognising that the authorities are a great step forward for rural New South Wales in better managing natural resources. He does not recognise that moving people out of central bureaucracies to run catchment authorities will ensure that locals make the decisions. In the long term that will help rural areas to manage their natural resources more effectively to avoid and cope with drought in the future.

My electorate is facing a serious situation. There is no feed and the ground is devastated. During one of his extremely successful bus tours Mark Latham visited my electorate and told the crowd gathered at Cooma how shocked he was about the devastating situation. As I said, the rural lands protection boards [RLPBs], in conjunction with rural counsellors, are drafting another exceptional circumstances application. The Cooma-Monaro area should have had exceptional circumstances assistance some time ago. The RLPBs and local landowners held back from lodging an application for assistance and giving the State Government the information it needed because they thought it was too difficult to comply with the criteria. It has been incredibly sad to see the plight of the large number of proud people who desperately need help but who believe it is too hard to ask for assistance. Some months ago the Minister wrote to the RLPBs urging them to gather the information required for a new application, and that is now happening. The Federal Government must provide that assistance as soon as possible.

Mr IAN ARMSTRONG (Lachlan) [4.53 p.m.]: One cannot exaggerate the severity of the 2004 continuing drought in southern New South Wales, ranging from the Dubbo area, across the Monaro and down through Victoria to Bass Strait. Unlike other honourable members, I travelled the area in a car over the past four weeks. Honourable members might care to refer to page 61 of yesterday's edition of the *Australian Financial Review*, which contains an excellent article about the drought. The article includes a map illustrating the severe lack of rainfall. The area from Parkes, down to the Lachlan region, to the Southern Tablelands—the Yass and Goulburn area—and right down to the coastal region and through the centre of Victoria is experiencing almost the lowest rainfall readings recorded since 1882. One patch to the north of Longreach in Queensland is in the same predicament. The article also states:

> In the past year, the number of areas drought-declared by the Commonwealth has increased from 36 in May last year to 56 at the end of March this year.
>
> NSW is still the worst affected, with 96 per cent of agricultural land covered by Commonwealth Exceptional Circumstances declarations.

Only 4 per cent of agricultural land in New South Wales is not covered by declarations. That is not a bad effort. Indeed, the Federal Treasury has estimated that 100,000 jobs have been lost in the agricultural sector across Australia because of this continuing drought. The article also states:

> The National Farmers Federation estimated in March that farmers have lost $3.5 billion in income since January last year as a result of the 33 per cent lift in the Australian dollar.

And the drought! The recently released balance of payments figures indicate a fall and no doubt the drought has contributed to that. All States, including New South Wales, have signed off on the exceptional circumstances process since day one in 1992.

Mr Steve Whan: It should be changed.

Mr IAN ARMSTRONG: I agree that it needs changing. Four years ago, long before the honourable member for Monaro thought about it, we were talking about the changes that should be made. I have often suggested that the three-tiered bureaucratic structure is not responsible. I hope the Government takes up my suggestion and eliminates State Government applications. The members of the rural lands protection boards [RLPBs] know what is going on and it is they who should submit applications to the Commonwealth Government with the support of the State Government. We should cut out one level of bureaucracy.

I will now deal with water because irrigation areas are being subjected to two charges: first, a low-security entitlement fixed charge, which is set by the Independent Pricing and Regulatory Tribunal, and, secondly, a fee for water entitlements. The Government is still charging $4.63 a megalitre for the entitlement and $5.31 a megalitre for usage. Irrigation farmers are paying $9.94 for nothing, because there is no water. The majority of Lachlan area irrigators have had no water for two years. However, if they have a water allocation of 100 megalitres they are required to pay $994 for nothing, and if they have a 1,000-megalitre allocation they are required to pay $9,940 for nothing.

The Minister indicated to a constituent of mine that that revenue is used to maintain the infrastructure. If a supplier cannot deliver petrol from a bowser it cannot charge the customer for maintaining the bowser. The Government must realise that it cannot deliver the water and it must shoulder the cost. It must share the pain being suffered by the community and the irrigation industry during unprecedented circumstances. This situation calls for an unprecedented recognition by the Government of the plight of irrigators and the suffering of farming communities. Retail sales have dried up and the price of meat has fallen. That is wrong because the price of cattle has fallen about 10¢ a kilogram and the price of lamb has fallen by about $12 a head in recent weeks. There is no reason for meat to be dearer in the shops— [*Time expired.*]

Mr ADRIAN PICCOLI (Murrumbidgee) [4.58 p.m.] in reply: Indeed, the drought has had a significant impact on country New South Wales, as the honourable member for Lachlan correctly and passionately explained in his contribution. I also acknowledge the comments of the honourable member for Monaro about the impacts of the drought on his electorate. I am aware that the constituents of the honourable member for Burrinjuck are having enormous difficulty surviving throughout the ongoing drought. As the honourable member for Lachlan said, the figures reveal that there have been substantial job losses as a result of the drought. The incomes of farmers, who are obviously self-employed, have also dropped significantly because of the flow-on impacts of the drought. The drought has had a significant impact on the New South Wales economy, and particularly the economy of western New South Wales. If we are to go into another year of drought, with record-low production, particularly of winter cereal, and livestock producers being forced to buy grain at presumably extremely high cost, the impact of the drought over the past couple of years will be magnified. I refer to my earlier contribution to debate on this matter of public importance.

In addition to what has happened over the past couple of years as a result of the ongoing drought, the policies that have been implemented by the State Government are not helping. The Government is aware of the significant economic impacts of the drought in country New South Wales, but its other policies, including tax and infrastructure policies, are not helping the situation. In this period of extreme drought, with the toughest farming conditions we have seen for 100 years, why would the Government close the Murrumbidgee College of Agriculture? Why would it implement a new tax on clubs? In many country towns, clubs provide the only place for people to get together and socialise, or to have a drink or dinner. They also provide suitable facilities for meetings and other gatherings. Why would the Government implement a tax scheme that will cost hundreds if not thousands of jobs throughout country New South Wales?

Why would the Government close the Casino to Murwillumbah rail line? Why would it close three branch lines in country New South Wales, with a further seven impending closures and a further dozen or so

closures under review? Why would the Government implement all these measures? Why would it force the amalgamation of country councils, with the result that some small country towns will lose their council chambers to larger towns? All these measures will cause the loss of a large number of jobs in western New South Wales, in addition to what is happening with respect to the drought. The impact of the drought will be magnified because of what the State Government is doing. As I said, it is not just a drought from a lack of rain; it is a drought of good public policy on the part of the Government. The Government has been a complete and utter failure in terms of supporting country New South Wales—and at a very bad time.

On many occasions the Premier has made himself out to be a grand statesman, by saying that Australia cannot take any more immigrants because they will all come to Sydney. My answer is: What is the Premier doing about it? Why would they not come here? This is the only place where the New South Wales Government is investing in infrastructure. I do not deny the need for that infrastructure investment, but there is also a need for infrastructure investment outside Sydney. If we invest in country areas of New South Wales, people will move there.

Discussion concluded.

BILLS RETURNED

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

Civil Liability Amendment (Offender Damages) Bill

Mr ACTING-SPEAKER (Mr Paul Lynch): Order! It being shortly before 5.15 p.m. I propose to proceed to the taking of private members' statements.

PRIVATE MEMBERS' STATEMENTS

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Ms ALISON MEGARRITY: I seek the leave of the House for up to 12 private members' statements to be noted.

Leave granted.

EPPING TO PARRAMATTA RAIL LINK AND CARLINGFORD DEVELOPMENT

Mr ANDREW TINK (Epping) [5.04 p.m.]: I express concerns about the cancellation of the construction of the Epping to Parramatta section of the rail link and about local development proposals for the area around Carlingford railway station. On 23 March 2004 a development proposal was advertised in the *Hills News*, development application No. 2461/2004/HB, for 110 two-bedroom units, 126 one-bedroom units and underground parking for 441 cars. The proposed development site is bounded by Shirley Street, which, when traffic is parked on each side of the street, in effect becomes a one-way road. The proposal involves the closure of Janell Crescent, which currently provides egress from the proposed development site onto Pennant Hills Road. This is the third of three major developments in the immediate vicinity of Carlingford railway station. On behalf of the Carlingford Uniting Church, Neil Menger has expressed grave concern about road and traffic safety issues in the area as a result of the development going ahead. He has written at length to Baulkham Hills Shire Council, and I made supporting representations to council on his behalf on 29 April.

The wider issue, however, is the fate of the Epping to Parramatta rail link. Carlingford railway station was supposed to become a massive station; indeed, much was said about that in the lead-up to the last election. There was supposed to be space for 800 cars. However, as we all now know, the entire plan has been put in the shredder. In my view Baulkham Hills Shire Council was seriously misled at the time. Baulkham Hills Shire Council local environmental plan 1991 shows that on 2 November 2001, under Gazette No. 171, the plan covering the relevant area was regazetted. Since 1964 the area had been zoned residential 2 (a). In 2001 the council proposed rezoning the area 2 (a2), which is for townhouses but not apartments. However, the Government told the council Government that in order to get a State environmental planning policy No. 53 exemption the State Government would not issue a section 65 certificate unless the council was prepared to change the zoning to 2 (a1), which is for apartments.

Councillor Larry Bolitho advises me that at that time the briefing was provided by the transport department and the planning department, representing the State Government, to the effect that as the Epping to

Parramatta rail link was going ahead there would be no problems at all with this zoning because the massive transit system would adequately provide for the dramatic increase in density. As we all know, construction of the rail link has now been cancelled. We now find that the transport links and infrastructure are simply not meeting the promise held out to council when the zoning was set up to provide for the development applications that have increasingly come forward.

In light of the Government's failure to construct the Epping to Parramatta rail link—the vital infrastructure that the Government promised the council would be put in place to allow these sorts of developments to proceed—I believe that Baulkham Hills Shire Council should seek to amend its local environmental plan by rezoning the area residential 2 (a2). I am more than willing to assist the council by making representations to the Government on its behalf to allow the rezoning to 2 (a2) because of the Government's breach of faith in not going ahead with the construction of the Epping to Parramatta section of the rail link. It is a substantial breach of faith.

From 1995 onwards the Government made a series of promises, right up to the eve of the election in 2003, and only after the election was the proposal cancelled. I note that the honourable member for Blacktown as early as 2001 was furious and accused the Premier of betraying Western Sydney. This was at the time when the matter was being delayed. In the *Daily Telegraph* on 6 April that year the honourable member for Blacktown said, "He's got a fax machine, he's got a telephone, why doesn't Bob ring him?" A lot of us would like to know about that broken promise. The point is it has left the Carlingford community in a complete mess with a lack of infrastructure and they should be allowed to re-zone to reflect the fact that a rail line will not be built, and lower the density. [*Time expired.*]

ANZAC DAY

Mr PAUL GIBSON (Blacktown) [5.09 p.m.]: This evening I am going to talk about Anzac Day. Of course, Anzac Day was a great unselfish sacrifice that gave us the spirit that we have in this nation today. I note that when we first entered the war and went to Gallipoli Australia's population was only seven million. In our war effort 830,000 people enlisted from this nation. That tremendous sacrifice should always be given the highest praise. In the first 24 hours at Gallipoli Australia lost 2,200 lives and the Turks lost 22,000. By the end of the battle Australia had lost 8,700 lives and the Turks had lost 87,000. As we know, some Australians who went to war were as young as 13 or 14 years of age. In the Anzac Day ceremony this year at Blacktown RSL Wing Commander Tracey Simpson gave the address. She talked about a poem that was penned by a soldier, Tom Wilson. He called it "Hic Jaget". Tom had the nickname of "Crosscut" and he wrote this:

I buried a Turk in a darksome gorge by officer's orders one evening grey –
I had finished my 'twenty-four hours on' and was leaving the trench at the close of day.
'You must dig him in'—and the officer smiled; 'he'll need no volleys or muffled drums
He has been in the sun for a week or so, and it's perfectly awful the way he hums!'

So I filled my pipe ('twas a needful thing), and I got it in blast ere I ventured near.
And I found him lying in shape grotesque 'neath an ominous cliff that was grey and sheer.
He had crawled to a shelter of prickly scrub—and I never could tell you how looked his face
But his horrible eyes were blindly turned to a thing that he held—'twas a portrait case!

'Twas nothing I troubled for sights and smells, but this was a sight that it hurt to see,
For I fancied he clutched it in mute appeal … and he seemed to be holding it out to me.
And little and all as I liked the job, ere I started to cover him up with sand,
I dropped my shovel and pick, and stooped and took the thing from his grisly hand.

Oh! piteous thing in the clasp of death—'twas the face of a beautiful dark-eyed boy;
A kiddie of six years old or so, who hugged to his bosom some childish toy.
And his teeth peeped out in a roguish smile, and on his forehead the dark curls clung
As pretty a picture as ever was seen of cherubic innocence sweet and young.

Some wonderful writing in big, wide text was scrawled on the back of the photograph.
And I said, 'Old fellow'—to him who lay—'would you ask for a lovelier epitaph?'
'Twas Turkish of course, and I could but guess but in good British I'll swear 'twas this:
'With love to daddy, and please come home' … and marked with a crescent to mean a kiss.

There's little of sentiment one can feel when it's each for himself in the firing line
But I couldn't but mutter a useless prayer that he hadn't gone under to shot of mine
And I pictured the face of a woman who waits and yearns with a longing supine and dumb
For the 'daddy' who lay in the darksome gorge—for the step of a husband that ne'er will come.

The shadows of evening grew apace … and a soldier has always work to do
But I laid the picture upon his breast ere ever a shovel of dirt I threw,

And I fashioned his mansion as best I could and patted it even and smooth and fair,
And stood to attention and raised my hand in a last salute as I left him there.

Wing Commander Simpson said:

For me this poem typifies the spirit and comradeship of the ANZACs and the respect and honour held by the ANZACS for a worthy enemy.

Today is a day for reflection; I would like to leave you with one last thought ; an excerpt from a book by John Hepworth, titled "the Long Green Shore" about our diggers:

"They pinned no medals on him; they made no speeches—
we need no medals or speeches—we know him and we remember.
He was just a good, ordinary bloke—that's the point—that's the important thing—
He was an ordinary bloke like you and me"

That was the Anzac address and I thought it worthy and notable to put it on record in this House for the Diggers and for the people who died and gave us what we have today. Lest we forget.

BURRINJUCK ELECTORATE OFFICE SUSPICIOUS MAIL DELIVERY

Ms KATRINA HODGKINSON (Burrinjuck) [5.14 p.m.]: I would like to inform the House about an incident that occurred at my electorate office last Monday 3 May. I currently have working in my office Ms Elizabeth Monk as a temporary Electorate Officer Grade I and Mr David White as my Electorate Officer Grade II. When Liz began processing the morning's mail a small puff of powder came out of an, as yet, unopened letter onto her clothing. As no powder was visible on the desk or Liz's clothing David tapped the envelope and a small quantity of yellow powder about the size of a 20-cent coin fell out onto the desk.

Given the current circumstances in the world, this incident was understandably of immediate concern. As it is relatively difficult for a person to obtain a substance such as anthrax or other harmful biological or chemical agents, at worst this incident was probably going to turn out to be a cruel hoax. However, that was not an assumption that my staff could make. Parliament House Security and the local police were called and the Burrinjuck Electorate Office was evacuated. Yass Police attended the scene within about 15 minutes of the call and the Yass NSW Fire Brigades Hazardous Material [HAZMAT] team and a local ambulance followed them shortly after.

These types of situations, although almost always false alarms or hoaxes, must nevertheless be treated seriously. The HAZMAT team secured the suspicious letter and attempts were made to identify the substance. I have been informed that the Yass Police were told that they were not allowed to take the sample to the Australian Capital Territory for testing, which would have been the quickest option, because of police budget constraints. Initial advice my staff received was that the samples would have to be taken to Sydney and there was some concern about the ability of the NSW Police to pay the overtime bill required for a quick analysis. An answer as to whether the material was hazardous was not expected until the next morning.

My staff were transported to Yass District Hospital by ambulance. The delay in identifying the substance meant that decontamination of my staff and the ambulance officer who had transported them to the hospital was now a high priority. Decontamination is a process akin to first aid treatment: it must be done quickly and efficiently. Considerations of privacy are secondary to the need for effective action. However, I would like to draw to the attention of the House the distress and embarrassment that this necessary process can cause. My staff and the ambulance officer who had transported them to the hospital waited in the car park until the Fire Brigade HAZMAT team arrived from securing the electorate office. Being contaminated means that the subject is unable to enter any building without it also becoming contaminated. The ambulance used to transport my staff to the hospital also had to be decontaminated by the HAZMAT team.

Decontamination requires the contaminated subject to kneel fully clothed in an open area, in this case the car park, and be hosed down with a fire hose by a fireman dressed in what I can only describe as a full chemical warfare protective suit. They then carefully remove their clothes, making sure that there is as little contact as possible between the outside of the clothing and the skin. The subject then kneels, wearing only their underclothes, and they are again hosed down by the fire hose. The volume of water required to ensure that any suspect material is washed off is considerable, as is the force of the water directed from the hose. After this the subject is considered clean enough to enter a building for a proper shower as the final step in the decontamination process.

This process was repeated until my staff and the ambulance driver had been processed and they were then able to enter the hospital. Their clothes were sealed in contaminated material bags, as were all their possessions, such as glasses, watches, wallets and purses. The temperature in Yass at this time was just 14 degrees Celsius with a moderate cold westerly wind creating a significant wind chill factor. It can hardly have been a pleasant experience to be doused with large quantities of cold water under these circumstances. In all, this exercise required the efforts of three police officers, two ambulance officers, about half a dozen firemen and the analytical team in Sydney, at what must have been considerable expense to New South Wales taxpayers.

