LEGISLATIVE ASSEMBLY

Wednesday 17 November 2004

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

Mr Speaker offered the Prayer.

AUDITOR-GENERAL'S REPORT

Mr Speaker announced the receipt, pursuant to section 52A of the Public Finance and Audit Act 1983, of the report entitled "Auditor-General's Report—Financial Audits—Volume Four 2004".

Ordered to be printed.

DUTIES AMENDMENT (LAND RICH) BILL

Second Reading

Debate resumed from 10 November.

Ms GLADYS BEREJIKLIAN (Willoughby) [10.01 a.m.]: The Duties Amendment (Land Rich) Bill has one purpose and one purpose only: to extend the Government's vendor duty into every nook and cranny that it can find. Under this legislation not only mum and dad investors but small and medium businesses will be forced to carry the burden for this Government's financial mismanagement. Why? It is because under this legislation transactions in companies or trusts that are considered to be land rich will be liable for vendor duty. What does a company or trust need to be considered land rich? First, 60 per cent of the assets of a company or trust must be land; second, the value of the land assets held must be more than $2 million. That definition could cover many small businesses in Sydney. Many businesses that own the land on which their factories are sited will be liable. Many businesses that own a number of shops will be liable and many businesses that bought land years ago, only to see it rise in price as Sydney grew, will also be liable.

A transaction by a person who has a significant interest in any of those businesses will be forced to pay the 2.25 per cent vendor duty. An interest is considered to be significant when the owner owns more than 50 per cent of a land rich company or wholesale trust or 20 per cent of a private unit trust scheme. Business owners who are retiring will be most disadvantaged by the extension of this bad, pathetic tax. If they sell their business they will be hit with a 2.25 per cent tax. That is a tax on their superannuation. It is a punishment for their working hard, building their business and providing for their retirement. The State Government claims that it is an anti-avoidance provision but it is more than that: It is an anti-business provision that is part of an anti-business tax.

The vendor tax has been a failure on all counts. It was meant to collect $690 million this financial year—which is $57.5 million a month. But the vendor duty has not even come close to raising that much. In June it raised just $500,000. In July, the first month of this financial year, it raised $10.5 million. In August it raised $26 million and in September it raised just $24.5 million. So after three months of this financial year the Government should have had $172.5 million in its pocket but it had only $61 million. The property market has passed its verdict on the vendor tax—the property market has stopped. The Government claims that the land rich extension will raise no additional revenue as the imposition of the land rich provisions was assumed as part of its original $690 million budget estimate. But the Government has also admitted that since 1 June it has "lost" approximately $1 million in revenue because the land rich provisions were not implemented. Treasury expects that these provisions will capture approximately two dozen transactions every year. We believe this is a massive underestimate. Treasury tends to be a chronic underestimator—it underestimated the stamp duty take over the life of this Government by $4.6 billion.

The bill fixes a number of anomalies in the original vendor duty legislation that have been brought to the attention of this Chamber on many occasions. The amendments are intended to deal with problems identified in the first six months that the tax has been in force. These changes are not expected to raise any significant revenue. They include removing the discretion of the Chief Commissioner of State Revenue not to charge

vendor duty in "fair and reasonable circumstances". Instead specific concessions have been introduced, most significantly offering a concession for a married couple to sell both former residences and move into a new home without incurring vendor duty. That says it all. Under these amendments, the Government will no longer be required to be fair and reasonable. That signifies the Government unfair and unreasonable approach to vendor duty.

The bill currently before the House applies the exemption for the sale of new or substantially new buildings to individual lots in a strata scheme. It also clarifies exemptions for land that is subject to conservation agreements, compulsory acquisitions and land with heritage items on it. The bill also changes a concession for premium property duty. At present premium property duty is charged on only two hectares of vacant land that measures more than two hectares. This concession is now extended to land that is not vacant. The Coalition is committed to abolishing the vendor duty when it is in government. We have committed to abolishing this tax because it is unfair on mum and dad investors and on business.

The tax has killed the property market. As Opposition members have said on numerous occasions, we will fund our abolition of vendor duty by slashing government waste, such as area health services and government consultants; improving project management, avoiding costly blow-outs in programs such as the Millennium trains project, which blew out by $114 million, and the Liverpool to Parramatta bus transitway, which cost $117 million; requiring greater efficiencies in the delivery of public services by bodies; eliminating a number of government boards, including Sydney Water and RailCorp; and by eliminating one-quarter of fat cat bureaucrat positions. Because we oppose the vendor duty we will oppose any extension of it. For that reason the Liberal-National Coalition will not support the bill.

I remind the House that Parliament has had to refer to the Government's vendor duty time and time again through legislation because the Government introduced the legislation in the first instance as policy on the run. Since then Parliament has had to deal with the State Revenue Legislation Amendment Bill, the State Revenue Legislation Further Amendment Bill and now the Duties Amendment (Land Rich) Bill because the Government did not get the policy right the first time. This is the Government's third crack at it and I would not be surprised if the Government's massive oversights necessitated the introduction of further legislation in this area.

Opposition members have said repeatedly in this place that we oppose vendor duty and its extension. We take this opportunity to express our concern for mum and dad investors, businesses and renters who have to pay more because of this tax. We reaffirm our commitment to abolish this unfair tax when in government. I ask each honourable member to consider the impact of the tax and the extension of the vendor duty on their constituents. In my Willoughby electorate approximately 8,000 investors and the same number of renters have been adversely impacted. As stated already in this place, the impact of this tax has seen unprecedented levels of angst and concern in the community. The tax has failed on all fronts and the property market is dead, thanks to this Government.

Treasury has reaped a small fraction of what it anticipated it would collect. Rather than collecting $57.5 million a month from the tax, it recouped less than half of that last month. For these reasons the Opposition opposed the tax when it was first introduced and it will oppose the amendments that have been moved in an attempt to clear up some of the massive oversights that have occurred because the Treasurer announced the policy without consulting his Treasury advisers. Treasury has since had to muddle its way through to fix up the mistakes. This legislation is yet another attempt to backfill this ridiculous policy, which should never have been introduced in the first place. The Opposition opposes the tax and has made a commitment to abolish it when in government. Therefore, the Liberal-National Coalition will not support the bill.

Mr GRAHAM WEST (Campbelltown—Parliamentary Secretary) [10.12 a.m.], in reply: Vendor duty was introduced as part of the package of mini-budget measures. The legislation was enacted during the budget session of Parliament but, due to the complexity of the issues, the vendor land rich provisions were delayed to enable further development and consultation with industry. Discussions about the principles of disposal duty have been held with the leading industry groups and the property industry. It is proposed to apply land rich provisions to disposals on a similar basis to the way they are applied to acquisitions, but with some additional provisions to recognise the special features of vendor duty. This duty is called "disposal duty". The bill also clarifies some exemptions and improves administrative arrangements for vendor duty, land rich acquisition duty and premium property duty.

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

Division called for and, pursuant to sessional orders, deferred.

SHOPS AND INDUSTRIES AMENDMENT (SPECIAL SHOP CLOSURES) BILL

Second Reading

Debate resumed from 10 November.

Mr CHRIS HARTCHER (Gosford) [10.14 a.m.]: This feels like Ground Hog Day, because this is exactly the same bill as that introduced in 1999. Boxing Day fell on a Sunday in 1999 and it will do so again this year. As a result, the Government has introduced the same bill and for the same reason—to keep the Shop, Distributive and Allied Employees Association [SDA] happy. This is the Government's payoff to the biggest union aligned to the right-wing faction of the Australian Labor Party [ALP]. The honourable member for Swansea is prepared to vote in support of a payoff to a right-wing union. Let that be recorded by the left-wing caucus.

This bill will limit retail trading on 26 December—Boxing Day. The Government will claim that the legislation is designed to ensure that employees have Sunday off to spend with their families. In his second reading speech the Minister hypocritically said that it was about family values and that it would allow family time. This Government does nothing to promote family values or to help families. It is the highest taxing Government in the country but it does not allow people to catch a train to get home to their families on time. Suddenly Boxing Day is a sacred day for families. It is not and that is not the reason for the Government's attitude. If the retail shops that are being restricted and forcibly closed by this legislation were allowed to operate they would use volunteer labour. Only volunteers would work and they would get the full award payment for working on a public holiday and a Sunday. Boxing Day workers earn more money on that day than on any other day of the year. They would make more money on that day than they would by working three ordinary days. Plenty of employees are prepared to work.

This legislation has been introduced because the SDA does not want employees making voluntary agreements with their employer because it believes that is outside the award and that it will undermine its role. The SDA is a good union; no-one is criticising it for not doing its job. It is not in the same category as the Construction, Forestry, Mining and Energy Union. However, that does not automatically make its policies good, and this is not a good policy. The Opposition opposed the 1999 legislation and it opposes this legislation. It believes that employees should have freedom of choice and that they should make the decision about whether they volunteer for Sunday work and not have it imposed as a legislative fiat by this Government.

The SDA did not bother either this year or in 1999 to go to the Industrial Relations Commission [IRC] to have the award amended to designate Boxing Day as a non-opening day. It could have made an application to the IRC, but it has not bothered. It simply asked the Government to pass legislation to achieve its aim. Other unions that are not as big and powerful or do not make such massive financial contributions to the ALP must go to the State or the Federal Industrial Relations Commission to make applications for award variations and serve logs of claims on employers—in this case on the big department stores—and argue their case. Not the SDA, because it is the biggest union in the State and it is making big financial contributions to the ALP. No, it gets an Act of Parliament.

Mr Milton Orkopoulos: What great service!

Mr CHRIS HARTCHER: The honourable member for Swansea commends that service. Let it be acknowledged that he supports these special interest groups, especially those aligned to the right wing. My main objection is the hypocrisy underlying this measure. The SDA refers to family values—

Ms Kristina Keneally: Yes.

Mr CHRIS HARTCHER: The honourable member for Heffron is correct in that the union has tried to do something for families in respect of working hours, family relief and family leave. It has also tried to do something about taxation policies that impact on families. They are positives for the SDA, and I freely acknowledge that. As I said, it is a good union, but that does not make all its policies good policies. I believe, and the Government has presented no evidence to the contrary, that this legislation will not ensure workers do not work on the Sunday. If that were the case, there would not be a long list of exemptions, which includes: audio shops; bookshops; chemist shops; confectioners shops; cooked food shops—that is, cake and pastry shops; cooked provision shops; refreshment shops; restaurants; takeaway food shops; fruit shops; flower shops; fruit and vegetable shops; garden and plant shops; newsagencies; pet shops; souvenir shops; tobacconists; vehicle

service shops; vehicle shops; and video shops. Workers in those shops cannot expect to get Boxing Day off, but workers in big department stores cannot work.

What is the difference? Big department stores are unionised and the local video shop is not unionised. The Shop Assistants Union does not have members working casually behind the counter at the Botany video shop but it has lots of members working behind the counter at David Jones, Woolworths and Coles. Trade unions have always been strong in big organisations but not in small business. One cannot claim to be protecting family values when a huge variety of shops, including shops in designated tourist areas are okay but somehow or other some shops are awful, wicked and members cannot work in them.

This legislation divides the shopping industry into two categories and applies family values to one category but not the other. It is significant that union members work in big shops and therefore this legislation will ensures that union members tow the union line and do not make voluntary agreements. The one thing every trade union in this country fears is that employees will enter into individual contracts with employees and employers. The issue that the Federal Government will address before or after 1 July 2005 is individual contracts for employees that is already provided for in the Federal Workplace Relations Act but presumably will be extended by the Federal Government. In relation to employees making agreements with employers, a Sunday paper report said that the Premier is considering offering individual contracts to railway workers if they go out on strike and obey the union rather than Vince Graham and Michael Costa. Our Premier is looking at the Federal Workplace Relations Act passed by Peter Reith to ensure that he can offer individual contracts.

Mr Milton Orkopoulos: That's not true and you know it!

Mr CHRIS HARTCHER: The honourable member for Swansea interjects and says, "That's not true" but let us wait and find out whether the railway system is brought to its knees; whether the State Government is anxious to try to demonise the union, rather than be demonised itself, and tries to break the union. Labor governments have tried to break unions in the past. Which government deregistered the Builders Labourers Federation? It was a Labor government. Which government took on the miners union in the great coal strike? It was a Labor government. Which government broke the pilots strike? It was the Hawke Labor Government. Labor governments are quite happy to smash trade unions when it suits them and yet, at other times, of course, they introduce special Acts of Parliament to keep unions happy.

It is a schizophrenic approach but, significantly, an approach that will deny the public the opportunity to shop on Boxing Day. The Thursday before Good Friday is the biggest shopping day of the year. What is the second biggest shopping day of the year? As the honourable member for Lane Cove who takes a great interest in these matters will attest, it is Boxing Day. On Boxing Day the post-Christmas specials are on sale on the biggest single day of the year for shops to be closed. The most rewarding day for employees who would get double time on Sunday and double time for public holiday is Boxing Day, and the shops will be closed. Who will benefit? Not the worker, not the family but the leadership of the Shop, Distributive and Allied Employees Association who can go to members and say, "We are looking after union members and union conditions."

The Opposition opposes this legislation for the same reasons it opposed it in 1999, which is before the honourable member for Heffron and the honourable member for Campbelltown were even in the Chamber, but, nonetheless, they are reliving part of the great history of this House. They can vote, as can the honourable member for Swansea, for a good right-wing union, making sure the law looks after itself.

Mr ANTHONY ROBERTS (Lane Cove) [10.25 a.m.]: The Shop and Industries Amendment (Special Shop Closures) Bill might as well have been called the Bah-Humbug Bill 2004, for that is exactly the effect it will have for many employers and employees throughout New South Wales. This bill seeks to limit trading on 26 December, Boxing Day, which this year falls on a Sunday. The Government will claim it is to ensure employees have Sunday off to spend with their families. In fact, this legislation is yet another attempt by the Labor Government to push the union barrow. This bill limits trade for all retail outlets on Boxing Day this year except for those businesses in designated tourist areas and for those businesses scheduled in the Shops and Industries Act 1962.

Businesses that operate in designated tourist areas can operate as normal to allow for holiday areas to make the most of the tourist season on and around Christmas and Boxing days. The bill will result in confusion over which shops are allowed to trade and which are not. In fact, it is already resulting in confusion before it has even passed because of the inability of the industrial relations ministry to get the message through to the Office of Industrial Relations so that it can best advise businesses of their rights and responsibilities. The bill has come

about due to the paranoia of the union, which is determined to stop the prevalence of enterprise agreements between employers and employees. The Howard Government has done a wonderful job in deregulating the employment market and providing much-needed jobs and assistance to many small businesses.

Mr Brad Hazzard: Lowest unemployment we have had in years.

Mr ANTHONY ROBERTS: The honourable member for Wakehurst is correct when he says that we have the lowest level of unemployment in many years thanks to the Howard Government, but no thanks to the New South Wales Government. The union sees the employees' freedom to bargain with an employer the conditions under which they will work on special days as a threat to its power over the industry. If an employee wants to work on Boxing Day, make a bit of extra money on penalty rates and enjoy the fast-paced environment of post-Christmas sales, it should be well within that employee's rights to do so. It is a great opportunity on those days with loading for many people who factor it into their family budgets to pay for Christmas and/or their holidays.

Like any other religious holiday, if employees do not wish to work on that day, they should be able to negotiate with their employer to have the day off to spend with their family or observe their specific religious traditions. If an employer has a moral objection to having staff working on that day, either because of its significance as a Sunday or its holiday status as Boxing Day he or she may, lease conditions providing, choose to close a shop on that day and roster off staff. Instead, the union has decided that this level of freedom in the workplace is uncalled for, and is a threat to the unionised bargaining that currently formulate working conditions in the retail sector.

To the union, the thought of employers sitting down with their employees and calmly discussing who does and who does not want to work on Boxing Day is horrendous. No union involvement, no representative from a group of which none of the employees is likely to be a member, just plain, unencumbered discussion to determine who would like the chance to earn that little bit more for their own post-Christmas shopping. The unions, quite rightly, see it as a threat to their power in the workplace. If no-one needs them to interfere anymore they start to lose their relevance. But one group needs them; one group will stand by them in their darkest hour. When employees start to gain independence and start to realise they can negotiate with their employer without a union, one group will stand by the unions to try to stop that level of freedom occurring in the workplace, that is, the Australian Labor Party—the centralised Marxist totalitarian workplace conditions that are imposed by this union-dominated State Government.

So once again we are debating a bill that has been custom written for the union movement by the union movement, many officers of which represent electorates in this House. The outstanding shadow Minister for Industrial Relations, and wonderful honourable member for Gosford and I discussed Erina. Erina is a commercial district in Gosford. Under this bill Erina is exempt because it is a designated tourist area. Realistically, Erina has few tourist destinations and the key tourist area is the suburb of Terrigal next door. We all understand that Erina is a vibrant, progressive commercial district but if the Government were serious about imposing these bans it would extend them to areas like Erina.

Employees of Erina Fair, which is the largest shopping centre on the Central Coast, will gain no supposed benefit from this legislation. The bill allows them to work, while colleagues in Gosford, or in the second-largest shopping centre, Westfield Tuggerah, in the honourable member's electorate, are not allowed to work. The legislation has major competitive implications for these two shopping centres, which are only 40 minutes travel apart. One is allowed to stay open, the other is not. One will be allowed to hold post Christmas Boxing Day sales, the other will be forced to close. Once again, we see policy on the run by this Carr Government. It is a disgrace.

Mr Thomas George: What's new?

Mr ANTHONY ROBERTS: Exactly. As the honourable member for Lismore, "What's new?" It is another slapshot effort by the union-controlled and dominated New South Wales division of the Australian Labor Party to force through and rumble through dodgy legislation. But the Government clearly is not fully committed to this legislation. If it were it would probably have investigated the implications of the legislation for various communities, such as Erina and Tuggerah. The Coalition proudly believes it should be the right of individual shop owners and operators to decide whether to open to trade on Boxing Day. They should not have a decision forced upon them because the Carr Government wishes once again to roll over and pander to the union movement.

If this Government were fair dinkum about giving shop employees a break on Boxing Day, it would close down every establishment in New South Wales in line with closures on Christmas Day. Under this legislation, cinemas, hotels, public transport, newspapers, radio stations and pet stores can all open. Instead, once again, the Carr Government is picking on small, medium and large retailers selling non-essential goods and services. This is another death blow to small business and medium-size business in New South Wales. These days it seems the message that is going around the business community is: the last person leaving New South Wales should turn out the lights. Unfortunately, we do not have lights any more because, as we all know, the electricity infrastructure is in such an appalling state that we have rolling blackouts.

Mr Brad Hazzard: Blackout Bob.

Mr ANTHONY ROBERTS: As the honourable member for Wakehurst says, Blackout Bob. The honourable member for Wakehurst is spot on. It will not be a question of switching out the lights; the last small or medium-size business leaving New South Wales will have to blow out the candle. The Carr Government clearly is not dedicated to this legislation, which is designed as an olive branch for the unions. The Coalition proudly will not support the bill. Once again, the message goes out from the Coalition in New South Wales that it will back the workers all the way to have the freedom to make up their minds whether or not they will work on Boxing Day or on any other holiday. They should not be dictated to by a small union elite the members of whom probably have never worked a day in their lives—the left, the unreconstructed Marxists—but who seem to dominate large segments of the union movement. This is an opportunity for the Government in New South Wales to support the sensible planning and progressive ideology that the Coalition puts forward, and oppose the bill.

Mr SPEAKER: I acknowledge the presence in the public gallery of the finalist students, along with their teachers and parents, in the Christmas card competition held annually by the honourable member for Kogarah. I also extend congratulations to Miss Demi Kovacs from St Gabriel's Primary School, Bexley, on having won the competition.

Ms KRISTINA KENEALLY (Heffron) [10.34 a.m.]: I have to be honest, I did not intend to speak in this debate but, given some of the appalling statements made by those opposite, I feel compelled to speak. Before I do that, I congratulate the students from the Kogarah electorate. I recently had the pleasure of working with the honourable member for Kogarah as the speaker in her high schools debate. I look forward to seeing many students back here in a few years time sitting in these very seats and participating in the fine schools debate that the honourable member for Kogarah holds every year. Congratulations to the card competition winners. I look forward to receiving a card from the honourable member for Kogarah and seeing their fine designs.

To return to the legislation at hand, the honourable member for Gosford spoke about family values. It should be remembered that the family values that this legislation seeks to uphold are not just for the families of the workers, because it sends a message to all families in New South Wales. Do we really wish to encourage the type of society where the day after Christmas the most important thing to do is get up and be at the door of David Jones or Myers standing in line for two hours, waiting for the shop to open?

Mr Chris Hartcher: It is individual choice.

Ms KRISTINA KENEALLY: It is choice, but we are leaders in this State and we have a decision to make about what kind of society we want to encourage. Do we want to encourage a society where maybe Boxing Day is a day to spend with one's family? Maybe it is a day to spend on recreation. Maybe it is a day to spend on community service. It should not be a day when people get up at 6.00 a.m., put on their runners, go down to Myer, wait for those doors to open, rush in and elbow out other buyers just to get 20 per cent off a pair of sheets or cutlery. The message that this legislation sends is that we are not a society whose primary concern is commercialisation, consumerism and materialism; we are a society that values time set aside for family and community. On Boxing Day I go to my aunt and uncle's house and we have another family gathering.

Ms Gladys Berejiklian: That is your choice.

Ms KRISTINA KENEALLY: It is my choice.

Ms Gladys Berejiklian: And my choice is to go shopping with my sister.

Ms KRISTINA KENEALLY: I could make some comments about where the honourable member for Willoughby should be shopping but I will not. I have some knowledge of the American experience, which is rampant consumerism. I think it would be regrettable to see New South Wales go down that same path: shops open 24 hours, in-your-face consumerism, encouragement of what leads to consumer happiness, such as getting 50 per cent off a set of china.

Mr Brad Hazzard: It would make me happy.

Ms KRISTINA KENEALLY: You have a very sad and shallow life. The honourable member for Gosford was also quite taken with the situation of workers in video shops in Botany. The honourable member for Gosford first of all could not work out that the name of my electorate is Heffron. But let us talk about casual workers in places like video shops. Those workers need flexible and affordable child care. What is the Federal Government doing about that family value? Workers in video shops need access to a bulk-billing general practitioner. What is the Federal Government doing to support that family value? What about the Federal Government's immigration policies? It is sending 1,000 people a week to Sydney, making it difficult for those workers in video shops to find meaningful employment.

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

Ms KRISTINA KENEALLY: When it comes to family values, those opposite need to talk to their Federal counterparts, because there are far more pressing needs for families in this State that the Federal Government needs to be supporting. The words of members opposite drip with hypocrisy when they talk about workers having the right to earn penalty rates. Those members opposite consistently oppose penalty rates. It is utterly ridiculous for Opposition members to stand up in this Chamber and say that shops should be open on Boxing Day so that people can have the choice to earn their penalty rates. If members on the other side had their way people would not even be able to get those penalty rates.

The honourable member for Gosford asked what is so crucial about having a video shop open on Boxing Day. I acknowledge that my next comment is a little tongue in cheek. I am the mother of a four-year-old and a six-year-old and I think the honourable member for Gosford has not been in a situation where at about 4 o'clock on Boxing Day—having enjoyed a lot of time with one's children, having spent a lot of time playing—the batteries have run out, everyone is tired, the children are full of lollies and sweets and the most family-friend thing one can think of doing is shuffling off to the video shop, getting a video, popping it in the VCR and sitting down together and watching the video. I support the bill, which I commend to the House.

Mr BRAD HAZZARD (Wakehurst) [10.40 a.m.]: I support the Coalition's opposition to the bill. However, I recognise that there are arguments for and against this measure, and that some of those arguments have been put forward by Government members. New South Wales is better placed to move forward if employers are able to negotiate freely with employees with a view to creating business opportunities right across the board. Whether shops should open on Boxing Day is a question worthy of debate, but it should not be determined on the basis that the Labor Government has the numbers, as will be the case with this bill. As the honourable member for Gosford said, it seems to Opposition members that the bill is driven more by union imperatives than by the imperatives of shoppers or those who could be working voluntarily on Boxing Day.

I am quite sure that the Shop, Distributive and Allied Employees Association has done some good things for workers. I recognise that from time to time unions do good things for workers. I have no personal and immediate prejudice against unions. My grandfather was a tramways shop steward in Victoria. I acknowledge that at various times in our history the union movement has proved itself capable of bringing about change where there was an unlevel playing field. But times have moved on. That is why, these days, the union movement is struggling to get workers to join unions. These days, most employers recognise the value of their employees, and they know that if they want their businesses to be nurtured and grow there must be a good relationship with employees. In effect, there needs to be a de facto partnership between employers and employees.

Legislation such as that before the House, which imposes constraints on employers and employees and prevents them from pursuing common goals of a partnership, such as discussing what will happen on Boxing Day, is not a sensible way for any government to go. In my youth I had a number of jobs as I went through school and university. I worked in the retail sector. I worked in menswear shops. I worked as a cleaner and I worked as a garbage man at Manly hospital. I also worked in a garage. I appreciated the opportunity to get work over the Christmas period in a whole range of businesses. Fortunately, I did not have to suffer constraints such

as those that the Carr Government now seeks to impose on employers and employees. As a student who needed money to get through my courses, I would have had fewer opportunities to earn it if the Carr Government had been around at that time.

It is a bit ironic, as well as simplistic, for Labor members to acknowledge that it is all right to have a system that allows some shops to open, where some employees and employers will have to address some issues about working and opening on Boxing Day, but prohibits others from opening. What is the logic behind the Carr Labor Government deciding that it is unacceptable for some to open on Boxing Day but it is acceptable for others, for example, in designated tourist areas? Obviously, I represent an area that borders the Manly tourist area. I spend a lot of my time in Manly, and shops there will not be affected by this legislation. They will be able to open on Boxing Day. Why must the people who own, operate and work in those shops have rules that are different from the rules that apply, for example, to the Warringah Mall shopping area?

I acknowledge that it is important—as the honourable member for Heffron said somewhat light-heartedly—that families who do not want their loved ones to be working on Boxing Day should not have to be without those loved ones on that day. This year Boxing Day occurs on Sunday, which is a sacred time and a day on which families that want to go to church should be able to do so. They should be able to express their beliefs, come together as families and enjoy the afterglow of Christmas Day. It is crazy that a Labor government would want to impose shopping constraints on people who would like to do something different from what I do, or on those who want to express their religious belief but also will want to shop, or on all other folks who want to enjoy their Boxing Day differently.

As the honourable member for Heffron said, Christmas is a wonderful and sacred time, but it also places considerable demands on families. But, when Boxing Day comes round, families should have a choice about what they will do on that day. Twenty or thirty years ago shops did not remain open at 12 o'clock on Saturdays and there was no Thursday night shopping. I do not think any person now under the age of about 20 years would believe that New South Wales was like that. We have moved on from those times, and people now have the choice to go shopping if they want to, or do whatever things they choose to do on those days. So why is it that Bob Carr will put artificial shackles on businesses and employees who would want to celebrate Boxing Day in a way that the honourable member for Heffron does not particularly want to do?

The honourable member wants to be with her family and, if she chooses, go and get a video and sit down with the family and watch it. That is her choice, and no-one on this side would say that is not an appropriate choice for the honourable member for Heffron. On the other hand, if the Coalition were in government and said it had decided that all video shops should close on Boxing Day and the honourable member will not be able to get a video on that day, she would be the first to jump up and down and say, quite rightly, that our behaviour was archaic and artificial.

I do not understand the logic of the bill. Everyone on the Opposition side understands the logic of major shops closing on Christmas Day, because that is a sacred day for Judeo-Christian communities. Even acknowledging that there have been vast changes and that these days ours is a multicultural society, we still retain that essential entitlement to recognise Christmas Day as a very special day in our calendar, or to celebrate it in other, different ways. If we are Christian, we celebrate it with an emphasis on Christ and his birth. Those of another background may celebrate it solely as a day for the family. Some of my very close friends who pursue other religious beliefs still observe it as a family day.

Members of the Liberal Party and The Nationals have no problem recognising that Christmas Day should be preserved as a very special day. But with Boxing Day it is different. Even though my background has a personal perspective of a grandfather who was a shop steward in the Victorian tramways, and even though I have a historical understanding of unions, I recognise that we have moved on. It seems to me that the Carr Government has not recognised that. Recently there was some toing and froing about the policies of the Howard Government. Regardless of whether the community accepts every aspect of the Howard Government's policies, the Federal industrial structure provides much freer system, which has produced a booming economy. If the Labor Party were in government, business and enterprise development would be constrained federally.

The unions and the Labor Party should rethink the way in which they have gone about this. Bearing in mind that I am not anti union per se, I must say that unions adopt a heavy-handed approach to awards. Recently, when I looked at the clerical officer's award to give some advice to a constituent, I could not believe that the union has the right to march into premises in New South Wales to determine whether individual employees are getting their dinner packages, even though all the employees in a small business are not members of the union

and do not want the union anywhere near them. Unions certainly have a place, but it is not in every small business in New South Wales. The Government should recognise that choice and opportunity are essential to New South Wales going forward. The bill takes away choice on Boxing Day and that is wrong. The Labor Government is wrong in the way in which it allows the unions to—

Ms Gladys Berejiklian: Ride roughshod over them.

Mr BRAD HAZZARD: Yes, and to interrupt the flow of business, relationships and partnerships between employers and employees. These days most businesses are a partnership between employers and employees. If the bill had not been introduced I would support the concept of employees being able to volunteer to choose to work on Boxing Day. They should not be forced to work on Boxing Day, which follows our most holy and special day of the year. Families should be able to make choices. However, the bill does not provide choice, it hammers those who want to work and who want to open their businesses. It is wrong.

Mr WAYNE MERTON (Baulkham Hills) [10.52 a.m.]: Although the bill deals with aspects of the every day life of Australians, it actually revolves around the principle of whether in 2004 people should be given the opportunity to make a choice or whether the State Government, which is dictated to by a trade union, will control what they may do with their lives on Boxing Day. As everyone knows, Boxing Day follows a very important day in the Christian calendar, Christmas Day, the celebration of the birth of Christ, the fundamental event of the whole Christian church. Historically and religiously Boxing Day has no real significance, apart from being another public holiday. It might be folklore, but I understand that Boxing Day was so named because it was the day on which people opened their presents in boxes. It does not matter whether I know the significance of Boxing Day, and looking around the Chamber I would suggest that no-one, including those on the Government benches, know what Boxing Day is about except that in Sydney it is the day on which the Sydney to Hobart yacht race starts and cricket matches are played.

Boxing Day is a public holiday. It is part of the Christmas celebrations. Christians and others celebrate Christmas Day. The Labor Party is doing the bidding of the union movement, which attracts something like a 20 per cent membership of workers in this State. Their constituency has fallen. The bill is a belated attempt by the Labor Party to score points with the trade union movement. But it is probably too late because if they had a solid vote from the union movement federally Mark Latham, God forbid, would be Prime Minister today. By and large union members disowned the Labor Party. They walked away from and betrayed Labor in the recent Federal election. If honourable members think I am joking they need only consider that the Labor Council of New South Wales now calls itself Unions New South Wales. Significantly, notwithstanding the usual problems with trains that could lead to an industrial dispute and result in gridlock for New South Wales, the union movement has decided to rename the Labor Council as Unions New South Wales.

The bill provides that people who have set up large shopping centres in this State, such as the Westfield, Westpoint and Stockland malls, will be penalised. Those malls may be owned by big companies, but many of the businesses in these complexes are run by mums and dads. They will become victims of the legislation. The bill provides a specific exemption for small shops such as video shops, newsagencies and chemists. Will a video store in the middle of Westfield Parramatta, one of the biggest shopping centres in the world, or the newsagency next door, or the chemist elsewhere in the complex, or similar businesses in Chatswood or the Heffron electorate, open for business on Boxing Day? Will shopping centre management be forced to have security people available and to run the lighting and airconditioning for only two or three shops? Those opposite do not know the answer, and just like us they will have to wait to see what happens on Boxing Day. I suggest that the centres will not be open. A video shop, a newsagency or a chemist in large shopping complexes will not open.

Honourable members opposite may laugh, but they should remember that if they seek medical attention they might need to exercise their right to go to their friendly pharmacist. If that pharmacy is a one-man band that happens to be in the middle of the local Westfield complex it will be in darkness. Will shopping centre management sustain additional costs and overheads if the shopping centre opens for only a handful of shops that are exempt from the provisions in the bill? Christmas is a great time for celebration. The honourable member for Heffron, in her more lucid moments, said that she sometimes likes to go shopping after the kids have had enough. I have seen it: the batteries go flat on Boxing Day, everyone is tired and cranky, and they want a video. I suggest that is a fairly accurate assessment of what happens. Many of us have kids and I have grandchildren. A lot of mothers—

Mr Milton Orkopoulos: Are you a mother?

Mr WAYNE MERTON: The honourable member might be an old woman, but he certainly is not a mother. Christmas Day puts a lot of pressure on a lot of people because they meet people they do not meet normally and sometimes they meet people they do not want to meet. I know what Christmas Day is like. I have gone into our Christmas luncheon and looked around the table and said, "Who are all these people?" My wife brings friends from her church and people who have nowhere else to go to our Christmas lunch. While that is really wonderful, I have to say that there is a little bit of pressure associated with Christmas Day. When Boxing Day comes round, people are quite often happy to leave the house. The Labor Government does not appear to understand that—although the honourable member for Heffron acknowledges that that is the situation. On Boxing Day people watch the start of the Sydney to Hobart yacht race or watch the opening day of a test match. When Boxing Day comes round, Christmas is behind us and we are just getting into the holiday spirit. The relatives go back to Dubbo, Mudgee or Parkes, and people feel like getting out of the house.

Mr Milton Orkopoulos: Yes!

Mr WAYNE MERTON: The honourable member for Swansea feels that way. However, I suspect his neighbours want him to leave his house! People take the opportunity afforded by the Boxing Day holiday to grab the kids and go down to the local Westfield shopping centre, for example.

Ms Kristina Keneally: You have never been to a Westfield with children, have you?

Mr WAYNE MERTON: I come from the western suburbs. Westfield shopping centres are a social focal point in Parramatta, as is Castle Towers in The Hills electorate. People take their children down to their local shopping centre because it is airconditioned, it is nice and cool, and they can have a cup of tea after they have had a look around for bargains.

Mr Thomas George: That is the only reason people bother to shop.

Mr WAYNE MERTON: But that is what this Government is about to destroy. Little Johnny may have a problem with a toy because the battery has gone flat. A toy that was purchased at Kmart or Myer may not be working. Sometimes little kids cannot wait until the day after Boxing Day to exchange it—they need an immediate reaction. Kids who received three sets of Thomas the Tank Engine for Christmas want to exchange two for something different. This Government is callously and cruelly denying parents the opportunity to exchange the unwanted toys and to buy new batteries, which would make the kids' Christmas complete. The Labor Government should think seriously about that. It is a pity these kids cannot vote—but the good news is that their parents can! That is good news for the Coalition and bad news for the Government!

In the Government's efforts to satisfy the trade union movement in New South Wales, it has betrayed hundreds of thousands of children in New South Wales. They will not be able to exchange unwanted toys on Boxing Day. In addition, people will not be able to make purchases at special prices, such as Christmas decorations that can be stored until next year. Apart from the more light-hearted issues, the Government is fundamentally denying people a choice. Once again, the Carr Labor Government has sold out its principles to satisfy the union movement. The Carr Labor Government does not care because its union masters and fundraisers have said that they do not want ordinary members of the Labor Party doing deals with bosses. That is anathema to the Labor Party.

I have news for the Carr Labor Government: The Coalition opposes that point of view. We believe that it is the right of ordinary people to do deals with their bosses. Coalition philosophy is steeped in freedom of choice, freedom of competition, private enterprise and enterprise agreements. That is what persuaded the people of Australia to elect the Howard Government for four consecutive terms. On the fourth Saturday in March 2007, the people of New South Wales will give the Labor Party the flick, just as the people of Australia gave Mark Latham the flick in the October Federal election.

Mr MATTHEW MORRIS (Charlestown) [11.03 a.m.]: I support the Shops and Industries Amendment (Special Shop Closures) Bill. I had not intended to participate in this debate, but while I was attending to electorate matters, I heard garbled messages on the internal broadcast system about Australian workplace agreements [AWAs].

Mr Thomas George: Point of order—

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Mr ACTING-SPEAKER (Mr John Mills): I hope this is a serious point of order. What standing order has been breached?

Mr Thomas George: My point of order relates to relevance. I did not have a list of speakers for this debate, so members have come into the Chamber to participate in the debate having heard what has been said by members on the Government side.

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

Mr MATTHEW MORRIS: Some of the comments related to AWAs and freedom of choice. If the point of view adopted by the Opposition is taken to its logical conclusion, why would shops not be open on Christmas Day?

Ms Kristina Keneally: That is a good point.

Mr MATTHEW MORRIS: Yes. The Coalition would not support shops opening on Christmas Day and Anzac Day, yet it insists that the fundamental principle underlying its resistance to this bill is its support for freedom of choice. Would Coalition members support people working on Christmas Day? No, they would not. What is really frustrating about this debate and individual work place agreements is that people are prepared to stab each other in the back to get ahead, yet the Opposition talks about choice. If Opposition members and I were competing in the same working environment for the same opportunities and the same hours of work, under the Opposition's system of AWAs all I would need to do is tell the employer that I will do the same job for $30 a week less.

AWAs will have a tremendously negative impact on the workplace, they will create aggression and the consequential antisocial behaviour characterised by individuals fighting and arguing against each other for the scarce employment opportunities that are available. The underlying rationale for this bill is family values. I must declare a slight conflict of interest. My wife usually works on Sundays. I assure the honourable member for Lismore that when she finds that she will not have to work on a Sunday she will be over the moon. My wife and I will have an opportunity to spend more time with our two young children and with members of our extended families, which is eminently appropriate over the Christmas season.

The Opposition has called for freedom of choice by having every retail outlet open on Boxing Day. That will have an impact on household debt, which no-one has discussed during this debate. As all honourable members know, household debt has reached record levels. Most people go shopping and most people are consumers of goods and services. In the majority of cases, goods and services are paid for by credit cards. The Federal Government persists in refusing to curtail household debt by enforcing the obligations of banks and financial institutions to reduce household debt by ensuring that consumers are aware of the risks involved in significant debt accumulation. Many people have incurred debts that they will never be able to repay, but they will go shopping, load up the credit card and endeavour to pay it off over the ensuing 12 months. That is a matter of grave concern to me. This bill is appropriate because its message is clear: The Carr Government wants to ensure that families have ample opportunity to spend time together and share the joy and excitement of Christmas, particularly families with young children. The Government also wants to provide people with an opportunity to spend time at home and enjoy the company of their families.

The Opposition's fundamental argument is choice. Let us talk about choice in accessing health services and choice in accessing general practitioners who do not bulk-bill. Not too long ago the Federal Government put a gun to people's heads, forcing them into the private health insurance sector. I remember clearly the campaign advertisements run by the Federal Government that people must have private health insurance or they would be slugged an additional surcharge on their Medicare contributions. If that was not a threat, I do not know what is. Today the Opposition preaches choice. Sorry, it cannot have it both ways. The Opposition either supports giving people a choice of their medical providers or it does not. Or does the Opposition want to run the line of its Federal colleagues, and hold a gun to people's heads whilst pulling services from the community?

This is an important bill and I am happy to support it. The bill provides an opportunity for families, whose members may be employed in certain shops, to be together on Christmas Day and Boxing Day. I support the bill and I am sure that most members of this Chamber will take full advantage of the opportunity to spend time with their families on Boxing Day. It is understood and accepted that certain services need to be available on Boxing Day, and the bill provides a real opportunity to send a clear message to the community that in the interests of family well-being the Government wants to ensure that that day is available for people to maximise that opportunity. Families are encouraged to share special time with one another on Boxing Day.

Ms GLADYS BEREJIKLIAN (Willoughby) [11.11 a.m.]: I oppose the Shops and Industries Amendment (Special Shop Closures) Bill. If the main argument of Government members in support of the bill is

for workers to have an opportunity to be with their families on Boxing Day, I am dismayed as to why they do not obligate the mandatory closure of retail outlets when Boxing Day falls on a week day. Why is it only when Boxing Day falls on a Sunday that the Carr Government deems it fit to introduce this bill? I reiterate some points raised by my colleagues about giving families, workers and retailers a choice on Boxing Day. I am fortunate to represent a part of Sydney that has a strong retail culture. I know that many people enjoy spending Boxing Day with their families at the shops; that is a choice they have and expect to have.

That is an option that my sisters and I take. It is the one day of the year on which we go shopping together. That is a choice we have and a choice we would like to keep. I find it difficult to comprehend the rationale and arguments posed by the Government on this matter. It seems to me that the Government's arguments are rather flimsy. The Government's arguments highlight the real purpose of the bill, which, it seems to me, is for the Government to placate the Shop, Distributive and Allied Employees Association [SDAEA], the largest union in New South Wales. The SDAEA is the most significant union in the right-wing faction of the Australian Labor Party. Clearly, the SDAEA is concerned to maintain the award system and is opposed to retail stores opening on Boxing Day. It is concerned that, as volunteer labour would be used, employees would be making direct agreements with their employer. That matter is almost unacceptable to the association.

I respect the comments of Government members in relation to that time of year being a time to spend with families. We all respect and support that fact. I believe in supporting the right of people to have a choice in what they do with their time, whether they choose to have time off, go shopping or work if they are employed in the retail industry. That is a point of difference between the arguments posed by the Government and those posed by the Opposition. The Opposition does not want it mandatory that people do or not do something on that day. In the Australian context, Boxing Day is not a day of overwhelming religious or political significance. People do not have strong views on what they should or should not do on that day. For me and my family, it is a day to relax and to have the option of utilising retail outlets.

On Boxing Day every year the first item on the evening news focuses on people taking advantage of the retail sales. For those people it is an enjoyable day, a day of choice. Many people find bargains they might not find on other days. Some would argue that the retail experience on Boxing Day has become part of the Australian festive season. In opposing the bill, I accept and recognise the need for people to have the opportunity to spend Boxing Day with their families, whether they are workers, retailers or neither. By the same token, it galls me to think that a bill needs to be introduced to curtail the behaviour of people on that day. Boxing Day is a special day and people should be able to choose how they spend their time on that day. As I said, I am proud of the strong retail presence in the Willoughby electorate. I will be disappointed if the bill is passed and retailers are forced to shut their doors. If the bill is passed I would not be able to walk down the main street of Chatswood on Boxing Day and see lots of people enjoying themselves. It would be desolate. I reiterate my concern about the real purpose of the bill and I reaffirm my opposition to it.

Mr MICHAEL RICHARDSON (The Hills) [11.16 p.m.]: I did not intend to contribute to debate on the Shops and Industries Amendment (Special Shop Closures) Bill until I heard the contribution of the honourable member for Heffron. She got far off the beaten track: she talked about the Howard Government's immigration policies and so on. I thought she was going to raise the refugee issue, for goodness sake! On hearing her contribution, I realised that the Government does not have a solid basis for introducing the bill. My realisation was confirmed when I heard the contribution of the honourable member for Charlestown, in which he spoke about household debt being at record levels. He said that therefore it was a good idea for shops to be closed on Boxing Day so that people would not be encouraged to spend more money and raise their household debt even higher.

What nonsense! In particular, the honourable member's last argument is nonsense. Is the honourable member for Charlestown suggesting that shopping is an addiction for the ordinary people of New South Wales? Is he suggesting it is an addiction akin to alcoholism, drug use or gambling, and people cannot help themselves? Is he suggesting that if shops are open on Boxing Day people will bend the plastic and spend beyond their means? That is absolute nonsense. It is clear from the paucity of arguments presented by the Government that the real reason it introduced the bill was to kowtow to the unions, in particular to Joe de Bruyn and the Shop, Distributive and Allied Employees Association. It is completely reprehensible for any government in the twenty-first century to introduce a bill that will reduce the level of earnings for employees who choose to work on Boxing Day and significantly impact on the profitability of small businesses across New South Wales.

Castle Towers, which is opposite my office in Castle Hill, is the major shopping centre in my electorate. It is the most successful shopping centre, in sales revenue per square metre, in Australia. People in

my electorate enjoy shopping in that fine shopping centre. I do not think too many of them are addicted to shopping or spending beyond their means, as the honourable member for Charlestown has suggested. That is nonsense. People will not be able to go to Castle Towers because David Jones, Myer, Target, Kmart, Coles and other shops will be closed. I am talking, for example, about Godfreys, the House of Fraser, Gregorys Jewellers, Rockport, Camera House and a host of other small family-owned businesses that will not be able to earn any revenue on that day. Their costs will still be the same, but they will not be able to earn any income to defray those costs on a day that traditionally is one of the biggest sales days of the year.

All Opposition members support freedom of choice. We do not believe that people should be compelled to work in a store on Boxing Day. We understand clearly that people might wish to do something else with their families—for example, going to the cricket or watching the start of the Sydney to Hobart yacht race. There are other things that people might want to do. However, for those who choose to work on that day there is no justification, other than kowtowing to the unions, for the Government to introduce this bill.

When I was at university I worked every Boxing Day at the Greengate service station in Killara. Why did I work on that day? Did the owner of the Greengate service station, Mr Jan Rosenberg, compel me to work on that day and say, "If you do not work on Boxing Day, Michael, you will not be able to work on any other day?" Not a bit of it. He asked me whether I wanted to work, I said yes and he paid double rates on that day. That was an important thing for an impecunious university student, as indeed it is for workers who are being denied an opportunity to earn money on Boxing Day. The honourable member for Charlestown said that household debt was at record levels, yet he wants to deny shop assistants the opportunity to make money over and above their normal wages on that day.

Ms Virginia Judge: Point of order: The honourable member for The Hills is misrepresenting the comments made by the honourable member for Charlestown.

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

Mr MICHAEL RICHARDSON: I knew that point of order was going to be as stupid as the member herself.

Ms Virginia Judge: Mr Acting-Speaker—

Mr ACTING-SPEAKER (Mr John Mills): Order! The honourable member for Strathfield may seek the call at a later time.

Ms Virginia Judge: I ask the honourable member for The Hills to withdraw the comment that he just made. He should have addressed me as the member for Strathfield; he did not need to add the additional comments that he made. I expect him to withdraw and to apologise.

Mr MICHAEL RICHARDSON: I will not withdraw those comments. She should not take have taken a spurious point of order.

Ms Virginia Judge: It was not a spurious point of order.

Mr MICHAEL RICHARDSON: It was not a point of order.

Mr ACTING-SPEAKER (Mr John Mills): Order! I do not propose to allow this storm in a teacup to develop into a major issue. The honourable member for Strathfield may seek the call at a later time if she so wishes. The honourable member for The Hills has the call.

Mr MICHAEL RICHARDSON: As I was saying before I was so rudely interrupted, I chose to earn money on Boxing Day. Many shop assistants feel the same way, and the Government is denying them that opportunity. Deregulated shopping hours have been in place in this State for more than 15 years. People have adapted to deregulated shopping hours and they have taken advantage of them, whether they are consumers, retailers or workers. Provided that freedom of choice prevails and workers volunteer to work on that day, I can see no justification whatsoever for denying them that opportunity.

The extraordinary thing is that the bill will allow shops in tourist areas to open, provided volunteers staff them. I do not know or understand the difference between a tourist area and any other part of the State. I

think, in particular, of Western Sydney. I do not believe that Western Sydney has designated tourist areas. Once again, Western Sydney will miss out under a Labor Government that purports to represent people in that area. They will not have an opportunity to go and shop, to exchange presents, to enjoy themselves in shopping centres, if that is what they want to do, and they will not have an opportunity to earn extra money, if that is what they want to do. I strongly oppose this bill. It is abhorrent and yet another example of the Carr Labor Government kowtowing to the union movement, which is a disgrace.

Ms PETA SEATON (Southern Highlands) [11.25 a.m.]: I oppose the Shops and Industries Amendment (Special Shop Closures) Bill, which is a classic example of Labor's dinosaur command-control thinking. The Government is attempting to take us back to the days of the Iron Curtain. It is trying to tell people how to run their lives and what to do with their lives. We are in the year 2004. Australia has a prosperous economy, thanks to the policies of the Howard Government. Many people in this country have benefited from those policies. The deregulation of the workplace favours working people. People who chose to work now have choice and more opportunities. Women have been able to avail themselves of opportunities that they were not able to avail themselves of before. Increasingly workplaces and the economy have been deregulated, which is a good thing. Today the Labor Party is trying to revert to its classic old dinosaur command-control thinking.

The Government wants to be able to tell businesses, employers and working people how to spend their lives and, in this case, what they should do on Boxing Day. As a result of deregulation there have been massive gains for industrial relations, finance, workplaces and our economy. To be fair and to give credit where it is due, some of those reforms occurred under Federal Labor leaders. What are the views of those thinking members of the Labor Party about today's bill, which is nothing more than a sop to a few union bosses who run this place and the Labor Party? This bill is a sop to union bosses to give them a bit of a win. The Government is trying to save the hides of existing Labor Party union officials who are responsible for the preselection of the people in this place who sit on the government benches. We must enable people to choose what they want to do with their lives.

Businesses in this country and in this State must be able to decide when or where to open their doors. Working people must be able to decide what shifts they will work and what opportunities they will avail themselves of. Families must be able to choose when they do their shopping. In the past 20 years we have seen a revolution. People are now able to make choices that they were never able to make before. In the late 1980s and early 1990s I was employed in a job where I commenced working early in the morning and I finished at about 7.00 p.m. For a period of about two years I did not buy meat, and that was not because I was a vegetarian. The rules that had been imposed by the Labor Party specified that consumers could not buy meat from a supermarket after 6.00 p.m., which was ridiculous. So at precisely 6.00 p.m. Woolworths, Coles and other supermarkets would take meat out of their public refrigerator compartments and put it in a compartment in the storeroom. Because Labor was such a control freak it would not permit the sale of meat after 6.00 p.m., which was insane.

For a period of about two years I was not able to buy meat, which was a bad thing for meat producers and farmers. As a result of deregulation and extended shopping hours, I was then able to buy the things that I wanted to buy, if I had been in a position to do so. However, I could not do that as I was working long hours. Families, shoppers, working people and businesses are now benefiting from deregulation. We must encourage them to make those choices. Nothing in the current arrangements makes it compulsory for people to go shopping on Boxing Day. It is not compulsory for shops to open on Boxing Day. People should be able to choose. The honourable member for Strathfield, more than anyone else in this place, would know that Sydney is a multicultural city full of people who come from a diverse range of backgrounds, cultures and religions.

Not everybody observes Christmas in the way Christians do. For many people Boxing Day is just another day. The honourable member for Strathfield and the Government are trying to impose on the people of New South Wales their idea of when they should work. That is absolutely ridiculous. We should have a deregulated environment in which small businesses, which drive more than 50 per cent of employment in this State, can choose when and where they open their doors. Working people should be able to choose when and where they work and families should be able to choose when and where they do their shopping. Boxing Day is a good family day out for many people. Families do not often have the opportunity to get together and enjoy the fun and relaxation of spending a day shopping. Many people look forward to Boxing Day shopping and enjoying the benefits of deregulated shopping hours.

The Labor Party claims to represent working people, that is, everybody from professionals to tradespeople to casual staff. Working people are represented across the community spectrum. The Government is not representing working people and it is certainly not representing small businesspeople by introducing the

ridiculous command-control nonsense in this bill and seeking to impose rules on free-thinking Australian as to when and where retailers can open their doors and when and where people can shop. When I was 16 years old and studying for my Higher School Certificate in the days of the Wran Government I was lucky enough to find employment in a supermarket that traded on Sundays. It was one of the few that were allowed to open because the Labor Party does not want to allow businesses the freedom of making their own decisions.

I worked weekends and Thursday nights and, as a result, saved enough money to buy a car and travel overseas every year to do necessary fieldwork as part of my university course. I earned enough money to live independently of my family when I attended university. The Labor Party would rather I had not had that opportunity. Throughout the late 1970s and early 1980s the then Labor Government resisted any deregulation of shopping and business hours and only the lucky few, including people like me, were able to grab casual Thursday night and weekend jobs. I was able to save some money that I invested in my education and used to buy a car, which gave me the freedom to take on other employment. I am proud of the fact that as a 16-year-old I had a job and that I was able to leave home at the age of 17 and be financially independent of my parents. That lifted a great burden from them.

The Labor Party would like to turn back the clock to the bad old days of full regulation. The thing about this bill that makes me really angry is that at this very minute people are standing on railway station platforms throughout Sydney, waiting for trains and wondering whether they will get to work on time. They are being held up and inconvenienced because the State Government cannot run the rail system. I wonder whether the Government does not want people to shop and work on Boxing Day because it gives it an excuse not to have to run the trains properly that day, even though it could not do that anyway. The Labor Party would be well advised to put less effort into these stupid command-control mechanisms in bills such as this and more effort into ensuring that the trains run on time, that our hospitals can treat people when they need treatment, that our schools run smoothly and that we have proper education facilities in this State. The Labor Party ought to get its priorities right. It ought to get its hands off business and working people. It should get off people's backs and let them make their decisions freely. The Government should concentrate instead on doing the things that the people of New South Wales expect it to do, that is, run the trains, the hospitals and the schools.

Mr GRAHAM WEST (Campbelltown—Parliamentary Secretary) [11.34 p.m.], in reply: I have to ask myself: What year is it? I half expected to see Governor Macquarie sailing out of the harbour, Brisbane taking his orders, and Darling being written to. This could be the House of Commons and Charles Dickens could be sitting in the public gallery, dreaming up the character of Pip. Miss Haversham could be sitting in the ladies gallery. One would think we were back in Dickensian times. We are considering the big issues of the day. The Government is giving people a day off. No wonder the honourable member for Lane Cove started his speech with the words, "Bah, humbug!" His performance was like something out of *A Christmas Carol*. Opposition backbenchers were sitting behind the honourable member, like Scrooge and Marley, thinking, "How can we screw the workers? How can we do them in? Well, we'll oppose them having a day with their families at Christmas."

Christmas is just one day of the year. Pity help us if we give workers three days in a row to spend with their families. The honourable member for Gosford reminded us that the same thing happened in 1999. He stood at the dispatch box and cried, like Chicken Little, "The sky is falling! The sky is falling!" Ducky Lucky, Goosey Loosey and Turkey Lurkey followed the honourable member in the debate. They joined Chicken Little and told us that the sky will fall as a result of this bill. If the sky did not fall in 1999 and New South Wales remains the powerhouse of Australia, the sky will not fall in 2004. We will survive. People will have a holiday—what is wrong with that?

I remind Opposition members that this is not Dickensian England; this is not the 1800s. It is 2004 in Australia. I am sure that people have spoken to Opposition members about being time poor. Modern life is fast paced and it is getting faster. People lament the fact that they do not have time to spend with their families, to get reacquainted and to think things through. Here is a chance for many hardworking people who work in the retail industry to have some time off. At certain times of the year retailers in tourist areas rely on a big influx of tourists to make some money, and the Government is not denying them that opportunity. Parents who forget the sun cream for little Johnny or those who have forgotten to stock the larder will be able to go shopping.

The Government will give small towns a boost. But we are also telling retailers and workers that they can have a break. What is wrong with that? Only one Opposition member spoke to the Duties Amendment (Land Rich) Bill in the previous debate but I think six or eight Opposition members have spoken against giving workers a day off. That speaks volumes. The Labor Party listens to workers. We have been told that we are

guilty of listening to workers, and we stand guilty as charged. We listen to and protect workers. We believe in families and this bill delivers family-friendly hours to workers.

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

The House divided.

Ayes, 46

Ms Allan	Mr Gibson	Mrs Paluzzano
Mr Amery	Mr Greene	Mr Pearce
Ms Andrews	Ms Hay	Mrs Perry
Mr Bartlett	Mr Hickey	Mr Price
Ms Beamer	Mr Hunter	Dr Refshauge
Mr Black	Ms Judge	Mr Sartor
Mr Brown	Ms Keneally	Mr Scully
Ms Burney	Mr Lynch	Mr Shearan
Miss Burton	Mr McLeay	Mr Stewart
Mr Campbell	Ms Meagher	Mr Tripodi
Mr Collier	Ms Megarrity	Mr West
Mr Corrigan	Mr Mills	Mr Whan
Mr Crittenden	Mr Morris	
Mr Debus	Mr Newell	*Tellers,*
Ms Gadiel	Ms Nori	Mr Ashton
Mr Gaudry	Mr Orkopoulos	Mr Martin

Noes, 33

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

Pair

Ms Saliba	Mr Pringle

Question resolved in the affirmative.

Motion agreed to.

Bill read a second time and passed through remaining stages.

DUTIES AMENDMENT (LAND RICH) BILL

Second Reading

Deferred division

Mr SPEAKER: Order! The House will now proceed with the deferred division on the question, That this bill be now read a second time.

The House divided.

Ayes, 47

Ms Allan	Mr Gibson	Mr Orkopoulos
Mr Amery	Mr Greene	Mrs Paluzzano
Ms Andrews	Ms Hay	Mr Pearce
Mr Bartlett	Mr Hickey	Mrs Perry
Ms Beamer	Mr Hunter	Mr Price
Mr Black	Mr Iemma	Dr Refshauge
Mr Brown	Ms Judge	Mr Sartor
Ms Burney	Ms Keneally	Mr Scully
Miss Burton	Mr Lynch	Mr Shearan
Mr Campbell	Mr McLeay	Mr Stewart
Mr Collier	Ms Meagher	Mr Tripodi
Mr Corrigan	Ms Megarrity	Mr West
Mr Crittenden	Mr Mills	Mr Whan
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Noes, 33

Mr Aplin	Mrs Hopwood	Mr Slack-Smith
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Mr Constance	Mr Page	Mr R.W. Turner
Mr Debnam	Mr Piccoli	
Mr Draper	Mr Richardson	*Tellers,*
Mrs Hancock	Mr Roberts	Mr George
Mr Hartcher	Ms Seaton	Mr Maguire
Mr Hazzard	Mrs Skinner	

Pair

Ms Saliba	Mr Pringle

Question resolved in the affirmative.

Motion agreed to.

Bill read a second time and passed through remaining stages.

SMOKE-FREE ENVIRONMENT AMENDMENT BILL

Bill read a third time.

REDFERN-WATERLOO AUTHORITY BILL

Second Reading

Debate resumed from 11 November.

Mr BRAD HAZZARD (Wakehurst) [11.54 a.m.]: I lead for the Coalition on the Redfern-Waterloo Authority Bill. There have been, and continue to be, major social issues in and around the Redfern-Waterloo area. As shadow Minister for Aboriginal Affairs for about nine years, I have regularly raised in this place social disadvantage issues affecting Aboriginal people. However, many social issues of disadvantage to Aboriginal

people also apply to non-Aboriginal people in the Redfern-Waterloo area. It is my view, which I have carried through with the Opposition for nine years now, that as far as is practicable there should be bipartisan support for measures to address issues that disadvantage Aboriginal people. There should be—and there has been by the Coalition while I have been the shadow Minister—every effort to ensure that there is, as far as is practicable, a bipartisan approach to Aboriginal issues. In the debates that arose from the Wik and Mabo issues and from the reconciliation process, Coalition members have certainly tried to ensure a level of bipartisanship in the knowledge that, if that is achievable, it will be the best way forward for Aboriginal people.

However, on many occasions during that period I, on behalf of the Liberal Party and The Nationals, have made the point that there should be a co-ordination of the services that reach out to Aboriginal people, and there needs to be genuine consultation with the Aboriginal people and a partnership with them on what they see as being in their best interests. At this moment I am focusing on Aboriginal people rather than on non-Aboriginal people in the area of Redfern-Waterloo, who also suffer disadvantage. That is specifically because the Liberal-Nationals Coalition has been raising these issues for years. I have raised them in this place in debates on reconciliation and pointed to the need for a far more effective way to deliver real improvements for Aboriginal people. I have raised questions in the budgetary process in this place and through estimates committees. I have not been able to make the points directly in that forum because the Carr Government excluded Legislative Assembly members from the estimates committee process. However, I have passed questions to members of the Liberal Party and The Nationals to ensure that those questions were asked.

The sorts of issues that I have raised through my colleagues relate in particular to benchmark issues. What improvements have there been in the years of the Carr Labor Government? What were the objectives of those measures? What were their aims? What were the benchmarks? Were those benchmarks achieved? Not for one second do I suggest that Labor members have not been well-intentioned regarding working with the Aboriginal people and doing the right thing in attempting to develop the protocols and partnerships that could possibly make a real difference in the lives of Aboriginal residents in New South Wales. I do not question the intent of members on the Government side. What the Liberals and The Nationals say is that the sorts of improvements we would have hoped for in the Redfern-Waterloo area, as well as in other parts of New South Wales—whether in Wilcannia, Brewarrina or Bourke—have not been achieved.

One of the reasons for that is the failure of the Carr Government to set in place processes that would guarantee consultation with Aboriginal people and to develop, from the grassroots up, programs that would be likely to produce a change. As a consequence of my understanding of, and concern about, those issues I have become more and more frustrated by the Carr Government's failure to introduce benchmarks to evaluate what is and is not working. Recently in the estimates committee hearings the Minister for Aboriginal Affairs indicated that some benchmarks had been put in place, but it is still a largely unco-ordinated and piecemeal approach. I do not wish my comments to reflect badly on the Minister—I am sure his intentions are good—but he indicated often that he could not answer the question because it was a health or education issue, or not within his portfolio. To a great extent that highlights the problem we face in improving the lot of Aboriginal people.