Honourable members will be pleased to know that by about 9.00 p.m. on the Monday night the suspicious substance was identified as not being dangerous. Although this is the subject of an ongoing police investigation, I have been informed that the envelope came from a disgruntled Housing Commission tenant who had been unable to obtain maintenance assistance for a white ant problem because of budget cuts by the Government. I pay tribute to the professionalism of the emergency services personnel who attended the incident. For my staff it was an extremely unpleasant and in many ways degrading experience, which was only slightly cushioned by the calm manner of the police, fire brigade, ambulance and hospital staff.

The trauma caused by this situation could have been significantly lessened if the HAZMAT units were equipped with some form of portable decontamination station. This would go some way towards preserving the dignity of the contaminated person. Having at least one female member in a HAZMAT team would also significantly reduce the trauma and distress of women required to undergo decontamination. I strongly commend emergency service personnel. I draw these suggestions to the attention of the Minister for Emergency Services, the Minister for Police and the Minister for Health. [*Time expired*.]

PENRITH LAKES SCHEME

Mrs KARYN PALUZZANO (Penrith) [5.19 p.m.]: Tonight I speak about the progress of the Penrith Lakes Scheme, which is located in my electorate. In April last year I informed the House of the scheme, which turned old quarry sites into a series of lakes, parks and facilities of a world-class standard. The local community has greatly benefited from the scheme with daily access to the facilities, increased tourism and the staging of major local and international events. I take this opportunity to highlight some of the scheme's broad range of achievements over the past year. The Sydney International Regatta Centre, one of the various facilities under the scheme, has been the showcase for major international events, such as the Australian Pro Tour Wakeboarding and Australian Youth Olympic Festival. It has also joined forces with local sporting associations and educational institutions.

Recently I represented the Premier at the sixth annual Sydney International Dragon Boat Festival held at Penrith Lakes—just one of more than 100 annual events that reflect the many uses of the Sydney International Regatta Centre. The centre has received continued support from major corporate identities throughout Australia. Last year a team from New Zealand attended, and this year a team from Macau competed against local teams such as the Pendragons. This year, for the first time, Allam Homes entered a team in the festival. Local community institutions, such as the University of Western Sydney, have also joined forces with the Sydney International Regatta Centre to conduct a study to determine the potential contribution of freshwater mussels to the aquatic environment.

Hyridella depressa mussels are local mussels found in the Hawkesbury-Nepean system. However, they have suffered a decline in their natural environment. The study seeks to improve population numbers and ascertain the impact on torpidity, such as filtration and water quality within the lakes. In this most arid continent, water reusage and studies into water management and quality will be advantageous. The Sydney International Regatta Centre, along with the Penrith Whitewater Stadium, held the 2004 Olympic selection trials for sprint and slalom canoeing. I am pleased to inform the House that a number of local athletes were selected for the junior and senior national teams. Eight out of the 15 Australian Institute of Sport athletes who qualified for the Athens Olympic Games reside in Penrith. I congratulate kayakers Robin Bell and Louise Natoli on qualifying for the Olympic Games in Athens in the canoe slalom event.

In addition, future elite athletes are being encouraged through a talent search program called Beyond Beijing, which is being held at Penrith Whitewater Stadium. More than 100 applications have been received from 12-year-olds to 15-year-olds throughout New South Wales eager to be a part of the initial 32-strong squad. Even though the program is in its infancy, I am pleased that it is achieving outstanding results. On Saturday I will visit the stadium and will meet the squad. As this is an Olympic year it is interesting to note that, following the Sydney Olympics, Penrith has provided many recreational events for local residents and visitors. One

example was the Australia Day celebrations this year. On that day more than 30,000 people and 26 community groups were involved in activities or had stalls. My family enjoyed the many activities that were available. Indeed, my five-year-old even ventured into the toddler mosh pit at the Dorothy the Dinosaur Show.

Local businesses have also benefited from the Sydney Olympic Games. Many restaurants and retail businesses now have international customers because international teams often spend the winter or summer training at the rowing centre or the stadium. It is also interesting to note that last year the Penrith Whitewater Stadium won a Western Sydney business award in tourism, while this year Freshwater Management Services, which provides quality plant harvesting services to the regatta centre, won an award for environmental management.

ISRAEL

Mr BARRY O'FARRELL (Ku-ring-gai—Deputy Leader of the Opposition) [5.24 p.m.]: Last week I had the honour of speaking at a Zionist Council of New South Wales function to celebrate the fifty-sixth anniversary of the establishment of the State of Israel. The honourable member for Vaucluse was present and the Minister for Local Government, the Hon Tony Kelly, also spoke. This Parliament's bipartisan support for Israel is a matter of pride to Sydney's Jewish community and I again happily acknowledge the Premier of New South Wales, Bob Carr, amongst those supporters. As a friend of Israel, I am delighted that, in both the Prime Minister and the New South Wales Premier, we have individuals with strong and longstanding commitments to Israel. And there are plenty of reasons to support Israel, including its vibrant and open society, its democratic institutions, its free and critical media and its strong and modern economy. But despite these attributes Israel continues to attract bad press and all too often is portrayed as the aggressor or stumbling block in the quest for peace in the Middle East.

I want to use the few minutes available to defend Israel and set the record straight. I was prompted to do so after speaking with members of Sydney's Jewish community who live within my electorate of Ku-ring-gai. I do so within days of Israeli Prime Minister, Ariel Sharon, losing an intra-party ballot on his plan to remove Jewish settlers from Gaza. It is ironic to me that Ariel Sharon, who is always portrayed by media as the epitome of the Israeli hawk, attracts negative press despite his historic and courageous offer of removing settlements from Gaza ahead of any agreed promise of comprehensive peace—an offer made by Mr Sharon against the background of 3½ years of terrorism, murder, maiming and bloodshed experienced by the peoples of Israel. It is reminiscent of the extra mile his political opponent, Ehud Barak, went in the 2000-01 negotiations, only to have his offer of a shared Jerusalem, a $35-billion refugee package and Palestinian control of 97 per cent of the West Bank rejected by the Palestinian leadership without any counteroffer—a decision described at the time by the Saudi ambassador to the United States of America as a crime against the Palestinian people and against all the people in the region.

Despite Mr Sharon's current proposal, instead of praise he and Israel continue to be met with what seems to be a default setting for media: negativity and criticism. Instead of focusing on the withdrawal offer, media attention concentrates upon United States support for a redrawing of the 1967 boundaries of Israel, a position that allows both Sharon and United States President George Bush to be attacked. But nowhere is there any mention of the fact that Bush's position reflects that of his predecessor, Bill Clinton, and can be traced back through five other United States administrations.

The recent visit to Sydney of the distinguished jurist Alan Dershowitz, and his book *The Case for Israel*, reminds us that the phenomena of Israel's bad press is worldwide. I support his plea for an open and informed debate and a move away from the demonisation of Israel to what Dershowitz terms a "nuanced" discussion, where people are free to criticise but Israel's right to exist is accepted. There are many similarities between Israel and Australia. We are both small nations—Australia in population and Israel in size. We both enjoy a level of international success across many fields, out of all proportion with our size. Israelis and Australians both live in classless societies where success is determined by individual effort.

But we have a major difference. Australians live on an island continent and have no conception of living cheek by jowl with other nations. We have no understanding of residing in a country whose very existence continues to be threatened by people who live in those neighbouring States. So, for instance, when we read or hear in our media of the killing of someone like Sheikh Yassin, we struggle to comprehend it. We fail to understand the security need to deal with those who lead terrorist groups dedicated to attacking and killing innocent civilians in their efforts—not to achieve peaceful co-existence in the region, but to accomplish the elimination of the State of Israel. The attacks in Bali, which killed so many innocent Australians, exemplify the type of terrorism Israeli citizens have lived with daily since the Intifada commenced.

Who is to say how our Government would have responded had Australian society been subjected to the brutality of terrorism, had it learned of the proposed Bali attack beforehand and if it knew the neighbouring government would not lift a finger to prevent the attack. Alan Dershowitz argues, correctly in my view, that any government that refused to kill a terrorist who was planning to kill its civilians would be immoral and guilty of a terrible crime against its citizenry. And it is wrong to compare this type of action against a person directing terrorist attacks at civilians with the activities of the terrorists engaging in such attacks, and yet that is what too many of Israel's critics seek to do. There is no justification for the murder of innocent children, parents and grandparents, yet world history is littered with examples of the necessity to kill those who murder the innocent.

Australians have always supported open societies, the rule of law, democratic institutions, and an end to tyranny. In 1917 young Australians, members of the Australian Desert Mounted Corps and the Lighthorse Regiment, died in defence of those goals in the area that is now Israel, the West Bank and Gaza. I have visited their graves at Beersheba and their exploits in that war to end all wars still inspire me. I recalled their efforts at last week's function. I was reminded that the successful attack upon Beersheba helped pave the way for the liberation of Jerusalem from 400 years of Ottoman rule. I uttered the traditional Passover greeting—Le Shana Harbo B'Yerushalayim—"Next year in Jerusalem". I stand here as Australian who is committed to lasting peace in this region of the world and as a supporter of the two-State solution. But I fear that until the efforts of the Baraks and Sharons are met with understanding and support, and not cynicism or mistrust, and unless pressure is brought to bear upon the Palestinians to start offering their own compromises in achieving the goal of peace, the sentiments of the traditional Passover greeting will remain unfulfilled.

TRIBUTE TO THE FOTI FAMILY

Mr GEOFF CORRIGAN (Camden) [5.29 p.m.]: Today I pay tribute to the Foti family for its contribution to the cultural, economic and social fabric of the Camden community. That contribution is not only to Camden but also to the entertainment and events industry in New South Wales. Indeed, the contribution has been recognised internationally. The Foti family runs one of the leading firework companies in Australia and its expertise is known around the world. Honourable members will be aware that since 2001 the Foti family has organised the entire New Year's Eve fireworks display on Sydney Harbour, and it will continue to provide that wonderful show until at least 2005, when its current contract terminates. In the *Sunday Telegraph* Leo Schofield said that the New Year's Eve 2001 display was:

> … lacier and more elegant, and the co-ordination of effects was simply miraculous, with each burst synchronised not only by firing time but by colour and type.

I could go on reading tributes to the family's work but I would run out of time. One of the family's achievements is that it was the pyrotechnics consultant and supplier for Sydney's 2000 Olympic Games, the best ever Olympics. The family won the gold medal at its first ever international competition in Stockholm in 1993 and repeated the dose in Monte Carlo the following year. Over the past 12 months they have provided the fireworks for the Rugby World Cup, *Australian Idol*, the NRL grand final and Skyfire in Canberra, to name but a few.

These successes, though relatively recent, are built on half a century of making fireworks in Australia, and are a family tradition dating back to 1793 in Italy. It was a great pleasure for me and my wife, Sue, to attend a la dolce vita dinner on 21 April to celebrate 50 years of Foti family fireworks in Australia. It was fantastic to be with a family that shows such passion for its work. That was reflected in the dinner theme, la dolce vita—the sweet life. I say without reservation that the Foti family celebration was one of the most enjoyable functions I have attended as a member of Parliament. The Italians certainly know how to turn on a good do.

Robert Foti, our storyteller for the night, regaled us with the family history, particularly since the Second World War, when his grandfather, Celestino, came here as a prisoner of war and was interned at Cowra. Celestino liked the place so much, despite being in a prisoner of war camp at Cowra, that he returned in 1952, and over the next two years his wife, Caterina, and family joined him. Soon Celestino and his sons were working at the then Vulcan Fireworks at Menangle Park. As Robert put it, they liked the business so much they bought it.

In 1969 Celestino and his son, Sam, established the business as International Fireworks. In 1987 they moved to their present location at Leppington. Honourable members may recall that in the 1960s and 1970s the majority of their work was in the manufacture of retail fireworks, with occasional religious displays for the Maltese and Italian communities. This changed in 1985 when the retail sale of fireworks was banned in New South Wales. Since that time the family has moved into events and entertainment, and, as I said, has enjoyed tremendous success. They now have a factory in China manufacturing fireworks, as well as manufacturing locally.

The family's success is built on a passion for the art of fireworks, and incorporation of the latest technology and a commitment to service. We in Camden are lucky that we have been seeing the Foti family fireworks at the Camden show for more than 25 years. In each of those years we have been fortunate to get a preview of what is coming up. I can say without equivocation that what I saw at the Camden show two months ago will be seen at the New Year's Eve fireworks display on Sydney Harbour. There are some fantastic new fireworks coming up. I did not think the Foti family could do anything new, but it certainly has. The Fotis are a local family who are committed to excellence. I shall read into *Hansard* the Fotis' commitment to excellence as set out in the excellent book produced for the night. Referring to total service, the booklet stated:

> For the Foti family there is no doubt as to what their core business is—pyrotechnics. As a result this means the ability to provide the best Total Pyrotechnic Service available. From large-scale extravaganzas to close proximity impact moments, Foti have unparalleled experience in the pyrotechnic manufacture, risk assessment, consultancy, project management and delivery of any type of indoor, stage or outdoor pyrotechnic event.

In conclusion, I congratulate the Foti family on 50 years of fireworks in Australia. The Foti family certainly lives up to its motto, "rebus pyrotechnicus praestamus" or "we excel in all things pyrotechnic."

Mr JOSEPH TRIPODI (Fairfield—Parliamentary Secretary) [5.34 p.m.]: I congratulate the honourable member for Camden on raising the recent celebrations by the Foti family. As the honourable member said, the Foti family is well known in south-west Sydney. It is also well known in Fairfield and Liverpool. I have a close friendship with the matron of the family, Caterina Foti. She is a wonderful lady who is an exemplary citizen. She has a large extended family, the members of which are wonderful citizens like their mother, grandmother and great-grandmother. They are a fine example of what Italian immigrants have been able to contribute to Australia. They have continued a tradition in fireworks from Italy. The family has a history of being involved in this industry back in their homeland in Sicily and in Calabria, and they brought that expertise and passion to Australia.

As the honourable member said, Celestino emigrated to Australia with his wife. Because of their passion for this work, they started the business, and it has continued to grow ever since. The Fotis are not only good businesspeople and professionals in their industry; they are known for their charity, public involvement and community activism. They are also known internationally for the excellence they have achieved in fireworks displays. Indeed, they are the reference point for the whole world during the New Year's Eve fireworks displays. The rest of the world watches the fireworks displays on New Year's Eve in Sydney because Sydney is practically the first major city to celebrate New Year's Eve and the approach to midnight. The Fotis played an important role in the Olympic Games and in welcoming the new century. That reflects the contribution they have made since their emigration to Australia.

MATURE WORKERS PROGRAM

Mr JOHN TURNER (Myall Lakes) [5.36 p.m.]: Tonight I raise the axing of the mature workers program by the Carr Labor Government, particularly the Treasurer and the Minister for Education and Training. This program has given mature-age people in the Myall Lakes electorate who wish to re-enter the work force and those who have lost their jobs due to business closures or forced redundancies an opportunity to return to the work force with new skills and confidence. Great Lakes Community Resources Incorporated has been facilitating the program in Taree and Forster-Tuncurry, including assisting in the Gloucester area, and has successfully assisted mature workers into employment or long-term training programs. The Mature Workers Program was funded by the Department of Education and Training to assist people over 40 to build their skills and confidence. People over 40 have a wealth of experience and wisdom to offer employers in New South Wales, but they are often overlooked by employers because of a false perception that they do not have the skills to match it with younger people. Less than 12 months ago the Minister for Education and Training said:

> Over the past 12 months 4,500 mature aged people have found work or undertaken long term training with the help of the Mature Workers Program.

The Minister also said:

> It costs an average of $910 for city-based applicants, and $1,010 for country based applicants to find work or long term training under the Mature Workers Program.

The Minister concluded:

> This is value for money.

I agree with the Minister. However, he is now standing by and watching the Treasurer and the Premier axe this important program. I would be interested to know what the honourable member for Heathcote has to say on the issue. A press release of the member of 28 August 2003 stated:

> "The courses could be the first step into satisfying new careers for many people," said Mr Paul McLeay.
>
> "These programs are often run in partnership with local communities and provide real opportunities for further training and employment."

I hope the honourable member for Heathcote has raised these matters in caucus and asked why the Government has cancelled these programs. In a press release dated 31 July 2003 the honourable member for Illawarra is quoted as saying:

> This is great for older workers, their families and the local economy …

I wonder what she said in caucus. I also wonder why these members are not speaking out on behalf of this important program in their electorates as I am speaking out on behalf of my electorate. The axing of this program is a sad indictment of the Government. So far I have received 81 letters from people who have been affected by the scrapping of this program, and I will not be able to refer to all of them tonight. They have sent a form letter and added their own additional comments. The form letter says:

> This letter serves to explain my disappointment and dismay in the NSW Government's decision to cease funding of the Mature Workers Program, and to ask your assistance in fighting this decision.
>
> As a client of the program I have benefited from its services and believe that there is no other similar program available to any in the Great Lakes and Manning community. I believe the program costs the NSW Government $3.1 million per annum—with respect to the program outcomes, in terms of level of assistance with training, education and employment information and skills, this cost is minimal.
>
> The Mature Workers Program is valuable to the mature aged person and the broader community that we belong to. My request is that the Deputy Premier of NSW, Andrew Refshauge MP, reconsider and restore this program.

I endorse what is said in the letter. These people have written to many other politicians but it should be clearly placed on the record that the people responsible for axing this important program were the Premier, the Treasurer, and the Minister for Education and Training. I refer to some of the comments made in addition to the form letter. Mrs Kerry Bax of Taree, wrote:

> Mature workers "get lost" in mainstream programs and the specialised services given by the above—

That is, by the Mature Workers Program—

> is essential and most beneficial to a mature aged worker like myself. You still have plenty to offer as a mature worker, but typically, the government gives on one hand and takes on the other …

George Flitcroft of Forster said:

> As a direct result of being included in the Mature Workers Program I have been able to get work in the Forster area.

Jeff Woodland said:

> I received complete understanding of my unemployment predicament from staff members. Knowing that the program has consideration for you is a great relief. To be able to converse your problems to an experienced person is invaluable.

An email from Krysten Banks stated:

> As a long-term labor voter I cannot believe that Bob Carr is scrapping this program! I am so disappointed in him, and in the fact that this program's clients are caught in the crossfire of political game-playing.
>
> The Mature Workers Program is instrumental in helping people deal with a vast range of problems towards finding a valuable place in society.

Tracey Stokes of Forster wrote:

> The Mature Workers Program gave me the opportunity and the staff at Tuncurry the support to gain the employment I currently have. This program has assisted many people like me and their families. Please change your decision and save this program in order to give mature workers equal opportunities in employment.

I endorse those comments.

WOLLONGONG ELECTORATE POLISH COMMUNITY

Ms NOREEN HAY (Wollongong) [5.41 p.m.]: Today I inform the House of recent celebrations by the Polish community in my electorate of Wollongong to which I had the honour of being invited. The festivities celebrated Poland's Third of May Constitution and the inclusion of Poland in the European Union [EU], which took place at midnight on 1 May. Hundreds of people from the Polish community attended the function and a great celebration was held. The ceremony from Poland on the night of its inclusion in the EU was televised.

On 3 May 1791 the Sejm passed a basic law which was the result of a social, political and systemic compromise. Although its formal name was the Government Act—at the time, the word "government" was used to mean the political system, the organisation of State authority—it went down in history as the Third of May Constitution, and was the modern world's second constitution after the American Constitution of 1787. It was the first Constitution in Europe. The Polish basic law was inspired above all by the political and social thinking of the European enlightenment. It was linked to the model of the American Constitution of 1787, to the work of the French Constituent Assembly, which produced the Declaration of Human and Civil Rights of 26 August 1789 and the Constitution of 3 September 1791, and also to the system in Great Britain, where a parliamentary monarchy was taking shape. It also took account of Polish tradition.

In social order, the Government Act tried to make a compromise between the nobility and the bourgeoisie. It represented an attempt to initiate important social reforms and introduce a constitutional and parliamentary monarchy. The law on royal cities extended the privilege of personal immunity to middle-class property owners, re-organised the cities and made them self-governing, and repealed the regulations forbidding the nobility to engage in trade and commerce in the cities. The bourgeoisie were allowed to take public office and to become army officers. The middle classes were allowed to buy landed estates and it was made much easier for them to enter the ranks of the nobility. There were small changes in the peasants' circumstances and the reform placed the peasants under the protection of the "law and government of the country". The landed gentry were encouraged to sign agreements with their serfs defining their obligations. The observance by both sides of these agreements was to be guaranteed by law. Among the clauses of the constitution was the requirement that the edicts of the king must be endorsed by one of his Ministers.

The warmth extended to me at this function was commendable. It was wonderful to see the traditional costumes and the Polish people relishing their cultural heritage, especially the descendants of those who survived the Second World War. Obviously, they have psychological problems to this day, but I am happy to state that their children and grandchildren are clearly living good lives in Australia and are proud to be part of the Australian community. The Polish Consul, Mr Dariusz Chmiel, was in attendance, as well as Father Joseph Kolodziej, the active and popular local priest. A presentation was made to a war hero, Mr Stanislaw Pokusa, a partisan, for his efforts during the Second World War prior to coming to this country to establish a new life. I again place on record my congratulations to the Polish people. Their flag day is 2 May. Now 1 May is their EU day and 3 May is their Constitution Day. They are moving through the early part of May fairly quickly. I commend the Polish community's contribution to my electorate of Wollongong. I commend particularly Jenny, who, with the volunteers, did all the cooking and helped to make it a wonderful day.

BOMADERRY OP SHOP

Mrs SHELLEY HANCOCK (South Coast) [5.46 p.m.]: With a great deal of pride and pleasure, this evening I applaud the efforts of the Bomaderry Op Shop, one of the outstanding community organisations in my electorate and one that I recently nominated for a New South Wales Government community service award. Last week I attended a gathering of the friends, families and supporters of the Bomaderry Op Shop to present the volunteers with their award and to thank them on behalf of the community for their unbelievable efforts over many years. Part of the celebrations was the highlighting of the fact that for 35 years volunteers have been manning this facility, which has poured back money and resources into the South Coast community to those most in need.

The Bomaderry Op Shop is mainly staffed by elderly volunteers. It began in 1963, when a group of volunteers initiated the shop as an auxiliary of the Chesalon Nursing Home in Nowra. Shortly after, they moved their premises and now come under the auspices of Anglicare NSW. The shop was built by the local Lions Club and is operating in the same premises as it was 35 years ago. I first became associated with the shop last year when I was called for help from volunteers who had for some years been trying to negotiate an extension of their lease on State Rail Authority property so that they could carry out a minor expansion of their store at Bomaderry. In my submission to State Rail I emphasised that the volunteers had, over more than 37 years,

raised in excess of $700,000 from the sale of second-hand goods and clothing. That is an overwhelming amount, which was given back to the community in the form of donations to the Chesalon Nursing Home, Anglicare Counselling and All Saints Community Care.

In Mrs Aber's speech of response to her award she recounted a story of one man who came to the shop in need of a jacket as he was going to court that afternoon. He was lucky enough to find one that fitted perfectly. Despite the low cost of the item, the man did not have the money to pay for the jacket and convinced Margaret that he would be back to pay for it as soon as he could. He left his T-shirt as a swap or a surety. The next day the man did not show up to pay for the jacket. After some days and weeks and eventually three months had passed Margaret decided that he would not be back and put his rather tatty T-shirt out for sale onto the front racks, after keeping it safe for all that time. Imagine Margaret's surprise some days later when the man returned to pay for the jacket. As Margaret searched for his T-shirt the man apologised profusely for not returning to pay for the jacket earlier. He said words to the effect, "I am sorry for not coming back, lady, to pay for the jacket. That day I went to court but I've been in jail for the last three months and I couldn't get back to pay for it."

Margaret was able to recount that and many other wonderful and colourful stories of the last 40 years regarding goings-on at the Bomaderry Op Shop. The afternoon's celebrations were certainly an entertaining and heart-warming experience, attended by 50 or 60 of the local community. Once again, I congratulate the volunteers, the stalwarts of the Bomaderry Op Shop. I hope this voluntary organisation will have at least another 35 years of helping those in need in my electorate. Thank you to those people in State Rail who successfully negotiated leases so that the volunteers can expand their services and really help the people of the South Coast who go to the Bomaderry Op Shop when they are in need.

REVESBY WORKERS CLUB MISS AMY PRICE BENEFIT NIGHT

Mr ALAN ASHTON (East Hills) [5.51 p.m.]: On 24 March this year the Revesby Workers Club held a benefit night for the cancer unit of Westmead Hospital and an employee of the Revesby Workers Club, Miss Amy Price. In November last year Amy was diagnosed with a particularly nasty cancer. She had a major operation and many months of hospital treatment but the cancer continued to progress through her body. The aim of the benefit night was to help Westmead Hospital further its studies into the type of cancer that young Amy had. Amy was only 21 and had been healthy prior to her diagnosis. Thirty per cent of the money raised on the night was to go to Amy and 70 per cent to Westmead Hospital. Special guests included Amy's doctor, Dr Gurney, and Firas Al Timimi from the Millennium Institute at Westmead Hospital.

The evening included speeches from Dr Gurney about Amy's type of cancer and a speech from Firas explaining what the Millennium Institute does and how it is fighting to cure cancer. There was a silent auction and also later a noisy auction, which ended the night on a high note. Wonderful entertainers provided their services free of charge. All the staff on the night worked for nothing, volunteering their time for this cause and for Amy. There were staff from the guest relations section, catering, beverage, management and administration areas of the club. All the entertainers also volunteered their services. There was no charge for the use of the Whitlam Room. More than 1,000 people were present. The club raised approximately $45,000 on the night. The workers club also donated a further $11,000 to purchase three machines that are urgently needed in the cancer ward at Westmead Hospital.

I acknowledge some of the organisations that supported the night, having already mentioned the staff who gave up their time: Canterbury-Bankstown Leagues Club, Souths Leagues Club, Sydney Roosters, Retravision, the TAB, Dooleys Lidcombe Catholic Club—I note the presence in the Chamber of the honourable member for Auburn, who is a great supporter of that club—Club Keno, various internal clubs of the Revesby Workers Club, the Waring Family, Parramatta Leagues Club, Terry Raper Training Courses, Mobil Oil, Bankstown Sports Club, Ingleburn RSL—which on the night bought many of the goods up for auction, which ruled out people such as me—Mounties, Daryl Melham, Lazumba Coffee, Old Panania Newsagency, Revesby Heights Ex-Servicemen's Club, Lisa and John's, Cakes, Covers and Candlesticks, Revesby Florist, bowls clubs and Wayne Knight from Daily Press. Wayne Morris was the master of ceremonies and Daryl Brohman conducted the auction.

Bankstown Trotting Club, of which I am patron, was also represented. Bankstown Paceway, despite the difficulties it now faces organising and conducting competitive race meetings on a Monday night, in concert with other trotting tracks, also contributed. The paceway contributes to my electorate by running local markets. Unfortunately, while a huge amount of money was raised, the story does not have a happy ending: Amy Price passed away on 12 April this year, only three weeks after the function. I pay my respects to her parents, family

and friends. Through Amy's fight against cancer she motivated the whole club and the organisations I have just mentioned to hold the function in her name but with the majority of the money going to more research on cancer. While Amy's life has been tragically cut short at only 21, I assume that all the money raised will go to Westmead Hospital to fund further research into all types of cancer. This is further proof that clubs work in our communities to do as much as they can. I thank all those employees who loved Amy enough to do all that work on the night and all those people who turned up to make that night, as much as it could be, a night of celebration for Amy Price's life.

Mr JOSEPH TRIPODI (Fairfield—Parliamentary Secretary) [5.56 p.m.]: I congratulate the honourable member for East Hills on bringing to the attention of the House the good work of the clubs in his area. He referred to Bankstown Paceway, which is experiencing difficulties arising from the strategic plan that Harness Racing New South Wales is trying to implement. I touched on that issue yesterday, explaining that the strategic plan that had been hatched was to the benefit of Harold Park. The continuing failure of Harold Park to fill its races despite the biased strategic plan and increased prize money is conspicuous. For example, on 26 January Fairfield Raceway had 9 races and 87 starters. On 27 January Harold Park had just 7 races and 56 starters. On 3 March Fairfield had 9 races and 72 starters. On 2 March Harold Park had 6 races and only 51 starters. These are examples of the ongoing underperformance of Harold Park. Bankstown and Fairfield have suffered because of the strategic plan being forced onto the industry.

I am advised that patronage is so dismal at Harold Park on Tuesdays that it does not even bother to open the Miracle Mile Restaurant. I am further advised that patronage is so low that race meetings have had to be cancelled. In fact, the biased board of Harness Racing New South Wales is ending races at Fairfield because it is the industry's best performing mid-week asset and because of the superior competition it constitutes to Harold Park. The strategic plan aims to eliminate the competition for an underperforming Harold Park. I conclude by quoting a letter sent to me by someone in the industry:

> ... harness racing in NSW seems to be in a state of freefall. We have the Turnbulls at Bathurst considering moving to Victoria, we have Graham Watts relocating to Queensland, we have ongoing resignations from HRNSW, and participants have no confidence in the administration.

I continue to express my deep concern about the association's decision to drive out Fairfield. It prevents the good work that places such as Bankstown and Fairfield have historically performed through their charities. The honourable member for East Hills referred to a good example of that. I again congratulate him on bringing that good work to the attention of the House.

BAIL LAW REFORM

Mr TONY McGRANE (Dubbo) [5.58 p.m.]: I wish to bring to the attention of honourable members my Dubbo constituents' continuing concerns regarding the application and enforcement of amendments to the Bail Act in relation to repeat offenders. In Dubbo the same youths are being brought before the courts every couple of months on recurring charges and are being granted bail each time. These youths are subsequently given token sentences or are directed to attend rehabilitation programs that provide no deterrent, and as a result they habitually re-offend. The community is sick of enduring the consequences of a soft approach from the courts and the police are frustrated at a lack of firm application of amendments to the Bail Act that the State Government introduced primarily in response to community concerns.

The system is simply not working. The soft approach to repeat offenders is compromising community safety. I return to the specific bail matter I referred to in the House in February this year as an example. A nine-year-old boy was killed in a hit-and-run incident on a wide and quiet suburban road in Dubbo. The youth allegedly driving the vehicle had more than 20 prior offences in a range of categories from theft to assault, and had been granted bail each time he was brought before the court. I respect that each incident must be decided on its merits, but at the same time commonsense must eventually dictate when a person is likely to pose an ongoing threat to the community. The youth in question met his limited bail conditions in that he attended a brief detoxification program and appeared in court for his next hearing.

Police say that while he was on bail he was involved in a series of further violent crimes, including a number of alleged break and enter and assault cases and alleged bag snatch incidents in Dubbo, including one involving an elderly lady leaving a church service on Anzac Day. Police have interviewed him regarding the incidents and are awaiting results of DNA samples and expect to lay further charges. Just this week another young man identified as a high-risk offender appeared before the magistrate on several charges relating to crimes he committed while on previous bail. He pleaded guilty, but instead of being remanded to await sentencing he was again granted conditional bail.

He was placed on a curfew to be at a designated residence. The very next day police went to the residence for a basic bail compliance check and found that the man had absconded—yet again—and the house was empty. This high-risk offender, who has committed many criminal offences, is back in the community and on the run from police. Bail has been granted conditionally, but it is no deterrent unless the conditions are strict. Increasing amounts of already limited police resources are being directed towards following up breach of bail conditions incidents and offences committed by youths already on bail. These same offenders continually re-offend, with little deterrent. Another example is that of a 17-year-old who has a record of 80 police events.

He has been charged 24 times and has been through the legal process incurring three convictions; he has 19 intelligence reports and warnings relating to drugs offences and violent crime; he has been in custody 40 times and has recently been released on bail. The prosecution can resort to an appeal process if it is not satisfied with a bail decision. Unfortunately, that process is time consuming for prosecution staffers—who have limited resources and a heavy case load—and as a result the Director of Public Prosecutions demonstrates a lack of urgency in processing these appeals. The appeal process provides little compensation for a house owner who is robbed or a senior citizen who is assaulted by someone on bail with an appeal pending.

The individual cases I have mentioned highlight a growing problem in Dubbo, and I am sure that other honourable members could cite examples of similar cases in their electorates. Although the Government has made appropriate amendments to the Bail Act, those changes are not necessarily applied by magistrates. We appeal for commonsense to prevail and for magistrates to come to grips with the problem and to be firmer with offenders so that they are not on the street committing further crimes.

TENTERFIELD RAILWAY STATION

Mr RICHARD TORBAY (Northern Tablelands) [6.03 p.m.]: Last week I met members of the Tenterfield Railway Station Preservation Society and the local Rotary Club regarding the Tenterfield railway station. The station was decommissioned when the Greiner Government cut rail services to the north in 1990. It is one of a chain of capacious, elegant Victorian buildings on the State Heritage Register stretching from Armidale north and built at the height of the rail boom in the 1880s. These magnificent station buildings symbolise the confidence of that time in the development and opening up of the inland for passenger and freight rail services.

The Greiner Government did a great disservice to the communities of the Northern Tablelands when it arbitrarily closed down these rail services and left the track and infrastructure to fall into disrepair. However, the Tenterfield community did not want to see an important architectural landmark neglected, particularly because the station master had put considerable effort into landscaping and creating a garden that had won several awards. The Tenterfield Railway Preservation Society was formed and its members managed to secure all the existing railway furniture and the line maintenance and locomotive maintenance tools, many dating back to 1886, when the station was first built.

Members set up a museum of rail memorabilia. They have added considerably to the original collection and have received many donations and contributions to build a comprehensive exhibition of the history of rail in the area during its 100 plus years of operation. There are now 90 members of the society, many of them from other areas of the State and interstate, who support the museum and its activities. In all there are 24 active local members who keep the museum doors open for 48 hours a week and for seven days a week during school holidays. They also maintain the station by keeping it clean, undertaking repairs, acquiring and restoring railway equipment, developing exhibitions and maintaining the garden. They keep the displays in good order, reframe photographs and build new display cabinets.

Last year members clocked up an astounding 5,544 volunteer hours of work for the railway station and the museum. They saw more than 8,000 visitors come through the doors, many of them schoolchildren and their families. The Tenterfield Shire Council, the Rotary Club of Tenterfield and many of the schools and organisations in the town strongly support the society's work. The Rotary Club raised $4,000 to assist with the purchase of historic rolling stock, which was in very poor condition, and society members spent thousands of hours restoring it. Entry charges to the museum are kept at a reasonable level to ensure access for young people, tourists and the community.

Last year the society completed its five-year, $1,000 lease with the Government. Members were astounded that the new lease charge has been set at $1,250 a year plus GST, and that a $350 charge has been imposed to draw up the lease. That $350 charge has been withdrawn as a result of strong representations from

the society and the community. However, the society and its supporters strongly believe that the Government should not be imposing any charge at all for these volunteers to maintain what is essentially a building on the State Heritage Register. The State Government is obliged to keep the building in good repair. Although some funding is provided for this work, the major work of maintaining the station in good condition is conducted by the Tenterfield Railway Preservation Society volunteers.