One view is that mainstreaming services is critical, but another is that unless mainstream services are responsive to the needs of Aboriginal people we will not achieve any improvements. I am sure it was no surprise whatsoever to Aboriginal people or anybody who has been involved with Aboriginal people to see the events of the past 12 months unfold in Redfern. Obviously the death of TJ Hickey was a terrible tragedy. His mother, one of the elders of the Aboriginal community, came into this place maybe a year or two earlier and met with members of Parliament on both sides to talk about problems facing Aboriginal women, such as family breakdown and violence. It was an excellent initiative driven by the Aboriginal community, not by government. But, tragically, TJ Hickey, who, in many ways, personified many of the problems of young Aboriginal people disconnected from the society in which they live, found himself in conflict with the law and, sadly, died.

TJ Hickey's death prompted the riot, which focused intense media coverage on a systemic, long-term and difficult problem: Aboriginal issues and Aboriginal disadvantage. We focused on law and order, which was right and proper, but bubbling below the surface were the problems that had existed for years, such as failure to deliver the necessary co-ordinated services that would empower young Aboriginal people to feel good about themselves, stay at school and take the opportunity to become contributing citizens in our society. I know that wonderful things are happening in education. Tranby College, which is doing great work with more mature Aboriginal people, has been around for the best part of 40 or 50 years. I know that some piecemeal work has been undertaken with young Aboriginal persons, but we have not achieved what we need to achieve. The disadvantage is still rife.

Overlying all these things are the structural problems of communities all over New South Wales, the physical environment in which Aboriginal people live. But only one kilometre or so from this place are Redfern and Waterloo. You can stand on the Block and see the high-rise buildings of Sydney. During the Sydney 2000 Olympics, just four years ago, many of the folks who came to see Sydney at its shining best would not have been to Redfern. They would not have seen young Aboriginal children playing among the syringes of the Block. They would not have seen the group of people who act regularly as gatekeepers at the top of the Block, often, unfortunately, under the influence of alcohol or drugs. They would not have seen houses in a total state of disrepair. They would not have seen some, not all, Aboriginal people at their front doors almost comatose from the influence of alcohol or drugs.

They would not have seen the struggle between the Aboriginal Housing Company and some people who were still living on the Block but who were not in the mob that runs the Aboriginal Housing Company. I use "mob" in the Aboriginal sense, not in any pejorative sense: they were not of the same group. Aunty Joyce Ingram, a well-known elder who lived on the Block, moved out in the last six to 12 months. I think she occupied the last house on Eveleigh Street. At the rear of the house Aboriginal people moved constantly in and out of another house that formed part of the structural integrity of her house, but it was a rundown old house. On my visit to the Block as shadow Minister for Aboriginal Affairs I would see, and saw regularly, people coming in and out of the building. I was told that it was a drug house. I do not know whether it was, but the drugs supplied at the Block were all too prevalent. I remember that when the houses on the southern end of Aunty Joyce Ingram's house were knocked down the syringes were in prolific numbers across the vacant area.

The Aboriginal Housing Company laid grass across the area. I was told that the syringes lay there as a grass was put down. I bring these things to the attention of honourable members because we must understand that the issues for Aboriginal people are not simple. Most of us who have worked with Aboriginal people understand how much we do not understand. We understand that the issues are so complex that a quick fix or simplistic approach would be nigh impossible. We understand that much needs to be done, but I think most of us would say that it must be done from the bottom up. My experience from visiting Aboriginal communities as shadow Minister for Aboriginal Affairs is that in communities that own their issues and solutions there is a good chance that positive things will come from that empowerment. As the shadow Minister I am concerned that the legislation, although it may be well intentioned, may achieve little and may perpetuate the top-down approach of governments for the past 200 years or more, and they got it wrong regularly.

I am concerned about the Government's approach to the preparation of this bill. Although the Liberal Party and The Nationals accept unreservedly that Aboriginal people must have the same degree of input into the resolution of their problems as do other people, Aboriginal community groups inform me that this bill has been developed without their input. Although that has been reported to me by a number of people, to save the time of the House I will mention only one group. The information I am about to disclose is already a matter of public record, so I do not believe that any disadvantage will result from my pointing out that the Aboriginal Medical Service—an organisation that is a very well-known for its good works—wrote to the Premier, under the signature of Dr Naomi Mayers, expressing its concern.

I do not intend to read her letter onto the record because it is sufficient for the House and the Minister to be informed that, in relation to the preparation of this bill, the Opposition is aware of the very high levels of concern that have been expressed by a highly respected and meritorious group within the Aboriginal community. The concerns extend beyond the mere lack of consultation to fears of a waste of years of work that have gone into the development of partnerships and protocols between governments and Aboriginal people with a view to ensuring that Aboriginal people have a say in their future. I know that those issues have been drawn to the attention of the Premier and, by inference, the Minister for Energy and Utilities.

In a sense, this bill is more about planning than anything else. The bill is interesting more because of the provisions it does not have than because of the provisions it has. Much of the detail of its implementation has been left to the regulations, and at this stage members of this House have no way of knowing what will be covered by the regulations. However, we know that an authority will come into existence and it will be very similar to the structure of the Sydney Harbour Foreshore Authority, which is already the subject of an inquiry by the Legislative Council. Many of the issues that will be examined by the inquiry relate to the extension of the authority's powers in ways that could be construed to apply to political purposes or that are, at best, unlikely to achieve the best outcomes for areas under the authority's control. Although some of the Sydney Harbour Foreshore Authority initiatives have had a positive effect, other aspects of its control have had negative effects on the authority and on Sydney.

Despite the fact that the Legislative Council's inquiry will review the functions and powers of the Sydney Harbour Foreshore Authority, a new authority which is based essentially on the Sydney Harbour Foreshore Authority's structure will be established by the Carr Labor Government before the inquiry has reached any conclusions. The only significant difference between the two authorities is that the Redfern-Waterloo Authority legislation provides much less detail than did the legislation relating to the Sydney Harbour Foreshore Authority. The structure of the Redfern-Waterloo Authority features the functions of the chief executive officer, the functions of the board, and the omnipotent powers of the Minister. I note that the bill optimistically states that its objects are to secure orderly economic development and management of land and the provision of infrastructure.

The bill purports to promote housing choices and cultural development and to create employment opportunities for local residents as well as commercial opportunities for local businesses, but how those objectives will be achieved is not clear from the provisions of the bill. One must be concerned about the Minister's intention to create a biotechnological park along the lines of the biotechnological park that currently exists. Presumably the Minister believes that he will be able to create jobs for people who live in the Redfern-Waterloo precinct by the construction of a new biotechnological park, and one wonders, by reference to that proposal, how securely connected to reality the Minister is. While I do not cavil with the Minister's idealism, I wonder about the practicality of that proposal bearing in mind that most of the Aboriginal people who live in the Redfern-Waterloo area leave school at approximately 14 years of age—as, sadly, do most Aboriginal people throughout Australia.

I suggest that people with an incomplete secondary education will not be able to benefit from the types of jobs that the Minister publicly envisages being part of the solution for the Redfern-Waterloo area. I would like to think that in approximately a decade or two, when more Aboriginal students remain at school as a result of early intervention and pursue their education beyond secondary level, the Minister's ideas will become reality, but over the next few years I would say that his proposal will prove to be quite unrealistic. Although that is not a reason to vote against the bill, it nevertheless is justification for querying whether this bill has a realistic chance of being successfully implemented if it is enacted in its current form. This issue highlights the flaw in the approach that has been adopted to formulation of this bill—the top-down approach that has been adopted by the Minister. When the Minister's comments about how he envisages employment opportunities being created are added to the concerns I have already outlined, the reasons for my concern about this bill should be obvious.

The bill provides for the Heritage Act 1977 to be overridden, and that is a telltale sign of a planning bill. This bill purports to give the Minister the capacity to take over planning duties from the Minister for Infrastructure and Planning. The people of New South Wales are entitled to be assured that the development of Sydney is being approached in a co-ordinated and sensible fashion, yet an enormous number of planning problems exist. I therefore wonder about the logic of taking a large aspect of planning control away from the current Minister for Infrastructure Planning and handing them over to a Minister who does not necessarily understand the virtue of overall planning objectives and the need for a co-ordinated approach.

The Coalition is also extremely concerned about the way in which the relationship between the Redfern-Waterloo Authority and the Council of the City of Sydney may be affected by this bill. The planning aspects of this bill appear to be in conflict with some of the planning that has already been carried out by the City of Sydney Council. I note that schedule 1 to the bill purports to describe the operational area of the Redfern-Waterloo Authority and that that will be the basis of funding allocations to carry out development of the Redfern-Waterloo area. The site of the Carlton United Brewery appears to have been added to the authority's operational area, but not because of its geographical significance; rather, it will effectively be a cash cow as a result of section 94 contributions under the Environmental Planning and Assessment Act. The Coalition has not been informed how that will work.

As the former shadow Minister for Housing, I am aware that the City of Sydney Council uses developer contributions to fund its excellent homelessness service. As the Minister is a former Lord Mayor of Sydney, he should also be aware of that. It is therefore incomprehensible to me why the Government thinks it is appropriate to dip into the funds of the City of Sydney Council, which essentially is what this bill provides. I have had a limited opportunity to discuss this matter with Michael Ramsay of the Premier's Department, who is the person responsible for the Redfern/Waterloo Partnership Project, and I thank the Minister for that. However, even if briefings on this issue were unlimited, I doubt that the level of discussion could ever be regarded as satisfactory.

The first briefing was held yesterday afternoon, at which I thanked the Minister. However, if the Opposition had not been consulted on the development of the bill, and if groups including the Aboriginal grass

roots organisations had not been consulted, a productive outcome may not have been achieved. One aspect I put to Michael Ramsey—and I thank him for his help in the discussions—was: Where does the bill set out the funding sources? Where is the money coming from to do whatever is to be done, which is not clear? It was put to me that some seed funding is coming from Treasury. I ask the Minister to address that in his reply, or at some other appropriate time, to explain what the seed funding is, where it is coming from and what it is expected to do. I add a further, broader question: Exactly how will the funding be achieved?

In discussions it was put to me that the Redfern-Waterloo Authority would have the rights over certain lands. The example given was that in the redevelopment of the Redfern railway station, envisaged to occur in the next few years, there might be some commercial opportunities to realise a profit. That is an interesting idea, but I wonder what Minister Costa thinks about that. Of course, Minister Costa is having some difficulties keeping the trains running at all and doubtless he would be desirous of getting his hands on any money to try to fix the system—to get better railways, cleaner trains, the sorts of things that New South Welshmen want for their railways.

I ask the Minister: Has a protocol or arrangement been entered into between Ministers who are responsible for various government lands that are held within the geographical area laid down in schedule 1 to the bill? If so, what are the protocols? I ask the Minister to lay that out very clearly, because Mr Ramsey could not answer that question. The Opposition needs to know that is to be done. Have other Ministers agreed to effectively hand over their assets? If so, on what basis is that appropriate?

Mr Frank Sartor: Surplus to core business.

Mr BRAD HAZZARD: The Minister indicates it is surplus to core business.

Mr Frank Sartor: Those that are surplus to core business.

Mr BRAD HAZZARD: Those that are surplus to core business. If that is the sole criteria for funding, one could envisage the Minister having awful problems in trying to get the funding necessary to carry out the provisions of the bill, vague as they are. The Minister has been a member of this House for only a short time, but from my experience I know that Ministers do not easily give up assets when they have other core financial problems with which they need to deal. The Minister may not see them as core assets, but Ministers see them as core to the bottom line, to the capacity needed to carry out their ministerial functions. The Opposition is interested to hear more from the Minister about what protocols are in place, and how they will work.

I commenced by talking about social issues that underpin problems in Redfern and Waterloo. It is interesting that the bill is unclear on how its provisions will intermesh with the improvement in the societal outcomes that are necessary to be achieved in Redfern. Clause 26 provides for the development of a Redfern-Waterloo plan. Under the current wording of the bill various matters may be taken into account in the preparation of that plan, as set out in paragraphs (a) to (i) of clause 26 (2). They include strategic vision for improvement of the area, urban design, land use zoning, and so on. The average person would not understand how this will play out, how it will work, and I certainly do not understand that. Whose strategic vision for the improvement of the area is to be considered? Is it to be the strategic vision that is offered by the people who live there or by the people who have their businesses there? Or is it to be the strategic vision that is to be developed in a vacuum somewhere else, perhaps by the Minister or by Michael Ramsey's group that is doing the project?

How will the plan be developed? The bill requires a lot of trust, a lot of hope, for it to be passed through this House, because the Government has not provided the Opposition with the necessary details for it to make an informed decision on the substance of how this will work. That is because the Government is operating in a bit of a rush; it is trying to be seen to have a political solution to what is fundamentally a very difficult set of social circumstances in the Redfern and Waterloo areas. I accept that past measures have not worked. The Morgan Disney and Associates Pty Ltd report dated November 2004 entitled "Making Connections: Better Services, Stronger Community" highlighted that past measures have not worked very well. I thank the Minister and Michael Ramsey for making that report available. The report states:

> A total of 102 organisations providing 192 services to the area …
>
> Of the 192 services in the area; around thirty services are solely focused on Redfern and Waterloo.

The report notes that it is very difficult to establish precisely how much money has gone into the Redfern-Waterloo area to address social disadvantage, and further states:

> Taking account of the limitations in establishing accurate funding totals for this Review we estimate there is in excess of $35-40m currently allocated to human services for residents in Redfern and Waterloo either through locally based services or services delivered from out of the area.

We know, as best we can from the report, that there is in the order of $35 million to $40 million going into services, but the report highlights also that the services have been largely unco-ordinated. The services have not gone where the community wants them to go. The report further states:

> This Review found that there is considerable rhetoric, but few concrete examples of *integrated* service delivery.

The Opposition finds it difficult to understand how this bill will address the long-term failure in the delivery of services. It would appear that the Government somehow intends that to be addressed through the Redfern-Waterloo plan, which appears to be in the sole domain of the Minister to develop. Without casting any aspersions on the Minister, I wonder how that will be done. It would be wonderful if the Minister could suddenly bring the services together in a co-ordinated way. I am not sure whether that is what the Minister intends or whether he or any successor would have the capacity to achieve that.

Opposition members do not resile from the fact that we need a better and more co-ordinated delivery of services—an issue that is up in the air. It is entirely unclear in this bill how that will occur. After consultations with the Liberal-Nationals Coalition the Minister confirmed this morning that he intended to move amendments to this bill. The issue that I now wish to address relates to the designated area referred to in schedule 1 to the bill, which is described as the operational area of authority. Clause 45 would enable regulations to be promulgated that would give the Minister absolute authority to annex other parts of Sydney. I am sure that the City of Sydney Council would not be terribly ecstatic about that.

Mr Frank Sartor: I have lots of spare time.

Mr BRAD HAZZARD: The Minister might have lots of spare time but we do not want him to take too much under his control. We want him to do the job that he has been put there to do, which is to behave responsibly and sensibly, and to consult with the community.

Mr Frank Sartor: As I always do.

Mr BRAD HAZZARD: The Minister says that he does, which is good. The Opposition and crossbench members will address the open-ended nature of the bill. We have been given only a short time within which to get our heads around a complex bill and to address its social dysfunctions. The Opposition is not prepared to accept clause 45 in schedule 1, which effectively will enable the Minister to annex other parts of Sydney. Yesterday I indicated to the Minister that that clause should be amended to limit his power, or the power of his successor. The Minister handed me his proposed amendments, the second of which reads as follows:

> No. 2 Page 21, clause 45. Insert after line 24:
>
> (3) A regulation is not to be made under this section unless the Minister certifies that he or she is satisfied that the changes to the operational area are broadly consistent with the delivery of the strategic vision of the Redfern-Waterloo plan.

That amendment, which is fairly broad, will apply only minimalist restrictions on the Minister. The Legislative Assembly might accept that amendment but Opposition members will address that issue in the Legislative Council. I would like to speak in detail about many aspects of this bill. As I said earlier, the Coalition is concerned about several aspects but it will address those issues in the upper House. Opposition and crossbench members will establish whether those provisions should be changed or amend7ed. The honourable member for Bligh has a number of concerns about this bill and I share many of them. However, the Opposition will establish in Committee whether or not it will agree to her proposed amendments. Her concerns, which are quite valid, relate to aspects in the bill about which the Opposition is concerned. We will look more closely at the way this bill has been drafted, the powers that have been given to the Minister and the uncertainty that surrounds it. I have indicated to the Minister that the Opposition will support his proposed amendments to clauses 45 and 46. I will listen with interest to the contributions of other honourable members.

Ms KRISTINA KENEALLY (Heffron) [12.35 p.m.]: I support the Redfern-Waterloo Authority Bill. As the member for Heffron I represent a significant area—Waterloo—covered by the Redfern-Waterloo Authority. In the minds of the public Waterloo often gets tacked onto Redfern as an afterthought. The media and political parties tend to focus on the Block and on policing as though they are the only issues of importance to

the area. Whilst those issues are important they are not necessarily the only issues of importance to Waterloo. Today I wish to highlight the Waterloo area and indicate why I believe the authority and this legislation will bring opportunities to the area. Waterloo presents many challenges. It supports one of the highest concentrations of public housing in Sydney. There are more than 2,000 units of public housing in Waterloo, which represents 67 per cent of dwellings in the suburb.

Ninety-five per cent of public housing residents receive income support from the Government and 51 per cent of households earn less than $399 a week, compared with 20 per cent for the rest of Sydney. The unemployment rate is 16.6 per cent, almost triple the figure for the rest of Sydney. Of the 5,202 people in Waterloo, 41 per cent come from culturally and linguistically diverse backgrounds and 38 per cent of the population stopped education at year 10 or below. A report entitled "Communities of Advantage and Disadvantage", which was prepared last year by Professor Tony Vinson, ranked Waterloo in the top 5 per cent of the most disadvantaged postcodes in New South Wales. It is worth noting that Waterloo is a pocket of disadvantage surrounded by more advantaged communities such as Rosebery, Eastlakes, Alexandria, Erskineville and Kensington. Even Redfern ranks only in the top one-third of all disadvantaged postcodes and it is much more advantaged than Waterloo on several of Professor Vinson's key indicators.

I know from community consultation, from several mobile offices and community forums that I have held this year, and from regular meetings with the Redfern Local Area Command, Alexandria Park Community School, the Department of Housing, South Sydney Youth Service and the Waterloo Neighbourhood Advisory Board that those statistics translate onto the ground into real social justice issues about the lack of affordable housing, the lack of employment opportunities, the challenges confronting young people and a congregation of people with high support needs. Such a congregation exists largely because the population in public housing units has changed. Often public housing is the only option available for people with a mental illness, the elderly, the disabled, and the drug and alcohol addicted. That leads to a very unhealthy social mix with a high concentration of people facing significant challenges and problems.

I can speak generally about a family I know in the area that has three children. That family is living in public housing. The parents try to teach their kids to respect themselves and others. They ensure that their kids go to school, yet they have to cope with drug dealing on the corner, mentally ill people causing disturbances late at night and last year a murder in their neighbourhood. I do not mean to portray Waterloo as a dangerous and difficult place. We acknowledge that there is a resilience and a strong community spirit. I have been in the high-rise towers, I have stood on street corners when holding mobile offices and I have doorknocked in the area. I have never felt threatened; I have always felt welcome. The people of Waterloo face enormous daily challenges. They want a healthier community, a better social mix and a safer community. I welcome the introduction of the Redfern-Waterloo Authority. I hope that, with the co-operation of the local community, we can create a healthier and more vibrant Waterloo.

It is worth asking: How will the authority assist in the revitalisation of Waterloo and Redfern? Following extensive community consultation the authority will undertake work that was undertaken by the partnership project. I acknowledge that there were some challenges early in the life of the project relating to the consultation process. The project has worked on crime prevention strategies and anti drug and alcohol initiatives. The project has also developed a series of strategies for infrastructure, service delivery and jobs to address the long-term changes that are needed in the area. It is my understanding that the authority will build upon the groundwork that the project has laid. The authority will promote the economic and social development of the operational area. It will be required to prepare and implement a Redfern-Waterloo plan, including strategies for employment, training, improved human services, improved urban design and infrastructure, and a plan for the long-term development of the area. The plan must be put on public view and people will be able to make submissions.

Specifically, the authority will promote and co-ordinate the orderly economic development and use of the operational area—that is, Redfern and Waterloo—including the development and management of land, the provision of infrastructure and the establishment of public areas. It will provide and promote housing choices in Waterloo and Redfern. It will provide and promote employment opportunities for local residents. It will enhance and manage public places in the operational area and improve, maintain and regulate the use of those public places. It will promote and co-ordinate cultural, educational, commercial, recreational, entertainment and transport activities and facilities in Redfern and Waterloo. The authority will also have development and management control over sites deemed to be State significant by the Minister for Infrastructure and Planning. The Minister will have the authority to sub-delegate to the City of Sydney Council. The work of the RWA will be funded through the establishment of the Redfern-Waterloo Fund, which will be financed through commercial

activities on government land and contributions raised through community levies and developer contributions. I understand that the authority will develop a contributions plan in due course.

I have heard it said that the Redfern-Waterloo Authority and the Redfern-Waterloo Partnership Project are about driving public housing out of the inner city. The Government has already made a commitment that there will be no decrease in either the number of public housing residents or the number of public housing dwellings. I have also heard people say that the authority is about the gentrification of Redfern and Waterloo. I do not believe we need an authority for the gentrification of the area. Left to their own devices, Redfern and Waterloo would probably gentrify but that would occur to the detriment of those who need economic and social support. If that happened it would create a division between the haves and the have-nots. It is my political view and ideal that a society is healthy only when those who are most vulnerable are supported and included. If gentrification of the area occurred without the intervention of this authority to assure economic and social support of some of the most needy people in our community we would end up with a very unhealthy community indeed.

It is worth noting and putting on record some of the concerns that my constituents have brought to me regarding this legislation and the authority. I ask the Minister to address them. First, concerns have been raised with me that the legislation leaves unstated a number of key objectives of the plan and that the functions of the authority do not necessarily include all its aims. There is great concern in the community I represent that the legislation does not define or expand upon the concept of social mix. There is concern that the definition of "social mix" should have regard to various income levels, the various cultural groups in the area and a range of housing options. I support the inclusion in this legislation of that description of "social mix".

There is also concern that the legislation does not contain broad definitions or provisions with regard to affordable housing. Not only is this issue important to my constituents but I take a particular interest in it. According to the Fairfax property guide, the average house price in Waterloo in the past 12 months is $558,000. The average unit price is $426,000. When we consider that more than half the families in Waterloo live on less than $399 a week it is not hard to see that purchasing their own home in their area is a completely impossible dream. But affordable housing is not just about being able to buy one's own home; it is also about being able to rent one's own home. I know from my work in the area and from my involvement with the Redfern-Waterloo community council and community forums that the affordable housing question comes up over and over again.

As I said in my submission to the upper House inquiry, it is essential that we explore adequately the question of what it means to provide affordable housing. Affordable housing can mean many things, including low-priced homes that can be purchased by low-income and middle-income families, changes to building design and regulation to allow the development of less costly homes, a land bank that council or developers could develop for public housing, subsidised rent or rent control, or private housing vouchers. We have not yet had a full discussion about this in Redfern and Waterloo. I look forward to having that discussion when we have an authority to oversee the economic development of the area.

Another issue that has been raised with me is that the legislation does not require local representation on the authority's board. Although it provides for one Aboriginal person to serve on the board it does not specify that that person must be a local. I recognise that it is not always desirable to prescribe everything in legislation as it lessens the flexibility needed to address changing needs, but I urge the Minister to be mindful of that concern and to ensure that the board is constituted appropriately so that it can respond to the needs not just of Aboriginal people but of the various culturally and linguistically diverse groups—such as Chinese and Russian groups, which have high populations in Waterloo—and make sure that they are addressed through the authority.

This Government began a process of community renewal and partnership in 2002 through the Redfern-Waterloo Partnership Project. The Government recognises that long-term sustainable solutions can be achieved only by developing strategies that connect employment, human services, community safety, infrastructure, the built environment and enterprise development. The Government recognises that Waterloo is one of the most disadvantaged areas in New South Wales. It has a high concentration of public housing, disproportionate representations in the community of people with mental illness, drug and alcohol addiction, single-parent families and the elderly, dependence on income support for subsistence and a lack of affordable housing. Sadly, the issues do not grab the public's attention: They will rarely prompt a news headline or hours of discussion on talkback radio. These are the age-old issues of equity, social justice, advantage and disadvantage. I congratulate the Government on taking up these issues, on working with the community and particularly on adopting a whole-of-government approach by establishing the Redfern-Waterloo Partnership Project and now the Redfern-Waterloo Authority. It is a welcome move and a giant step forward in creating a revitalised Waterloo. I commend the bill to the House.

Mr ANTHONY ROBERTS (Lane Cove) [12.46 p.m.]: I am pleased to speak to the Redfern-Waterloo Authority Bill. I recognise and pay particular tribute to the traditional owners of the land. It is one of Australia's great tragedies and disgraces that in this first-world nation there are people who do not have access to the same levels of health care, education and life expectancy as the greater population. The purpose of this bill is to establish the Redfern-Waterloo Authority and to specify functions relating to the management and improvement of areas in Redfern and Waterloo. This bill was introduced following the Redfern riot and the inquiry into issues relating to Redfern and Waterloo conducted by the Standing Committee on Social Issues, which focused new attention on the area. The Government's conduit to addressing complex problems in Redfern-Waterloo is a separate Redfern-Waterloo Authority. Although that sounds good—I certainly will not oppose the bill—I think some adjustments are needed.

The bill establishes the Redfern-Waterloo Authority, which will be responsible for promoting and securing orderly economic development, developing and managing land, and providing infrastructure. It will be responsible for promoting housing choices, employment opportunities for local residents, commercial opportunities for local businesses and cultural development. It will permit the Minister responsible for the authority to request the Minister administering the Environmental Planning and Assessment Act 1979 to give effect to environmental planning aspects of the Redfern-Waterloo plan by making the necessary environmental planning instruments. Reciprocally, the Minister administering the Environmental Planning and Assessment Act may delegate functions as consent authority to the Minister administering the proposed Act. The legislation specifically overrides the provisions of the Heritage Act 1977 to the extent that they will prohibit or restrict development in the operational area—for example, State significant development—and will allow areas affected under schedule 1 to be changed by regulation under section 46.

I refer the House to the executive summary in the "Review of Human Services in Redfern and Waterloo". The main finding is that the human services systems need to be reformed and reshaped at a local level to achieve improved outcomes for the community and clients. The review identified a total of 102 organisations providing 192 services to the area. Of the 192 services, approximately 30 are solely focussed on Redfern and Waterloo. It is estimated that in excess of $35 million to $40 million is currently allocated to human services for residents in Redfern and Waterloo, either through locally based services or services delivered from out of that area. The report states:

> Overall, Waterloo is the more disadvantaged of the two areas but the striking feature of Redfern is the co-existence of extremes of advantage and disadvantage.

Other honourable members have referred to that issue. Gentrification of Redfern is well advanced, and certainly is increasing in Waterloo. That is a possible area of concern. Areas of disadvantage seem to apply to the non-Aboriginal population as well as the Aboriginal population. It is important to look at the measures of social disadvantage for Waterloo. In 1999 and again in 2003 Waterloo ranked in the top 5 per cent of most disadvantaged suburbs. Waterloo appears 7 times out of 14 in the variables in the top 30 ranked most disadvantaged New South Wales post codes. Those areas of disadvantage include high levels of imprisonment, disability, sickness and benefit recipients, court convictions, long-term unemployment, psychiatric hospital admissions and mortality.

Child maltreatment and indicator levels of child abuse are not high in the two areas. The report said that data on both child protection and domestic violence are difficult to obtain. However, from the Vinson report it seems that relatively speaking the rates of substantiated incidents of child abuse are not high. Overall, Waterloo is more disadvantaged than Redfern. The report discussed the socioeconomic profile. As has been mentioned in this Chamber, the general population of both suburbs have low incomes; heavy levels of unemployment, particularly among young people; lack of support in public housing, particularly in Waterloo; low levels of attainment in education, especially for people who have not completed year 12; and families with children and young people, particularly single parents.

Among the Aboriginal population, there are significant levels of unemployment among young people aged 15 to 24 years; low incomes in both suburbs—more than 50 per cent of people have incomes of less than $400 per week; significant proportions of people in public housing in both suburbs—78 per cent in Redfern and 91 per cent in Waterloo; early school leaving problems and low levels of education in people 15 years and older; significant proportions of people are not in the labour force category and this discourages job seekers and people on pensions who may wish to have the opportunity to find employment; very few people under the age of 55 years; and low numbers of children and young people when compared with the rest of Sydney—there are about 60 pre-school age children, 88 children aged 5 to 9 years and 69 children aged 10 to 14 years.

The socioeconomic circumstances common to both suburbs include a higher degree of social mix in the populations; a much higher proportion of dwellings, in the category of flat, unit or apartment than for Sydney as a whole, particularly in public housing, as stated before; unique cross-suburb transport difficulties; and poor access to the Internet which, of course, affects the ability of children to carry out further studies. Whilst there seem to be systematic long-term social problems in Redfern and Waterloo, which have been highlighted in the upper House inquiry about the Redfern riot, an integrated approach is needed to confront the social and infrastructure problems that could be facilitated through an authority.

It has been asked: Is this the best integrated approach to social and infrastructure issues or is this a structure that should be seen to be proactive but is really unlikely to deliver? Will the authority impose another level of bureaucracy on planning issues in the Redfern-Waterloo area? It may not have the capacity to address the complex social issues, as I have stated before, including educational, health and employment problems. This issue is very complex and needs to be approached from the bottom up. We need to get the community behind us. We should not deal with unilateral decisions from a Minister's office. We have seen a long-term failure to address the issues in the Redfern and Waterloo areas. There has been a serious unco-ordinated approach to the provision of services.

Up until now this Government has taken its eye off the ball with respect to the problems and issues confronting Redfern and Waterloo. This is a well-motivated bill. However, I am concerned that it will continue to perpetuate the failed top-down approach that has occurred in all State governments and the Federal Government. It is the cause of many of the current problems. We have to engage the community, and the community must take ownership of the issues that face them and the solutions needed. We need to empower the local community. For too long communities have been directed from government down. It is time that the local community was empowered to address those issues and to find and seek the solutions itself. It requires government to give them the tools to do the job. I do not oppose this bill, but I do not think it should be the sole domain for the Minister to develop. We need more community participation and consultation to achieve positive outcomes because the people of Waterloo and Redfern deserve a lot better than they are getting now.