The society's voluntary labour, its preservation of valuable rail memorabilia and its oversight of a significant State asset deserves much more recognition from the Government than it receives at present. I join with those who consider that the society should pay a nominal rent of not more than $100 a year as an acknowledgement of its wonderful contribution. I call on the Minister for Transport Services to have his officers draw up a new five-year lease withdrawing the current imposts and charging only a nominal fee to assist the Tenterfield Railway Preservation Society to continue its excellent work. The volunteers want to keep working, and we ask the Government to reduce the impost so that all the available funds can be used to maintain this valuable service for the local community.

Private members' statements noted.

[*Mr Deputy-Speaker left the chair at 6.08 p.m. The House resumed at 7.30 p.m.*]

REGIONAL DEVELOPMENT BILL

Bill introduced and read a first time.

Second Reading

Mr DAVID CAMPBELL (Keira—Minister for Regional Development, Minister for the Illawarra, and Minister for Small Business) [7.30 p.m.]: I move:

That this bill be now read a second time.

I am delighted to present to the House the Regional Development Bill. In the year since I became Minister for Regional Development I have been bombarded with a myriad of theories, ideas and opinions about what regional development is and how we can achieve positive results. Often people try to favour one theory over another, or impose their model on another. Some people even believe it is not the Government's role to intervene in the market, to promote regional development.

It seems that answers to what appears to be a simple question can appear to be complicated and elusive. But in the end, they reduce to just two things: new investment and jobs growth. And there is more than one way of getting to these goals. How a larger coastal community achieves new jobs may be different to how a small inland town maintains economic viability. That is what this bill is about. It is about helping different country and regional towns in New South Wales find solutions to not only survive economically but attract investment and create new jobs for these communities. This bill cements—for the first time in legislation—the Government's commitment to job creation and investment in regional areas of the State.

That is why the Government is introducing this bill. We believe country New South Wales should share in the benefits that a strong State economy brings. And we believe the Carr Government has a role in making sure country New South Wales shares the benefits of our growing economy. The New South Wales Government has a role because the free market on its own will not ensure that these benefits are distributed to rural and regional communities. As a Labor Government, we understand this principle. That is why we are cementing this commitment into legislation. Not only are we committing ourselves to investment and jobs for regional New South Wales but we are also committing future governments to this principle of strategic intervention. The Regional Development Bill is a framework for this Government's financial assistance to attract investment and jobs in regional New South Wales.

The bill has four main aims. First, it enshrines in legislation important principles relating to economic development and employment growth in regional New South Wales. Second, it links financial assistance for regional industry to jobs and investment targets. The legislation will improve the ability of the Department of State and Regional Development to recover money from businesses which receive government financial assistance but which default on important conditions set out in the assistance agreement.

The bill also establishes the Regional Development Trust. The trust will encourage private sector contributions to regional development across New South Wales. This Government believes that large businesses

have a responsibility to the regions and towns where they operate. If they close or reduce their operations in these towns, they have a moral obligation to help the community find new investment and employment opportunities. This is in addition to meeting all their responsibilities to their workers. Contributions to this fund will be held in the trust and reinvested into the local communities concerned.

The bill gives statutory recognition to the important work of the Regional Development Advisory Council. The council is made up of the chairs of the 13 regional development boards. It is an important forum for regions to share and learn from each other's experiences. The council also advises the New South Wales Government on how to promote economic development in regional areas. The legislation consolidates the existing Country Industries Payroll Tax Rebate Scheme. The scheme is old, accounting for only $2,000 of rebates in 2002-03. Generally speaking, payroll tax rebates are now offered under the more contemporary Regional Business Development Scheme, which has an annual allocation of $8 million.

As a Labor Government we believe—and will always believe—that everyone should have access to employment opportunities. And as a Labor Government we are not afraid to intervene in the market system where it has failed. There is no doubt that ultimately sustainable jobs growth is achieved through new private sector investment. However, this Government sees a continuing need for strategic intervention to encourage private investment in regional New South Wales. Market forces alone cannot deliver regional businesses and communities the same range of opportunities as those enjoyed by Sydney. Distance, access to technology and a slower flow of market information can constrain economic growth in regional New South Wales.

In Sydney, Internet access is taken for granted. Sydneysiders also benefit from a reliable mobile phone service. But these basic communication tools are not always available to rural and regional areas of the State. Sometimes it is not just physical constraints that create challenges. At times it is simply difficult to see potential when external changes like the international economy, fluctuating exchange rates and droughts make a community feel it is all beyond its control. Over a long period the Government has developed a range of regional development programs to help communities. We are helping them help themselves by helping them tap into their potential to attract investment. The bill recognises the importance of these regional assistance programs and provides a statutory framework for them to continue.

These successful programs include the Regional Business Development Scheme, the Regional Economic Transition Scheme, the Illawarra Advantage Fund, the Hunter Advantage Fund, the New Market Expansion program, the Country Lifestyles program, the Main Street/Small Towns program, the Developing Regional Resources program, and the Towns and Villages Futures program. These programs provide regional businesses and communities with the means to harness domestic and international growth opportunities. And there are many examples of how the Government's assistance has delivered investment and jobs to regional New South Wales. For example, late last year, LEDA Security Products, a manufacturer of parking station systems and equipment, relocated its operations from Sydney to Tuggerah. This resulted in an injection of $5 million and 33 new jobs for the Central Coast. National Ceramic Industries recently commissioned its ceramic tile manufacturing plant at Maitland. This involved an investment of more than $40 million by the company, creating 70 new jobs for the Hunter.

A great example of value adding is Unique Beef Portions of Tamworth. Its beef processing plant delivers ready-to-use meat products to consumers. The company's $3 million investment will ultimately create 80 new jobs. Metziya Pty Ltd has established a major logistics facility at Blayney for cold and dry goods storage. This represents an investment of over $30 million into the region and it is likely to create 160 new jobs. Orrcon has established a state-of-the-art steel tube mill at Wollongong. The project will create 80 new local jobs for an initial investment of more than $15 million.

This Government recognises that there is more to regional development than just business growth. We also have a range of programs designed to assist community development. These programs assist regional communities to build their local economic capabilities. Our Main Street/Small Towns program helps regional communities take a proactive and strategic approach to their future. The program enables communities to better utilise their resources to enhance their unique strengths and quality of local life. Since July 1999 more than 150 communities have been helped by this program. Our support ranges from funding economic planning activities to helping stage events, assistance with marketing activities and business awards.

In Bellingen we have helped to implement a community planning process. This has allowed the community to assess where its economic strengths lie. The Bellingen community is now marketing and promoting its local strengths to attract investment opportunities. We have provided assistance to Cabonne Shire

Council toward the staging of the 2002 and 2003 Cabonne Daroo Awards. The Government's support has helped the Broken Hill Chamber of Commerce run a customer service and management training workshop for local businesses. We have also supported the staging of the Kiama Seaside Festival. On the North Coast we have helped the Yamba District Chamber of Commerce develop a web portal to market the town and promote e-commerce development.

These programs work because they are a partnership between the State Government and regional communities. We do not tell communities how they can achieve their economic development. Experience has taught us that it is locally developed solutions that provide the best chances of success. And it is a partnership that is delivering results. An evaluation of the Main Street/Small Towns program shows that over a three-year period 135 new businesses and 537 jobs were generated in those communities surveyed. On average, 26 jobs were created for each local program. The Towns and Villages Futures program is another example of the Government's approach to encouraging regional communities to develop local solutions. Our support for the Nymagee Outback Music Festival has helped increase tourism to this isolated town in the State's west by 60 per cent. In early 2003 the Back to Nimmitabel Festival attracted more than 2,500 visitors, despite bushfires in the area at the time.

In the far west, the Outback Beds agritourism network is helping its members survive one of the worst droughts in history. The New Market Expansion Program was introduced by this Government in July 2000. Under the program we help regional businesses diversify their client base. By doing this we are helping them grow their business and take on more workers. To date, more than 300 companies have participated in the program. One of its highlights includes giving up to 18 regional firms the opportunity to participate in the Fine Food Show held each year in either Sydney or Melbourne. These companies have all reported strong sales leads as a result of participation. There are more examples of how the New Market Expansion program has helped regional businesses. This includes companies such as Strudwick Corporation, a fly fishing rod manufacturer based at Tuggerah. Our Government assistance has helped the firm pursue new overseas and domestic markets through a new web site.

In the Gunnedah area we have helped cattle breeder Barnstaple Devons upgrade its web site. This means it is better able to market its product throughout Australia and overseas. Barnstable Devons is the largest single producer of Devon bulls in Australia. Adaminaby company Nungar Knots—a home-based business—is now selling its halters, reins and bridles to the world. We have helped this company upgrade its web site to better target Arabic and Japanese speaking equine businesses. Eastcoast Beverages of Kulnura on the Central Coast expects to increase its annual turnover by 5 per cent and create two more jobs, thanks to assistance provided for web site development and e-commerce improvement.

Our record speaks for itself: over $2.9 billion in investment and over 19,000 full-time jobs have been created in regional New South Wales since April 1999. Our successful regional development programs will continue under the new Regional Development Act. Our improvements will include providing a clear focus for our programs. We will link financial assistance to the creation of new investment, new sales and jobs growth, and we will make our regional business development programs more outcomes driven. Old-fashioned ideas of propping up a loss-making business simply because it chooses to locate in a region, and not because it has made a viable commercial decision, are no longer sustainable.

We want businesses and industries to be serious about providing viable investments and jobs for regional communities. This bill takes a flexible approach to the types of industries that can be assisted. We will not prescribe types of industries that can be assisted. We can only attract new investment if we are flexible. We need to be responsive to emerging industries and their specific needs. We have no intention of delivering programs which apply a one-formula-fits-all approach. This bill also has the scope to add new programs, services and regional development structures so we can meet future challenges. We all know our economy has undergone fundamental change, and this change has often hit our rural and regional towns the hardest. The Regional Development Bill provides a modern framework to forge partnerships with industry, businesses and regional communities so we can turn these challenges into economic success stories. I commend the bill to the House.

Debate adjourned on motion by Mr Andrew Constance.

LOCAL GOVERNMENT AMENDMENT (COUNCIL AND EMPLOYEE SECURITY) BILL

Second Reading

Debate resumed from 2 April.

Mr PAUL LYNCH (Liverpool) [7.47 p.m.]: I support the Local Government Amendment (Council and Employee Security) Bill. In particular, I support those provisions that allow the Minister for Local Government to postpone the holding of a council election when that council is the subject of an inquiry, especially a public inquiry under section 740 established by the Minister under the Act. This is simply a logical and sensible proposal. If a council is the subject of such a public inquiry there is an excellent chance, although not a certainty, that it will be dismissed. In the past two decades I do not think there has been an occasion when such an inquiry has been conducted without the council being subsequently dismissed.

That being the case, if an inquiry was called close to an election, and shortly after the election the council was dismissed as a result of the inquiry, it would be hard to rebut the argument that the election had been nothing but a waste of public money. If, of course, the council was not dismissed, the election could in any event still be held at the end of the period of postponement. Because the timing of the presentation of the inquiry's report is a matter for the inquiry, it could not be credibly argued that the government of the day could manipulate it for partisan advantage. Of course, these provisions call to mind the immediate example of the inquiry into Liverpool council and its subsequent dismissal by the Minister. I note that Liverpool council and the circumstances surrounding it have been the subject of several comments in this debate already. The honourable member for Coffs Harbour made a number of comments about Liverpool council, albeit largely erroneous.

The example of Liverpool is a very good indication of why this provision should be adopted. Earlier this year, shortly before the council was to spend a substantial sum on the elections, the inquiry, which had been called for, prepared an interim report recommending that the council be dismissed. That achieved the desired result, but it was hardly an ideal mechanism. It had a number of disadvantages. Most obviously, some public resources had already been devoted—and thus wasted—on the proposed election prior to the council's dismissal. There was also a non-public waste of resources, with some candidates spending time, effort and money preparing for the election.

I should add, of course, that only those with a really bad case of candidates disease spent too much money on an election that most people thought would not happen. Additionally, there is a public benefit in certainty about processes such as an election. The process at Liverpool was not one that provided certainty, that is, people were not sure whether there was going to be an election. One other disadvantage of the events at Liverpool concerned the inquiry itself. The inquiry was forced into an interim report, which expressed publicly prima facie evidence rather than concluded views. The interim report stated that it had not had sufficient time to treat all of the evidence for all of its terms of reference. I do not argue that this was particularly unfair or that the dismissal was inappropriate; I argue simply that it was not an ideal process.

All those disadvantages could have been avoided if the provisions in this bill had been in place. I note that the Minister had proposed a bill containing these provisions before Christmas, but the Opposition and various other members in the Legislative Council did not support the bill at that time. In relation to Liverpool, my view is that the Minister had no option but to dismiss the council. He had received a report from an independent inquiry that made unequivocal recommendations to dismiss the council. He had absolutely no alternative. I am also of the view that the two recommendations from the inquiry to dismiss the council were correct. I should note that this is separate to certain procedural issues I have with the inquiry itself that I might have to return to at some other time.

The majority view in Liverpool seems to have welcomed the dismissal. There were the occasional unrepresentative individuals such as Michael Byrne, who, in his evidence to the inquiry, seemed to argue against dismissing the council for any length of time. Mind you, during his evidence he also seemed to have some difficulty in deciding whether he was actually political. He has run in a number of elections and clearly has aspirations, so he really could not say that he is not political. Indeed, his major criticism of the councillors is that he was not one of them.

As I say, I think most people welcomed the dismissal. I had previously welcomed the establishment of the inquiry, as had Labor councillors Waller, Anthony and Karnib. It is worth noting that I also made a submission to the inquiry. Various Labor figures in Liverpool have had the temerity to attack me for making that

submission and have blamed me for the council being dismissed. My submission reproduced formal complaints that I had made to the Minister and the Director-General of Local Government setting out what I thought were breaches of the law by the council over the Woodward Park developments. Those complaints were made only after discussions with councillors Waller, Anthony and Karnib. They reflected our absolute frustration with the attitude of the majority group on council.

Very few people were surprised that the council was actually dismissed, apart from a handful of candidates who had convinced themselves that they would be elected. I think one mayoral candidate was quoted in a local newspaper as saying he was surprised that the council was dismissed. I have no idea what planet he was living on. Those aspirant candidates all thought that they were brilliant enough to lead the council out of its difficulties. Thankfully, the public inquiry was not silly enough to accept that. Because the inquiry has not been completed and, indeed, recommendations for prosecutions are reported to be under consideration, it is inappropriate to discuss the interim report in any further detail.

However, I must respond to some of the comments of the honourable member for Coffs Harbour about Liverpool City Council. Some of his comments were claims without evidence, that is, fabrications, and some were just fantasy and hyperbole. The honourable member claimed that Liverpool City Council was sacked because it was corrupt. That claim is a fabrication. The reasons for the council being sacked are set out in the inquiry's interim report. The reasons are quite serious but none of them includes corruption. It might assist debate in this Chamber if the honourable member told the truth and also had the odd acquaintance with basic documents relevant to his shadow portfolio. It really is irresponsible for a shadow frontbencher to either not read the interim report or to have read it and so grossly misrepresent it.

The honourable member for Coffs Harbour also made comments on Labor caucus and Labor councillors in Liverpool City Council. It is certainly true that the end result of what happened to Liverpool does no credit to Labor. Indeed, some would suggest that the political damage the Labor Party sustained in south-west Sydney as a result of George Paciullo was even more severe than the political damage we sustained over Phuong Ngo, albeit that the various behaviours were obviously quite different. However, the honourable member for Coffs Harbour conveniently ignores the role of two Liberal Party councillors on Liverpool City Council. They were, in fact, vigorously pro-Oasis and pro-Liverpool 2020 and far more so than Labor councillors Waller, Anthony and Karnib. If the honourable member is so outraged about caucus and caucus meetings, perhaps he might like to turn his mind to the caucus meetings that occurred between two Liberal councillors and four Labor councillors, which excluded three other Labor councillors.

I note the bizarre ranting of the honourable member for Coffs Harbour against the administrator. He seemed most upset that she would not be at the council on a full-time basis. One wonders what planet the member is on. Councillors were not there full time, and were not expected to be. As I understand it, the mayor was in his office about two days a week. On that basis it is simply silly for the honourable member for Coffs Harbour to arbitrarily demand that the administrator be in the council building five days a week. The people she is replacing were not, nor were they expected to be. Finally, I note that some of the former councillors are still turning up to council meetings. I suggest that they should get a life.

Mr GREG APLIN (Albury) [7.55 p.m.]: Although the Opposition supports the provisions in the Local Government Amendment (Council and Employee Security) Bill relating to employment protection, it opposes the remainder of the bill. The honourable member for Coffs Harbour will seek to have those provisions separated from the rest of the bill. The history of this bill shows that it results from uncertainty about the means of proceeding with a particular policy that appears to have been made on the run. I say that because at the election last year there was no suggestion of forced amalgamations—call it what you may—or structural reform, which is the current term preferred by the Government. However, it is not a term favoured by country people, who see their identities being threatened and, in fact, swallowed up by what effectively are council amalgamations.

The policy has been made on the run. When the Premier first advised that he would crack the whip—and we have quoted that statement on many occasions because the whip has indeed been cracked—people throughout the length and breadth of New South Wales were forced to toe the line and accept the outcome of the reports of the Boundaries Commission and facilitators. That process is ongoing, hence the need for this bill and provisions that will give the Minister the discretion to delay elections at any time. Prior to the 27 March 2004 elections I asked the Minister a question because it was apparent that some councils were facing elections with considerable cost and uncertainty. This uncertainty related to both electors and candidates, who had to pay a deposit and incur considerable advertising and ancillary costs in standing for local government election. I was

given the answer that it was obvious the elections were going to be held and that candidates were appropriately informed of the situation when they put themselves forward.

Basically, the Government's attitude was that the cost would have to be borne by individuals and ratepayers. Those in Albury were told they would have to fund an expensive election in the full knowledge that those elected to the new council may not be in that role several months down the track. In fact, the media picked up on that, proclaiming that we would have super councils, that elections would not take place, and that if they did they would result in councils being dissolved within a very short time frame. At the outset, there was no suggestion that regional reviews would be held. That was an afterthought, as is so much of the Government's policy.

It is only when the Government staggers from one decision to the next that it realises the absence of a long-term strategy and that problems have not been thought through properly. That is typical of so much of the Government's policy. I could refer to the 12-month moratorium on XPT services, yet the Treasurer announced in the mini-budget that the Casino to Murwillumbah line would be closed on 17 May. So much for the 12-month moratorium! That is a disgraceful example of policy made on the run and why this bill should not have been necessary. It should have been a consideration when the legislation was introduced but unfortunately in the headlong rush to amalgamate councils—supposedly in order to save money—there has been one problem after another, resulting in extra expenditure.

The $1,250 a day paid to the facilitators is an example of how money was not saved when this process was first considered. The process should have been unnecessary. The first thing one looks for in any structural reform is a semblance of a policy that has been clearly thought out and is then communicated to the people to see what they think. It will not surprise the Minister for Local Government to learn that the mayor of Hume shire—no doubt the Minister has seen her—has been sporting a black ribbon since the day of the structural reform announcements. Many of us wear ribbons to commemorate particular annual events, occasions or charities. The mayor of Hume shire has been wearing that black ribbon to symbolise the death of democracy in local government areas.

That point was made clearly by so many people at the various forums established during the regional review. I point to the loss of trains. The honourable member for Lismore is sporting a red ribbon on his lapel, which is another example of the ribbons that are worn. That ribbon could well be black to symbolise the death of trains. At the recent election Denise Osborne was returned as mayor of Hume shire with an overwhelming endorsement. She led the shire through an arduous series of regional forums opposing a Government proposal that would ultimately result in the demise of Hume shire, which she is so keenly attached to and has done such a magnificent job defending.

Returning to the theme of making policy on the run, it was decided at some stage that perhaps consultation might not be such a bad idea after all. Again, this is the hallmark of good governance and should have been part of the process from the beginning. That process would have involved in part consideration of the employment of local government employees. However, like the regional facilitators, the idea of protecting employment was an afterthought. So many of the decisions in this place are afterthoughts on the part of a Government that has been caught out by the implications of its decisions. This bill was introduced in another form in the other House but failed to proceed. The Government should look closely at why it failed and why hundreds of local government employees protested outside Parliament House against the bill's provisions.

The Government should consider also why so many members in the other place and in this House spoke so strongly against the bill's provisions and why ultimately the original bill did not proceed and was withdrawn. The Minister should be shamefaced—as indeed should the Government—about the provisions in the original bill, which were draconian to say the least and conferred upon the Minister unfettered powers. This bill, to give it some merit, is a watered down and perhaps slightly more sensible approach—albeit taken on the run in response to situations that were never envisaged. Indeed, the whole legislation was not thought through and the entire process was not considered.

Democracy is dying because local government areas are being disenfranchised without any expression of concern from the Government. Local representation is being removed. The fact that David Simmons performed exceptionally well as regional facilitator in our area is more a mark of the man than of the Government's approach, because he took the trouble to listen. He came up with a solution that attempted to give people what they had been asking for, but of course he was totally constrained by the parameters that had been set out for him. At one of the forums Mayor Osborne said:

> It is important that we look at that word optimum.

David Simmons, the regional facilitator, had to put forward an "optimum" proposal for local government in Albury and the surrounding area. The mayor continued:

> It means of course best. The proposal which Mr Simmons [ultimately presented] to the Minister … will be that which he considers is the optimum or best for the provision of local government services in the Albury/Hume/Corowa area.
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> We, the residents and community members of Hume Shire, believe that the dissolution of, or indeed boundary changes to Hume Shire will not provide us with better than that which we can and do accomplish currently.

That theme continued throughout all the forums. People spoke passionately about their concerns for their shire—whether it be the Culcairn shire, the Corowa shire or the Hume shire. They believe very strongly in the process of local government and in the availability of local representatives to ratepayers. They co-operated in many community initiatives, which is something people feared would be lost, with boundary amalgamations resulting in a much larger perhaps urban-based local government. Mayor Osborne further said:

> No changed form of local government would produce savings on any scale sufficient to compensate our residents for the very real dis-benefits such a change would produce. I also doubt that any changed form of local government would provide any tangible benefits to Albury residents and ratepayers. Ask your elected representatives what benefits you would receive from their proposal should it succeed.

One point I made at many of the forums I attended—I attempted to attend all of them; the regional facilitator offered the opportunity for elected representatives to speak briefly and I thank him for that and acknowledged him at the time—was that in bringing forward this legislation the Government failed abysmally, as it does so often, to consult people or to consider the real reason for its existence, which is to serve the people of this State. The Government failed abysmally to offer any benefits or incentives. Interestingly, I live on the border with Victoria. Unfortunately, I must compare New South Wales unfavourably with Victoria from time to time—admittedly, more frequently than I would like.

It is shameful that in recognising a good Labor Government in Victoria we must recognise also that New South Wales cannot keep up. The Government delivered a mini-budget on 6 April, for which Parliament was recalled at considerable cost. That did not result in any legislation; it was merely a stunt by the Government. The mini-budget simply increased taxes. Recently the Victorian Government announced funding for local councils to assist them in marketing their areas and for people to relocate from cities to country areas.

Strangely, I spoke to the Minister for Regional Development last year about incentives as part of a policy of structural reform—or, as we prefer to call it, forced amalgamations. However, that policy would never be entertained by the Premier. We cannot trust him or anything that he says these days. When the Victorian Government introduced incentives I suggested to the Minister for Local Government that it would be a good idea, when embarking on this process, to enunciate some incentives to make people consider this proposal. Unfortunately, the moribund Government in this State decided that it would be better to punish people in local areas than to provide incentives. So the Government decided to amalgamate many council areas, which is the situation we currently face. That then raises the problem of employee security—another afterthought! What will the Government do about all the local government employees?

This policy applies where there are 5,000 ratepayers or so in a particular area. We support the employment provisions. In an earlier forum I asked about those provisions, which the unions were keen to support. I am glad to see that most of the staff are being supported. This is only as it should be, as it arises from a forced amalgamation. Some of the senior staff who may otherwise have to find employment would be hard pressed, as the mature workers program in our area is being shut down. The State Valuation Office in Albury is also to be closed. The Government's commitment to the regional areas of New South Wales is sadly lacking. I support the employee security provisions but I speak against the other powers given to the Minister and against the making of policy on the run. I ask for those areas to be separated in this bill.

Mr STEVE WHAN (Monaro) [8.10 p.m.]: This bill contains a number of important measures to help local councils provide better services to their communities and better job security for their staff. It covers three main areas. First, it will strengthen employment protection for non-senior council staff in councils undertaking structural reform. Second, the bill seeks to provide more advantageous rating provisions for local councils. Finally, it will allow for the deferral of elections under certain circumstances, particularly where there is reason to believe that a newly elected council may not serve its full term. These amendments represent a good balance between flexibility and certainty for councils, their staff, and their communities, and they reflect the consultation that the Government has undertaken with key stakeholders. These amendments have the support of the peak local government bodies, the union, and numerous councils and communities across the State.

Despite the widespread support for this bill, the Opposition predictably has argued against it. The Opposition may claim that it supports local government workers and local communities, but nothing can disguise the fact that in signalling its intention to vote against this legislation in this House, as it did in the other place, it is simply demonstrating its disregard for council employees in New South Wales. The honourable member for Albury talked about this bill being an afterthought. He talked about the hundreds of local government employees who were protesting on the street outside. I was amazed to hear members of the Opposition out there speaking as though they supported employees' entitlements and employees' rights to employment. Did we not have protection against dismissal for local government employees? Apparently we did, but it was abolished by the previous Coalition Government. We have seen an incredible amount of hypocrisy from the Opposition on this issue.

Mr Andrew Constance: What about your election promises?

Mr STEVE WHAN: Some Liberal Party members are so new they did not notice. What hypocrisy from the Opposition, when it is only the Labor Party that will stand up for employees' entitlements. Voting against this bill, as the Opposition tells us it will do, means voting against increased employment protection for local government workers when their council undergoes structural reform. It means voting against legislation that helps to develop career paths within councils, which is so important in communities where the council is a major employer. It means voting against legislation that would ensure core numbers of council employees are maintained in small country towns. I am interested to hear the honourable member for Bega talking about Tallaganda Shire—

Mr Andrew Constance: Where were you at the public meetings? Were you there with the 300 people at Braidwood? No.

Mr STEVE WHAN: That is interesting. The honourable member for Bega was not there, otherwise he would have known I was there. I spoke to the public meeting. That proves once again what a dope he is.

Mr Thomas George: Point of order: I ask that the honourable member for Monaro refer to members of this House by their electorate names and not by the inappropriate words that have been used by him.

Mr ACTING-SPEAKER (Mr John Mills): Order! I am not aware of the instance the honourable member refers to. I uphold the point of order. It is imperative that honourable members be referred to by their correct titles.

Mr STEVE WHAN: Of course I will refer to the honourable member for Bega, who represents an area where small councils amalgamated a number of years ago. There used to be an Imlay shire. That amalgamated with the Bega shire. There used to be a shire that had Narooma as its name and centre. That is now part of the Eurobodalla shire. Those larger councils now work very well. Voting against this legislation, as the Opposition proposes to do, will ensure there is no guarantee for the core number of council employees that we have guaranteed in the Tallaganda area and for Braidwood. The Government has made its position clear. We want to reform local government to improve services for ratepayers, but we do not support changes that will lead to a loss of jobs.

To ensure that is the case, the bill extends a number of important employment protection provisions. It will extend employment protection measures to all non-senior staff at councils affected by structural reform, whether that structural reform has occurred by way of amalgamation, boundary alteration or constitution of a new area. It clarifies that these provisions extend to non-senior staff on fixed-term contracts. It extends these core employment protection provisions to all regular staff, including permanent casual staff. The permanent casual staff in Braidwood of the former Tallaganda shire are very pleased with that because it guarantees their jobs.

The bill makes it clear that the entitlements of all affected non-senior staff members will be preserved, and that they will continue under the same terms and conditions that applied immediately before the transfer day. There will be no forced redundancy of any affected non-senior staff member for three years after the transfer. The bill does so by extending the time limit in section 354G of the Act that applies to the lateral transfer of non-senior council staff from 12 months to three years, and by extending the employment protections under the Act—especially sections 354D and 354E—to non-transferred council staff as well as transferred council staff. The amendments will also prevent non-senior council staff members from being unreasonably based outside the general locality in which they were based immediately before the transfer, and to maintain core staff numbers in rural centres within a three-year period.

The employment protection provisions will be retrospective to 1 January 2004. This will ensure workers from those councils that underwent structural reform earlier this year—including those in the region I represent—are afforded the same level of protection under the Act. Furthermore, the bill will ensure that core numbers of staff in rural towns that have been affected by structural reform will be maintained. The Government is well aware that in many small rural communities council is the major employer. For example, in Braidwood it is the second-highest employer in the town behind the State Government.

Mr Andrew Constance: So you gut it?

Mr STEVE WHAN: The honourable member for Bega should try listening once in a while. This measure guarantees the number of employees in that council, and those employees now have a better guarantee of employment than they would have had without any change. There is no time limit on this provision to maintain core staff numbers in rural centres. The Government is committed to supporting small rural communities for the long haul. Consultation with key stakeholders has been a hallmark of this bill. The Minister has introduced provisions in this bill to clarify that a council may apply to the Minister to vary its maximum general income for up to seven years, as long as the variation is an increase, not a decrease. This ensures no council will be worse off if it chooses to apply for a special variation under this provision. The new rating provisions proposed by this bill will provide greater flexibility for councils in their financial planning. This will also act as an incentive for councils to attempt major projects, including environmental works. This will have a positive flow on effect to the community. Of course, as is currently the case, the bill will ensure that councils must apply for these special variations and must meet certain guidelines before any variation is approved.

It is important that this bill introduces a power for the Minister to defer elections in certain circumstances—for example, where a council is subject to a public inquiry that may recommend dismissal of a council or where a council may be affected by an amalgamation or boundary change. In both these situations, a council may be subject to new elections in a short period of time. The honourable member for Albury was talking about the potential for the Albury area to have two sets of elections. He gave, at some length, a perfect speech in support of why we need this change to legislation. He argued the case beautifully, because if this sort of provision is not in the legislation ratepayers could be forced to pay for elections within a short time. Under the bill the Minister can defer—

Mr Andrew Constance: Tell us about the Snowy River.

Mr STEVE WHAN: I would love to talk about the Snowy River Shire, where local officials have managed to make a mess of it. I refer the honourable member for Bega to a speech I made in this place on that subject. It might provide him with education about these matters, which he is so sorely lacking. Allowing the Minister to defer elections will save affected councils and their ratepayers considerable money, which can be better spent on services for the community, as we heard from the honourable member for Albury tonight. The amendments will also ensure that a council will be elected for its full term. In the case of areas undergoing structural reform, the amendments will help to avoid confusion as to which local government area electors should vote in.

The bill proposes to enable the Minister to defer council elections in three situations: when an amalgamation proposal or boundary proposal affecting the council is being formulated or is under consideration; when a council is subject to an investigation or public inquiry under the Act; or when a proposal for structural reform is being considered by the Boundaries Commission. Elections may be deferred for 12 months in the first instance and for a maximum of 24 months. However, the Minister may revoke the postponement. These amendments are a sensible way of ensuring balance between the need for flexibility to accommodate the individual situations of councils and their communities and the need for certainty in the electoral planning process.

The bill responds to needs expressed to me by members of my union and by the employees of amalgamated councils in the region that I represent. I certainly know that Yass shire is happy with the new boundaries because Yass shire councillors keep telling me that. They have gained better control over the catchment. The key issues raised by employees in the Tallaganda area relate to the need for this legislation to come into place to protect their positions. The Government has responded to the needs expressed by people. Of course, a few people run around the community with scaremongering lines, but in some cases councils needed to look to their future. Small councils with 1,200 to 1,400 ratepayers were not able to guarantee to their communities the level of service required.

We have heard interjections tonight about Tallaganda Shire Council. I wonder whether honourable members opposite know how Tallaganda Shire Council balanced its budget: in March every year it ran out of money so it stopped doing any work—hardly the way to better service ratepayers. The people who referred to the utilisation of equipment would jump up and down about equipment sitting in the yards for several months of the year because small councils could not afford to do the work. With bigger councils that should not occur. We will be able to provide better services in the region.

The bill is an important step in ensuring that as we go through the process of changing council boundaries employees get the protection they deserve and there will not be ridiculous situations whereby people have to vote more than once in the year because councils are subject to dismissal, amalgamation or Boundaries Commission inquiries. We are ensuring that local government is working properly and effectively for the people of New South Wales. Local government is about providing services for communities, and if it is going to provide decent services to communities it has to reflect the communities it covers. It has to be bigger to deliver services. That is where the Government is heading with its policies. The bill is a product of extensive consultation with key stakeholders and it represents a good outcome for councils, their employees and their communities. Employees will see exactly which party in this place stands up for employee entitlements if once again the Liberal and National parties vote against protection of employee rights and entitlements. I commend the bill to the House because we must protect employees and their rights.

Mr ANDREW CONSTANCE (Bega) [8.25 p.m.]: It was terrific to hear the honourable member for Monaro talk about employees' entitlements and rights when the clubs movement in his electorate is about to see 205 jobs disappear according to the latest Allen report this week.

Mr Steve Whan: What rubbish!

Mr ANDREW CONSTANCE: The honourable member can look at the report himself. I know that he does not like it. Likewise, he does not like many of the things that his Government is doing in his electorate. Yet he is not prepared in this place or in caucus to stand up for people in the small communities in his electorate such as those in Araluen who are absolutely appalled at the way the Government has just dissolved Tallaganda Shire without appropriate consultation. That is the big difference between the Coalition and the Labor Party: it believes in forced amalgamations and we do not. Labor stands for absolute ministerial power to control democracy at the grassroots level. The honourable member for Monaro might want to ignore what is being said by his constituents but the honourable member for Burrinjuck and I have been approached by many Monaro constituents so that their voices can be heard in this place because the local member is failing to represent their views.

Mr Steve Whan: Point of order: On the matter of relevance, I suggest that the honourable member should get over his obsession with me and get on with speaking to the bill.

Mr ACTING-SPEAKER (Mr John Mills): Order! There is no point of order.

Mr ANDREW CONSTANCE: The former member for Monaro dared to suggest before the March 2003 election that Country Labor and the Labor Government intended to dissolve Yarrowlumla shire. There was an absolute carry-on in the local press by the present member for Monaro saying that the Coalition was running a scare campaign and that Labor had no intention of dissolving Yarrowlumla shire. Three months after the State election it dissolved Yarrowlumla shire. The honourable member misled the local communities in his electorate over Yarrowlumla shire. He has to hide to call me a dope. The only dope around here is you, my friend.

Mr Steve Whan: Point of order—

Mr ACTING-SPEAKER (Mr John Mills): Order! If the point of order relates to relevance I will rule against it straightaway.

Mr Steve Whan: I just point out to the honourable member for Bega that the Yarrowlumla shire put in the proposals for boundary changes.

Mr ACTING-SPEAKER (Mr John Mills): Order! That is a debating point, not a point of order.