Ms CLOVER MOORE (Bligh) [12.55 p.m.]: In 1999 the Block came into my electorate. I was confronted by the desperation, high unemployment, crime and urban blight that characterised the Block. Since that time things have improved, but I am sad to say that the change has been marginal. The decision to establish an authority that will oversee the much-needed physical urban renewal of Redfern and Waterloo represents an opportunity to implement a best practice example of combining community and physical renewal and addressing those needs simultaneously. There are many successful models where this has happened in both the United Kingdom and the United States of America, and I hope the Government is able to learn and build from those experiences. Addressing and combining sustainable community and physical renewal at the same time is critical for Redfern-Waterloo, and it is building on the work already achieved by the Redfern-Waterloo Partnership Project.

I note that the Minister for Energy and Utilities, Minister for Science and Medical Research, Minister Assisting the Minister for Health (Cancer), and Minister Assisting the Premier on the Arts said in his second reading speech, "Where relevant the authority shall take into consideration issues of sustainable development." I am concerned that sustainable development seems to be tacked on the side. Sustainable development should be central to this bill. Indeed, sustainability in all senses—environmental, community and economic—is fundamental to effective outcomes. Redfern deserves outcomes that are rigorous and long term. The only way that will be achieved is through a well-planned process that ignites community imagination and pride. The Redfern-Waterloo Partnership Project was established to address the entrenched social problems of hopelessness, drug abuse, crime and suffering that have plagued Redfern. Given the work that has already been done in this area and the raised community expectations after 2½ years in the process to date, there is a need to ensure that any new Redfern-Waterloo Authority will play a constructive role in finding solutions.

When the Government first announced it would be setting up a new Redfern-Waterloo Authority, I welcomed a commitment to address the longstanding and complex issues facing the Redfern-Waterloo area, but I said that I needed to see the bill to see how it would work in practice. I said that I would keep an open mind, in the hope that the proposal might fast-track some long overdue solutions and make a real difference to people's lives. There has been a long history of talk about improving services and we now need to see action, rather than more working groups and plans. However, community engagement and consultation is a critical factor in addressing these longstanding local problems—it is a fine line to tread, and any new approach must be inclusive and implemented sensitively so that it does not alienate people.

I have always spoken up for the rights of people and communities to effectively participate in the development and future of their areas, and I will continue to do so. It is clear that community and urban renewal is urgently needed, and obviously the Government sees private development as one way of paying for this renewal. The worst outcome would be that the new authority would simply add another layer of bureaucracy, alienate the community and undermine recent work, and the whole project would end up being nothing more than a real estate development exercise.

We now have the bill, and I am rather surprised and disappointed that there seems to be a big gap between the Government's stated intention and what appears in the bill. While the Minister's second reading speech talked about the social challenges faced by disadvantaged communities, which appears to be the primary justification for the establishment of the authority, the human services issues are not addressed in the bill. Indeed, human services are set out in clause 26 as an optional aspect of the Redfern-Waterloo plan to guide the work of the new authority. I note that the Minister said:

> The authority builds on the work that has been undertaken by the Redfern-Waterloo Partnership Project since 2002. The authority and the partnership project will work hard … the Authority and the partnership project are complementary.

However, it seems the Premier's Department will assume responsibility for co-ordinating the delivery of human services in the area—and I welcome that move—but it is unclear why the establishment of the new authority is justified and why its aims cannot be achieved in a similar way: through co-ordination and co-operation. Given that we have a three-tiered system of government, I believe strongly in maintaining the integrity and autonomy of democratically elected local government, and I object in principle to State intervention. Any such intervention needs to be justified and clearly in the public interest. A diverse resident mix is critical for successful and vibrant communities. Redfern and Waterloo have high levels of public housing. I call on the Government to include specific clauses about measures to ensure a social mix of income levels, household types and cultural groupings, and affordable housing.

Without any justification, or even explanation as to how they will be used or can be expected to assist this community, the bill includes some extremely draconian powers. I intend to outline some of these and move amendments, as I believe that the onus needs to be placed squarely on the Government to justify these extraordinary powers to the people of New South Wales. Some of these powers would be greeted with alarm and controversy even if they were introduced in the context of anti-terrorism measures. One wonders whether this gives an indication of how the Government views the Redfern-Waterloo area, and what needs to be done. Is this the Carr Government's "balaclava and dogs on the wharves" moment, cloaked in the language of addressing social problems? This is the sort of scenario conjured up by clause 36, which creates authorised officers, with identification cards, to enforce offences against the Act which are as yet unspecified and can be created by regulation. This suggests some sort of private police force being established, and it is reasonable to ask why that is necessary and how these powers are to be used.

The bill also contains a range of other powers that seem to be extraordinary, such as clause 45, which enables the Government to extend or change the operational area by regulation. That could have dramatic consequences for large tracts of the inner Sydney area, leading some to speculate that the bill may in fact be little more than a stalking horse. It could enable the annexation of further land in the South Sydney airport growth corridor, replicating some of the proposals put forward for the former South Sydney Development Corporation by stealth. Interestingly, both the *Sydney Morning Herald* and the *Daily Telegraph* have speculated about a Government intention to grab inner-west and southern corridor land, just as this bill appears to be. Some cynics have suggested that the State Government is still seething over the loss in the local government elections, and that, after the failed bid for Town Hall, it is now embarking on a power grab to get their hands on valuable development land in the area.

I note that one of the justifications put forward by the Government for the summary amalgamation of the Sydney City Council and South Sydney City Council areas on the eve of the March local government elections was that the expanded Sydney local government area would be better able to plan for the future and finance servicing and infrastructure of South Sydney. I recall the Premier particularly referring to Redfern benefiting from being brought under the mantle of the City of Sydney Council. After only seven months, the Government has already started to summarily excise areas from the control of the City of Sydney Council!

The intention to access development contributions from a large site outside the boundaries of the operational area tends to suggest that the real agenda here is to access development money—in fact, to cherry pick prime sites in the Sydney local government area to suit the State Government. Clause 29 (1) (b) specifically gives the authority control over the development contributions for affordable housing from the former Carlton

and United Breweries site in Broadway. Indeed, council's Central Sydney Planning Committee, which is dominated by Government appointees, is now going through a proper process to develop a local environmental plan in close consultation with all stakeholders from the community through to the owners. This site is outside the operational area covered by the bill, and the contributions alone from this one site are expected to be in the order of $10 million to $30 million.

Clearly, there is a lot of money at stake here. This figure of $10 million to $30 million in developer contributions to affordable housing from just one site needs to be contrasted with the Government's estimate that between $8 million and $10 million is currently spent on services in the Redfern-Waterloo area. The function of the board and the relationship between it and the Minister need greater clarification. While it could be reasonably expected that a major function of the board would be to help develop the Redfern-Waterloo plan, it is not addressed. Indeed, the function of the board is very vague. The only specific board functions outlined in the bill are in clause 11 (4):

> The Minister is to consult the Board about the appointment of any advisory committee under this section.

Clause 9 (1) describes the responsibilities of the chief executive officer:

> The Chief Executive Officer is responsible for the day-to-day management of the affairs of the Authority in accordance with the specific policies and general directions of the Board.

Unless I have missed something here, that seems to be the sum total of the board's role! While there are detailed provisions in schedule 2 concerning appointments and procedure, it does not include specific clauses outlining the objectives or the functions of the board, or even how often it should meet. That is a major omission, indicating that the board itself has little value or input other than to provide a convenient public veneer to cover up the potentially authoritarian, controversial and divisive actions of the Minister and the authority. The powerlessness of the board is contrasted with the far-reaching and remarkably unfettered powers of the Minister and authority to do, as clause 15 (2) provides, "all such … acts as may be necessary or expedient for the exercise of its functions".

The Minister prepares the Redfern-Waterloo plan, pursuant to clause 26, with little guidance other than a shopping list of things which may be included if he so chooses, or "any other matter that [he] considers is essential for the purposes of this Act." The Minister's plan then forms the basis for the work of the Authority. There is no mention at all of the role of the board in developing the Redfern-Waterloo plan, and I propose to rectify this by moving an amendment to include the board in this process. Let us not fool ourselves. The Government does not need draconian legislation to fix the social problems in Redfern-Waterloo. It is continuing to rely on co-operation and co-ordination, as it always has. The real question is why the Government cannot fix the community and urban renewal problems in the same way. I know there is lots of goodwill out there amongst the stakeholders—the City of Sydney being one of many—who would welcome a co-ordinated approach, and be happy to work co-operatively with the State Government on joint projects. The big issue here—the elephant in the lounge room that people are pretending is not there—is access to a new cash cow to address the lack of infrastructure planning by the Government.

Stamp duty revenue is falling fast now that the property boom is over, and the State was starved of infrastructure spending after we put everything into the Olympic Games. The Government is now paying the price, and so is the community. Current problems with the rail system are ample evidence of that. It is not just the Redfern-Waterloo community at stake here. After years of neglect, Sydney needs to make a quantum leap and make some major infrastructure decisions to support the continued growth and economic prosperity of the city.

The head-in-the-sand approach just does not cut it any more. The Government needs to start taking responsibility for more than the rest of the four-year electoral cycle. Communities expect more from their leaders; they expect responsible long-term planning. The political phobia about public debt needs to be re-thought, and with Australia leading the world with public-private partnerships we need to start in our own backyard and find more innovative ways to create the sort of city we want. Development corporations in Sydney have a poor track record. Green Square failed in terms of planning linkages and infrastructure provision, and became just a real estate exercise, with people now isolated in new apartment blocks in the middle of nowhere and with no public transport. This is the wrong approach, and it is unnecessary.

There has already been disappointment with the Regional Employment Development Scheme, which failed to co-ordinate with Redfern-Waterloo community projects and again promised, but has not delivered,

transport and infrastructure. This grab for cash through the proposed Redfern-Waterloo Authority needs to be considered in this broader context. "Value capture"—as the Government so euphemistically describes it—may well be the way forward here. However, I believe this needs to be done in an integrated way which addresses infrastructure and community issues at the some time. I dispute that this bill is the way to do that. The question also needs to be asked as to why the Minister needs to be the consent authority, and the necessity for the other powers has not been justified. This is no response to the community and urban renewal issues facing many of our suburbs. What is the Government proposing to do here? Is it that we keep on annexing new suburbs under draconian legislation until local government eventually becomes obsolete?

I remain unconvinced of the need for this bill, and I intend to move amendments to address some of the more objectionable clauses. I will only support the bill if the proposed amendments are incorporated. I support the bill being referred to the Legislative Council Standing Committee on Social Issues in the event that my proposed amendments are not successful in this Chamber. As the State member for most of the area concerned, and as Lord Mayor of Sydney, I emphasise my desire to work co-operatively with the State Government to secure a better future for this area and its people. However, if this bill is enacted just to facilitate the ongoing and disgraceful sell-off of public land and property to boost Government revenue, without local and social benefits, it will be opposed.

Mr WAYNE MERTON (Baulkham Hills) [1.09 p.m.]: The Opposition does not oppose the bill, but I will highlight a number of important issues. The purpose of the bill is to establish the Redfern-Waterloo Authority and to specify its functions relating to the management and improvement of certain areas in Redfern and Waterloo. The bill is an attempt to deal with a number of recent social problems in those areas, such as the Redfern riot. An inquiry conducted by an upper House committee has brought a new focus to Redfern and Waterloo. The Redfern-Waterloo Authority will consist of a board and chief executive officer responsible for the day-to-day management of the area. It will be responsible for promoting and securing orderly economic development, developing and managing land, providing infrastructure, promoting housing choices, promoting employment opportunities for local residents and commercial opportunities for local businesses, and developing the culture.

The Redfern-Waterloo Authority will permit the Minister responsible for the authority to request the Minister administering the Environmental Planning and Assessment Act to give effect to environmental planning aspects of the Redfern-Waterloo Plan by making necessary environmental planning instruments. Reciprocally, the Minister administering the Environmental Planning and Assessment Act, as consent authority, can delegate functions to the Minister administering the proposed Act. The Act specifically overrides provisions of the Heritage Act 1977 to the extent that it will prohibit and restrict development in the operational area, and allows the area affected to be changed by regulation. The complex and difficult issues in the Redfern-Waterloo area involve education, health and employment. Both the Government and the community must work together to resolve these problems. However, the Opposition has grave reservations that the setting up of an authority will do so.

The setting up of the Redfern-Waterloo Authority is a leap of faith. The bill gives the Minister a number of detailed functions such as implementing a strategic vision for the area, and responsibility for urban design, land use zoning, development, human services, the creation of employment opportunities, infrastructure renewal, regeneration of public land assets and any other matter the Minister considers essential for the purpose of the legislation. Someone once said, "When I cannot see, I will trust." That is exactly what the people of New South Wales are saying, via this House, to the Government, which has set out a plan for the urban renewal of a difficult area. But the vision of what will happen is based on trust. Little is set out as to how the Minister will meet the requirements of the legislation. There is a distinct risk that the bill will create another layer of planning bureaucracy, and the authority may not have the capacity to deal with the complex social issues.

The Government believes that businesses will be encouraged to move into the area for which the authority will be responsible, but why will businesses want to operate in the area when additional levies will be imposed on them? The Government is optimistic in claiming that the authority will create jobs when, tragically, most Aborigines leave school between 10 and 13 years of age and are unemployed. The Opposition understands there has been little consultation between the Government and Aboriginal groups. We query whether the Minister has the support of the Aboriginal people to carry out this plan. It is a planning solution to a complex set of social problems. Knocking the old buildings down and building new ones will not solve the social problems. The community will still have the same needs and difficulties in education, employment and health.

What consultation, if any, has taken place between the Government and entities such as the Aboriginal Medical Service Co-operative Ltd, an organisation that does tremendous work and is held in high esteem? The

Government has ridden in roughshod and said, "You will do it this way. Here is the formula. We are giving all-encompassing powers to the authority and the Minister. We will solve it. We will knock down your old buildings and we will build new ones." But will that solve the problem for people who cannot afford housing? How will the Government solve the problems for people who have no chance in the world of ever owning their own home?

How will the Government resolve young Aboriginal unemployment? How will it resolve problems relating to the health, general welfare and wellbeing of Aboriginal people? Setting up an authority is great. Setting up another level of bureaucracy may achieve some kind of superficial solution, but it will not resolve the inherent and complex social problems that exist in the Redfern-Waterloo area. It is part of our history. There have been many turns of the wheel in those suburbs. At the moment the area is crying out for help and it requires more than a government prescription for urban renewal. The bill is oriented to planning and urban renewal and does not deal with the fundamental social problems.

Ms LINDA BURNEY (Canterbury) [1.17 p.m.]: I welcome the opportunity to support the Redfern-Waterloo Authority Bill. I am pleased to have been asked to speak on the bill because the fundamental changes it outlines will be enormously important to the redevelopment and reinvigoration of the Redfern-Waterloo area. As other speakers have said, the Redfern-Waterloo area is a complex one. It is changing rapidly, as is much of the inner city of Sydney. The area has wealthy sections, a prosperous middle class, light industry, schools, non-government organisations that provide important services, and a mixture of housing.

I draw attention to the Waterloo Housing Commission flats and the provision to the Aboriginal community of housing on what is known as the Block. Many poor people live in the area. The bill makes the Minister in charge of the authority accountable to the community for government action. The term "urban renewal" has become deceptively familiar. It connotes a complex process, and urban renewal in an area as complex as the Redfern-Waterloo precinct presents an enormous challenge. To my mind, the authority is a good idea. I have come to that conclusion based on 30 years of working in Aboriginal affairs and from having maintained a close connection with the Redfern-Waterloo area.

My association with Redfern stems from the early 1980s when my youngest child, Willurei, attended the Murrawina preschool, which at that stage was located in Eveleigh Street on the Block. I was also a board member of the Murrawina preschool and for many years a member of the board of The Settlement in Edward Street in Redfern. Although The Settlement is situated in an old run-down building, it nevertheless undertakes terrific programs for young people who live in the Block. Although those programs are not specifically designed for Aboriginal young children, they nevertheless attract Aboriginal young people in the main. My children also attended the Darlington Public School, which is in the Redfern precinct. I was the Director-General of the Department of Aboriginal Affairs and I was involved in the work of the Aboriginal Housing Company; I helped to develop its business plan. I was involved in the development of the Redfern-Waterloo Partnership Project while I was part of the bureaucracy.

It goes without saying that this bill needs to be viewed in its entirety. It should be understood that the authority is only one of the elements of an overall approach to resolving problems associated with Redfern. As others have pointed out, human services aspects will be dealt with by the Redfern-Waterloo Partnership Project, whereas the Redfern-Waterloo Authority will have more to do with infrastructure, the management of resources and the management of various pieces of land in the precinct. Those of us who have been involved in similar exercises know how challenging such a project is. Members of the Opposition have expressed concerns about a co-co-ordinated approach, and I acknowledge that that is a challenge. But if there is any place of New South Wales that needs a co-ordinated approach because of the complexity of the issues and the mix of people in the area, it would have to be the Redfern-Waterloo area.

Having been involved in Aboriginal affairs for 30 years, I have experienced different waves of programs centred on the Redfern-Waterloo precinct. I would argue that previously there has never been an approach that is as bold, as compassing, as far-reaching and far-sighted as this legislation, and I say that for straightforward reasons. The authority will look after all the communities in the Redfern-Waterloo area. I understand that the honourable member for Heffron referred to a number of those communities, including the Russian community, the indigenous community, the Chinese community and a number of other communities. The area also has notoriously difficult social justice issues owing to widespread poverty and the mix of urban cultures to which I have already referred.

It is important for people to view the authority as a body that will manage the whole of the precinct rather than different aspects of it. I make that clear because in the past a co-ordinated approach has not been

possible. Although in the past much attention has been focused on the area and enthusiastic efforts have been made, those measures were not co-ordinated. The power and importance of this bill is that it provides for a co-ordinated approach to be adopted. In an earlier debate the honourable member for Southern Highlands referred to the Carr Labor Government as a dinosaur government. I reject that assertion totally and I believe this bill refutes that assertion. For more than 20 years I have been arguing that the outcomes for indigenous people will never change unless a properly co-ordinated and articulated approach is adopted to the resolution of the issues. That approach should not be limited to the bureaucratic level but should be extended to the ministerial level as well.

This bill will enable Ministers to work together in the utilisation of infrastructure, such as rail services, to improve human services. That is one of the great strengths of this legislation. I remind the House that both the Redfern and Waterloo areas, particularly Redfern, are of enormous significance to the history and culture of Aboriginal people, as the honourable member for Baulkham Hills has already pointed out. The establishment of the Redfern-Waterloo Fund, which is provided for in this bill, represents a different approach to management. It will ensure that funds are available and properly managed to provide infrastructure and services and support redevelopment of various sites in the precinct. The bill sets out clearly the parameters for the acquisition, management and use of the land. At the risk of using what has become a hackneyed expression, the bill represents a holistic approach that will bring together the provision of human services and the management of infrastructure. The Redfern-Waterloo Authority is not an indication of a disjointed approach to planning but, rather, a commitment to overall planning.

To my mind the elements of the overall plan include the efforts and responsibilities of the government for the area, private enterprise participation, contributions made by civil society organisations, such as those that have already been mentioned during the debate, and civil societies. Not all civil organisations in the Redfern-Waterloo area are Aboriginal non-government organisations, but many of them are. The overall plan is all about communities, and one of the keys to making the plan work will be proper discussion, involvement, consultation and negotiation by the participants in planning whom I have just mentioned. As I have said, the bill provides for a higher level of accountability by the Minister and, by extension, by the Government. While I wish to focus mainly on the area known as the Block, I point out that it is counter-productive for the Block to be the sole focus of this legislation and that failure to take into account wider considerations will result in this important legislation being undermined. I say that for a number of reasons.

Redfern holds a special place in the hearts and minds of indigenous people, not just throughout Sydney and New South Wales but right across the whole country. It is a symbolic place, and regard should be paid to its symbolism and history, not only to its social circumstances that are so clearly evident. The Redfern-Waterloo area is truly the birthplace of self-determination in Australia. There can be no better evidence of that than the fact that the Block, which is an area of land owned by the Aboriginal Housing Company, is the subject of freehold title. That land was handed to the community by Gough Whitlam in the 1970s, the first land rights initiative in Australia. For those reasons, it is important to remember that the Block holds a special place in the hearts and minds of people throughout Australia.

However, it would be dishonest of me not to acknowledge that enormous problems of social dysfunction exist in that part of the Redfern-Waterloo area. Over the past 10 or 15 years, there has been an observable breakdown in the social structure of the Block. I remember a time when someone who had to catch a train from the Redfern railway station would park their car at the Block because it was safer there than it would have been in the parking area of the Redfern railway station. Sadly, that is no longer the case. I share with many people who have raised families in the area great distress over the problems that have gripped the community. Honourable members would be well aware of the drug economy that exists in the area. That has been one of the major factors leading to the social dysfunction to which I have already referred.

The shadow Minister referred to some people he knows in the Redfern area. He would agree with me that they are good people, people who have committed their lives, often voluntarily, to social capacity building. That must be clearly stated. The work of people in non-government organisations [NGOs] in the area must be recognised. However, action is desperately needed, and I think the combination of the Redfern-Waterloo project, the Redfern-Waterloo Authority, the work of the NGOs, and the governance structure that the bill represents will continue to address the issues.

I conclude with this point: The Redfern-Waterloo Authority Bill provides enormous opportunities for overall planning for an area that reflects all the things mentioned by previous speakers today—poverty, wealth, people with highest support needs, and many young and old people. I am excited about these infrastructure plans

and the possibilities. At the end of the day we as the people responsible for passing legislation must think carefully about the bill. I have carefully considered it, and that is why I am speaking to it. I am excited about the model in the bill for social and urban renewal. There are similar models for Darling Harbour, Sydney Cove foreshore, and so on for some time. The model in the bill provides a new challenge to the communities that make up the Redfern-Waterloo area, and I commend the bill to the House.

Debate adjourned on motion by Mr Daryl Maguire.

[*Madam Acting-Speaker (Ms Marie Andrews) left the chair at 1.32.m. The House resumed at 2.15 p.m.*)

LEGISLATIVE ASSEMBLY MACE

Mr SPEAKER: I draw to the attention of honourable members that on 15 October 1974 the Jewish Board of Deputies made a gift of the Mace to the New South Wales Legislative Assembly. In commemoration of the thirtieth anniversary of that gift a gathering was held today in the Speaker's Garden to which all honourable members, as well as members of the Jewish Board of Deputies and the Jewish community, were invited. I make mention of this occasion so the thirtieth anniversary of the presentation of the Mace by the Jewish Board of Deputies is recorded in *Hansard*. I thank the Jewish community of this State for its grateful contribution to the development of democracy in this State.

FILM INDUSTRY

Ministerial Statement

Mr DAVID CAMPBELL (Keira—Minister for Regional Development, Minister for the Illawarra, and Minister for Small Business) [2.21 p.m.]: An important part of our State's history is being made into an international television mini-series, with shooting already under way at Ingleburn, in Sydney's west. The New South Wales Government's Film and Television Office is supporting production of the mini-series *Mary Bryant*, which is about an epic journey by a female convict and her effort to escape from the struggling colony. The cost of the production is $16 million, which is the largest amount ever spent on an Australian-made television mini-series. The mini-series is great news for our local industries as it will create up to 400 jobs. I am advised that all production and post-production for the mini-series will be completed locally.

This is yet another example of the high calibre of skills available in our local industry, and yet another international production that has chosen to use our skilled local work force. The stunning post-production and special effects of the Chinese movie *Hero* were carried out by our local industry, and that helped open the way for local production houses to export their skills to the Asian market. Currently *Little Fish*, another feature movie destined for the international market, is being made here using locations in Cabramatta. Earlier this year the United States of America productions of *Stealth* and *Son of The Mask,* also known as *Mask 2*, and the telemovie *Dynasty: Behind the Scenes* helped inject millions of dollars into our local film industry. The production of *Mary Bryant* is more good news for local jobs and great news for the State's film industry.

PETITIONS

Milton-Ulladulla Public School Infrastructure

Petition requesting community consultation in the planning, funding and building of appropriate public school infrastructure in the Milton-Ulladulla area and surrounding districts, received from **Mrs Shelley Hancock**.

Murrumbateman Public School

Petition requesting re-establishment of Murrumbateman Public School, received from **Ms Katrina Hodgkinson**.

Skilled Migrant Placement Program

Petition requesting that the Skilled Migrant Placement Program be restored, received from **Ms Clover Moore**.

Gaming Machine Tax

Petitions opposing the decision to increase poker machine tax, received from **Mr Steve Cansdell**, **Mrs Shelley Hancock**, **Mrs Judy Hopwood**, **Mr Malcolm Kerr** and **Mr Andrew Tink**.

Lake Wollumboola Recreational Use

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

Crime Sentencing

Petition requesting changes in legislation to allow for tougher sentences for crime, received from **Mrs Shelley Hancock**.

Road Tunnel Air Filtration

Petitions asking the Government to ensure that all Sydney road tunnels are fitted with air filters, received from **Ms Clover Moore** and **Mr Michael Richardson**.

Breast Screening Funding

Petitions requesting effective breast screening for women and maintenance of funding to BreastScreen NSW, received from **Mr Steve Cansdell** and **Mrs Judy Hopwood**.

Yass District Hospital

Petition opposing the downgrading of existing services at Yass District Hospital, received from **Ms Katrina Hodgkinson**.

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 Andrew Fraser** and **Mr Thomas George**.

Mental Health Services

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

CountryLink Rail Services

Petitions opposing the abolition of CountryLink rail services and their replacement with bus services in rural and regional New South Wales, received from **Mr Andrew Fraser**, **Mr Andrew Stoner** and **Mr John Turner**.

South Coast Rail Services

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

Murwillumbah to Casino Rail Service

Petition requesting the retention of the Countrylink rail service from Murwillumbah to Casino, received from **Mr Neville Newell**.

Shoalhaven River Water Extraction

Petition opposing the extraction of water from the Shoalhaven River to support Sydney's water supply, received from **Mrs Shelley Hancock**.

Business Enterprise Centres

Petition requesting the reinstatement and funding of business enterprise centres, received from **Mr Steve Cansdell**.

State Forests

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

Water-Access-Only Property Policy

Petition requesting a review of the water-access-only property policy, received from **Mrs Judy Hopwood**.

BUSINESS OF THE HOUSE

Notices of Motions

General Business Notices of Motion (for Bills) No. 2 lapsed.

BUSINESS OF THE HOUSE

Reordering of General Business

Mr ANDREW CONSTANCE (Bega) [2.32 p.m.]: I move:

> That the General Business Notice of Motion (General Notice) of which I gave notice today [Batemans Bay Hospital Upgrade] have precedence on Thursday 18 November 2004.

This motion must have priority because—as members of the Batemans Bay Hospital Users Group, who are seated in the public gallery, can testify—Batemans Bay Hospital is in crisis. They cannot wait any longer to have their voices heard. The motion of which I gave notice should be given priority tomorrow because, without any regard for the needs of the local community, the Government has ceased services, closed beds, neglected patients, bullied nurses and let doctors leave town. A town of 16,000 people during winter and 70,000 during summer is being deprived of basic hospital services, and this issue must be debated tomorrow. Batemans Bay Hospital is becoming nothing more than an after-hours general practice, with minimal capacity for emergency care. The doctors and nurses are striving for excellence; it is a pity the Government is not.

The Southern Area Health Service is currently negotiating with local general practice anaesthetists to establish a roster that will leave the hospital without cover on weekends. It is consulting with the Ambulance Service of NSW to bypass the hospital with major trauma cases. Maternity services at the hospital closed at the end of June. This motion must be given priority because on 7 October the Premier came to the hospital to announce the redevelopment of the emergency department, which it was promised would open in December 2003. At the time of the Premier's visit the hospital had refused admission to patients because of mismanaged staff rosters. The Premier was admitted for a public relations stunt but patients were not admitted for care. Nurse rosters are a mess, with nurses leaving the system because of "bullying, harassment and intimidation". The rosters are changed every second day and are often in breach of the New South Wales nurses award.

This motion must be given priority also because of patient neglect at the hospital. Incontinent patients are being nursed on garbage bags instead of on proper Macintosh roll, and mental health patients do not receive appropriate supervision. Often nurses are left in compromising and dangerous situations—for example, a nurse drove a mental health patient from Batemans Bay to Moruya at 1.00 a.m. by herself—due to a lack of beds. This motion must be prioritised because maternity services at the hospital must be reinstated; the new emergency facility must be fast tracked; two theatres must be provided, not one; and an overall upgrade of the hospital must take place. We also need an investigation of Southern Area Health Service's management of the hospital and a cultural shift in its attitude. Finally, and importantly, we need our hospital boards back.

Mr PETER DRAPER (Tamworth) [2.35 p.m.]: I move:

> That General Business Notice of Motion (General Notice) No. 560 have precedence on Thursday 18 November 2004.

On 11 November I called on the Deputy Premier to intervene in a dispute between Farrer Memorial Agricultural High School in Tamworth and the Department of Education and Training. Farrer has been in negotiation with the department since February 2004 about the installation of power and airconditioning in student dormitories. In summer last year a detailed study was undertaken and temperatures were recorded. Students have to sleep in un-airconditioned dormitories, where the temperatures regularly reach more than 35 degrees Celcius at 10 o'clock at night. We cannot expect public school students to put up with conditions such as that and still perform to the best of their ability in the classroom the next day.

The school has some 340 boarders and it is critical that the Government stop ignoring their needs and pay to upgrade the power supply. The school has offered to contribute 50 per cent of the cost of upgrading the airconditioning system. Teachers have just come from a meeting with representatives of the department at which nothing was resolved. The school is to be closed, which means that 340 students from across the State will be sent home for the rest of the year or until the problem is resolved. The school will not open next term unless the problem is resolved before the start of the 2005 school year. That is why this motion is urgent. It is possible that one of the best government educational facilities in New South Wales will be unable to operate.

Staff are considering only the students' welfare. The upgrade will not be simple—I appreciate the difficulties involved in this substantial financial investment. Staff are desperate, and I welcome that they are so passionate about this issue that they are prepared to take affirmative action and will not allow the students to be disadvantaged any longer. The school has contributed significantly to public assets. It has redeveloped ovals and paid to redevelop the teachers' residences, yet the Government will not spend money to make sure that students get a decent night's sleep. It is a ridiculous situation. More than 300 students, who cannot sleep at night, are trying to do their best in the classroom. The Government does not seem to care about their health and comfort. I believe this motion should be debated as a matter of priority. We cannot allow a good government school to close as a result of strike action and we cannot put 340 students on buses and trains—if they are running—and send them back to their homes all over the State. I urge that this motion have precedence tomorrow.

Suspension of Standing and Sessional Orders

Motion by Mr Carl Scully agreed to:

That standing and sessional orders be suspended to allow both notices of motions, in the order proposed, to proceed with precedence on Thursday 18 November 2004.

PUBLIC ACCOUNTS COMMITTEE

Report

Mr Matt Brown, as Chairman, tabled report No. 152 entitled "Annual Review 2003-04", dated November 2004.