Mr ANDREW CONSTANCE: The fact is that the honourable member misled the local community of Yarrowlumla shire in the middle of an election campaign: he told the community that there were no plans by the

Labor Government to dissolve Yarrowlumla shire. Yet three months after the election Labor dissolved Yarrowlumla shire. The honourable member must be really happy about the way things are going in Monaro between Queanbeyan hospital, the clubs tax, CountryLink services, and local government amalgamations! No wonder he is spending all his time in Parliament in Sydney hiding away from local communities and not listening to them. The honourable member for Burrinjuck and the honourable member for Bega have to represent his constituents in this House. They are dead-set opposed to forced amalgamations.

We know that the honourable member for Monaro has always been interested in being a member of Federal Parliament. He has no interest in being the State member for Monaro. Every time he speaks on local issues it is always something to do with the Federal Government. He is not prepared to stand up for his constituents in this place or in caucus on this issue. Not only has Yarrowlumla shire been dissolved, but Tallaganda shire has been dissolved. Coalition members are listening to people and being approached by the constituents of Monaro. They are incredibly angry about resources now being gutted from the local communities. The bulldozer at Araluen has been taken away from the local community.

We have presented a clear position on the bill: we want to separate the employment protection provisions. We recognise the importance of local jobs in regional communities and know that people will be greatly disadvantaged by the dictatorial changes being put through by the Labor Party. The Opposition will oppose the rate variation and election postponement provisions because they demonstrate the arrogance of the Government and the Minister, who wants to dictate the way in which local government is shaped throughout New South Wales. He wants to be able to dissolve councils at the stroke of a ministerial pen and without any local consultation.

Mr Steve Whan: Vardon is your great mate.

Mr ANDREW CONSTANCE: It is fantastic to hear Mr Vardon mentioned. He has been involved in consultations throughout New South Wales and has been paid $1,200 a day, which raises questions about the value for money the Government has achieved through the regional consultation process. It has simply angered communities across New South Wales that have been disenfranchised by this arrogant, out-of-touch and deaf Government. It continues to ram through legislation that has not been the subject of community consultation. The Labor Party stands for forced amalgamations. The Coalition stands for voluntary amalgamations and is happy to engage with communities in an open, transparent and consultative manner and to discuss the necessary boundary changes which will bring about synergies in service delivery and which will reduce the waste that occurs within local government.

Amalgamations achieve streamlining, greater efficiencies and better value for ratepayers. The Labor Party's approach has disenfranchised constituents throughout New South Wales and it will ultimately result in job losses. Honourable members should stand back and look at what is happening. The Labor Party says that its aim is to create efficiencies and greater economies of scale in the local government sector. It has gone through the pain of an amalgamation process that has reduced the number of local government employees, and it is now introducing policy on the run. This legislation is designed to ensure that jobs are maintained for three years after the amalgamation process has been completed. We all know that is sacking by stealth. Council employees will suffer great insecurity and there will be a natural decline in staff numbers. The Government is trying to minimise the political pain that will occur as a result of these amendments.

Mr Steve Whan: You should read the legislation.

Mr ANDREW CONSTANCE: The honourable member for Monaro continues to interject despite the fact that I listened to him. I am trying to defend myself. Constituents from the Snowy River through to Braidwood are incredibly angry at the way in which their local member has pretended to represent them. He has failed to represent their views in this place. He appears to perform well on his feet, but he is hopeless when it comes to representing his constituents and the small townships in his electorate that will be directly affected by these amendments. It bewilders me that 12 months into the job he has failed to represent his constituents with regard to the Queanbeyan hospital, CountryLink services—

Mr Steve Whan: Point of order: The bill is about local government. The honourable member for Bega wants to talk about the Queanbeyan hospital, which is on track and which will be delivered on time as promised by Premier Carr before the election, or the Queanbeyan CountryLink service that I saved. He should raise those matters in a substantive motion. However, this debate—

Mr ACTING-SPEAKER (Mr Paul Lynch): Order! I have heard enough on the point of order.

Mr Steve Whan: It is a point of order on relevance.

Mr ACTING-SPEAKER (Mr Paul Lynch): Order! I am sure the honourable member for Bega was merely making a passing reference to Queanbeyan hospital and CountryLink.

Mr ANDREW CONSTANCE: Yes. In fact, we should engage the Allen Consulting Group to undertake a study of the job losses that will occur in the local government sector as a result of these amendments. The Government did a terrific job with the clubs tax and the honourable member for Monaro has realised that 206 club-related jobs will be lost in his electorate as a result of the tax. Local communities are concerned about the power of the Minister for Local Government under this legislation. It will empower him to postpone council elections in three situations. The first is if an amalgamation or boundary proposal is being formulated or is under consideration. Under whose consideration? That is a reference to the Minister, so he will be able simply to postpone an election with a stroke of his pen.

Second, the Minister will be able to postpone a council election if the council is the subject of an investigation under the Local Government Act, a public inquiry or an investigation by an authority under this or any other Act. I imagine that every council in New South Wales will be subject to some form of investigation at some time. Third, the Minister will be able to postpone a council election if a matter affecting the council boundaries is under consideration by the Boundaries Commission. The legislation gives the Minister enormous power to dispense with grassroots democracy in New South Wales. Communities have every right to participate in grassroots democracy.

The other area of concern to the Opposition is the variation of local council rates. The Minister stated in his second reading speech that a council may apply to the Minister to increase its general income from rates by a specific percentage or special variation above the rate-pegging limit. If the Government had consulted the local government sector it would have realised that rate pegging has caused great concern throughout the State. The Government has decided to force the amalgamation of many councils to save money. A review of the work force might reveal possible cost savings, but this legislation rules out any of the efficiency gains that might be achieved as part of the process. The honourable member for Monaro is well aware of the Government's redundancy programs for bureaucrats. The recent situation at the Southern Area Health Service provides a good example of that. Local government has been held to ransom by the union, which has said that legislation must be introduced to ensure that employees are protected and that they continue to work in the local area.

The Coalition does not have a problem with that. However, it is particularly concerned about the Minister's ability to defer local government elections as he sees fit and his ability to vary council rates. If the employment protection provisions cannot be separated from the other provisions in this legislation, it is important to send a clear message that the Opposition will not allow the Government to walk over ratepayers. Why go through the pain of an amalgamation process and then introduce this legislation? This is about sheltering marginal seat members like the honourable member for Monaro. In 2007 they will cop the backlash from local communities, which are incredibly angry about the way in which the honourable member for Monaro, his Government and the Minister have behaved. Bombala is next. The Minister stated on the ABC that the Bombala councillors are unlikely to see out their term. They will be sacked—

Mr Steve Whan: Point of order: The honourable member for Bega has misled the House by suggesting that I went on ABC radio and said that Bombala council would be sacked.

Mr ANDREW CONSTANCE: I said "the Minister".

Mr Steve Whan: The Minister has not said that.

Mr ACTING-SPEAKER (Mr Paul Lynch): Order! That is not a point of order.

Mr ANDREW CONSTANCE: We know that the honourable member for Monaro has been upset by what I have said tonight because I have gone to the heart of the matter. [*Time expired.*]

Ms KATRINA HODGKINSON (Burrinjuck) [8.40 p.m.]: I indicate at the outset that my views regarding the Local Government Amendment (Council and Employee Security) Bill echo those of my Coalition colleagues. We would prefer to have the employment protection provisions presented as part of a separate bill. It

is important that employees be adequately protected by legislation that is not moved in globo, as it were, with other controversial matters such as rate variations and the postponement of council elections.

My electorate of Burrinjuck was probably the second electorate to be hit by forced local government amalgamations. First there was the sacking of the council of the City of Sydney, and two days later most of the councils in my electorate were sacked. The sacking of those councils took place by way of fax or phone call to the mayors. It was a dark day indeed. We went through the so-called consultation process with Professor Maurice Daley and his companion, Mr Robert Bulford, who is a close personal friend of mine, and ultimately those two gentlemen put forward to the director-general a proposal for two super councils. Fortunately, those two super councils did not eventuate. However, the amalgamations that resulted from Labor's forced amalgamation proposal left a lot to be desired.

Currently there are genuine concerns in my electorate about local government amalgamations. Only today the *Yass Tribune* ran a large front-page article about Kangiara and Nottingham, two districts in my electorate located to the north of Yass. Several weeks ago in another place the Hon. Duncan Gay asked the Minister for Local Government, the Hon. Tony Kelly, whether the Kangiara district would be able to incorporated in the Yass shire area. The Minister said:

> Under the Local Government Act, minor boundary changes or alterations do not have to go to the Boundaries Commission. They can be done by the director-general.
>
> I expect that the matter will be resolved before the councils go to election on June 26.

The Minister then issued a press release confirming his advice. I heard the announcement on ABC Riverina, and I was delighted with it. However, apparently the Minister has now reneged on that advice. We urge the Minister to put the call through to the director-general and ensure that that very minor boundary adjustment takes place. Good people like Jane Southwell and Kathleen Allen who live in the Kangiara district are very much part of Yass. Kangiara is very close to Yass; indeed, it is its local community. If the people of Kangiara have to travel to Crookwell, which is where the Upper Lachlan council is to be located, they will have to drive right past Yass and travel for another hour. If they chose to take sealed roads, it would take them an hour and a half to drive from their home just to get to the local council area. Clearly, these minor boundary adjustments, which should have already taken place, should be simply signed off by the director-general before council elections take place on 26 June.

I cite a couple of other examples about local government. I refer to an article on the front page of *Town and Country Magazine* for the week commencing 1 March 2004. The article, which is entitled "Village boundary angst" and was written by Leon Oberg, the editor of that publication, is about Collector, which is a small town in the south of my electorate of Burrinjuck. The town has effectively been split between the three shires of Yass, Upper Lachlan and Eastern Capital City. There is one ratepayer in Collector and his property is split between the three councils. That means he will have to pay rates to three councils. Issues such as this go to the heart of local communities.

Another article in the same publication written by Leon Oberg, who is an extremely thorough journalist, entitled "Anger at Collector carve-up", goes into great detail about how the locals feel about having their properties come under three councils. Obviously, public meetings on the issue have been held in those areas. Big Hill, which is located near Marulan, is very much part of the Goulburn shire and should not come under another council. Taralga, which was formerly in the Mulwaree shire, is the home town of the former mayor of Mulwaree, Paul Stephenson. Paul Stephenson has always been an outspoken person who has supported his community, and he wants to see the right thing done by it. Basically isolating him in the Upper Lachlan area, which is what has happened under these boundary adjustments, has meant that the former mayor has been faced with difficult and challenging decisions to make about whether he should stand for election in Upper Lachlan or the new Greater Argyle council area.

I simply cannot express in the Chamber the angst that these local government amalgamations have caused in my electorate. Of course, we know that Labor went to the last election with a clear-cut policy that there would be no forced local government amalgamations. I stood on a stage at the Goulburn Soldiers Club at a "Meet the Candidates" evening together with Michael McManus. He was asked by Patrick Dwyer from Boorowa, "Mr McManus, if the Labor Government is re-elected, will there be forced local government amalgamations?" The answer from the Labor Party, clearly and unequivocally, was that there would not be forced local government amalgamations.

Mr Andrew Fraser: So he lied?

Ms KATRINA HODGKINSON: That certainly seems to be what occurred. It is just not good enough. How on earth can country people trust a Government that clearly and unequivocally lies in the lead-up to an election? The people are supposed to be able to go to the ballot box knowing the stance of each political party. We formulate our policies and we are expected to abide by them. The Government got into office on fraud and deceit, by saying there would be no forced local government amalgamations. There was then a rushed so-called consultation process. As the local member, I was pushed away from a microphone at the Goulburn Soldiers Club, a club of which I am a member, by Robert Bulford, an adviser to the Minister for Local Government. It is an absolute farce, and the Government should hang its head in shame.

The local government amalgamation process has been nothing but a total box-up by the Government. The people of the Burrinjuck electorate, local government bodies, former mayors, former council general managers and former council staff, particularly those of rural shires, no longer have faith in the Government. In saying that, I particularly commend the staff of Mulwaree Shire Council and Tallaganda Shire Council, who have always done an outstanding job. I commend all the rural councils of my electorate, who have had a large number of staff out in the field for a long time and have supported so many families. I particularly commend Mulwaree Shire Council, which was established in 1907. The Government basically pulled the plug on that council overnight. All those hardworking council staff members have been treated poorly by the Government.

The Coalition does not support the bill in its entirety. We support the employment protection provisions in the legislation but we do not support the provisions for rate variations and election postponements. It is important that the Government wakes up to itself. I am sure it will happen at the next election, when the Coalition wins government and members opposite are thrown out on their heads. The Government lied during the last election campaign. All Government members who said in public forums that there would be no forced local government amalgamations should hang their heads in shame. They will be reminded time and again about their false promises in the lead-up to the last election.

Mr GERARD MARTIN (Bathurst) [8.49 p.m.]: I support the Local Government Amendment (Council and Employees Security) Bill. I will respond to some of the comments made by the honourable member for Burrinjuck in a moment, and speak in particular about the hypocrisy that is coming from the other side on this issue. I take this opportunity to discuss the employment protection provisions contained in the bill. That is something that has been very important from day one, and this side of the House has no wish to water it down, as have those on the other side.

The bill takes the important step of extending employment protection measures to cover all non-senior staff at councils affected by structural reform. This structural reform may be by way of amalgamation, boundary alteration or constitution of a new area. When a council undertakes such structural reform, this bill makes it clear that the entitlements of all affected non-senior staff members will be preserved. These staff will continue under the same terms and conditions that applied immediately before the transfer day. Furthermore, there will be no forced redundancy of any affected non-senior staff member for three years after the transfer. All affected staff will have access to the protections afforded under the lateral transfer and external advertising restriction provisions under the Act. This means workers can use their existing skills and experience in a new council area.

The Government is committed to protecting council workers when their employer undertakes structural reform. That is why we are extending the employment protection provisions currently in the Act. It is also why we are proposing new protections for non-senior council staff. The bill proposes to extend lateral transfer protections for non-senior council staff from 12 months to 3 years. This means that councils must notify their staff of staff vacancies internally and select candidates from within the council where an adequately trained pool of staff exists for the three years following structural reform. This will help to develop career paths within councils, which is particularly important in rural and regional towns where council is often one of the largest employers.

Mr ACTING-SPEAKER (Mr Paul Lynch): Order! I call the honourable member for Lismore to order.

Mr GERARD MARTIN: In more good news for the country, the bill will stop non-senior council staff from being based outside the general locality in which they were based before the transfer. This will have effect for three years following the transfer, unless the staff member gives written consent or it can be proved that relocation would not cause unreasonable hardship because of the distance required to be travelled. These

employment protection provisions will be retrospective to 1 January 2004. This will ensure that workers from councils that underwent structural reform earlier this year are given the same level of protection under the Act, once a new council is elected later this year, as any other local government employee. Currently their employment protection is guaranteed by proclamation.

The bill also clarifies that retrospectivity will not apply to appointments made between 1 January 2004 and the date of the bill's assent. This means that if a transferred staff member from any council affected by structural reform during this period was appointed to a position under the lateral transfer or restriction on external advertising provisions of the current Act, they will continue to hold that position.

Mr Andrew Fraser: Point of order: The rules of this House allow members to use copious notes. It is quite obvious that inside the bill in front of him the honourable member for Bathurst has a speech that has obviously been prepared for him by the Minister's office. I would suggest that the member be called to order for reading a speech and not using notes, as has been the custom of this House.

Mr ACTING-SPEAKER (Mr Paul Lynch): Order! There is no point of order. The honourable member for Bathurst is merely referring to copious notes.

Mr GERARD MARTIN: It is an old one but a good one, Andrew. The only council staff who will not receive these employment protections are those who are defined as senior staff. In the dictionary to the Local Government Act 1993—a legacy of Gerry Peacocke—"senior staff" are defined as:

> The general manager of the council and the holders of all other positions identified in the council's organisation structure as senior staff positions.

In order to be identified in the council's organisation structure as senior staff, a staff member must be employed at SES Level 1 or above. This means they must be earning more than $125,000 per annum. Non-senior staff employed under performance-based contracts are not captured within this definition. Consequently, they are covered by any employment protection provisions that relate to non-senior staff.

Mr ACTING-SPEAKER (Mr Paul Lynch): Order! The Opposition benches will come to order.

Mr GERARD MARTIN: It is the Government's intent that these provisions be applied in the same way to non-senior staff on fixed-term contracts. For example, if non-senior staff members had served a year of a two-year contract when they were affected by structural reform, they would still receive the same three-year protection against forced redundancy as a non-senior staff member employed under the award. The Government is well aware that in many small rural communities council is the major employer. As someone who has had 25 years experience in local government I am very much aware of that. That is why we are committed to maintaining core numbers of staff in rural towns that have been affected by structural reform.

Mr ACTING-SPEAKER (Mr Paul Lynch): Order! I call the Leader of The Nationals to order.

Mr GERARD MARTIN: Hearing the interjections from the other side it is probably worthwhile that I expose a little bit of their hypocrisy. The Opposition has had a travelling circus go around my area in the past week or so, and of course the *Western Advocate* reported that the Leader of The Nationals made the statement in Bathurst, under questioning, that:

> We think that local government reform is desirable.

Mr Thomas George: Point of order: My point of order is one of relevance. I would ask you to bring the honourable member for Bathurst back to his notes.

Mr ACTING-SPEAKER (Mr Paul Lynch): Order! The honourable member for Bathurst was responding to an interjection. I have called for order a number of times. Given the level of interjection I am not surprised that the honourable member for Bathurst has been distracted. If members of the Opposition were not interjecting, perhaps he would not have to deal with the interjections in the way he has.

Mr GERARD MARTIN: At question time this afternoon we saw the frustration of the honourable member for Lismore, who gets fed little tidbits because he is an inconsequential backbencher. He is suffering from the attention deprivation problem that members on the other side of the House have. I made it quite clear from day one that I think there could have been a better process for this structural reform. I have been critical of

our Government on this matter and I have spoken to the Minister about it, but I recognise, as someone who has spent 25 years in local government, that the last people who will come forward for local government structural reform are local government people. It is a very difficult process.

Members on the other side of the House may remember that when they were in government in the mid-1970s their Government's Barnett report recommended that more than 300 towns in New South Wales be reduced to 79. What a wonderful effort by this mob of hypocrites! Now the events of history are creeping up. Some of us have a very good memory of this. Of course they floundered around, nothing happened, the Wran Government came into office, there was dialogue and eventually there were amalgamations. I think the 300 became just a little bit less than 200—very different from the 79 councils the previous government wanted to cover New South Wales. This is the history of the other side.

When pressed by the media in Bathurst last week the Leader of The Nationals said, "We think local government restructure is desirable and it should be democratic." The Leader of The Nationals should get up and explain. As the *Western Advocate* stated today, "Mr Stoner has been caught out again." The Leader of The Nationals should deliver and tell us what his policy is. How is he going to go about local government reform? He has not got a clue. He has been preparing to prostitute himself around the countryside with unionists, whom his people abhor, and the Greens. I have seen the honourable member for Coffs Harbour up there embracing union officials. What an unusual sight! But he was prepared to do that. I fronted up; I was a sacrificial lamb. I defended my position on it. But at the end of the day people want the Leader of The Nationals to explain how he is going to go about what he thinks is desirable. Those are his words: "Local government restructure is desirable." He says let us make it democratic.

If you asked the question in six other plebiscites, at least five of the six would say, "no local government reform". It would not happen under his scenario. Like everything else on that side, they are deprived of policies. The Nationals do not have any policies. The people of Bathurst and the *Western Advocate* want The Nationals to indicate how they would go about restructuring local government. It is merely a throwaway line to say, "Let's have a democratic process and engage the people." The Nationals do not have a clue. Government members know that the Liberal Party has a black-hearted approach to local government reform and The Nationals are scared witless. Suddenly the Leader of The Nationals has said that local government reform is desirable, but he cannot say how he will go about achieving that. Once again, he is short on facts. I can hold my head up in my electorate because my constituents know exactly where I stand.

The hallmark of the Opposition in this Parliament is hypocrisy. The Leader of The Nationals should tell the people how he intends to bring about desirable reform. He may criticise the current Minister—and I have had words with him—but at least the Minister is prepared to do something. The Leader of The Nationals is trying to have it both ways. If he believes reform is desirable, he should outline his plans to achieve it. He will not do so, because he does not have a clue; it was simply a throwaway line. From day one the Government has sought to look after the workers. The Opposition always tries to water down Government initiatives that will benefit workers, one example being the sale of FreightCorp.

From time to time The Nationals are prepared to prostitute themselves by embracing a union—and even the Greens—if it suits them, but at the end of the day they do not care about workers. From day one the Minister has been straight with the unions and has given the protections they wanted. Gerry Peacocke drafted the legislation when the Coalition was in government, but the legislation was not proclaimed because the Coalition does not look after unions and workers. The Leader of The Nationals said, "We want local government reform." He should not be dishonest or worry about the irrelevancies sitting beside him.

The Leader of The Nationals is on record as saying that he wants local government reform, so he should spell it out. Honourable members opposite can say what they like about the Government—and I have criticised it at times—but at least we have put something forward. The Leader of The Nationals is being extremely hypocritical in sitting on the fence. The *Western Advocate*, a flagship newspaper that has been in circulation for more than 150 years, does not lie. It has the headline, "Stoner caught out again". I know that the Acting-Speaker is a stickler for the standing orders. If that were not the case, I would hold up the newspaper in the Chamber to embarrass the hypocrites opposite. I commend the bill to the House.

Mr ANDREW STONER (Oxley—Leader of The Nationals) [9.03 p.m.]: The Local Government Amendment (Council and Employee Security) Bill is somewhat of a misnomer in that the bill provides local government employees facing radical change under the Government with an assurance of employment for three years, but only three years. Despite many questions to the Government about what will happen after the

expiration of that three-year period, no answer has been forthcoming. The provisions do not give assurances to either employees or the regional and rural communities in which they live.

The title of the bill does not refer to rate variations. The bill provides the Minister with sweeping discretionary power to increase rates for a period of up to seven years, ostensibly to provide for the impost of forcing through amalgamations, requiring additional elections or changes to names and structures of councils. The State Government is driving the agenda but it has not offered additional funding to achieve this. This may be some form of blackmail by a Government that is determined to drive its agenda of forced amalgamations throughout New South Wales. The honourable member for Bathurst quoted me. Obviously, he is interested in what I have to say. Certainly, his contribution has made me more determined to visit the Central West even more regularly to hear the views of people in terrific communities such as Oberon, the Evans shire and Lithgow.

I spoke to the Deputy Mayor of Lithgow, Councillor Ann Thompson, about these very issues. She is an excellent councillor. She agrees with me, and with The Nationals generally, that local government reform is desirable. One would be a fool not to acknowledge that there is some scope for local government reform, but there are ways and means to achieve this. There is an old saying in the bush—and I would have thought the honourable member for Bathurst would know this truism—that you can lead a horse to water but you can't make it drink. The Coalition has confidence that local government wants to reform itself. Over many years local government has shown that it is prepared for that reform, such as boundary adjustment, resource sharing and other efficiencies. Local government has been through the national competition policy process where massive productivity gains were achieved.

The Federal Government has passed on money to the States and Territories in recognition of productivity gains achieved under national competition policy, but New South Wales is the only State not to pass on that funding to local government. This State Labor Government has withheld those funds, despite forcing more responsibility and additional functions, legislation and regulation onto local government. In local government terms this is called cost shifting or underfunded mandates. The Government has no respect for local government. It is not prepared to support local government in its efforts to achieve reform through additional resources or funding. The State Government pushes more work onto local government and at the same time withholds payments.

The Carr Government's agenda is to force amalgamations and mega councils onto those councils in rural and regional New South Wales that would otherwise be viable operations. There will always be some councils that have an insufficient rate base, unsustainable debt levels and rate levels that do not support essential services—particularly under the Government's cost shifting practices—resulting in those councils being unviable. However, the Local Government Act provides ways and means to resolve those problems. However, that is not enough for the Carr Labor Government. It wants to force its agenda of council amalgamations and the creation of mega councils onto regional and rural New South Wales.

The Nationals oppose the Government's forced amalgamation agenda because a three-year guarantee is simply not long enough for small towns. Studies into Tallaganda shire have shown that a significant number of jobs will disappear and this will place some towns and villages at risk. Mulwaree is exactly the same. I was at Nundle recently. Nundle shire has been forced to amalgamate because the writing was on the wall. The Government made it clear that if the councils in the north-west did not amalgamate, they would be forced to amalgamate. Nundle shire, which has many local employees, is remote from Tamworth, which is the large regional centre. I would like to see how many local jobs remain in the beautiful township of Nundle, on the range in the north-west, after three years. This will be replicated throughout New South Wales.

Communities throughout New South Wales are threatened by demographic, economic, technological and social changes. However, the Government seems determined to hasten the impacts of those changes and to threaten small towns and villages that are already struggling under those changes, including the recent drought and the Government's policies. The Nationals and, indeed, the Opposition do not oppose measures designed to shore up security for local government employees in those areas affected by the Government's agenda of forced amalgamations. We do not believe that three years is sufficient to give those people a guarantee, but we have spoken to the union, and we do not oppose that.

But on the other side is an unfettered power for the Minister simply to raise rates and to use that extra revenue as a carrot, or perhaps a stick, for local councils to give up the ghost and become part of a mega council. What is the true agenda behind the Government's policy of forced amalgamations? Forced amalgamations are a broken promise. Before the election the Labor Government was prominent in saying, "No forced

amalgamations". However, as soon as the election was out of the way it rolled out forced amalgamations. Why? One need only look at the process. Who will be advantaged by having mega councils and a revised system of local government elections—an above-the-line election system whereby local government candidates must indicate their preferences? It will advantage a major political party operating in local government.

Which major political party operates in local government? The Labor Party! The Nationals and the Liberal party do not run in local government elections, but the Labor party does. So what is the agenda? It is the politicisation of local government. It is about taking the "local" out of local government. When will members opposite get the message that ratepayers and constituents do not want the politicisation of local government? The people in the city of Sydney, as amalgamated, have sent members opposite a big message. Her Worship, Clover Moore, will tell the Government that the people of the combined city of Sydney did not want the amalgamation. They rejected the Labor Party and Michael Lee because they did not want local government to be politicised. They do not want the "local" taken out of local government.

Mr GEORGE SOURIS (Upper Hunter) [9.14 p.m.]: I oppose this bill. I will focus on the compulsory employment provisions contained in the bill, the main objection to which is its unfunded nature. This bill forces local government—that is, the newly amalgamated local councils—to maintain a level of employment for three years but without funding to do so. In other words, local government must fund the permanency of employment for three years. It is one more example of a State government foisting upon local government a mandate for which it is not providing any funding. Therefore, it is an unfunded mandate. Consequently, the issue faced by the newly amalgamated councils is that they will be required under this legislation to continue to fund an identical level of employment.

In the end the one so-called efficiency that the Government can point to in the local government amalgamations is the sacking of employees. It is only from the sacking of employees in the former local government boundaries that so-called efficiencies are derived. Efficiencies are not derived by saving electricity or by amalgamating the audit component from two councils. They are irrelevant; these are minor overheads. The bottom line is that the major so-called savings or efficiencies in local government will come from sacking people. With this bill we have the hypocrisy of the Carr Labor Government producing legislation that provides for the sacking of employees to be delayed by three years—that somehow this is good for the local community or whatever—and that that is in some way an illusion that the Government is protecting employment.

The Government is not doing that at all; it is producing legislation that requires the newly amalgamated local councils to maintain a level of employment for a brief, temporary period, after which the sackings and the so-called efficiencies, in the Labor Government's view, will occur. What is the point of bringing on local government amalgamations, these forced amalgamations—which is breaking a significant election promise—if the so-called benefits or efficiencies of those amalgamations, which are purported to be such by the Labor Government but not by the Opposition, accrue or flow only after three years? Surely if the Government wants to be serious and genuine, particularly in relation to country councils, it would hold off on its rampant agenda of forced amalgamations for at least three years.

What is the point of having forced local government amalgamations when the ability of local government to achieve the so-called efficiencies is frozen for three years? Why not delay the amalgamations, if the Government is so hell-bent on these amalgamations, for at least three years? In the end we are dealing with country communities where the devastation and impact of a widespread, large-scale loss of employment will be a blow to the local economy and community from which a full recovery can never be anticipated. These will be long-term permanent hits. These communities will be facing long-term permanent detriments.

I am thinking particularly about the Coolah and Merriwa shires. They are facing the prospect of a Boundaries Commission inquiry, which incidentally will be held in the distant location of Orange. What kind of democratic process could this possibly be? Will local communities have the ability to make a case before the Boundaries Commission in Orange? Over two days the Boundaries Commission will hear about five separate amalgamations, one of which is the amalgamation of Coolah and Merriwa in my electorate, as well as Mudgee and Rylstone. Hearing about one proposed amalgamation in a group of five amalgamations over a brief two-day period means that only a few minutes will be afforded to those local communities to make a presentation to save their shire.

There is nothing surer than the loss of local government in Coolah and Merriwa. After all, the proposal involves the obliteration of local government in Coolah and Merriwa. It is not an amalgamation but an obliteration; it is the dissection of two shires with the various parts cast to a super council. Ultimately, the

complete elimination of the shires of Coolah and Merriwa will result in significant job losses in Coolah and Merriwa. Those job losses in local government will cause further job losses. Obviously, I am talking about teachers and nurses, and such like. I am also talking about the loss of business and its effect on the local economy that will ultimately occur. These are devastating impacts in relatively small communities.

The issue that grates the most is that Coolah shire is a model shire. It is providing efficient services. It is a well-run shire. It has a relatively low rating base and enjoys the overwhelming support of its local community. What is it about Coolah that requires a Gestapo-like approach by the Carr Labor Government—a dictatorial approach by a government that is so out of touch after being so long in office? What is it about Coolah that the Government finds inefficient? What is it that makes the Government feel there is an imperative to amalgamate, and therefore obliterate the shire, the employees and the whole economy? What is it that makes the Government think this is such a vital requirement for the future of the Central Tablelands, the Central West region, including the shire of Coolah, and the shires of Merriwa, Mudgee and Rylstone? What is it about Coolah that is so inefficient that requires a Government to decide that only an amalgamation, and the sacking of people, will achieve the level of so-called efficiencies? What is it that makes the Government feel that this is such a vital imperative that it must be forced through?

The Government is breaking—in the most fabulous way I have seen in my 15 years in State Parliament—an election commitment that was so often given. Everywhere I went in the lead-up to the last election the question of forced amalgamations was asked of both the Opposition and the Government. Repeatedly, in shire after shire this Labor Government gave the assurance that there would be no forced local government amalgamations. The Government knowingly lied through its teeth. The harsh reality of this dictatorship is well and truly upon those local communities who are doing the very best job of delivering local government services with a low rating base. These communities have been fabulously betrayed by this miles-out-of-touch, dictatorial, autocratic Labor administration. This Labor Government has been the worst ever in this State, a government that will take no heed of the democratic process, the need for democracy, self-determination and the preservation of local sovereignty. To Labor these values count for nothing.

This Government has debauched our democracy. It has completely abrogated all the democratic processes. It has debauched the future of local government reform. Where are the plebiscites, where are the binding referenda? Where is local consultation? Where is local self- determination? How can Labor ever hold its head up in local government and purport to be a champion of local democracy? It has done this in Sydney and it is doing it right now in country New South Wales. Many members of the Government do not realise the harm they are doing in these rural communities by the approach they have adopted. They do not even realise the political harm they are doing to themselves. They do not realise that what happened to Kennett is about to happen to them.

The Minister for Local Government is sitting beside one of the champions of local government for whom I have a great deal of respect, the general manager of Dubbo council. That is a complete contradiction, given that the Minister for Local Government has debauched our democracy in rural areas so greatly. I have been a member of this House for 15 years, and when I finally leave my strong recollection will be the Government's hypocrisy in its approach to local government and in taking no heed whatsoever of the plight of rural communities.

The greatest social issues facing Australia today are the depopulation of rural areas and the imperative of regional development and decentralisation. The Government should turn its mind to those issues, not to the illusory gains, the so-called efficiencies, that come from sacking people. The only other motive the Government could possibly have is the political gain the Labor Party will achieve from super councils. It is destroying Coolah, Merriwa and Murrurundi—it has already destroyed Rylstone—because it thinks there is some cheap political gain in running as a political party in major super councils that lend themselves more readily to political activism. Is that why my people are going to lose their jobs? Is that why my communities are going to find their schools more marginal and maybe unviable? Is this why contractors and businesses are going to suffer? Job losses will occur well beyond direct local government employment.

Is this all going on so that the Labor Party, now in its ninth autocratic, dictatorial year—with three more years to go—has decided to take advantage of its numbers in this place to bring on the real agenda of the hated Labor Government, as it has become in New South Wales? It ought to take stock of the fact that it is a crumbling Labor Government of the traditional autocratic style. It is prepared to sacrifice the good of local communities, their self-determination, their sovereignty and their economic wellbeing. It is prepared to ignore good local government in rural areas for its base political purposes. It stands condemned.

The Minister should have been at Coolah the other night when 600 people were present. Each and every one of them was disgusted by the fact that their nearby local government Minister, a person they once looked up to, has inflicted and will inflict such mortal damage on their shire. The Minister should have been at Merriwa a couple of months ago when 700 or 800 people turned up to experience one of those so-called Vardon reviews. What an utter debauchery of democracy Government members are presiding over for their own base political motivation. They ought to be ashamed. [*Time expired.*]

Mr STEVE CANSDELL (Clarence) [9.29 p.m.]: While I support the employment protection elements of the bill, much of the bill, like the whole issue of Labor's forced amalgamations, is a farcical sham. Whether one supports amalgamation or not, the whole forced amalgamation process has been dramatically flawed. If the Carr Labor Government were serious about democracy in this whole process it would have had socioeconomic impact studies done for each area to show the losses and gains from any amalgamation, to show where rates would rise and where they would go down. It would have shown every aspect of the process and then given the decision back to the people to vote on in a democratic way. This is what was originally intended with the no forced amalgamations bill.

In a business situation, if four or six major corporations wanted to amalgamate or merge they would have to do a full socioeconomic impact study. They would have to have forward projection planning. If they did not they would be in trouble with their shareholders. Once they had gone through that process they would go to their shareholders and ask them to vote on the decision, and the final decision would be made on behalf of the shareholders. That process has been completely ignored by the Labor Government. David Simmons was the facilitator for the Clarence Valley councils. I suppose that with the charter he had he did a good job. He had to go around and call meetings. I attended the meeting held at Maclean, where 500-odd people were very angry about the whole process and not being given their democratic right to vote.

Mr Andrew Fraser: What about the meetings he had at Red Rock and Corindi?

Mr STEVE CANSDELL: I will get to those. More than anything, people were angry about democracy being taken away from them. The Government has put council against council, brother against brother, communities against communities. The honourable member for Coffs Harbour referred to the meeting at Red Rock to get the feeling of the people. It was held outside a store for half an hour at lunchtime on a pension day when everyone else was in town. The facilitator interviewed six people and then went away. And that was consulting with the community! Red Rock and Corindi had been moved out of the Clarence Valley councils, against the community's wish, and in with Coffs Harbour. We held a meeting at Red Rock-Corindi to get the feeling of the people so that we could bring it back to the general manager and the administrator of the proclaimed Clarence Valley councils so that they could put forward our position to the Minister. At that meeting 90 out of 95 people wanted to stay in Clarence Valley, three wanted to go back to Coffs Harbour and one could not care less.