Ordered to be printed.

QUESTIONS WITHOUT NOTICE

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MATTHEW WEBSTER GRANT OF BAIL

Mr JOHN BROGDEN: My question is directed to the Premier. Given that before the last election the Premier said in this brochure that there would be gaol not bail, for repeat offenders, why was convicted child killer, Matt Webster, responsible for the brutal murder of 14-year-old Leigh Leigh, allowed to walk free on bail yesterday after being charged with a violent assault?

Mr BOB CARR: This matter has caused some genuine concern within the community but let me share with the House the facts of the matter. I am advised that the accused who handed himself in to police was granted strict conditional bail for the charges of assault and assault occasioning actual bodily harm. Our changes to the Bail Act operated to remove the presumption in favour of bail being granted to an accused—

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

Mr John Brogden: Point of order: My point of order is that the Premier said gaol, not bail, and Matt Webster got bail. He is the murderer of a 14-year-old girl and he got bail.

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

[*Interruption*]

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

Mr BOB CARR: Everybody knows that our bail laws are putting a record number of prisoners behind bail. It is a statistical fact—the prisons are bursting at the seams.

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

Mr BOB CARR: There has been a spectacular rise in the gaol population, but I am against removing judicial discretion in all cases. I am advised that the magistrate is entitled to take into consideration any factors that suggest that bail should nevertheless be granted. Factors that may have been persuasive in this case would include the strength of the case against the accused.

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

Mr BOB CARR: As this matter is still before the courts it would not be appropriate to go into further detail. The Bail Amendment (Repeat Offenders) Act 2002 removed the presumption in favour of bail for repeat offenders—

Mr SPEAKER: Order! I call the Leader of the Opposition to order for the second time. During the short period of question time that has elapsed so far the Leader of the Opposition has persistently called out and behaved in a way that demeans the dignity of the Chamber. On previous occasions I have asked him to show leadership in the Chamber. I am sure those in the public gallery must be more than a little amused at the way he is behaving. They must be perplexed by his total disregard for the democratic principles of this Chamber, which were commemorated today on the thirtieth anniversary of the presentation of the Mace by the Jewish Board of Deputies. The Leader of the Opposition will observe the standards of the Chamber and comply with the standing orders. In the past I have extended a degree of latitude to the Leader of the Opposition. However, I will not allow him to take advantage of that latitude and reduce question time to a rabble.

Mr BOB CARR: The amendments to the Bail Amendment (Repeat Offenders) Act came into force on 1 July 2002. The Bureau of Crime Statistics and Research reviewed the first 18 months of operation of the repeat offender amendments, and published its findings on 2 September. The evaluation shows that the laws were well targeted, and they are having the desired effect.

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

Mr BOB CARR: In the first 18 months of the operation of the new repeat offender provisions there has been a 15.5 per cent increase in the number of people remanded who have been convicted of failing to appear at court in the past, a 10.3 per cent increase in the number of people remanded who have had a conviction in the previous five years; a 7.3 per cent increase in the number of people remanded who have had a prior conviction for an indictable offence, and, overall, a 6.7 per cent increase in the remand population. In other words, bail is being denied in an increasing number of cases.

But this Parliament will not pass laws to say that magistrates, regardless of the circumstances, have no option on this. We are not going to do that. If we did, why would we have magistrates? We would just have a statute book. We would just put it on computer. Allowing for judicial discretion, we have nonetheless seen bail reduced in a markedly higher number of cases than before we passed the law, and that is the way to handle this. The Parliament witnessed yesterday a disgraceful attempt to exploit the case of a sick man, and everything the Opposition promised the media in the morning—saying that a man had had his legs amputated when he was in hospital for a bowel operation—turned out to be wrong! It turned out to be a defamation of the doctors, nurses and hospital administrators in that case. The wife of the victim herself said that—

Mr John Brogden: Victim? He is a patient, not a victim.

Mr BOB CARR: He is a victim according to you.

Mr Barry O'Farrell: Point of Order: My point of order relates to relevance and the rules and standing orders regarding relevance. Yesterday a question was asked, and it was answered appropriately. The honourable

member for Londonderry can answer questions. Why cannot the Premier answer questions without telling lies or going off on an ego trip?

Mr SPEAKER: Order! The Deputy Leader of the Opposition will resume his seat.

SENTENCING COUNCIL PRISON SENTENCES REPORT

Mrs BARBARA PERRY: My question without notice is directed to the Attorney General. What is the Government response to the Sentencing Council's report on six-month sentences?

Mr BOB DEBUS: I thank the honourable member for her constructive question. It has been a creed of faith with many prison reformers and researchers for some time now that the abolition of prison sentences of less than six months would be a key precondition to the diversion of first-time and non-serious offenders from full-time custody. As prison numbers have continued to increase over recent years—due partly to the Government's stricter bail laws—the Government has received numerous representations to that effect. The submissions are given additional force by the fact that in 1995 the Western Australian Government had legislated to abolish prison sentences of less than three months, and subsequently, in 2003, extended that legislation to abolish sentences of less than six months.

Last year the Chairman of the Sentencing Council, Justice Abadee, suggested to me that the Sentencing Council should investigate this proposal and the question of alternatives to custodial sentences. I readily agreed. Today I welcome the publication of the first report of the Sentencing Council on this very question. The council has produced a well thought out and comprehensive document. The members of the council, with their diverse views, have represented a range of professional and community expertise. The House may recall that the Sentencing Council includes several retired judges, the Director of Public Prosecutions, the Senior Public Defender, an Assistant Commissioner for Police and three representatives of victims organisations. So it is indeed a diverse group.

The council is unanimous in its recommendation not to abolish six-month sentences. The council report suggests that any such proposal be placed in abeyance pending a review of the Western Australian scheme, which is due to be completed in about 18 months. I must say that I have been fortunate enough to visit Western Australia and speak to administrators, judges and indeed my opposite number in Western Australia about this question of abolishing short-term sentences. I think it is fair to say that I returned from that visit with reservations about the practical benefits of such a scheme, which go beyond those expressed so far by the Sentencing Council. I do not believe that the abolition of six-month sentences will achieve the reforms that are frequently claimed for such a radical step. Accordingly, the Government will not be proceeding with the proposal.

The Sentencing Council has argued that significant gains might be achieved by the wider provision of alternatives to full-time custody in rural and regional New South Wales, and indeed this is an area that is achieving substantial attention from the Government. I do not believe it has been sufficiently demonstrated, nevertheless, that these types of sentences will improve rehabilitation prospects. Nor do I believe they would reduce prison overcrowding and the costs associated with housing short-term prisoners. I have grave concerns—confirmed by the Sentencing Council's report—that the abolition of six-month sentences would simply lead to sentence creep; that is, that offenders who would normally be given a three-month sentence might in fact be given, say, a seven-month sentence.

This is not to say that improvement of rehabilitation for short-term offenders cannot be achieved by other means, and I continue, along with my colleagues and indeed the Sentencing Council itself, to explore different and innovative ways to stop the cycle of crime for those offenders who are willing to be rehabilitated. The Sentencing Council has made a number of other recommendations to be considered in the interim, and my department is presently looking at those. We will be seeking the further assistance of the Sentencing Council in relation to all of those issues.

JUVENILE DETENTION SYSTEM

Mr ANDREW STONER: My question is directed to the Minister for Juvenile Justice. Why has the Minister misled the people of Grafton, Dubbo and St Marys by claiming high-risk juvenile gang rapists and murderers will not be held at Acmena, Orana and Cobham detention centres when the document I have in my hand shows that Kariong detainees who "may have an extensive history of violence and/or escape from custody" could be transferred to those centres?

Ms DIANE BEAMER: The Opposition has spent as much time as possible trying to mislead the people of Grafton, Dubbo and Western Sydney about the way in which Kariong will operate in future. Serious indictable offenders and those whose behaviour would lead them being held at a juvenile correctional facility will be sent to Kariong.

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

Ms DIANE BEAMER: If they misbehave at Acmena, Orana or Cobham, they will be sent to Kariong. Should their behaviour warrant a downgrading of their risk management, then, just as happened before, they will be transferred from Kariong—if their behaviour and risk managements warrant that. This move is to make sure that the tougher things that occur in Kariong will lead to better management of the whole of the juvenile detention system. This is a progressive step forward, and it allows offenders who have committed serious offences to be treated in a manner that best and most appropriately looks after them.

TWO-UP

Mr PETER BLACK: I direct my question to the Premier. What is the Government's response to requests from ex-service men and women that two-up be legalised on Remembrance Day and Victory in the Pacific Day?

Mr BOB CARR: Honourable members would appreciate my keen interest in gaming issues. The game we now celebrate as two-up was first recorded in Australia in 1798, when the colony's first Judge Advocate, David Collins, noted its popularity—and how frequently its players lost their money! It raged through the goldfields in the 1850s and, as we all know, was played extensively by Australia's soldiers during the First World War, becoming an invariable part of Anzac Day in the 1920s and 1930s and an annual fixture to which the police were ritually oblivious. We decided to make honest men out of all those Diggers with that fabled piece of legislation, which I might call the one day of the year Act, the 1998 Gambling (Two-up) Act. All honourable members would recall the colourful debate on that legislation.

In recent months the Government has received representations from the Services Clubs Association—the body representing RSL and kindred clubs—asking that two-up be legalised on other days of significance to returned service personnel, such as Victory in the Pacific Day, 15 August, and Remembrance Day, 11 November. They argue that the steady increase in public observance of such commemorative days now justifies a broadening of the law. In the words of Graeme Carroll, the chief executive officer of the Services Clubs Association:

> It's about keeping our heritage alive and maintaining this link between the past and the present.

What is the honourable member opposite muttering about? He is talking to himself! I should tell him that I cannot see anything wrong with this idea. I will leave that intellectual exercise to test him for the rest of question time. One of the charities most involved in problem gambling, the Wesley Community Legal Service, a body dealing with problem gamblers, has confirmed it has never encountered a problem gambler addicted to two-up. That is an interesting bit of trivia for everyone to take home with them. If anything, a slight extension of two-up to other days of significance would fit in with the Australian commemorative tradition when we remember our war dead not with strident nationalism but with a beer, a laugh and a few of these harmless games.

Although I am happy to support this idea in principle, I want the proposal discussed with the Ex-Services Association, the RSL, the Vietnam Veterans Association, the Naval Association of Australia and the Royal Australian Air Force Association, which those opposite should stop sneering at, as well as NSW Police and the clubs and hotel industry. A great spirit of consultation will be taken on this important move. My office has received wise counsel from Mr Rusty Priest, who advised that consultation with the major ex-service associations must be undertaken to consider the views of all veterans. As always, Rusty's advice is spot on and we intend to take it. I look forward to meeting with the Services Clubs Association and other veterans bodies—

Mr John Brogden: Have a beer with them.

Mr BOB CARR: —in my case over a temperate cup of tea, and discussing these matters in the spirit I know the House would enjoin.

JUSTICE JEFF SHAW LEAVE ARRANGEMENTS

Mr ANDREW TINK: My question without notice is to the Attorney General. What agreement was made with former Justice Shaw to take leave for health reasons associated with his drinking problem before his car accident on 13 October 2004?

Mr BOB DEBUS: I thank the honourable member for Higgins for his question.

Mr Barry O'Farrell: Epping.

Mr BOB DEBUS: The member for Ean Higgins, is it not? If the Deputy Leader of the Opposition does not understand that reference, the honourable member for Epping does.

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

Mr BOB DEBUS: The matters—

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

Mr BOB DEBUS: The matters that the member raises are matters for the Chief Justice. It may surprise the honourable member to know that the Chief Justice does not ring me up when he is deciding which judge to sit on which case, nor—

Mr Andrew Tink: Point of order: The Attorney General is responsible in this Parliament for the Chief Justice and the Supreme Court. The Attorney General has a duty to find the answer, to ask the Chief Justice, and to be responsible to this Parliament for what goes on and what passes for administration of the Supreme Court of New South Wales. If he does not know the answer, he should go and get it. He owes the people of New South Wales and this Parliament no less. He should take his job seriously, ask the question and get an answer.

Mr SPEAKER: Order! I call the honourable member for Epping to order for the third time. If he strays outside the standing orders during question time he will find himself outside the Chamber for the rest of the day.

Mr BOB DEBUS: The honourable member for Epping is a disgrace. These are matters—

Mr Barry O'Farrell: Point of order: This is a question of your leadership, Mr Speaker. You cannot make the ruling you have just made and allow him to direct questions across the Chamber to the honourable member for Epping. As you know, questions are supposed to go through the Chair. Bring the Attorney General back to order! Uphold your own standing orders and do your bloody job!

Mr SPEAKER: Order! The Attorney General was, in fact, addressing the Chair.

Mr Barry O'Farrell: He was not. Here are my glasses.

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

Mr BOB DEBUS: Those are matters for the Chief Justice.

RURAL AND REGIONAL EMPLOYMENT AND INVESTMENT

Mr NEVILLE NEWELL: My question without notice is directed to the Premier. What is the latest information on efforts to create jobs and investment in rural and regional New South Wales?

Mr BOB CARR: Yesterday the House will recall I shared some good news about jobs growth in Sydney, and now I want to talk about the growth of jobs in rural and regional New South Wales. Honourable members will recall the band of prosperity I described running through the Central West. Today I want to talk about tomatoes, the vegetable that originated among the Aztec Indians in Central America and was first recorded in Europe in 1544. Thomas Jefferson farmed tomatoes in Monticello. This is great news for the people of Guyra.

Mr Andrew Stoner: Where's that?

Mr BOB CARR: The Leader of The Nationals says, "Where's that?"

Mr Andrew Stoner: Have you ever been there?

Mr BOB CARR: Yes, I have. Some 560 kilometres north west of Sydney you will find Guyra, and today it is a happy town because with our help $24 million will be invested in a tomato greenhouse that will bring substantial full-time jobs to Guyra. This is excellent news. Those opposite say, "Another promise". No, I am sorry, earthmoving works started on Monday. It is under way. I am sorry the good news keeps getting in the way of their bad news. When complete it will be the largest and most technologically advanced glasshouse in Australia. It will cover 100,000 square metres or 10 hectares—about five times the size of the Sydney Cricket Ground, which we all love. The project will be broken into two stages. Stage one will create between 45 and 60 jobs. Stage two could create up to 200 jobs. For a small place like Guyra it is welcome news. Clearly it is good news for the regional economy.

The town will be a world leader in horticultural development. These are naturally ripened tomatoes sold in a cluster from the vine, available all year round. But the project did not start by accident. Guyra was selected because the local council and the local member, the honourable member for Northern Tablelands, wanted the development and they worked very hard to get it. They promoted the town and they won the competitive development, which received backing through our Regional Business Development Scheme, which offers financial incentives and advice, and cuts red tape for firms wanting to invest in New South Wales.

The scheme is under the leadership of the Minister for Regional Development and a fine public servant in Loftus Harris. The Guyra greenhouse, coming as it does on the back of yesterday's unemployment rate of about 5.2 per cent, is the largest jobs announcement this month for rural and regional New South Wales, which is proof positive that the State's unprecedented prosperity is being shared between city and country alike, as it should be. I thank the House for its attention, I thank the honourable member for his question and I thank the honourable member for Northern Tablelands for his fine work.

PORT MACQUARIE RADIOTHERAPY SERVICES

Mr ROBERT OAKESHOTT: My question without notice is directed to the Minister for Health. In view of significant community concern about delays in the radiotherapy unit at Port Macquarie, what is he doing to resolve this delay so that the many cancer patients on the mid North Coast can receive the level of care they deserve?

Mr MORRIS IEMMA: Mr Speaker—

[*Interruption*]

I do have a briefing note on Port Macquarie because it is an important area and radiotherapy is an important issue. Given that recently I was in a position to provide an update on the progress of Coffs Harbour medical facilities, I am more than pleased to provide updated information in response to the question asked by the honourable member for Port Macquarie on the Port Macquarie part of the project. I inform the House that an approach has been made to the Port Macquarie Base Hospital Pty Ltd and to Mayne Health regarding the acquisition of land on the site of the Port Macquarie Base Hospital on which to locate a radiotherapy service. I advise that the owner of the land, the Port Macquarie Base Hospital, has responded by indicating that it is not willing to enter into negotiations regarding the land for the radiotherapy service unless the hospital is removed from litigation that is currently under way in connection with the sale of the Port Macquarie Base Hospital.

I make the Government's position very clear. If Port Macquarie Base Hospital Pty Ltd, the owner of the land, believes that it has a case which warrants its exclusion from legal proceedings that are currently under way involving the hospital, the Government will be willing to hear its arguments and treat the issues raised by the hospital seriously. However, the purchase of land for radiotherapy services and legal proceedings should be dealt with separately. Legal proceedings should not be used to disadvantage cancer patients in Port Macquarie. If the hospital has a case warranting exclusion from legal proceedings, it should put its case to the Government. The Government will examine the grounds and treat the issues seriously, but the hospital should not use cancer sufferers as leverage. This Government is committed to the timely delivery of services to cancer sufferers in the Port Macquarie community.

I also advise the House that there are two site options for the location of radiotherapy services in Port Macquarie. The preferred site is on land which is the site of the Port Macquarie Base Hospital because it will allow radiotherapy services to be established and developed in close proximity to support services, such as diagnostic services, pathology services and the emergency department, in a manner similar to the way in which the services at Coffs Harbour will be developed. The Mid North Coast Area Health Service has been allocated

$6.1 million for the provision of radiotherapy services this financial year. I am able to inform the House that a clinical director for the radiotherapy service has been recruited and appointed. Preliminary plans have been completed for development of the Coffs Harbour land and title has been secured.

While the health service is making progress in the development of the radiotherapy service, the negotiating position adopted by the Port Macquarie Base Hospital Pty Ltd is holding up development of this important facility. When the first stage of the radiotherapy service is established, an estimated 400 people will benefit. Those 400 people will have access to radiotherapy services in their community and it will no longer be necessary for them to travel to Sydney or Newcastle to obtain those services. Currently the Port Macquarie land is lying idle. I assure the honourable member for Port Macquarie that the provision of radiotherapy services in Port Macquarie will go ahead. I also assure the honourable member that the Government will wait only so long: If the Port Macquarie Base Hospital Pty Ltd will not negotiate appropriately, development will go ahead on the alternative site.

NEPEAN HOSPITAL AND MR PAUL LEAVER

Mrs KARYN PALUZZANO: My question without notice is directed to the Premier. What is the Government's response to community concerns expressed over comments by the Leader of the Opposition about the Nepean Hospital and related matters?

Mr BOB CARR: Yesterday the Opposition raised the case of Mr Paul Leaver, a 53-year-old patient who suffered horrendous complications associated with multiple illnesses. At 8 o'clock yesterday morning the Opposition started touting a horror story in television newsrooms. The Opposition said that someone had been admitted to hospital with a bowel complaint and inadvertently had both legs amputated. Tension and excitement increased throughout the day.

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

Mr BOB CARR: The newsrooms can speak for themselves, but what was said when Mrs Leaver got to the press conference is the essence of the story, which was intended to be a savage tale of incompetent medical staff, ending up with their cutting off both the patient's legs.

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

Mr BOB CARR: The Leader of the Opposition, Mr Brogden, said, "What should have been a 5-10 day stay in hospital turned into a 12-month nightmare", and Mr Leaver was given medication which "… resulted in both legs being amputated below the knee".

Mr John Brogden: Point of order: I would like to table a letter from Mrs Leaver.

Mr SPEAKER: What is your point of order?

Mr John Brogden: A letter from Mrs Leaver.

Mr SPEAKER: Order! The Leader of the Opposition will resume his seat. Once again, he is conducting himself in a grossly disorderly way. Had he been in a schoolroom, he would have been suspended.

Mr BOB CARR: The Leader of the Opposition says that there was medical malpractice which resulted in both legs being amputated below the knee. I show to the House the Liberal Party's press release stating that both legs had been amputated below the knee as a result of medical malpractice. That statement is an absolute defamation of nurses, doctors and medical administration. The drugs administered for a complex case of multiple illnesses saved the man's life. I am advised there was no incompetence and no malpractice. I invite examination of the former Wentworth Area Health Service's report dated 5 December 2003, which details the complex response to a bewildering medical condition:

> … a 52 year old man was admitted to Nepean Hospital for a … [bowel] complaint on 3 November 2003. … a long history of illness and multiple co-morbidities.
>
> He had a previous long, complicated admission for severe acute pancreatitis …
>
> The patient underwent surgery on November 4, 2003. His recovery uneventful until the 7 November when he became hypertensive …

The report details his condition. Yesterday, while question time was proceeding, the Opposition brought Mrs Leaver before an assembled press conference. She did not follow the Leader of the Opposition's script, and this is what happened: She ended up praising the medical care and she ended up praising the hardworking medical staff of the Nepean Hospital! I have the transcript that has been provided to me by a member of the press gallery. A journalist said, "It sounds like the hospital did its best." Her response was, "Definitely. In my book, they did." In other words, Mrs Leaver actually commended the people whom the Leader of the Opposition sought to condemn. She went on to talk about all the extra effort that the hospital staff undertook in this case. What then happened at the press conference is shown on the television footage. The Leader of the Opposition actually pushed her aside to get her out of the way. I will be happy to arrange a private viewing of the footage.

Mr John Brogden: Point of order: The Premier is lying through his teeth.

Mr SPEAKER: Does the Leader of the Opposition claim to have been misrepresented?

Mr John Brogden: He is lying through his teeth. Let me table this letter.

Mr SPEAKER: Order! There are other forms of the House available to the Leader of the Opposition to show how he had been misrepresented. There is no point of order.

Mr BOB CARR: It is all on the video footage, and the House is welcome to view it. We will wheel in the video set. Mrs Leaver's account is backed up by the clinicians who have spoken out in their defence. This morning on radio station 2SM, Dr Peter Johnson, the clinical head of medicine at Nepean Hospital, told Grant Goldman—

Mr Adrian Piccoli: Point of order: My point of order relates to hypocrisy. Remember Cecil Hills High School when the Minister for Education and Training tried to tell us that a student was going to commit suicide? What did he do? If you want to talk about misrepresentation—

Mr SPEAKER: Order! I place the honourable member for Murrumbidgee on three calls to order. If his present behaviour continues he is likely to be removed from the Chamber.

Mr BOB CARR: If your Opposition leader was in trouble, you would hope for better defence than that. Send up the senior team. Dr Peter Johnson said:

> I don't think after four or five months in rehabilitation one could say he was hurried out …
>
> had we kept him in hospital we would have been likely to have been criticised for keeping someone in the bed unnecessarily...
>
> People that make complaints about the health system, apart from upsetting the hospitals … it's a bit of a slap in the face for the people that really work very hard to deal with these people appropriately.

Dr Peter Johnson, the clinical head at Nepean Hospital, further said:

> I think a case like this, it had a lot of people involved in it and his discharge was handled very professionally.

The discharge was handled very professionally and that is a far cry from what the Leader of the Opposition said yesterday. He said that Mr Leaver was "told that they needed his bed and he had to go". Whom do you believe? Do you believe the head of clinical services, who said that after months of rehabilitation it was appropriate treatment? Or do you believe the Leader of the Opposition, who said that Mr Leaver was kicked out to empty the bed? Or do you believe Mrs Leaver—

Mr Andrew Humpherson: Point of order: Mr Speaker, I ask you to ask the Premier to abide by Standing Order 139.

Mr SPEAKER: Order! The Premier is complying with Standing Order 139. His answer is relevant to the question.

Mr BOB CARR: I am religious in always abiding. I am punctilious in abiding by Standing Order 139. I have never been criticised for that before.

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

Mr BOB CARR: The Leader of the Opposition said that they told him that "they needed his bed and he had to go". But the head of clinical services said, "After five months of rehabilitation, we made a proper decision". Mrs Leaver said that she could not flaw the hospital treatment given to her husband. The most disgraceful part of this is that the Leader of the Opposition attacked Mrs Leaver's credibility when he condescendingly pointed out on 2SM—

Mr Andrew Humpherson: Point of order: —

Mr SPEAKER: Order! The Chair did not uphold your last point of order. What is the point of order?

Mr BOB CARR: This is not the old 139 trick, is it?

Mr Andrew Humpherson: Mr Speaker, the Premier continues to be in breach of Standing Order 139.

Mr SPEAKER: Order! The Premier is not in breach of Standing Order 139. In fact, the honourable member for Davidson is in breach of the standing orders. I call him to order and ask him to resume his seat.

Mr BOB CARR: Have members ever seen me breach Standing Order 139 in all my time in this Chamber? I never have. Mrs Leaver said that she was shoved aside at the press conference. On 2SM radio this morning, the Leader of the Opposition said that Mrs Leaver was "Not particularly well herself, but a lovely person". That is scandalous, that is just insulting. Mrs Leaver is not particularly well, do not take any notice of her, but, condescendingly, through clenched teeth, he said that she is a lovely person. On 3 February the Leader of the Opposition said that a patient "died at Concord hospital. What is so disturbing about [the] death is the fact that doctors turned off [her] oxygen supply without the consent of her family."

The hospital pointed out that the staff worked closely with the family over the decision to cease active treatment and that involved three attempts to wean her from the ventilator. That is a very different picture. Remember the time the Leader of the Opposition spoke about "six months after an election [someone] being told you've got to wait another 18 months" for an operation. He said that on 15 October last year. In fact, the patient was offered the option of having her operation performed by different doctors at two hospitals within two months, but declined the offer.

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

Mr BOB CARR: I make one revelation to the House. The question asked yesterday by the Leader of the Opposition was drafted by, guess who, our old friend, slim-line, super-fit, Barry O'Farrell. Yes, he did. The guy who does the sit-ups delivers the set-ups. The old story! By all means let us have a debate about health funding and health administration, but let us not defame doctors, nurses, clinicians and good hospital administrators.

COUNTRY TOWNS WATER SUPPLY

Mr THOMAS GEORGE: My question without notice is addressed to the Minister for Energy and Utilities. How does the Minister explain to Urbenville, Woodenbong and Muli Muli residents that he has shoved their water supply projects down the country town water priority list and cut their subsidy, which meant that the armed forces conducting exercises in the area had to bring their own filtration system because the water is, to use their words, "worse than in most Third World countries"?

Mr FRANK SARTOR: What an extraordinary thing to say. Obviously the honourable member has the whole exercise completely wrong. The honourable member for Lismore does not understand that following his representations to me about the Muli Muli supply I changed two rules in the Country Towns Water Scheme to provide for Muli Muli.

Mr Thomas George: But you shoved it—

Mr FRANK SARTOR: No, hear me, hear me. One rule was that I allowed for funding when the water utility would not own totally all the assets, because in that case an Aboriginal community owned the assets. I did that. The second thing I did, at the request of the Deputy Premier, and Minister for Aboriginal Affairs, was adjust the formula so that the grant would not be reduced because of money provided by the Department of Aboriginal Affairs. I have done that. In addition, we gave everyone a chance to look at the priorities for

allocation under the scheme. It turns out that Urbenville, Woodenbong and Muli Muli have had their priority upgraded from level six to level three, on a scale of 10. So, ding-dong, thank you for the question.

ROYAL FLYING DOCTOR SERVICE DUBBO BASE

Ms TANYA GADIEL: My question without notice is directed to the Minister for Health. What is the latest information on the Government's efforts to assist the Royal Flying Doctor Service?

Mr MORRIS IEMMA: The Royal Flying Doctor Service established a base in Dubbo in 1999.

[*Interruption*]

I provide an update for the hardworking Independent members on the progress of delivering improved health services in their electorates. The purpose of the base was to provide emergency medical services to people in north-western and far-western New South Wales. When the service began it was staffed by nurses and undertook emergency medical treatment and rescue work. The original Dubbo-based service was supplemented by doctors who were flown from Sydney when required. The late Tony McGrane first raised the idea of adding doctors to the Royal Flying Doctor Service and the Dubbo Base Hospital Emergency Department. The Royal Flying Doctor Service is currently transporting about 1,000 patients a year in the area of New South Wales served by its Dubbo base. Today, 25 per cent of those are hospital-to-hospital transfers of acutely ill patients requiring a doctor to travel with the patient.

The Royal Flying Doctor Service recently recruited one doctor, but I am advised that three doctors are required. I have approved a grant of $180,000—a one-third share of the cost of employing additional doctors to work at Dubbo Base Hospital, the Royal Flying Doctor Service and the Dubbo Rural Clinical School of the University of Sydney. When all three doctors are employed, acutely ill patients will be able to be moved by an aircraft based in Dubbo. Their transfer to the most appropriate hospital for care for their needs will be met much more quickly, thus reducing the chance of further complications in their illness.

The three emergency medicine and retrieval specialist doctors will work for all three facilities—a truly great partnership. The doctor who began last week will be the first of three whose employment costs will now be paid under this agreement. When these doctors are not required for emergency work with the Royal Flying Doctor Service they will work in Dubbo hospital emergency department or train medical students from the rural clinical school. When they are in the emergency department they will be supernumerary, or additional staff. Dubbo hospital emergency department will have available to it three additional doctors to treat the more than 30,000 attendances each year.

As a result of this plan, the hospital will be able to recruit doctors for its emergency department and it will ease pressure on the hospital as it will be able to use locums to fill staff positions. The proposal to share doctors between the Royal Flying Doctor Service, the rural clinical school and Dubbo Base Hospital will create more positions with a more varied role than any one of those organisations can offer alone. The doctors that are employed will be specialists in critical care and emergency medicine. They will be able to teach and supervise medical students at the rural clinical school, as well as work in the emergency department and fly as doctors. Each doctor will work in Dubbo Base Hospital for an average of 20 hours a week, and spend time supervising clinical school students in the hospital and on retrieval flights.

The proposal will cost each organisation $180,000 each year. It is expected that this proposal will make it easier for Dubbo's emergency department to attract further specialists, who will also have the opportunity to work in clinical training and for the Royal Flying Doctor Service. The Royal Flying Doctor Service has already recruited Dr Lorna McLeod. Her employment costs will now be covered by this agreement. Two more doctors are being recruited. This is a new approach to sharing services between the three organisations. Dubbo Base Hospital will be provided with three new specialists in emergency and retrieval medicine.

Questions without notice concluded.

COUNTRY WEEK

Ministerial Statement

Mr DAVID CAMPBELL (Keira—Minister for Regional Development, Minister for the Illawarra, and Minister for Small Business) [3.33 p.m.]: Country New South Wales is the powerhouse of New South Wales. Nearly 1.7 million people live, work and raise families in country areas. The Carr Government is working with regional communities to encourage investment and economic growth. Our Country Lifestyles Program aims to attract business and skilled people to regional areas. Last year we provided $100,000 from this program to

support the highly successful Country Week event where regional communities showcased their lifestyles to Sydneysiders.