We then sent out a survey to the population of Red Rock-Corindi. More than 80 per cent of the returns showed a preference for staying in the Clarence Valley. The responses were completely ignored by the Government. The administrator and the general manager have now put the issue back to the Minister and I hope that consideration will be in favour of the Clarence Valley. On another issue, how can a council guarantee employment when $580,000 of its rate base is suddenly taken out at the last minute? Yet councils have to guarantee employment for people they cannot even budget for. As I said, the employment protection elements of the bill have to be supported but much of the rest of the bill is the same as the whole process, which is dramatically flawed. I would like to see the question on these bills put so that there can be a vote and people can be given a decent hearing.

Mr THOMAS GEORGE (Lismore) [9.34 p.m.]: I do not think that I have heard a more passionate debate in this place than tonight's debate on the Local Government Amendment (Council and Employee Security) Bill. I do not know what burr got under the saddle of the honourable member for Bathurst but he was certainly passionate in his speech. The honourable member for Bega and the honourable member for Clarence highlighted concerns about the bill. I represent two of the councils that were the first to amalgamate: the old Casino Council and the Richmond River Shire Council. We are trying to protect employees, but for the new council at Casino that covers the Richmond Valley council area the three years is up.

I would like to take all members of Parliament to my home town to introduce them to workers whose employment has finished after the three-year period. There is no guarantee about the future for their employment. Their employment may be guaranteed for three years but in some sad cases the employment has

finished. So do not let us fool ourselves that we are protecting everyone—we are protecting them for three years only. At the end of that period, sadly, people will lose employment. People in my electorate have had to move out of the area, but that typically occurs when people lose employment. No-one in this House should be fooled by the fact that employment will be guaranteed for three years.

Mr Andrew Fraser: So much for regional development!

Mr THOMAS GEORGE: That is right. In regional and country areas the last thing we want is to lose employment. Seventeen employees of NSW Agriculture have lost their positions in the area. They had to move to Orange or take redundancy. Unless commonsense prevails, on 17 May more jobs will go in country and regional New South Wales. It is happening every day. Yet the Carr Government continues down the track of forced amalgamations. As a result, jobs are lost in small country towns and vital future income is lost to regional centres and other parts of this State. As the honourable member for Upper Hunter ably said, the savings in council amalgamation come not only from amalgamation of council audits but from the loss of jobs. Whilst we support the employment provisions, our shadow Minister for Local Government will further detail our objections to other aspects of the bill.

Ms ALISON MEGARRITY (Menai—Parliamentary Secretary) [9.38 p.m.], in reply: I thank all honourable members who have made constructive contributions to this important debate. The Government does not support the Opposition's proposed amendments. I remind the House that a letter of support for the provisions in this bill from the President of the Local Government Association, Dr Sara Murray, was widely circulated earlier this year. Since then, and despite the Opposition voting against the bill, in its entirety, in the Legislative Council, Dr Murray has expressed her appreciation on behalf of all councils to the Minister and the Government for the more flexible rating provisions in this bill. Dr Murray's letter expressed the association's support for an amendment that the Opposition now seeks to wipe out, that is, to allow the Minister to approve rate variations over and above what is presently allowed under rate pegging, for periods of up to seven years.

The letter also expresses support for an amendment to give the Minister the power to defer elections in certain circumstances. Let me give the House and extremely urgent example of why this provision is necessary. The bill provides for councils who are under regional review or who have a proposal before the Boundaries Commission to defer their elections. In fact, I understand that the Minister has had urgent representations from Culcairn Shire. The honourable member for Albury might be interested in listening to this. The council is seeking to have delayed a by-election that is due to be held in June as there is a proposal affecting it currently before the Boundaries Commission.

Obviously, the Culcairn councillors realise what the Opposition does not, that delaying the by-election could save their council tens of thousands of dollars, which of course will be put back into services for the community. That is the priority for the Government: making sure that councils deliver quality services to their communities in an efficient and equitable manner. The Opposition claims to be on the side of councils in New South Wales, but clearly it has no plans to support councils who want to save time and money for their communities on costly elections that may need to be held again. It is unfortunate that the Opposition cannot see the benefits for councils and their communities in having their elections deferred. It seems that it does not want to save councils money; it wants voters to spend most of their Saturdays at a ballot box.

The Government has consulted widely. The local government peak body in the State supports these provisions. The Local Government Association of New South Wales represents a majority of councils and ratepayers in New South Wales, yet the Opposition believes it is better qualified to know what councils want. The Minister has already discussed the hypocrisy of the Opposition claiming that the fundamental problem in local government is insufficient funding. Now it insists on opposing measures that would allow councils to apply for a special variation in their rates over and above the rate-pegging limit.

That is not really a surprise, coming from an Opposition whose Federal colleagues have revealed their plans to strip New South Wales councils of more than $40 million per year in funding from the Federal Assistance Grants. That would diminish the ability of councils, particularly in rural New South Wales, to provide better services to their communities. That is at the heart of the proposals contained in their schedules. In summary, the Government's commitment to protect local government workers, to enable councils to better plan their finances over a seven-year period, and to allow a process whereby councils may defer elections when they are before the Boundaries Commission remains paramount. I commend the bill to the House.

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

The House divided.

Ayes, 50

Ms Allan	Mr Gibson	Mr Orkopoulos
Mr Amery	Mr Greene	Mrs Paluzzano
Ms Andrews	Ms Hay	Mr Pearce
Mr Barr	Mr Hickey	Mrs Perry
Mr Bartlett	Mr Hunter	Dr Refshauge
Ms Beamer	Mr Iemma	Mr Sartor
Mr Brown	Ms Judge	Mr Scully
Ms Burney	Ms Keneally	Mr Shearan
Mr Campbell	Mr Lynch	Mr Torbay
Mr Collier	Mr McBride	Mr Tripodi
Mr Corrigan	Mr McGrane	Mr Watkins
Mr Crittenden	Mr McLeay	Mr West
Ms D'Amore	Ms Megarrity	Mr Whan
Mr Debus	Mr Mills	Mr Yeadon
Mr Draper	Ms Moore	*Tellers,*
Ms Gadiel	Mr Morris	Mr Ashton
Mr Gaudry	Mr Newell	Mr Martin

Noes, 29

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

Pairs

Miss Burton	Mr Hartcher
Ms Meagher	Mr Roberts

Question resolved in the affirmative.

Motion agreed to.

Bill read a second time.

In Committee

Clauses 1 to 3 agreed to.

Mr ANDREW FRASER (Coffs Harbour) [9.50 p.m.]: The Opposition does not support schedule 1. The Government has dangled before Lgov NSW the opportunity to increase income for seven years by application to the Minister. In effect, the Government is telling councils that if they make application to the Minister they may have their rates increased over and above the normally allowed CPI increase. That will be done at the discretion of the Minister after the council has decided what it needs. That may appear attractive to councils, but under the existing legislation they have a far better deal because the Minister may alter rates by application for more than seven years.

The CHAIRMAN (Mr Mills): Order! There is too much audible conversation in the Chamber. The Chair is having trouble hearing the honourable member for Coffs Harbour, who is only six feet away. Honourable members should be quiet or leave the Chamber.

Mr ANDREW FRASER: After the floods at Nyngan a few years ago the council applied for a rate increase to ensure that levies could be built around the town. The Minister of the day approved the rate increase for 10 years so that the council could repay the loan taken out to fund the work. Under this legislation the Minister will be able to approve a rate increase in exceptional circumstances for only seven years. Proposed section 508A (8) provides:

> The Minister may, by instrument in writing served on the council:
>
> (a) vary the determination, including, for example, by varying or revoking any conditions of the determination or by including new conditions, or
>
> (b) revoke the determination.

That is, the Minister may revoke or vary any conditions imposed. Proposed section 508A (9) provides that the determination may be varied or revoked only according to conditions and guidelines issued by the director-general. We must accept that the director-general is a direct servant of the Minister. Therefore, any conditions imposed on a council will be imposed at the direction of the Minister under the guise of the director-general. The legislation also provides that, on the Minister's own initiative, if he is satisfied that the council has contravened the conditions of the determination or any applicable guidelines issued by the director-general under the Act, may revoke the rate increase.

This legislation is nothing more than a clayton's offer to councils. In fact, it is a carrot being waved before councils to encourage them to accept a regime of forced amalgamations. The Government is providing councils with the opportunity to raise money to pay for forced amalgamations, redundancies, increased costs and so on. The only thing the councils will get out of this is an opportunity to fund their own demise, or the demise of shires at Culcairn, Scone, the Clarence Valley and in the Australian Capital Territory and the Albury region that do not want to be amalgamated.

The Opposition cannot accept any support offered by Dr Sara Murray from the Local Government Association. She does not represent the rural shires. An emergency meeting of Lgov NSW last month voted unanimously to reject the legislation and the forced amalgamation push pursued by the Government. For Government members to suggest that local government in this State supports this legislation and this regime, which is nothing more than a broken election promise, is a farce. The people of regional New South Wales know that their social and economic structures will be destroyed by this legislation. They do not support it and acknowledge that it will have a dramatic economic and social impact on their communities. As the honourable member for Upper Hunter said earlier, employment in schools, health care facilities and local clubs will suffer. The social fabric of these small rural towns will be destroyed as a result of the Government's actions.

Question—That the schedule be agreed to—put.

The Committee divided.

Ayes, 50

Ms Allan	Mr Gibson	Mrs Paluzzano
Mr Amery	Mr Greene	Mr Pearce
Ms Andrews	Ms Hay	Mrs Perry
Mr Barr	Mr Hickey	Mr Price
Mr Bartlett	Mr Hunter	Dr Refshauge
Ms Beamer	Mr Iemma	Mr Sartor
Mr Brown	Ms Judge	Mr Scully
Ms Burney	Ms Keneally	Mr Shearan
Mr Campbell	Mr Lynch	Mr Torbay
Mr Collier	Mr McBride	Mr Tripodi
Mr Corrigan	Mr McGrane	Mr Watkins
Mr Crittenden	Mr McLeay	Mr West
Ms D'Amore	Ms Megarrity	Mr Whan
Mr Debus	Ms Moore	Mr Yeadon
Mr Draper	Mr Morris	*Tellers,*
Ms Gadiel	Mr Newell	Mr Ashton
Mr Gaudry	Mr Orkopoulos	Mr Martin

Noes, 29

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

Pairs

Miss Burton	Mr Hartcher
Ms Meagher	Mr Roberts

Question resolved in the affirmative.

Schedule 1 agreed to.

Mr ANDREW FRASER (Coffs Harbour) [10.05 p.m.]: The Opposition will vote against schedule 2 to the bill.

The CHAIRMAN: Order! There is too much audible conversation in the Chamber. If members wish to conduct conversations they should leave the Chamber.

Mr ANDREW FRASER: Schedule 2 will enable the Minister, yet again, to postpone an election—which is what is provided in proposed section 318—after a public inquiry. All honourable members would be aware of the farcical process relating to regional facilitators and regional reviews. The Minister puts certain proposals to the regional facilitator, who returns them to the Minister. The Minister then forwards the proposals to the Boundaries Commission and the Boundaries Commission reports on those proposals, as it is directed to do by the Minister, and that results in a forced amalgamation.

So far as the Minister is concerned, an example of a public inquiry is that given earlier by the honourable member for Clarence. The regional facilitator of Clarence regional council decided to hold discussions with people at Red Rock and Corindi. He said that he would hold two half-hour meetings outside the Red Rock and Corindi general stores, but he turned up at only one location for half an hour and spoke to six people. His report recommended that Red Rock and Corindi and the surrounding areas be incorporated into the Coffs Harbour local government area, even though 80 per cent of the people who voted wished to remain in Clarence Valley council. That is what occurred after a public inquiry was held at midday outside the Red Rock and Corindi general stores, at which the facilitator consulted six of the 850 local government residents.

Mr Frank Sartor: They don't care.

Mr ANDREW FRASER: The Minister who wanted to destroy Mayor Clover Moore said that people in that area do not care. Approximately 80 per cent of the people living in Red Rock and Corindi said that they do not accept the decision that was made by the Government to move them into the Coffs Harbour local government area. The Minister has the audacity to claim that those people do not care. Is he suggesting that they did not care because they had jobs to go to, that the advertisement placed by the facilitator appeared in only one paper on one occasion, and that the meeting was held at midday on a workday? The Minister does not care about people in his electorate. When he loses his Labor Party preselection at the next election he will no longer be a member of this House and he will no longer have a white car at town hall, which is what the honourable member for Bligh now has.

The honourable member for Bligh will do a far better job as Lord Mayor than the Minister ever did or was ever capable of doing. People in regional New South Wales know that the Minister and his Cabinet colleagues are attempting to destroy local government in regional areas of New South Wales. The Minister

continues to push for the destruction of local government, for which the Federal Leader of the Opposition, Mark Latham, will not thank him. Government members representing rural electorates will not be re-elected after the Government has decimated the economies of regional communities. The Opposition does not support schedule 2 to the bill.

Schedule 2 agreed to.

Schedule 3 agreed to.

Mr ANDREW FRASER (Coffs Harbour) [10.10 p.m.]: Mr Chairman, as you are prepared to allow the business of the Committee to be conducted in a way that I and other members would not expect of you, I now move the Opposition amendment to schedule 4:

No. 1 Pages 16 and 17, schedule 4 [3], lines 20-30 on page 16 and lines 1-16 on page 17. Omit all words on those lines.

The amendment relates to the security and employment of people in regional areas. As a sweetener to the United Services Union [USU] and Brian Harris, the Government has said to them that it will guarantee for a period of three years the employment of council employees in local government areas that have been amalgamated or dissolved. There is no funding to be given by the Government to these councils. Indeed, the proposed efficiencies and economic gains by those communities will be negated for a period of at least three years, because all those people will now be required to be employed for a further three years. We wholeheartedly support the employment of those people. But what the Government is not telling them is that after three years their jobs will go and their communities will go with them. At the end of the day, the Government cannot guarantee security for those people. How can the Government maintain economic efficiencies and gains for communities if there is no retraction of staff?

Mr Paul Pearce: Do you want to sack them?

Mr ANDREW FRASER: We do not want to sack them. We want to keep them there and we want the local government areas to be maintained. But the Government wants to give those people a three-year con job. Under its legislation, these people's jobs will go in three years. I have spoken to Brian Harris and I understand that the union supports this amendment.

[*Interruption*]

I am one of two or three members in this House who have been given honorary membership of the USU—and neither of the other two sits on the Government side of the House. The USU knows what they have done to the union. It knows that they support the reduction of the union's membership in three years time. The union knows that they have deserted it by forcing it into forced redundancies in three years time. Jobs in towns such as Murrurundi will disappear, the social fabric of those towns will disappear, and the union will lose one-third of its membership. Brian Harris, the leader of that union, will be gone in three years—

Mr Carl Scully: He's a good bloke.

Mr ANDREW FRASER: Brian Harris is a terrific fellow. He is more National than he is Labor, I can tell you. Like us, he stands up for the workers in regional New South Wales. Government members are sentencing them to a slow death in three years time. I ask members to look at the hypocrisy of the honourable member for Bathurst. He goes out on marches saying that he will support the workers, when all he is doing is planning a six-week holiday in Egypt. These people will be out of work—and the honourable member for Bathurst is worried about a junket! As I have said before, he cannot be a panther in his electorate and a pussycat in this Chamber. He should either stand up for his constituents or resign. They do not trust him, we do not trust him, and we do not support this legislation.

Mr Carl Scully: Point of order: The honourable member for Coffs Harbour should return to the leave of the bill.

Mr Daryl Maguire: Point of order: I draw your attention to Standing Order 56, which provides that the Chairman of Committees shall maintain order in Committee of the Whole, and, unless otherwise provided, a reference to the Speaker shall also be construed as a reference to the Chairman.

The CHAIRMAN (Mr John Mills): Order! I uphold the point of order.

Question—That the words stand—put.

The Committee divided.

Ayes, 49

Ms Allan	Mr Gibson	Mr Pearce
Mr Amery	Mr Greene	Mrs Perry
Ms Andrews	Ms Hay	Mr Price
Mr Barr	Mr Hickey	Dr Refshauge
Mr Bartlett	Mr Hunter	Mr Sartor
Ms Beamer	Mr Iemma	Mr Scully
Mr Brown	Ms Judge	Mr Shearan
Ms Burney	Ms Keneally	Mr Torbay
Mr Campbell	Mr Lynch	Mr Tripodi
Mr Collier	Mr McBride	Mr Watkins
Mr Corrigan	Mr McGrane	Mr West
Mr Crittenden	Mr McLeay	Mr Whan
Ms D'Amore	Ms Megarrity	Mr Yeadon
Mr Debus	Mr Morris	
Mr Draper	Mr Newell	*Tellers,*
Ms Gadiel	Mr Orkopoulos	Mr Ashton
Mr Gaudry	Mrs Paluzzano	Mr Martin

Noes, 30

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

Pairs

Miss Burton	Mr Hartcher
Ms Meagher	Mr Roberts

Question resolved in the affirmative.

Amendment negatived.

Schedule 4 agreed to.

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

BILLS RETURNED

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

Freedom of Information Amendment (Terrorism and Criminal Intelligence) Bill

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

Transport Administration Amendment (New South Wales and Commonwealth Rail Agreement) Bill

Consideration of amendments deferred.

SPECIAL ADJOURNMENT

Motion by Mr Carl Scully agreed to:

That the House at its rising this day do adjourn until Thursday 6 May 2004 at 10.00 a.m.

The House adjourned at 10.25 p.m. until Thursday 6 May 2004 at 10.00 a.m.