Members of the House would be interested to know that the New South Wales Government is again providing $100,000 to support Country Week 2005. The event helps promote the benefits of living and working in regional areas. It targets retirees, businesses, young families, empty nesters and professionals seeking a lifestyle change. The fact that thousands of people attended this year's event certainly highlighted something that country people have always known—that country towns are a great lifestyle choice. I congratulate all those who made this year's event an outstanding success. I look forward to further success at next year's Country Week event at Rosehill racecourse.

Mr DONALD PAGE (Ballina) [3.34 p.m.]: Members of The Nationals and the Liberal Party support the Country Week event that occurred this year. I commend Peter Bailey for organising that successful event. I join the Minister for Regional Development, Minister for the Illawarra, and Minister for Small Business in his support for Country Week. All honourable members would be aware of the tremendous benefits of living in country areas. If more people lived in country areas it would take pressure off the Sydney Basin and the metropolitan area. However, this Government has failed to provide the infrastructure that is needed by those communities if they are to make themselves sustainable in the long term. If the Minister had the decency to listen to what I am saying, and if he had remained in the Chamber to hear me debate my urgent motion, he would know how little this Government is doing to provide infrastructure for country communities in this State.

Mr Carl Scully: Point of order: I want Roger Fletcher to know what this Government has done to ensure the efficient operation of his business.

Mr SPEAKER: Order! That is not a point of order.

NEPEAN HOSPITAL AND MR PAUL LEAVER

Personal Explanation

Mr JOHN BROGDEN: Earlier today the Premier, when answering a question, made a series of serious allegations, all of which were incorrect. I will deal with each allegation point by point. First, he stated that I had attacked medical staff because of the treatment received by Mr Leaver at Nepean Hospital. In reality, the Premier could produce no quote—

Mr Carl Scully: Point of order: The Leader of the Opposition knows that this is not the forum to debate the things that are said in question time. The Leader of the Opposition should tell the House how his character has been impugned. He should make his personal explanation and he should sit down.

Mr Barry O'Farrell: He is trying to.

Mr Carl Scully: He is debating the issue.

Mr SPEAKER: Order! The standing orders provide that a member making a personal explanation must show how his character has been impugned. The Leader of the Opposition is attempting to point out that in his view some of the statements made by the Premier during question time were incorrect. That is not the purpose of a personal explanation. If the Leader of the Opposition believes he had been misrepresented there are other forms of the House available to him.

Mr JOHN BROGDEN: Mr Speaker, I take your advice—

Mr SPEAKER: Order! I will not allow the Leader of the Opposition to continue with his present course of action unless he is able to show that his character has been impugned by a member of this Chamber.

Mr JOHN BROGDEN: Mr Speaker, I take your advice with respect to whether my reputation has been impugned. It was impugned in the sense that the Premier said that I had attacked medical staff at Nepean Hospital. That is simply not correct.

Mr Carl Scully: Point of order: If the Leader of the Opposition was called certain things, fair enough, he is entitled to respond. But a "he said, she said" is not a personal explanation. The Leader of the Opposition knows that. He should tell us what he thinks the Premier called him, make his personal explanation and sit down.

Mr SPEAKER: Order! I take the point made by the Leader of the House. A personal explanation should not be a "He said, she said" discourse. If the Leader of the Opposition believes his character has been impugned because of allegations made about him, as distinct from statements that have been made, he should tell the House how his character has been impugned. However, challenging what the Premier has said is not the purpose of a personal explanation.

Mr Barry O'Farrell: Point of order: I refer to *Decisions from the Chair* and to a decision made by that august Speaker, Speaker Murray.

Mr Carl Scully: An excellent Speaker.

Mr Barry O'Farrell: I acknowledge the interjection of the Leader of the House. Speaker Murray said:

> A member seeking to make a personal explanation on grounds of being misrepresented should do no more than briefly explain the variance between the alleged misrepresentations and the fact.

That is precisely what the Leader of the Opposition is trying to do. He is saying, "The Premier, the Hon. Bob Carr, said X when in reality, as usual, he said Y." The Leader of the Opposition is speaking only briefly, in line with Speaker Murray's ruling. I ask you to uphold Speaker Murray's ruling.

Mr SPEAKER: Order! I will allow the Leader of the Opposition to continue. However, again I make the point that if the Leader of the Opposition—

[*Interruption*]

Mr SPEAKER: Order! I place the honourable member for Bega on three calls to order. If the Leader of the Opposition continues to merely challenge what the Premier has said instead of making it clear to the House how he believes his character has been impugned, I will ask him to resume his seat.

Mr JOHN BROGDEN: My character was impugned further by the Premier's statement that I shoved an individual aside. Does that work for you, Carl?

Mr Carl Scully: Yes.

Mr JOHN BROGDEN: Thank you. The footage will show clearly that I helped a woman on a walker to move aside. I find quite offensive the suggestion that I shoved her in any way. One thing I do know is that Bob Carr does not have what it takes to say that outside this place. My reputation was also impugned when the Premier said that I "condescended" Mrs Leaver. That is simply not the case. I want the House to know that I have received a thank-you letter from Mrs Leaver, which I am very happy to read out.

Mr SPEAKER: Order! The Leader of the Opposition—

Mr JOHN BROGDEN: I know you do not want to hear it, John. I know that you are working hard for the boss today. I know that you are a failed Minister and the Speaker's job is the best you could get. But this is important and, frankly, your refusal—

Mr SPEAKER: Order! I have allowed the Leader of the Opposition to make one or two points that were in order. However, he is again straying outside the standing orders.

Mr Carl Scully: Point of order: It is clear that the Leader of the Opposition is misusing standing orders to try to provoke you to throw him out of the Chamber so that he can issue another press release.

Mr SPEAKER: Order! The Leader of the House will resume his seat.

Mr Andrew Tink: To the point of order: A debate such as this involves discussion of whether a member's reputation has been impugned and the member's response to, and defence of, any imputations against him or her. Surely the Leader of the Opposition should be heard if he seeks to rely on a document that supports his side of the argument when his character has been impugned and he did the right thing. The Leader of the Opposition is seeking to rely on a document that clarifies the situation for the House. If you shut him down, Mr Speaker, all you are doing is acting as a lackey for the Government.

Mr SPEAKER: Order! This is not a debate, as the honourable member for Epping claimed; it is a personal explanation. When the Leader of the Opposition attempted to show how his character had been impugned I allowed him to proceed. However, I cannot allow him to proceed when he attempts to debate the issue at hand and what was said by the Premier. The Leader of the Opposition may continue, but I ask him to bear my ruling in mind.

Mr JOHN BROGDEN: It is clear that the Premier's attempts to impugn my character by spreading lies should not be tolerated by the House. If any of what the Premier alleged happened had happened I would not have received a thank-you letter—and honourable members would be stunned to hear that I had. Furthermore, it is clear that the Premier's attempts to impugn me on four grounds—by alleging that I attacked medical staff, that I shoved a woman aside, that it was incorrect that Mr Leaver was told his bed was needed and that I was condescending to Mrs Leaver—are categorically untrue. The Premier could not prove earlier today that the allegations had any substance. Mr Speaker, the fact that you will not allow me to read out the thank-you letter is a clear indication of your lackey's attitude with regard to this Government.

Mr Carl Scully: Point of order: I believe the Leader of the Opposition has adequately put the issues of concern to him and explained his position to the House. Now he should be told to sit down and shut up.

Mr SPEAKER: Order! I will hear nothing further on the personal explanation.

CONSIDERATION OF URGENT MOTIONS

Youth Mental Health Services

Miss CHERIE BURTON (Kogarah—Parliamentary Secretary) [3.43 p.m.]: This matter is urgent because mental illness in young people is becoming more prevalent. More and more young people are affected by illnesses such as attention deficit hyperactivity disorder, anxiety, depression, conduct disorders and the onset of schizophrenia or bipolar disorders. This matter is urgent because 15 per cent of children and adolescents suffer from a mental illness. For half of these children, their condition is likely to result in significant disability and suffering and, for between 1 per cent and 2 per cent, hospitalisation will be required. This motion is urgent because the State Government will increase funding for mental health by $241 million over the next four years. Child and adolescent mental health services will receive increased funding, starting with an additional $2.5 million this year.

Regional Infrastructure

Mr DONALD PAGE (Ballina—Deputy Leader of The Nationals) [3.44 p.m.]: While mental health services are important, my motion—which deals with the provision of infrastructure in country areas, in particular—would give honourable members the opportunity to discuss issues such as mental health. Therefore, I argue that my motion—which addresses the provision of both hard and soft infrastructure—is more urgent than that proposed by the honourable member for Kogarah. This matter is urgent because a major forum on infrastructure will be held tonight in Dubbo. The forum aims to bring together like-minded people to form an action group to fight for a better deal on infrastructure, particularly in the central west. This matter is urgent because for far too long this Government has swept under the carpet the issue of infrastructure provision. Tonight's forum is a result of many people's frustration with the Carr Labor Government's inaction on infrastructure investment. The one-third of New South Wales residents who live outside metropolitan New South Wales deserve decent infrastructure that will allow their communities to grow and prosper. Tonight's forum at the Dubbo RSL Club has been organised by Dubbo businessman Mr Roger Fletcher.

Mr Alan Ashton: Point of order: I shall be brief as I am happy to hear a little more from the honourable member for Ballina. He is telling us about a forum that has been organised for tonight and sprinkling the word "urgent" throughout his speech. I ask you to direct the honourable member for Ballina to give reasons why his motion is urgent instead of simply advertising a forum that will be held in Dubbo tonight.

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

Mr DONALD PAGE: This matter is urgent because the provision of infrastructure is the most important issue confronting people in New South Wales. Roger Fletcher has organised this forum tonight because it is a vital issue for people in the central west. Dubbo is a big regional centre, so it is being held there. Mr Fletcher says that immediate change must occur to avoid further disintegration of energy supplies, roads,

rail, education, health and other government-run utilities. This matter is urgent because we need a map of infrastructure investment in our roads, rail, schools, hospitals, water and sewerage supplies—not just for next year or the year after but for the next 10, and arguably 20, years. Mr Fletcher wants to initiate debate about a 10-year plan for infrastructure in this State, particularly in country areas.

This matter is urgent because, while there is a Metropolitan Water Plan, for example, there is no such strategy for country New South Wales. While there is a Sydney Futures Forum, it makes no mention of rural and regional areas. In the meantime, the lack of investment in, and rundown of, our rail, roads, hospitals, police stations and schools continue. This matter is urgent because Labor's State Infrastructure Strategic Plan 2002 promised so much but has delivered so little. This plan promised, among other things, that the building of a new police station for Dubbo would commence in 2002-03. Yet today a site has not even been selected. In the meantime, police continue to operate from more than a dozen poor-quality locations, which impacts on morale and their crime-fighting ability.

This matter is urgent because country parents want their children to be able to choose to stay and work in their local communities. Sadly, the lack of investment in infrastructure means that this is often not possible. It is urgent because the Premier constantly tells us that the "no vacancy" sign is up in Sydney due to overpopulation. The obvious solution is to invest in infrastructure in country New South Wales so that the growth can be shifted to the regions. This matter is urgent because tonight's forum will provide the impetus for an honest and open debate on infrastructure, and we should capitalise on that to push ahead with progress on this vital issue. The strategic plan was the first attempt by government to examine infrastructure needs. However, an Opposition analysis has found that of 87 key government projects identified in the plan, one in four—or 25 per cent—has been delayed. One in 10—or 10 per cent—has been either abandoned or reduced. There have been budget overruns to the tune of $752 million.

Mr Steve Whan: Point of order: The honourable member has strayed a long way from justifying why his motion is urgent. If he is going to stray, perhaps he should explain why The Nationals did not upgrade any hospitals in Monaro, why they closed down the Cooma railway line and why has it all been left to Labor to fix.

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

Mr DONALD PAGE: The honourable member for Monaro might like to explain why the Government closed the Casino to Murwillumbah line! My motion is important. The House should debate country infrastructure, the most important issue confronting country people. [*Time expired.*]

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

The House divided.

Ayes, 50

Ms Allan	Mr Gaudry	Mr Newell
Mr Amery	Mr Gibson	Ms Nori
Ms Andrews	Mr Greene	Mr Orkopoulos
Mr Barr	Ms Hay	Mrs Paluzzano
Mr Bartlett	Mr Hickey	Mr Pearce
Ms Beamer	Mr Hunter	Mrs Perry
Mr Black	Mr Iemma	Mr Price
Mr Brown	Ms Judge	Mr Sartor
Ms Burney	Ms Keneally	Mr Scully
Miss Burton	Mr Knowles	Mr Shearan
Mr Campbell	Mr Lynch	Mr Stewart
Mr Collier	Mr McLeay	Mr Tripodi
Mr Corrigan	Ms Meagher	Mr West
Mr Crittenden	Ms Megarrity	Mr Whan
Ms D'Amore	Mr Mills	*Tellers,*
Mr Debus	Ms Moore	Mr Ashton
Ms Gadiel	Mr Morris	Mr Martin

Noes, 29

Mr Aplin	Mrs Hopwood	Mrs Skinner
Ms Berejiklian	Mr Kerr	Mr Slack-Smith
Mr Brogden	Mr Merton	Mr Souris
Mr Cansdell	Mr Oakeshott	Mr Stoner
Mr Constance	Mr O'Farrell	Mr Tink
Mr Debnam	Mr Page	Mr Torbay
Mr Draper	Mr Piccoli	Mr J. H. Turner
Mrs Hancock	Mr Richardson	*Tellers,*
Mr Hartcher	Mr Roberts	Mr George
Mr Hazzard	Ms Seaton	Mr Maguire

Pair

Ms Saliba Mr Pringle

Question resolved in the affirmative.

YOUTH MENTAL HEALTH SERVICES

Urgent Motion

Miss CHERIE BURTON (Kogarah—Parliamentary Secretary) [3.58 p.m.]: I move:

That this House expresses its concern about the increase in mental issues affecting young people in New South Wales.

The simple fact is that mental illness is affecting people at a younger and younger age. The Government has responded. The Government has invested an additional $241 million for mental health services during the next four years. In 2003-04 the Carr Government invested $71.5 million in child and adolescent mental health services. This year, child and adolescent services received a further $2.5 million increase. It should be noted by the Opposition that when the Carr Labor Government came to office in 1995 there was only one inpatient unit for all children and adolescents across New South Wales suffering from mental illness. We now have specialist units providing specialist care to our sickest children at Campbelltown, the Nexus unit in Newcastle, Sydney Children's Hospital and the recently opened unit at Westmead Children's Hospital. The unit at Westmead, for example, provides care for children from the age of five. That provides a little insight into the prevalence of mental illness in young people. More units are planned for Lismore with the redevelopment of the Richmond Clinic.

But child and adolescent mental health care is more than dollars and beds. To improve access and equity for children and adolescents to mental health services across New South Wales, the initiative Child and Adolescent Mental Health Statewide Network, known as CAMHSNET, was established in 2003. CAMHSNET is the biggest child and adolescent mental health service in Australasia, and one of the largest in the world. Children in regional areas can receive the level of care they need, as close to home as possible, with access to a specialised unit if required. In 2002-03 additional recurrent funding of $6.9 million from mental health enhancement funds was approved for the further development of CAMHSNET. That includes specially trained nursing staff, to be located in 21 hospitals around New South Wales.

The Child and Adolescent Psychological Telemedicine Outreach Services [CAPTOS] for rural New South Wales is another service being offered by New South Wales Health. Established in 1995, it offers a telepsychiatry service for children and adolescent mental health. That service is co-ordinated through the Children's Hospital at Westmead and is complemented by outreach rural visits. The services offered through CAPTOS to eight rural areas will be incrementally extended to the whole of New South Wales via CAMHSNET. A major achievement has been the increase by more than 100 per cent of specialist child and adolescent mental health clinical staff. Since 1997 a decline in suicide rates has occurred. According to the most recent Australian Bureau of Statistics mortality data, suicide rates in New South Wales have fallen from 14 per 100,000 in 1997 to less than 10 per 100,000 in 2002.

The Government has provided clear policy direction and committed extensive funding to suicide prevention and mental health initiatives across New South Wales. "We Can All Make A Difference", the New South Wales suicide prevention strategy was released in 1999. It sets out a whole-of-government approach to

suicide prevention for all age groups. It is now undergoing a review. New South Wales Health has also finalised its revised suicide prevention framework. The framework provides risk assessment guidelines for staff in all types of health care settings, whether they are in an emergency department or in a community health care centre. A comprehensive training program for mental health staff will accompany this framework across New South Wales.

This week being Schoolies Week, the risks associated with taking drugs, consuming large amounts of alcohol and engaging in other risky behaviours have attracted significant attention. A lot of information is provided to teenagers about these risks, and I congratulate the Minister for Education and Training on the comprehensive kit that was provided to all senior students. I have read the kit and I am pleased that it clearly points out some of the long-term risks associated with drug use, particularly cannabis and amphetamines. There is no doubt that people who are predisposed to mental illness and taking drugs are creating a serious risk to themselves and others. The shift in drug taking patterns in the 1990s, which could not have been predicted by the health sector, is having a huge effect upon mental health service provision. Patients have become more violent and more treatment resistant, needing longer inpatient stays. The piloting psychiatric emergency care centres at Nepean and Liverpool hospitals will allow for the assessment and treatment of many of these types of patients.

The Government is getting better at providing services for people who are dually affected by a mental illness and a substance abuse problem. For example, the new 50-bed inpatient mental health unit at Wyong hospital is located next door to the drug and alcohol detoxification and rehabilitation unit. The new Inner West Community Centre, due to be officially opened shortly, will provide a range of community mental health services as well as drug and alcohol interventions. This is all part of the mainstreaming principles of treating mental illness like any other illness and ensuring that other medical problems are equally being treated.

It is important that secondary school students receive the education that people of my generation did not receive in relation to substance use and its potential impact upon mental illness. I am pleased to say that they are. A Marijuana Matters Program has been piloted and is now being implemented in State schools through school drug education and drug prevention programs. Marijuana Matters is a small-group program for students who are using cannabis. It provides an opportunity for school counsellors to work with a co-facilitator from the local area health drug and alcohol service. The program complements preventative school-based cannabis education programs such as "Cannabis: Know the risks!"

I would like to spend some time talking about the School-Link program. This program was commenced in 1996, and has just entered its third phase. School-Link was developed by New South Wales Health and the New South Wales Department of Education and Training as an innovative approach to improving mental health care for children and adolescents. It provides a framework and structure to support child and adolescent mental health services to work with schools and TAFE to promote mental health; prevent mental health problems; facilitate evidence-based identification, management and support of students with mental health problems; and develop local pathways of care to facilitate access to services for young people and their families and carers. Area School-Link co-ordinators, based in the current eight area health services, implement School-Link locally in collaboration with schools and local education authorities under the overall co-ordination of the Centre for Mental Health and the New South Wales Department of Education and Training.

School-Link has received wide acceptance and recognition in New South Wales and internationally. It was cited in the Independent Pricing and Regulatory Tribunal report on New South Wales Health as a good example of a successful collaboration at policy, operational and local levels. A key component of School-Link is the School-Link training program for school and TAFE counsellors and adolescent mental health workers. Some 1,800 school and TAFE counsellors and child and adolescent mental health workers completed the School-Link training program during 2000-01 and evaluated it very positively. Further advanced modules focusing on indigenous mental health, young people from culturally and linguistically diverse backgrounds, and same-sex attracted young people have been developed and implemented across New South Wales.

Other significant components of School-Link include the development and implementation of collaborative local depression action plans, the Resourceful Adolescent Program and Adolescents Coping with Emotions, participation at State and local levels in MindMatters and working with the New South Wales Department of Education and Training to collaboratively address significant mental health issues. The mental health of our young people should be paramount. I am pleased to say that the New South Wales Government is investing in mental health services, particularly child and adolescent mental health services. We are not only focusing upon inpatient care, but investing heavily in prevention, early intervention, community treatment and recovery measures as well.

[*Debate interrupted.*]

BUSINESS OF THE HOUSE

Urgent Motion: Suspension of Standing and Sessional Orders

Mr CARL SCULLY (Smithfield—Minister for Roads, and Minister for Housing) [4.08 p.m.]: I move:

That standing and sessional orders be suspended to allow the honourable member for Manly to contribute to the debate for a period of five minutes.

Mr BRAD HAZZARD (Wakehurst) [4.08 p.m.]: In view of the glasnost that currently exists between the honourable member for Manly and the member for Wakehurst regarding the provision of better health facilities on the northern beaches, the Opposition certainly does not object to the suspension motion. However, I wish to place on record that the Government has failed miserably to deliver mental health services on the northern beaches, and that in fact it closed a mental health community facility at Dee Why and reduced the operation of after-hours health teams from a 24-hour operation to a position where patients must have a mental illness before 10.00 p.m. or else they will not get any assistance.

Patricia Boydelle, a Labor candidate for Pittwater, has placed on the record many times that the Government has failed miserably in providing mental health services on the northern beaches. I look forward to hearing what the honourable member for Manly has to say. I am sure that I and other Liberal Party members on the northern beaches share his concerns about mental health services. I hope he will recount the fact that at the second last forum we were told that the northern beaches would get 22 new beds, but they are in Wyong. The Government may believe it is serious about mental health services, the people on the northern beaches certainly do not.

Motion agreed to.

YOUTH MENTAL HEALTH SERVICES

Urgent Motion

[*Debate resumed.*]

Mr BARRY O'FARRELL (Ku-ring-gai—Deputy Leader of the Opposition) [4.10 p.m.]: No matter how meritorious the contribution of the honourable member for Kogarah, her contribution confirmed the view of the Opposition about the division, prior to the debate, as to which motion should have priority. The motion expresses concern about the increase in mental health issues affecting the people in New South Wales. It is a statement of fact that does not contain any outline of what will be done to resolve the problem. That is the reason we voted as we did. As the honourable member for Wakehurst said, the Government is committed to mental health services and its rhetoric on mental health services, but there is an enormous gulf between its rhetoric, what happens and what people understand is happening. I refer honourable members to the language used by the honourable member for Kogarah in support of the motion when she referred to an investment of $241 million over the next four years.

It is logical to assume that if it is a future investment, it has not yet been invested. There is no bank account or hypothecated system to which the money has been allocated. We will not know until the end of each financial year whether the money has ever materialised. Mental health experts across this city and this State are already expressing their concern about the use of creative accounting so that the $241 million will be seen to be delivered, but in reality it will be wrapped up in existing funding under the guise of that additional amount. A study in 2000 demonstrated that 14 per cent of children and young people have mental health problems, which compares with 18 per cent of the adult population. Those figures are consistent with findings in other countries. The New South Wales Department of Health informed Dr Brian Pezzutti's Select Committee on Mental Health that the projections for the next 10 years indicated the rate of all mental health disorders for 0 to 17-year-olds will rise to 15.4 per cent, that is up to 236,000 young people across New South Wales.

In providing that evidence to the select committee the Department of Health indicated that disorders are coming on more severely and at a younger age. That was evidenced by information the Opposition gleaned from this year's estimates committee hearings when we sought to learn about the number of adolescents in adult psychiatric beds in the past two financial years. We were told that during 2002-03 there were 487 separations of young people aged between 12 and 17 from New South Wales hospitals where the episode of care included at least one bed day in an adult psychiatric unit. These accounted for 5,031 bed days. In 2003-04 there were 543

separations and 5,315 bed days. That information supports the sentiment behind the motion, but it does not clarify what will be done about it. Of particular note was the fact that patients aged 17 accounted for half of these separations and 64 per cent of the bed days. In other words, those aged between 12 and 16 accounted for 50 per cent of the separations and 36 per cent of the bed days in adult units.

I cannot remember on how many occasions I have had mothers and fathers telephone me expressing particular concern about practices in regional and rural New South Wales where young people suffering from mental illness are in unsupervised accommodation with adults. In a number of instances they have been young girls and the parents have had real concerns about their physical safety in those units. As the honourable member for Wakehurst stated earlier, the Government's rhetoric is superb, superlative and supportable, but what the Government does is a long way from what it should do in a country that enjoys the benefits we enjoy, in which one in five people is likely to have a mental disorder during his or her lifetime, and in which 236,000 young people will suffer mental disorders between the ages of 0 and 17. It was evidenced, in a sense, by what Patricia Bayley told the select committee:

> My son was diagnosed with bipolar manic depression at 23 years of age. In my experience the system has failed to provide my son with effective support and rehabilitation over the past ten years. The net effect of the past ten years of my son's life has progressively reduced it to ruins, mentally, physically and financially. He has been cast out into the community on repetitive occasions amidst his treatment, long before any effective treatment had actually taken place.

No matter what we say in this House about what will be done, our record is appalling. Again, our record was demonstrated by Opposition questioning during the estimates committee hearings that revealed that every morning up to 16 patients have been waiting for more than eight hours for a mental health bed in a Sydney emergency department. We know what Manly hospital did in response to the shortage of mental health beds across this city, the crisis referred to by the honourable member for Wakehurst. In response to the increasing number of people suffering mental disorders who were waiting longer and longer periods in waiting rooms of emergency departments Manly hospital did not provide additional beds at any of the hospitals in the region; it employed private security guards to ensure protection to both staff and other patients waiting in those emergency departments. If there has ever been a case of the Government treating the symptoms rather than the problem, this is clearly it. I move:

> That the motion be amended by leaving out all words after "issues" with a view to inserting instead:
>
> > "and the Carr Government's failure to respond to the increase through expansion of community-based carers and mental health beds in the State's public hospitals."

As Patricia Boydelle in the northern beaches knows, as activists and those engaged in providing this care know and as family members of people who need this care know, it is the inadequacy of community facilities, the lack of mental health beds, that is creating this crisis across the system. The Sentinel review committee, chaired by Professor Dr Peter Baume and which reported last Christmas, demonstrated that when it came to mental health patients there were too few admissions in our public hospital system and too many discharges. Police, magistrates, families and members of the public know the impact of those increased number of "too-many discharges", as described by a committee of the New South Wales Department of Health. Self-harm, harm to others and inadequate care can lead, worst of all, to suicide.

Only moments ago I was talking to Brigadier Dr Brian Pezzutti, who said, in relation to the rail crisis gripping this city and what appears now to be a Treasury dictum that unless one is related to rail one does not get extra money in this city, something like 220 people a year commit suicide on our rail system. Many, if not most, of those people suffer mental disorders. As anyone who represents an electorate that has railway stations would know, where there has been what is described by CityRail as a jumper on the line the rail system on that line is closed down for hours. Not only is great distress caused to the families of people who have committed suicide but train drivers and station staff and others who witnessed those circumstances go through enormous trauma. What is interesting about those tragic and distressing events is that a large number of the deaths occurred in close proximity to mental institutions or facilities provided for the treatment of people who are suffering from mental disorders.

If the Government is sincere about wanting to improve rail services as well as the health of people who work in the rail system, it will do so by providing better facilities for people who are suffering from mental illness. Dr Brian Pezzutti makes that point for only one reason: rail-related problems are treated with a silver bullet in the form of an allocation of additional funds. The resolution of this issue clearly requires an allocation of additional funding because since 1982, when the Richmond report was first commissioned, no government

has successfully implemented all its recommendations. Governments in New South Wales have consistently failed to provide services that people need. The Government has talked about doing something about the provision of adequate mental health services for 10 years.

Although it is too soon to assess whether the Government has delivered on the provision of improved mental health services, I reiterate that too many people in communities throughout this State tell me that there is no sign of additional funding for improved mental health services. I hope that in electorates such as Willoughby, whose representative will participate in this debate, there will be evidence that the Government, instead of getting a message about a need to increase community services, will deal with the increasing incidence of mental illness in our community, a problem that could affect any one of us or any member of our families and which clearly is not being effectively addressed by the Government.

Mrs KARYN PALUZZANO (Penrith) [4.20 p.m.]: I support the motion that this House expresses its concern about increasing mental health issues affecting young people. At the outset I thank the Parliamentary Secretary, the honourable member for Kogarah, for raising an issue of significant importance to the people of New South Wales. I acknowledge mental health professionals who work professionally to deal with mental health issues throughout the State, in particular, the mental health professionals who work within the Sydney West Area Health Service, which was formerly the Wentworth Area Health Service. I thank Sydney West Area Health Service mental health professionals for the work they do and the support they provide to communities. Unlike the Leader of the Opposition, I am pleased to acknowledge the work they do.

Health care professionals who practise in western Sydney acknowledge that the mental health of young people is an important issue. Because this is Schoolies Week, the importance of this issue is reflected in heightened public awareness and a focus of attention on the issues by this House. Nepean Hospital health professionals have told me that teenagers and young people are presenting themselves at the hospital as acute care patients. They also tell me that there is a link between substance abuse and other factors resulting in increased levels of co-morbidity. At this time of the year, it is important to point out that although it may be tempting during Schoolies Week for young people to experiment, socialise or relax by using illicit substances, that type of conduct should be avoided entirely.

The Department of Education and Training is to be commended for providing all school leavers with an end-of-year celebration kit containing information that outlines the risks associated with the use of legal or illegal drugs, particularly cannabis. It is universally acknowledged that adolescence is a period of experimentation, irrespective of parenting or the influences of school or local communities. It is interesting that young men are more likely than are young women to experiment with the use of illegal drugs. Research has revealed that marijuana is the most commonly used drug among teenagers, and that approximately two-thirds of young people have tried marijuana at least once. Marijuana in its least potent form is made up of dried cannabis leaves. Cannabis is a depressant, but its use does not necessarily result in feelings of depression.

Research shows that cannabis slows down the central nervous system and the flow of messages to and from the brain. Over time, the use of cannabis can have more worrying side-effects such as paranoia, anxiety, hallucinations and nausea. Additional physical effects can be an increase in the incidence of asthma, emphysema, shortness of breath and chest infections as well as throat, mouth and lung cancers. Even though marijuana is the least potent form of cannabis, the use of cannabis has serious implications for the health of young people. I am proud of the Government for allocating approximately $58 million during this financial year for the provision of child and adolescent mental health services. A large acute care child and adolescent mental health unit has been established at the John Hunter Hospital at Newcastle at a cost of $3.2 million to cater for the needs of young people in the Newcastle area.

The Government has also introduced a number of initiatives that were outlined by the Parliamentary Secretary. I want to deal in detail with the School-Link Program, which provides training to 2,000 school and TAFE councillors and adolescent mental health workers throughout New South Wales. The Nepean Hospital is the lead agency for the School-Link Program in the western areas of Sydney. I commend councillors and health care professionals who work to provide a link between mental health services and schools to facilitate the early recognition of and intervention in depression and related disorders among young people. The link provides assistance for families and schools, and that is important. There is also a link to the Families First Program, which incorporates a New South Wales parenting program for mental health. The Government has provided a range of programs to meet the needs of school students, young people and young adults. I commend those programs to the House.

Ms GLADYS BEREJIKLIAN (Willoughby) [4.25 p.m.]: I support the amendment moved by the Deputy Leader of the Opposition because the increasing incidence of mental illness among children and adolescents is a serious community issue. Although there have been numerous breakthroughs in the treatment of many illnesses over the past few decades, the incidence of mental illness is increasing and the young age at which it is being diagnosed is alarming. It is regrettable that the rhetoric of the Government does not match its action in dealing with children and adolescents who suffer from mental illness.

I draw to the attention of the House some local cases in my electorate of which I have personal knowledge and experience. On Monday this week, the doors of the Chatswood Community Mental Health Centre closed, despite the fact that the community lobbied the Minister for Health and carers and staff made numerous representations. Contrary to the desire of members of the community, the response of the Government was to shut the doors of the Community Mental Health Centre and consult later regarding its future. I took a delegation of community representatives to meet the Minister to Health. Everyone at the meeting was touched by the story of two teenagers whose parents attended the meeting. The parents explained how important community-based mental health care is to them and their families.

One of the parents spoke about her 19-year-old daughter, who is highly intelligent and an honours student at university. She suddenly succumbed to mental illness, lost all her friends, went through various serious psychotic episodes, and had to undergo acute treatment and hospitalisation. She finally reached a state of stability as a result of services that she had received in the community-based mental health services facility. The young lady's mother told the meeting that the last place that her daughter wanted to go to was a hospital site, which is exactly where the State Government has relocated the services for patients who would otherwise have attended the Chatswood Community Mental Health Centre. The young lady's mother stated in a heart-wrenching appeal that her daughter's life had to some extent come back on track because she was able to utilise the non-intimidating and discreet services that had been offered at a community-based level.

Another parent outlined the experiences of her son when he was 17 years old. Her son is now in his mid-thirties. When he was in his final year of high school, he was extremely bright and very popular. However, he succumbed to mental illness and endured many years of hospitalisation. He lost his social structure and his ability to drive or arrange for transportation. His mother outlined the immense relief that her family had received from community-based facilities at Chatswood. Yet in spite of such rich case histories, the Government tells the people of New South Wales what it is doing about mental health services while people in the community—young people, their families, carers and staff—are suffering because of the Government's failure to address their concerns.

I was told that the reason for the relocation was ideological and that co-location of the facilities at a hospital site was better for patients, but the health bureaucrats and the Government are the only ones who say that. Patients, their carers, their families and mental health staff or the many mental health groups who have been pushing for many years for improved services through advocacy of the rights of mental health patients, especially during periods when the stigma associated with mental illness was much sharper than it is now, all say that relocation of community-based health services to a hospital does not benefit patients. Leading clinicians, including Dr Allan Rosen, report on the necessity for community-based mental health care. On the one hand the Government tells us, and in a grandiose way, what it proposes to do and how it is addressing concerns about children and adolescents with mental health problems.

On the one hand, however, the Government is doing the opposite in the community. I am pained that many of the people with whom I have spoken following their representations to me, and whom I have tried to defend and represent in this House, are at a loss. They have been told that they can embark on a consultation process, but the locks to the mental health centre at Chatswood have been changed, the gate has been shut. As from Monday patients who had been used to a routine of knowing where to seek treatment were told by someone to not go there, to go to the Royal North Shore Hospital. Many of them have not made that journey. I have grave concerns for their future. I urge the Government to match its rhetoric with action. [*Time expired.*]

Ms NOREEN HAY (Wollongong) [4.30 p.m.]: I congratulate the honourable member for Kogarah on raising our awareness of this very important issue. For a long time I have been actively involved with dual diagnosis in the mental health area as a primary concern that encompasses a wide range of issues, not the least of which is alcohol and/or drug use. Not unlike the chicken and the egg syndrome, young people in my electorate are at a greater risk due to the high levels of youth unemployment in the region adding to the stress of end of year exams. Many cases of mature-age bipolar sufferers can be traced back to adolescence. As part of the dual diagnosis issue, substance abuse is often seen by young people as an easy escape from the pressures they

are under. Michael Fernandez, from the First Step Program, formerly known as the needle-syringe program and based at Port Kembla District Hospital, runs an outreach program.

The aim of the outreach program is to encourage people to seek treatment and to provide educational information to users. For about a year there has been a heroin drought, due to police success in restricting the importation of the drug and in apprehending dealers. As a result, young people are turning to ice—a powerful stimulant that activates certain systems in the brain. It is closely related chemically to amphetamine, but the central nervous system [CMS] effects of methamphetamine are greater. The central nervous system actions that result from taking even small amounts of ice include increased wakefulness, increased physical activity, decreased appetite, increased respiration, hypothermia, and euphoria. Other CNS effects include irritability, insomnia, confusion, tremors, convulsions, anxiety, paranoia, and aggressiveness. Where ice is a stimulant, heroin is a depressant. According to Michael Fernandez the use of ice by young people has increased hallucinations, with out-of-character behaviour, verbal aggression and severe paranoia being commonplace.

The increase in the use of that designer drug is adding further pressure on mental health services, due to schizophrenic behaviour and drug-induced psychosis, which appears to remain for significantly longer periods and to require longer-term treatment. In itself, it creates a difficult environment with concerns for the safety of both staff and other patients in the mental health system. One of the difficulties for those working in the delivery of drug programs and in the delivery of mental health services is the conundrum that the use of ice is more difficult to manage within those services than is the use of heroin. Workers in the system who run outreach programs, such as Michael Fernandez, are continually frustrated by the refusal of young people to undertake treatment.

It is unfortunate that those designer drugs, otherwise known as party drugs, are increasingly seen as attractive by our youth. Added to that, the attractiveness in the price range makes them more affordable for young people. Miriam O'Toole, from Youth Drug and Alcohol Services at Wollongong, is concerned about the obvious increase in the number of young people using drugs in the Illawarra and that the number continues to rise. It is a great concern that a few years ago, when this drug was virtually unheard of, approximately one in 20 people were seeking treatment, but that statistic has now risen to five in 20. Young people may not associate the terrors of ice as they use the drug with the stigma of someone injecting heroin, perhaps because they do not see the ramifications being equal, or worse, as ice can be smoked, snorted, ingested or taken in tablet form.

I ask: Is the concern about accessibility, with designer drugs being readily available, due to the chemicals required for manufacture being obtainable at supermarkets or hardware stores? Miriam indicated also that to her experience young males appeared to be prone to drug-induced psychosis as a result of taking ice, with paranoia escalating quite quickly to psychosis. It is appalling and of concern to the entire community that the number of young females in all areas of drug use is on the increase, with numbers now estimated at three females to every seven males. In many cases parents and teachers are completely unaware that the usual age for taking drug use such as ice is 16 years, with those presenting mental health problems as I have described more likely to be early adults aged 19 or 20. I commend the nurse unit manager of Wollongong Mental Health Unit, Susan Daley, for her efforts in this area. [*Time expired.*]

Mr DAVID BARR (Manly) [4.35 p.m.]: This is one of the most important issues and one of the most important health issues facing us. Far too many young people are falling between the cracks. I am aware of serious problems in dealing with people on a short-term basis, a long-term basis, and an acute basis. Funding is certainly one issue, but not the only issue. The issues include how to target the problem, and how to implement a coherent scheme that can deal with this extremely serious situation. At one stage the northern beaches had one of the worst youth suicide rates in the country. There is still an ongoing issue with youth suicide, which is a tragedy for the parents, the family, and society generally. The northern beaches have some facilities, including the Brookvale Early Intervention Centre—which was facing closure about a year ago, until the community outcry prevented that.

Stalwart Pat Wadell played a key role in keeping that centre open. That early intervention centre provides a service for people aged between 18 and 30 who have experienced their first episode of psychosis. The centre provides also a service for their families. Early intervention may prevent serious onset into adulthood. My concerns with mental health led me to putting together a forum in April this year. Various speakers contributed to the forum, including the local magistrate, Andrew George. He related the problems he faces as a magistrate. He would send people for scheduling to the east wing of Manly hospital, but they would be sent back and he had nowhere else to send them but to prison. Young people are being sent to gaol because there is nowhere else to put them.

Problems with incarceration are described in a report issued today by the Auditor-General. The report indicates that of the people in the custody of Justice Health and Juvenile Justice, 84 per cent reported symptoms consistent with conduct disorders, substance abuse, attention deficit hyperactivity disorder, and schizophrenia; and 19 per cent of males and 24 per cent of females had seriously contemplated suicide. The report indicated also that there is high use of cannabis and alcohol among young people, which is a very serious issue. Drug abuse can do two things: it can mask a serious mental illness and it can also trigger a psychotic episode, which can lead to a downward spiral. This is an incredibly complex issue that we are facing.

As a result of the forum I held in April a northern beaches working party was formed. The working party sent a submission to the Minister asking to tap into some of the extra $241 million which is forthcoming over four years. In the submission we called for a pilot case management care co-ordination program, with funding for two staff, which would create sufficient resources to care for 40 consumers at any one time.

The issue relates to short-term and long-term care. This Government must allocate more resources for long-term after care and facilities where people can stay when they come out of an acute episode. When people come out of hospital they are left at the mercy of the streets. They have nowhere to go and their carers, parents or relatives may or may not be able to help them. We also called for additional funding for the extended hours team, or the specialist unit. Currently, the workload of that team—which now operates from 8.00 a.m. to 10.00 p.m. but used to operate for 24 hours—has increased on average by 75 per cent. The team is finding it difficult to cope with the high level of demand for its services. The team comprises 9.5 staff members—eight clinicians, two part-time doctors and a part-time administrative staff member—to service all the northern beaches area, which covers 280 square kilometres. So we have serious problems in that area.

As a result of the forum we were able to secure the services of a mental health court liaison officer who started work two weeks ago. If all goes well, that will result in a diversion of people away from the prison system and into proper long-term care. That was an important win but we need more many more facilities in the northern beaches area and elsewhere in this State. I cannot in five minutes do justice to all the complex issues that are involved. We need funding and we need a much more holistic approach to the way in which we deal with this issue. The main thing is to protect young people so that they can lead productive lives in the future.

Miss CHERIE BURTON (Kogarah—Parliamentary Secretary) [4.40 p.m.], in reply: I thank the honourable member for Penrith, the honourable member for Wollongong and the honourable member for Manly for their contributions to debate on this motion. The honourable member for Manly acknowledged the difficulty and complexity of the issues facing this Government. My colleagues and I have referred on many occasions in this House to the Government's initiatives and to the action that it is taking. I will respond, first, to the comments made by the Deputy Leader of the Opposition. When Opposition members were in government they had no credibility. They spent no money on mental health—in fact, mental health funding decreased.

Mrs Jillian Skinner: That is absolute rubbish.

Miss CHERIE BURTON: Since 1995 funding has increased by 121 per cent—an undeniable fact. As a result of the implementation of the accelerated beds program we now have more beds than we had prior to 1995. This Government is taking action as a result of an upper House inquiry. The Government provided an extremely detailed response to the 120 recommendations that were made by that inquiry. I congratulate the Hon. Dr Brian Pezzutti, who is now part of this Government's implementation task force.

Mrs Jillian Skinner: What party is he? Liberal!

Miss CHERIE BURTON: He has been assisting this Government to ensure that all those recommendations are implemented.

[*Interruption*]

The honourable member for North Shore, who is interjecting, once again is ill-informed about what this Government is doing. That is probably because she only wakes up at 12.00 p.m. and then realises what is going on.

Mrs Jillian Skinner: Point of order: I ask you to ask the Parliamentary Secretary to withdraw that very insulting comment. Further, I point out that the former Coalition Government opened the Cremorne Mental Health Centre, the best facility in the State. The Parliamentary Secretary misled this Parliament by stating otherwise.

Madam ACTING-SPEAKER (Ms Marie Andrews): Order! There is no point of order.

Miss CHERIE BURTON: As I was saying—

Mrs Jillian Skinner: Sit down!

Madam ACTING-SPEAKER (Mrs Marie Andrews) Order! The Chair will decide who is to be seated. The honourable member for North Shore will resume her seat. The Parliamentary Secretary may continue.

Mr Barry O'Farrell: Point of order—

Miss CHERIE BURTON: Opposition members do not want to hear what the Government is doing because it is embarrassing. They were in office for seven years and they did nothing.

Madam ACTING-SPEAKER (Ms Marie Andrews): What is the point of order?

Mr Barry O'Farrell: We are happy to hear what the Parliamentary Secretary has to say but she should not refer to the honourable member for the North Shore in the way that she did in a debate on mental illness where people suffering mental illness in our community are characterised in similar terms. It is simply appalling.

Madam ACTING-SPEAKER (Ms Marie Andrews): Order! The Deputy Leader of the Opposition will resume his seat. The Parliamentary Secretary may continue.

Miss CHERIE BURTON: Before I was rudely interrupted I was saying that this Government is taking action. This Government is increasing funding and it is conducting necessary consultation. This Government is responding to the needs of the community. There has been an increase in the number of young people suffering mental illness, which is a complex issue. The honourable member for Wollongong referred earlier to the increase in substance abuse and to the massive increase in the number of young people taking drugs—people who may be predisposed to mental illness. This Government is standing up to the challenge and it is doing something.

Mrs Jillian Skinner: Closing community mental health. Shame on you!

Miss CHERIE BURTON: The constant interjections of the honourable member for North Shore just go to show that Opposition members do not like to hear the facts. Time after time they make up stories, tell lies, and misrepresent the facts and statistics. This Government's record speaks for itself. Opposition members should compare mental health funding and bed numbers with the funding and bed numbers that they provided when they were in government. The facts speak for themselves. I am sure that the Hon. Dr Brian Pezzutti will support my statements. He is involved in ensuring that the recommendations of the inquiry are implemented. This Government is currently reviewing the Mental Health Act. Its whole objective is to deliver proper and adequate mental health services for the people of New South Wales. It is well on its way to achieving that. It will continue to do all that it can to assist the people of New South Wales. [*Time expired.*]

Question—That the words stand—put.

The House divided.

Ayes, 45

Ms Allan	Mr Gibson	Mrs Paluzzano
Mr Amery	Ms Hay	Mr Pearce
Ms Andrews	Mr Hickey	Mrs Perry
Mr Bartlett	Mr Hunter	Mr Price
Ms Beamer	Mr Iemma	Mr Sartor
Mr Black	Ms Judge	Mr Scully
Mr Brown	Ms Keneally	Mr Shearan
Ms Burney	Mr Lynch	Mr Stewart
Miss Burton	Mr McLeay	Mr Tripodi
Mr Campbell	Ms Meagher	Mr West
Mr Collier	Ms Megarrity	Mr Whan
Mr Corrigan	Mr Mills	
Mr Crittenden	Mr Morris	
Ms D'Amore	Mr Newell	*Tellers,*
Ms Gadiel	Ms Nori	Mr Ashton
Mr Gaudry	Mr Orkopoulos	Mr Martin

Noes, 32

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

Pair

Ms Saliba	Mr Pringle

Question resolved in the affirmative.

Amendment negatived.

Motion agreed to.

TAMWORTH REGIONAL CONSERVATORIUM OF MUSIC

Matter of Public Importance

Mr PETER DRAPER (Tamworth) [4.53 p.m.]: I draw the attention of the House to significant delays in State Government funding for the Tamworth Regional Conservatorium of Music [TRCM]—and also it appears to conservatoriums across the State. This is having an enormous impact on the efficient operation, administration and delivery of programs. I speak primarily on behalf of the Tamworth regional conservatorium not only as the local member of Parliament but as a board member of the conservatorium and as the father of a daughter who is currently studying violin under the expert tutelage of one of the conservatorium's teachers.

I recently had the pleasure of attending a TRCM students' concert and awards presentation with my daughter and family at which many students performed—regardless of their level of musical achievement—in the grandeur of the Tamworth Town Hall. The standard of performances improves with each staging of this biennial event, and this year was no exception. The depth of talent and the capability of students was evident in the professionalism and variety of performances. It was a truly memorable afternoon and a great credit to the tuition of conservatorium teachers. Awards were presented to students, including an award to Tamworth viola player Victoria McDonnell, who has been accepted into the Australian Youth Orchestra. Fifteen-year-old Victoria, who is a Calrossy School student, has attended lessons at the conservatorium from childhood and her achievement is testament in part to its contribution.

This concert is just one demonstration of the vital role that conservatoriums of music play in regional centres such as Tamworth by providing interesting and challenging musical programs. The TRCM is an important contributor to the district's cultural landscape, and this year is proudly celebrating 20 years of music tuition in the north-west region. The conservatorium began operation in humble circumstances in Tamworth, with 13 students on the ground floor of a former Dominican convent. The remainder of the building was occupied by the Department of Public Works. Thanks to then Premier Neville Wran, who arranged for the department to vacate the ground floor, this regional conservatorium was born.

Today Tamworth regional conservatorium has grown to nurture the talent of almost 1,000 students, with tuition provided by 22 teaching staff in 18 instruments, including all orchestral instruments as well as guitar and percussion, tuition in voice, musicianship, and early childhood music, and the coaching of 16 instrumental and vocal ensembles. Additionally, the conservatorium has developed a four-tiered orchestral program that caters for students aged four to 19, from beginner strings to a youth string orchestra and two full youth orchestras. In fact, the Premier was privileged to hear some of these students perform when he visited the conservatorium in July last year. I am sure that he would testify to the considerable talent it harbours.

Tamworth conservatorium's impact on the cultural life of the wider regional community cannot be underestimated. It has been far reaching, with opportunities that were once available only in metropolitan centres now proliferating. Scores of students now pursue music as a career, and a greater percentage enjoy it as a rewarding leisure activity. The wider community also benefits from increased numbers of professional musicians visiting the area and giving quality concerts. The conservatorium continues to develop close relations with schools. With the close co-operation of the local school principals, it introduced a performing arts program. This program sees more than 250 students involved in a variety of disciplines, from violin and flute tuition to choir.

As a result of a much-welcomed increase in State Government funding in 2001, the conservatorium has been able to offer a greater variety of musical programs to all students, purchase musical instruments, provide bursaries for financially disadvantaged students and maintain its heritage-listed building to an acceptable occupational health and safety standard. A positive spin-off is a substantial increase in the number of job opportunities for musicians, both for teachers willing to relocate from the city and for professional musicians who provide master classes as part of the increased programs available. As I said, the Premier's announcement in 2001 of increased recurrent funding to regional conservatoriums was most welcome. However, the problem the Tamworth conservatorium and others are experiencing is that that funding is not being released on a timely basis. The delay is creating significant challenges to the operation and administration of what are extremely busy productive organisations reliant on forward planning.

The problem relates to core funding—comprising administration, salaries, properties, scholarships and bursaries, and musical instruments—and submission-based funding for special projects, such as musical programs. The late arrival of submission-based funds alone in the past two years has resulted in the Tamworth conservatorium struggling to meet financial deadlines. It is a source of considerable stress and anxiety for administrative and professional staff as they strive to keep operations afloat in the bridging periods. Until 2001 the conservatorium survived on mediocre funding provided by the State Government. With the rapid growth of regional conservatoriums throughout the State—apparently 15 in total—successful lobbying resulted in a substantial increase in 2001 from $580,000 to $3.1 million.

However, the Tamworth conservatorium continues to experience serious shortfalls due to the insecurity over funding release. Although the core-funding period is based on the financial year, Tamworth does not receive its cheque until three to five months into the new year at best. There was an exception in July 2003 when the Premier visited Tamworth to attend a Country Labor conference and, under the glare of media attention, found time to present the funding cheque to the conservatorium. The question remains: If funds were available for the Premier to present on 5 July last year, why is it not possible for the Department of Education and Training to provide all funding at that time? For the record, the Tamworth Regional Conservatorium of Music is yet to receive its core funding for the 2004-05 financial year.

Just yesterday, 16 November—almost five months into the fiscal calendar year—the conservatorium was informed by the Department of Education and Training that its funding was "imminent". Curiously, that closely follows a notice of motion I gave last week in the House about the delays and calling on the Deputy Premier to release the funds. The delay places enormous strain on an already tight budget, particularly when there are deadlines for on-costs such as $60,000 in superannuation. Put simply, it is essential that funding for all grants—core-based and submission-based—is received as soon into the financial year as possible. Otherwise, staff will continue to plan for certain events on certain dates in the knowledge that when the time comes to pay they may not have the funding to honour the account. In essence, forward planning is being jeopardised. Without planning, programs are being jeopardised.

In the case of submission-based funding, which directly impacts on music programs, last year the conservatorium received its funds on the last day of the financial year! Most projects had already been conducted and the conservatorium was forced to borrow to meet its financial commitments. The inability of the department to disburse funds in time for applied events is not unique to Tamworth. According to the director at Lismore, Gabrielle O'Shaughnessy, the delays make operating difficult. Northern Rivers is also expecting funding this week. The director stressed that planning ahead to meet the needs of up to 500 students was vital, and the absence of a funding delivery time frame makes it very difficult. I am told that Lismore is in dire need of an upgrade of its building. The building needed the work done two years ago. It is now in such a poor state that the part of the building that was to be resurrected will now be demolished. Again, money was not forthcoming in a timely manner.

A similar scenario is unfolding at the Central Coast Conservatorium, where business manager Frank Cubirka confirmed its agreement arrived just last week. Funding arrives around November, although last year

the money did not show up until December or January. The biggest concern for this conservatorium last financial year was submission-based funding for special education grants, which were received in June this year after being approved in January. The money was needed to aircondition a building, but summer was long gone by the time the money came through. Another example was a junior orchestra trip to Wagga Wagga, which was approved for funding but the money did not show up in time. The expedition was undertaken on the assumption the money would arrive, with Mr Cubirka's observation that staff faced "a bit of a nervous wait" being an understatement.

Graham Drayton, the director of the Wollongong conservatorium—the second biggest regional conservatorium in New South Wales—described the delay in funding as "beyond a joke". In a previous life Mr Drayton spent 39 years with the Finance Section of the Department of Education and Training and he believes the hold up to be no more than inefficient bureaucratic processing. Albury's Murray Conservatorium is also feeling the pinch. Director Peter Lynch said regional conservatoriums are today in a better financial position due to increased funding, but the delays made operations difficult. Murray Conservatorium is not expecting to receive this year's funding until December and it is subsequently being forced to hold off on paying larger accounts and to dip into invested funds to cover costs. This is a common practice among the conservatoriums, with investments and reserves dwindling to the detriment of their long-term operation.

The Department of Education and Training had the foresight and grace to substantially increase funding to conservatoriums of music in 2001, for which staff are highly appreciative. Mr Cubirka, when describing what happened when their funding did not arrive last year, pointed out that all conservatoriums are in the same boat. It would be better if the funding arrived at least in September. Some big purchases are being delayed, capital expenditure is being delayed and scholarships are also a problem. It is essential that the department endeavour to release the funds in sync with the individual needs of the institutions so that the wonderful contribution they make to the cultural life of communities such as Tamworth and the surrounding towns can continue unhindered.

Ms ALISON MEGARRITY (Menai—Parliamentary Secretary) [5.03 p.m.]: In the lead-up to the 2003 election the Government made a commitment to increase its support for its 15 regional conservatoriums of music. It recognised that more should be done to help support the thousands of young gifted and talented people in New South Wales, students who show special gifts and talents in music and display the passion and dedication to improving this talent. As a result, the Government is now giving our conservatoriums more than $3.2 million, a major increase of $2.6 million over the past three years. We wanted people in regional and rural New South Wales to have access to the same resources that students studying at the Sydney Conservatorium of Music received.

The Government made sure that funding went out to all its regional conservatoriums: the Central Coast Conservatorium at Gosford, Coffs Regional Conservatorium at Coffs Harbour, Goulburn Regional Conservatorium, Macquarie Conservatorium at Dubbo, Mitchell Conservatorium at Bathurst, Murray Conservatorium at Albury, Northern Rivers Conservatorium at Lismore, Orange Regional Conservatorium, Riverina Conservatorium at Wagga Wagga, St Cecilia's Music and Performing Arts Centre at Grafton, Tamworth Regional Conservatorium, Upper Hunter Conservatorium at Muswellbrook, Wollongong Conservatorium, the Young Regional Conservatorium and the New England Regional Conservatorium at Armidale.

Those regional conservatoriums are community owned and managed organisations incorporated as not-for-profit entities. They are managed by a board, represented by a wide variety of community members, meaning they operate purely for the benefit of local students. Although students pay a reasonable fee, a number of scholarships are offered to talented students with the support of the Government. On top of money from the Government, the regional conservatoriums receive a great deal of financial support from their local community. Conservatoriums employ specialist instrumental and music teachers to provide music performance and theory tuition. Most conservatoriums provide tuition in the full range of instruments and vocal styles. Conservatoriums also provide additional opportunities by providing ensemble experience, including orchestras, big bands, concert bands and choirs. Those ensembles provide opportunities for student and community participation.

This year more than 17,000 students are attending conservatoriums of music throughout the State. That is a 40 per cent increase since 2001-02, and it coincides with our major increase in funding. The Government's funding injection has meant that conservatoriums have been able to improve facilities and keep down student fees. It has allowed more local regional and rural projects to be funded, such as music tours and performances. More than 160 government and non-government schools are supported by regional conservatoriums. More than

210 local education special events and properties projects have been supported by State Government funds since 2001. More than 400 music educators and administration staff are employed across the State.

The Riverina Conservatorium at Wagga Wagga is one example of a conservatorium that has benefited from a boost in funds from the New South Wales Government. A $50,000 grant has enabled the conservatorium to buy extra seating for a renovated classroom and to renovate its foyer. It has also supported the Western Outback Woodwinds Workshop, which is a two-day flute and recorder workshop; 10 weeks of intensive rehearsals to stage the opera *Amahl and the Night Visitors* by Menotti; purchase of videoconferencing facilities; masterclass and concert of Australian music; and two days of professional development workshops for instrumental, keyboard and vocal teachers in the Riverina. An extra $157,000 has been provided to the Riverina Conservatorium.

I now mention some of the other programs helped through our support for regional conservatoriums. In the Illawarra, funding was provided to help an artist-in-residence with international experience to develop and expand the orchestral program with a new training orchestra and community ensemble. In Goulburn, funding has helped the development of a two-stage music curriculum support program for local primary schools. The grant has also funded an innovative new music program for the Goulburn region, involving the composition, arrangement, publishing and distribution of music for use by schools and regional conservatorium ensembles. In Gosford, a $40,000 grant has supported maintenance works such as painting, sound-proofing and airconditioning. The grant has also assisted local music programs, including the development of the conservatorium's brass studio and community brass instrumental programs, the formation of a youth choir, a children's choir trip to Brisbane, a junior string orchestra tour of the Riverina and the continuation of the Gorokan Outreach Program.

In Tamworth, talented music students are not missing out. A $50,000 grant will support the refurbishment of the administration area, which services a growing number of students and staff. The grant will also assist local music programs, including the extension of the chamber music program; five instrumental masterclasses, including public performances, presented in conjunction with Musica Viva; the composer-in-residence program; and an orchestral workshop with professional instrumentalists for the conservatorium youth and training orchestras. To mark the twentieth anniversary of the conservatorium, internationally acclaimed Australian composer George Dreyfus ran workshops, special rehearsals, visited schools and held performances from 14 to 20 June. That $50,000 grant is in addition to the $175,000 already allocated to the conservatorium by the State Government this financial year.

The students at our conservatoriums have something very much in common with the thousands of kids getting ready for next week's Schools Spectacular. They share the same spirit and love of performance. In fact, one of the Schools Spectacular performers who was in this Chamber yesterday, Julia Goodwin, is from the Sydney Conservatorium High School. There is no doubt the Schools Spectacular is the ultimate performance event for public school students. The Schools Spectacular, like the conservatoriums, showcase the best musical talent amongst our gifted students. They help unearth and then showcase outstanding musical and artistic talent from around New South Wales. Many of these young performers have gone on to great heights in the entertainment industry: performers such as Paulini from Australian Idol; the pop vocal band Human Nature; Nathan Foley from Hi-5; and Emma Paske, Australia's foremost young jazz vocalist. Some of our leading musical performers who have come up through conservatoriums include Richard Tognetti, James Morrison, Simone Young, Roger Woodward and Nathan Waks.

This year the Schools Spectacular will showcase 3,000 gifted and talented performers from more than 250 New South Wales public schools. It features a 1,000-voice choir, an 80 piece symphony orchestra, 1,500 selected dancers, rock, jazz and brass bands, and talented soloists from ages 5 to 18. The Schools Spectacular not only showcases the stars of tomorrow, it provides a special opportunity for thousands of gifted and talented students each year to participate in a major televised performance in a world-class venue.

Mr Peter Draper: Point of order: The Parliamentary Secretary has not addressed the motion. She has introduced matters that are completely irrelevant. She has not addressed the main tenet of the motion: that is, that funding has not been supplied.

Madam ACTING-SPEAKER (Ms Marie Andrews): Order! There is no point of order.

Ms ALISON MEGARRITY: I think it is important that all members of this House support talent and promotion of talent, which every program financed by the State Government and by private enterprise through

New South Wales does so well. It is appropriate to at least talk about the Schools Spectacular in relation to that very point.

Mr Peter Draper: The motion relates to conservatoriums, not schools.

Ms ALISON MEGARRITY: I said whether that is through the Schools Spectacular or through the conservatoriums. The conservatoriums and the Schools Spectacular are part of the State Government's major plan to unearth future stars. From next year, every New South Wales high school will offer gifted and talented streams for talented public high school students. We are giving gifted students the chance to reach their full potential, whether that is in their studies, sport, music or the arts.

Mrs JILLIAN SKINNER (North Shore) [5.13 p.m.]: Like the honourable member for Tamworth, I am somewhat disappointed that the Parliamentary Secretary did not address the main issue: funding for conservatoria in the regions. Timely funding is the issue, as the honourable member for Tamworth pointed out. We all support the work that is being done in these conservatoria to provide music instruction for the students of this State, but the conservatoria cannot do that unless they have recurrent or submission-based funding provided in a timely manner, so that they know where they stand. Fancy having to borrow money to provide these important services! That is where the Parliamentary Secretary really missed the point.

I point to a matter raised by the honourable member for Tamworth, particularly as it relates to the Northern Rivers Conservatorium—that is, the failure of the Government to provide timely maintenance money. An article that appeared in the *Northern Rivers Echo* of 21 October 2004, headed "Historic school falls victim of neglect", pointed out that Northern Rivers Conservatorium students were forced to move out of the building after an engineer inspected cracks in the corner of one of the buildings. This is exactly what the Auditor-General referred to in the report announced today. That report states that funding for maintenance in schools has dropped from $124 million to $115 million. Why? Not because there has been any extra funding, but because repairs have got to such a state that these are no longer maintenance works; they are major capital works, which are much more expensive.

Pursuant to sessional orders discussion interrupted.

BILLS RETURNED

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

Health Registration Legislation Amendment Bill
Nurses and Midwives Amendment (Performance Assessment) Bill
Stock Medicines Amendment Bill

The following bill was returned from the Legislative Council with an amendment:

Health Legislation Amendment (Complaints) Bill

Consideration of amendment deferred.

PRIVATE MEMBERS' STATEMENTS

YOUNG DRIVERS EVENING CURFEW PROPOSAL

Mrs SHELLEY HANCOCK (South Coast) [5.16 p.m.]: I speak about one of the options that is being considered by the Minister for Roads and the Carr Labor Government to address the alarming number of young drivers involved in crashes and fatalities in New South Wales: a curfew that prohibits young drivers from driving at night. In order to effectively represent young people in my electorate, I sent a survey to all people in my electorate aged between 17 to 25 years. I sought to ascertain their views both in relation to night-time curfews and to other possible solutions and options. At the outset I must say how overwhelmed I have been, not only by the number of young people who bothered to return their survey forms to me but also by the number of people who made constructive comments in regard to the issue. In many cases, they attached letters to their survey forms to provide constructive comments for my benefit.

Too often the Carr Labor Government fails to consult with communities, but in this instance it failed dismally to work with young people and to liaise with them about issues that will affect their lives and their wellbeing. In this instance the Government seems to be labelling all young drivers as problematic. It is suggesting that they should be kept indoors after dark. Tomorrow in this House I will move a motion that the Minister for Roads, the Hon. Carl Scully, rule out the option of night-time curfews for young drivers and that he continue to work with young people to find solutions. My foreshadowed motion is not based on my personal belief—although I have held this belief for many months—but reflects the results of surveys returned by the fantastic young people in my electorate. They enthusiastically faxed, posted and emailed me letters and they visited my office to convey their views. They made the effort to write letters and to attach them to their surveys. I appreciate their views and the opportunity to consult them. I will continue to do so in the future, as we all should.

The overwhelming majority of young people in my electorate have utterly rejected the notion of night-time curfews on the grounds of discrimination and outright unfairness. I agree with them. Young people in regional and rural New South Wales are driving legitimately at night for many reasons. They may be travelling to work, such as those involved in the tourism industry, those working shiftwork or those wonderful young women at Scruples Hair Salon in Nowra who work until 9 o'clock or 10 o'clock at night and then return home to outlying villages some distance from their work with no alternative form of public transport. In addition, young people who travel to and from the University of Wollongong or TAFE often travel at night. I have received comments from young married people who have young children who are insulted by the proposal for night-time curfews. I sympathise with them. In many cases young people have told me that even if they are driving to parties or clubs or socialising generally they heed the drink-driving laws and organise designated drivers. The majority of young people act responsibly and resent deeply this option. I call on the Carr Labor Government to withdraw categorically the option of night-time curfews, and to have no further discussion on it whatsoever.

In the limited time I have available to speak, I will place on the record some of the comments about the curfews from young people in my electorate. Taya of Sanctuary Point says wisely, "A lot of 20-year-old drivers are more responsible than 40-year-olds." Belinda of Terara points out that if curfews were introduced for P-plate drivers some would simply remove their plates if they had to drive, causing themselves even more trouble. Daniel of Sussex Inlet suggests that all drivers, before gaining their ordinary license, should undergo an advanced driving course to really learn how to drive and control the car. Grant Emans asked whether the State Government has considered the impact on jobs and the economy of this option and wrote wisely, "The Federal Liberal Government is trying to push Australia into the future and all the State Labor governments, especially in New South Wales, are just a millstone chained around John Howard's neck." That is an interesting comment.

I could quote the letters and survey comments for many hours, but I must pay tribute to the intelligent young people in my electorate who appreciate the fact that I bothered to consult them at all. They have absolutely renewed my faith in young people and they have strengthened my resolve to fight against the option of night-time curfews for young drives in New South Wales. In the past week I have noticed that Minister Scully has met with some young people in the electorate of Drummoyne, and that he has expressed some reservations about night-time curfews. However, at this stage he has not ruled out the curfew. I call on him and this House to rule it out from tomorrow so that those who are concerned about travelling to work and university or socially can be reassured that their lives will not be disrupted. I call on the Minister to involve young people and to work with them closely in the future, and to involve himself far more in his community, as I have done. Perhaps then we will come up with good options. We are resolved to ensuring that lives are not lost unnecessarily. We are aware of the statistics. We need to help and to work together to do something. Night-time curfews discriminate against country people. I ask the Minister to withdraw the option.

Ms DIANE BEAMER (Mulgoa—Minister for Juvenile Justice, Minister for Western Sydney, and Minister Assisting the Minister for Infrastructure and Planning (Planning Administration)) [5.22 p.m.]: The honourable member for South Coast attacked the Minister for Roads in relation to a lack of consultation. However, she mentioned consultation he had with young people in Drummoyne. Policy discussions and engaging with the community are valuable.

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

Ms DIANE BEAMER: The Government will not implement a proposal that does not have community support. I note that the honourable member is leaving the Chamber instead of listening to what I have to say. Obviously her idea is to walk out if anybody has the audacity to mention anything about her consultation and,

therefore, the consultation of the Minister for Roads. I commend the Minister for giving people the opportunity to participate in informed debate. We want to ensure that we have broad community support before implementing any proposal designed to help young people, who have far more road accidents than people who have had significant driving experience.

COASTAL CONFERENCE

Mr BRYCE GAUDRY (Newcastle—Parliamentary Secretary) [5.21 p.m.]: Last week it was my privilege to be a delegate at the thirteenth annual Coastal Conference held at Rafferty's Resort at Lake Macquarie. The conference brings together delegates from government departments, local government and catchment management authorities, with coastal ecologists, engineers, water engineers, climate change specialists, representatives of the development industry and community groups, and Landcare and Coastcare representatives to examine environmental and development issues that place pressure on the coast of New South Wales from the Queensland border to the Victorian border. As honourable members would be aware, the New South Wales coast is supporting an extra 280 people a week. The city of Sydney is supporting an extra 1,000 people a week.

Pressure is constant to find new coastal development opportunities and, at the same time, to work towards sustainable environment to ensure that areas of high conservation value are preserved. The conference was addressed by the Minister for Infrastructure and Planning, and Minister for Natural Resources, Craig Knowles, and the Director-General of the Department of Infrastructure, Planning and Natural Resources, Jennifer Westacott, both of whom considered our progress in conservation and resource management, the projected pressures, and the need to develop a strong set of principles under which coastal development and sustainability could occur. Minister Knowles referred to the five principles of protecting environmental assets: encouraging economic and employment growth, making our coastal communities better places to live, ensuring more efficient and effective use of energy and water, and simplifying planning controls.

A diverse range of speakers at the conference covered topics such as "Improved Coastal Strategic Planning: Application of the Comprehensive Coastal Assessment Integration Framework", which was developed in the time of the New South Wales Coastal Council and applies principles under which we can best preserve our coastal environmental assets and development areas by determining a pattern of sustainable development. Other topics were "Coast, Catchment, Committees and Communities—the Continuum of Natural Resource Management in the Shoalhaven", "Effects of Water Extraction on Estuarine Salinity", and "C is for Saltmarsh: Condition, Conservation and Creation", which highlighted the importance of salt marshes as a hatchery and breeding place for our aquatic species.

Other topics included "Managing Groundwater in Coastal Sand Aquifers" and "The Day after Tomorrow—the Reality of Climate Change for Coastal New South Wales", which dealt with the impact of the rise in sea level on coastal communities. The conference had the opportunity to examine development in Lake Macquarie and contrast North Wallarah, the Lensworth project, which has been in the planning stage for some six years. It is an environmentally aware development. We also considered the contentious proposal around Catherine Hill Bay, which crosses the borders of Lake Macquarie and Wyong councils. The conference was an opportunity to bring together specialists from the scientific field, the planning field, the local government area and government departments to focus on the increasing pressure on the coast and the desire to put together a control plan to sustain our future for both the community and the environmental assets on the coast.

SOUTHERN CROSS UNIVERSITY TENTH ANNIVERSARY

Mr THOMAS GEORGE (Lismore) [5.26 p.m.]: I draw to the attention of the House the celebration of a decade of achievements by the Southern Cross University [SCU]. While I pay particular tribute to the Chancellor, John Dowd, I simultaneously acknowledge all previous chancellors, the Vice-Chancellor, Paul Clarke, all previous vice-chancellors, past and present councillors and staff, as well as the university's partners, both within Australia and overseas, who have assisted in shaping the achievements of the Southern Cross University and making it the outstanding institution that it is. I also acknowledge the support given by the community to the Southern Cross University over the past 10 years.

The Southern Cross University has come a long way since becoming an independent university. It has established an excellent reputation for innovative courses and has become recognised internationally for research in a range of disciplines. I know that the SCU is grateful for the educational legacy that has been passed on from its predecessor institutions. The university has campuses at Tweed Heads, the Gold Coast, Lismore and

Coffs Harbour as well as at the Hotel School in Sydney. The university also has provided additional access for its students as a result of arrangements it has with a number of campuses of the North Coast Institute of TAFE. The university currently has more than 12,000 students of whom over 17 per cent are international students from more than 50 countries. The university has an interesting demography of students as 20 per cent are school leavers and the rest are non school leavers who are known as earner-learners.

From small beginnings 10 years ago, the SCU has grown to become a significant player in teaching and research in Australia and overseas. The university has much of which to be proud. I know that the university and all those associated with it will have more to be proud of in the years ahead. I look forward to a continued association with the university during strong growth over the next 10 years and its ongoing involvement with the community and its partners regionally, throughout the State, nationally and internationally. To mark the university's celebrations of 10 years of achievements, a number of celebratory events have been held. In February, there was a launch of the Centre for Children and Young People and a seminar conducted by Ms Geraldine Doogue. In April, there was the launch of the Alumni Court and the announcement of the Alumnus of the Year Award.

In May, there was a King 4 a Day event, which was hosted by the School of Arts. In June there was a Higher School Certificate Day that was hosted by the School of Education. The celebrations continued throughout the rest of the year, with the Lismore City Council holding a council meeting on campus and signing a memorandum of understanding between the Lismore City Council and the university to signify the involvement of the university with the community and vice versa. In August there was a Service of Celebration and Thanks, which was inspirational and well attended. In September, the Southern Cross University Council held a reciprocal meeting at the Lismore City Council Chambers. The Father Tony Glynn Japan-Australia Centre was opened by the chancellor. The event was attended by the Japanese Ambassador, Mr Oshima, and many other distinguished visitors.

In October, there was the launch of the Talk Softly, Listen Well profile of a Bundjalung elder, Charles Moran, and a cricket match that was jointly hosted by the Lismore City Council and the university. Last but not least, last Saturday night the pièce de résistance was a reception and gala concert in an evening of entertainment for staff of the university, their partners and members of the wider community which was also attended by the Governor of New South Wales, Her Excellency Professor Marie Bashir, AC, who received an honorary doctorate and her husband, Sir Nicholas Shehadie, AC, OBE.

The concert was magnificent with Lyndon Terracini, acting as MC. He needs no introduction to patrons of the world of opera and our community. I congratulate everyone who took part in the concert. All the entertainers who participated in the concert were fine examples of local or university talent. I pay special tribute to the Southern Cross University for the depth of its involvement in the community. Saturday night was a truly memorable occasion as the university and its community joined with the people of my electorate to celebrate its 10 years of operation—a grand finale for a first decade of excellence that has put the Southern Cross University years ahead in the field of education and research. I confidently predict that the university will build upon its reputation in the future. The university is a shining example of a tertiary educational institution that is working to enhance its reputation while enjoying reciprocal community support as it makes its mark among the prestigious educational institutions of this nation. [*Time expired.*]

WARNERVALE PLANNING CONTROLS

Mr PAUL CRITTENDEN (Wyong) [5.31 p.m.]: Over the past two weeks I have raised issues in this House concerning the Brennon Road Park and hall that the Wyong Council sought to sell to developers. I have also raised issues concerning the access way from the Lakedge Avenue to the Tuggerah Lakes system in the vicinity of 355 and 357 Lakedge Avenue and I have sought community support in convincing the Wyong Council not to sell off that public access way. I mention those two issues because, although when considered individually they are of great concern, together they send a poor message from the Wyong Council to developers—they give the impression that the Wyong Council will negotiate on any development in the area, not only in respect of public space and green space that is associated with new estates but also generally. In an electorate with rapidly increasing population and development such as the Wyong electorate, the position of the Wyong Council is simply untenable.

Tonight I raise an issue that relates to an estate in the Hamlyn Terrace area. I point out that although as recently as three years ago the estate did not substantially exist, it is now the site of substantial construction. Residential properties in Hamlyn Terrace drain into low-lying areas that are bounded by Minnesota Road,

Warnervale Road, and Louisiana Road. All three roads have causeways. Last month I took up this matter with the very helpful Minister at the table, the assistant Minister for planning and one of her departmental officers. I acknowledge that an investigation is under way and I accept that this is a complex issue. The Government should get to the bottom of how a significant drainage problem in that area was created in the first place.

Perhaps of equal importance is the fact that I noticed as I drove through the area recently that preparations were being made for construction to take place that will be able to proceed only if substantial infill is transported to the site. The fact that the area is a flood-prone area that drains into the Porters Creek Wetland begs the question: How has development been allowed to proceed in this area? I was moved to raise the issue with the Minister's office because a woman and two young children had attempted to cross the causeway on Warnervale Road in the vicinity of the estate to which I have referred. Although the water across the causeway was not very deep, it was nevertheless very fast flowing as a result of residential development run-off that has taken place and the water was of sufficient velocity to force a four-wheel drive vehicle off the causeway.

Fortunately, on that occasion nobody was injured, but it is imperative to ensure that the fundamental issue of planning control is addressed in the near future and I suggest that the suitability of the area for development should be examined as soon as possible. While I acknowledge that Minnesota Road, Warnervale Road and Louisiana Road have been flood prone for perhaps 50 years, the construction of a housing estate on higher land has caused increased volumes of water to drain into low-lying areas, thus increasing the potential for disaster among some of the families who use that network of roads. I have raised the issue of land use planning with the Carr Labor Government's Central Coast champion and Minister for the Central Coast, the Hon. John Della Bosca, who I am sure will investigate this matter in conjunction with the assistant planning Minister.

For many years, the Department of Infrastructure, Planning and Natural Resources and its predecessor have operated the State Government's planning office on the Central Coast. Great care should be taken when approving developments in estates that are adjacent to low-lying or flood-prone areas. Authorities are responsible to ensure not only that areas are appropriate for development with appropriate roadworks and infrastructure, but also that people do not buy flood-prone land. To that end, I am pleased to report to the House that on 30 November the Minister for Infrastructure and Planning will inspect the Warnervale site to hold discussions with the residents of the area about development. I welcome the Minister's active involvement as well as the involvement of the assistant Minister, in issues that affect people's lives and their lifestyles in this rapidly growing area of New South Wales.

Ms DIANE BEAMER (Mulgoa—Minister for Juvenile Justice, Minister for Western Sydney, and Minister Assisting the Minister for Infrastructure and Planning (Planning Administration)) [5.36 p.m.]: The honourable member for Wyong has raised issues concerning the drainage of Hamlyn Terrace and the potential lethal impacts of a fast-flowing causeway. I have asked my office to investigate the matter he has raised. I have also asked the Central Coast office of the Department of Infrastructure, Planning and Natural Resources to provide further information. I congratulate the honourable member for Wyong on raising this matter. As he is aware, the Central Coast is the fastest growing area between Wollongong and the Hunter Valley. The rate of growth has been phenomenal. These issues need to be managed in a way that does not impinge on the safety of residents. I will endeavour to reply to the honourable member in regard to this issue. I congratulate him on bringing it to the attention of the House.

YOUNG DRIVERS EVENING CURFEW PROPOSAL

Mr GREG APLIN (Albury) [5.38 p.m.]: Road safety is an important issue. In this Parliament we have a responsibility to reduce vehicle-related accidents through good legislation, regulation and education. When the Government floated the idea of a curfew for young drivers it demonstrated how out of touch it is, which became very obvious to me as I met with young people in the electorate of Albury. A group of year 11 students at Billabong High School in Culcairn raised with me the possible restrictions on young drivers. We had a good discussion about responsibilities and the dependency on private transport in country areas. They acknowledged that a vehicle is a lethal weapon in the wrong hands and that driving requires full-on concentration. Many of them had already driven paddock bashers on the farm from an early age. As one drives along country roads one can see that farmers' children often leave the old car at the front gate when they catch the bus to school.

The students told me how they depend on motor vehicles and it is their very needs that many of the Minister's proposals overlook. The curfew idea drew an instant response from the public—from adults as well as young people. I know that Coalition members have a strong desire to consult their constituents. In this case,

young people will be targeted and most affected by the proposed driving restrictions. With that in mind, I recently conducted a survey in the electorate to gauge the depth of feeling regarding the proposals, and the response has been overwhelming. I acknowledge and thank the hundreds of young people who have responded, particularly those who took the trouble to write comments and in some cases letters expressing their concerns.

A number of major themes have become evident, and I will mention a few of them briefly. A majority of respondents, about 95 per cent, do not support the introduction of a night curfew. They see it as simplistic and ask why young adults up to the age of 25 should be treated like children. A 24-year-old driver from Culcairn, who has held a licence for seven years and has held a heavy rigid truck licence for four years, has never had an accident. As he is married with two very young children, it would be ridiculous for him to be subjected to a curfew. A general theme emerging is that good drivers should not be punished and that any curfew should be imposed on those breaking the law. That, of course, leads on to policing and enforceability. As so many young people have told me, they need to travel at night and they would not want to break the law, but there would be little option if they wanted to continue participating in a range of activities.

Young adults often have commitments between 10.00 p.m. and 6.00 a.m. Some attend university or TAFE, and many work in the evening. With no public transport available, their vehicle is their only means of transport. The same goes for many others who play sport, participate in recreational and community activities, including Army Reservists, State Emergency Service and Rural Fire Service volunteers. How are they to get home after training, which finishes after 10.00 p.m.? I will cite some comments I received from the survey. Rhianna Smith said, "Country children are disadvantaged as it is. If restrictions on driving come in, young adults won't be able to go out in the evenings for social and educational purposes." Sarah Webster said, "I attend university and often work there until after 10.00 p.m. I also work at night and quite often do not finish until 2.00 to 3.00 a.m.. The only alternative for me is a taxi, which is far too expensive. I do not live with my parents so they cannot drive me to where I need to go."

Restrictions can be imposed only if the alternatives are viable, and in the case of most country areas of New South Wales they are not. Many people stated that the current licensing system teaches young people to pass the test rather than to become competent drivers. That observation offers some guide as to what is required to better equip our young P-platers for their privilege of using the road and controlling not only their destiny but also that of other road users. And what of this issue specific to border electorates? If a young driver were travelling from Wodonga in Victoria to Albury in New South Wales after 10.00 p.m., would he or she have to park the car at the State border and wait until 6.00 a.m. to go home? One can see the complete impracticality of such a suggestion.

As for passenger restrictions, if a young person driving from Wodonga had four passengers in Victoria and there were restrictions on the number of passengers allowed in New South Wales, would that young person have to leave some passengers at the border? There were some good suggestions, which I hope can be taken into consideration when we have the opportunity to debate the matter. Education is the key theme, and many people support the idea of driving courses at school to give young people a better practical understanding of driving and the accompanying responsibilities. A young driver from Albury wrote:

> I think speed and common sense is more of the issue than time of day and what car you drive. There will always be idiots on the road, no matter what the age group. It is ironic—you can vote for the future of your country and fight for it at 18, yet you have to stay at home at night until you're 25!

[*Time expired*.]

ASHFIELD BOYS HIGH SCHOOL DRILL HALL MEMORIAL

Ms VIRGINIA JUDGE (Strathfield) [5.43 p.m.]: It is with great pride that I relate the moving ceremony that I recently attended to remember the sacrifices made by a great many men in defending and protecting our great nation. Ashfield Boys High School held its first remembrance ceremony on Monday 15 November 2004 to unveil the memorial for the celebration of Cooee Marches and its drill hall. The drill hall being commemorated is now the Ashfield Boys High School's gymnasium. The vice-captain of the school, Paul Anastasiadis, as the master of ceremonies, first welcomed the special guests in our community, including the hard-working John Murphy, MP, Federal member for Lowe; Strathfield councillor, Mr Lew Herman, OAM, and Mrs Cecile Herman, OAM, OA; Mr John Walsh, President of Ashfield RSL Sub-branch; Mr John Edwards, general manager of Wests football club; Mr Peter Kaye, president of the school council; Mrs Sue Braine, school council representative; Ms Sue Butler; and Mrs Pam Peelgrane, from the Port Jackson office of the Department of Education and Training. We are very happy that Mrs Peelgrane is the new district superintendent. She is doing a great job.

Also in attendance were Mr Milton Wild, principal of Ashfield Public School; Ms Suhaila Mashal, the Muslim scripture teacher; Mr Doug Bradshaw; parents; staff; and, of course, all the wonderful young men and boys of Ashfield Boys High School. The vice-captain, Paul Anastasiadis, acknowledged the Wangal and Gadigal people of the Eora nation as the traditional custodians of this Aboriginal land. Paul welcomed to the stage the school captain, Sabin Zahirovic, who spoke about the significance of the site. We were told that the site was an important hub of activity as Liverpool Road once provided the only means of transport for many in the early days of the colony. The school captain informed us that during the 1800s the drill hall was established to recruit and house citizen militia and other volunteer military units. He told us that in 1913 the defence department acquired the land as the Ashfield Corps continued to grow.

Sabin emphasised that historically the drill hall was a priceless reminder of Australia's contribution to the First World War. He told us that in 1915 the Gilgandra Rifle Club along with 35 local men marched 520 kilometres to Sydney. Along the way they recruited as many men as possible. The Ashfield Drill Hall was the second-last stop before the 240 men would leave Australia. Those recruitment campaigns became known as Cooee Marches. The school captain informed us that in 1939, with the beginning of World War II, the Army sheds were built. Sabin told us that those sheds housed 25 armoured vehicles and along with the drill hall became one of the surviving depots in New South Wales that had been used by the Australian Army Corps. As the drill hall and the Army sheds housed many brigades, regiments and corps, Sabin concluded by telling us that Ashfield Boys High School will forever remember the importance of the drill hall and the Army sheds with the very special memorial that the school and the RSL have jointly built.

Mrs Daisy Kokkalis, principal of Ashfield Boys High School, spoke to the gathered crowd about the journey that had been undertaken by the school community in order to gain more space for the ever-expanding community. It is commendable that that determination was matched by the strength of mind to preserve such an important part of Australia's history. As part of the ceremony, Ms Pam Peelgrane, District Superintendent of Port Jackson District Office, presented the Parent of the Year Award to Ms Sue Butler for her hard work and dedication to that fantastic school. I make special mention of the speech that Mr Walsh gave when dedicating the memorial. An important theme of his speech was the camaraderie of mateship that he developed with the other young men with whom he served that is not normally found in civilian life. It was truly moving to hear him speak of the leadership skills, responsibility and understanding of human nature that he learnt during his time at the drill hall. Mr Walsh stated:

> A lot of men I served with in the Drill Hall are here today. We still all share the mateship that was forged in the sixties inside the four walls of Ashfield Drill Hall.

In the 1960s Mr Walsh served with 3 Company Royal Australian Army Service Corps Infantry Division, the last Army unit to be stationed at the depot. Mr Walsh said that on many occasions there were 100 trucks and other vehicles parked in the grounds. He advised us that Sergeant Colin Lithgow, a former member of the 3 Company regiment, was killed in action in Vietnam in 1966. He said that the men of 3 Company were involved in the Vietnam War, just as their brothers in arms were involved in World Wars I and II. Mr Walsh acknowledged that all the Army units listed on the plaque were saturated in military history and he spoke briefly about the 39th and 53rd Infantry Divisions.

He told us that both those battalions were credited with being the first battalions to face the Japanese on the Kokoda Track. He explained that the men of the 39th Battalion were to become known as "those ragged bloody heroes". He concluded by expressing the fervent hope that the students of Ashfield Boys High School would treat the memorial with reverence and respect by remembering that two of the battalions that stopped Australia from being invaded by the Japanese in 1942 were at one time stationed at Ashfield Drill Hall in the Strathfield electorate. Talented students in the Ashfield Boys High School band joined together to uplift us with their wonderful music. It was a day to remember. [*Time expired.*]

REGIONAL AIR SERVICES

Mr RUSSELL TURNER (Orange) [5.48 p.m.] Tonight I refer to the regional air summit that was held in Canberra on 4 November. The summit was sponsored by the Regional Aviation Association of Australia and Regional Express, which is commonly known as Rex Airlines. Rex Airlines recently announced a healthy profit for the last quarter, a big improvement since its founding. Brian Candler, Chief Executive Officer of the Regional Aviation Association of Australia, spoke at the conference and said:

> Regional airlines might operate smaller aircraft but they service more communities in Australia than their major domestic cousins, Virgin and Qantas...

> When the management rights for our major airports were privatised, the Federal Government put in place regulatory protections to guarantee regional communities ongoing access to those airports. It is now clear these protections are in need of strengthening.
>
> Take-off and landing slots were guaranteed but access to all of the other vital airport facilities that can make or break small airlines—such as terminal space, gate allocation, lounge facilities—are now simply able to be sold off to the highest bidder...
>
> We cannot have a situation where the quality of air services provided to regional communities is determined by private interests purely on the basis of maximising profits...
>
> Air services to regional communities are much more than just another mode of transport.
>
> They are a vital social and economic lifeline for many communities within Australia and any threat to the viability of those air services is a threat to those regional economies.

Mr Candler cited a study undertaken by the National Institute of Economic and Industry Research and said:

> Regional communities with reliable air services have higher economic and population growth and declining unemployment.
>
> The critical challenges facing the regional aviation industry are of importance not only to the industry but to anyone with an interest in the well being of rural and regional Australia.
>
> And these challenges are real—in less than ten years more than half of Australia's regional airlines have disappeared. Since 1986 at least six communities each year have lost their airline services.

Cowra, which is located in my electorate, is one of the communities that lost its air services. Young, Cootamundra and Temora also lost their services when country connections stopped operating in those areas. Waratah Airlines expressed a strong interest in providing services to Cowra and a few other towns. I hope that it is ultimately successful and that Cowra, once again, will have an air service. When I was a member of Orange City Council the Commonwealth Government handed councils control and ownership of many regional airports and they were given a one-off payment. The maintenance and running of Orange airport became the responsibility of Orange City Council.

Council charges each passenger $14.20 for the use of that airport. In the destabilising period when Hazelton Airlines pulled out of Orange airport—it was owned for a short time by Ansett Airlines—there were 8,000 passenger movements a year. Rex Airlines took over and introduced additional services and there are now 55,000 passenger movements a year, which is a good indication of the quality of the services that are being provided between Orange and Mascot airports. The airport will be closed for a few weeks in January as it is undergoing a major upgrade. A new runway will be built at a cost of $600,000 or $700,000, a good use of those landing fees and charges. [*Time expired.*]

PORT KEMBLA PUMAS SOCCER CLUB PRESENTATION

Ms NOREEN HAY (Wollongong) [5.53 p.m.]: Recently I had the honour of attending a presentation award night that set itself apart from similar ceremonies that I have attended in the past. My friend John Danzo and his brother Ivan Danzo from Danzo Constructions and their partners, Theresa and Vanessa, invited me to attend that ceremony The presentation was held at the Fraternity Bowling Club in Fairy Meadow in front of 468 keen supporters and it was to be noted in the Illawarra as a piece of the region's soccer history. I am referring, of course, to the Port Kembla Puma Soccer Club presentation for 2004. I was invited to become the first-ever patron in the history of the club, and I gratefully accepted.

This was the first time in the history of the Illawarra that any team, regardless of the league, was victorious in three grand final matches in one day. I am a keen Chelsea football supporter from way back and members can imagine my delight when my local amateur team took out not one but three grand final matches on the day. The Illawarra amateur league, the biggest league on the South Coast, comprises 48 soccer teams in various divisions from Helensburgh to the Jamberoo and Kiama area. Grand final day was held at Wetherill Park, Primbee, in the Wollongong electorate. What a day it was!

Third division, which was first on the agenda, saw the Pumas win a thrilling match, but only after full time and extra time could not separate the teams. The Pumas managed to out-sweat the Eagles in a tense penalty shoot-out. The Masters, who are 35 years and over, saw the Pumas bag their second grand final for the day when they came from behind twice against St Elias old boys, the second time being only four minutes from the end of the game, to force the match into a golden goal. It took a spectacular shot from the Pumas' Maurizio to end the old boys undefeated run for 2004. Finally, the match that everyone had come to see commenced. First division and the heavyweights of the Wollongong District Soccer Association took to the field.

Port Kembla scored two vigorous goals early in the match and ISP United just could not come back from that deficit. Two further goals sealed the Pumas third grand final win for the day, cementing the club's place in Illawarra soccer history. The compere for the evening was Mr Roy Zanetti, who, as always, did an excellent job of informing and entertaining guests. The Puma players put on a 45-minute floorshow in a genre similar to *Red Faces* or, rather, *The Gong Show*, with acts including Billy Idol, Abba and an adaptation of the famous Rat Pack. This amateur club has won every trophy on offer since joining the amateur league in 1997.

The Chief Executive Officer, Mr Orlando Chiodo, his father, Gino, and the committee are to be commended and congratulated. This club is a not-for-profit organisation run by a committee of 12 members. All sponsors' money goes directly back into the club, whether it is to purchase uniforms and gear for players or to hold functions for players, families, supporters and sponsors. The Pumas have a number of high profile players in the club. In first division, former Wolves players include Jock Morlando, who moonlights as the assistant manager of the Fraternity Bowling Club. Jock spent 10 years with the Wolves in the 1980s and early 1990s as a sweeper and he is revered locally as a great player.

John Danzo played with the Wolves in 1993 and 1994 as a striker. It has been said that he was one of the most promising juniors to come out of the Illawarra, representing Australia in the junior soccer ranks. Unfortunately, a severe leg injury ended a promising professional career and his aspirations of travelling with the Socceroos to the Barcelona Olympic Games. Former Sydney United goalkeeper John Krajnovic also played with the Wolves in the early 1990s and now guards the Pumas' goal with the same tenacity. I congratulate the Pumas on their wins in all three divisions this season and commend club president, Mr Jo Federico, and chief executive officer, Orlando Chiodo, for their ongoing commitment to the Pumas club. It is their dedication and that of other committee members that ensure the club's continuing success. I also congratulate Frank Gigliotti, the Fraternity Club and the Fraternity Committee. I wish the first division team well for next season as it attempts to turn its back-to-back wins into a hat-trick. I have no doubt that it will make that dream a reality.

LEGISLATIVE ASSEMBLY MACE

Mr BARRY O'FARRELL (Ku-ring-gai—Deputy Leader of the Opposition) [5.58 p.m.]: A regular feature of my tour for primary school students visiting this place is a stop by the display of the Legislative Assembly's Mace. The Mace, striking in both form and colour, is always a hit with students. It is particularly important to students from Masada College's Lindfield campus in my electorate of Ku-ring-gai because, as I have told every school group for the past 9½ years, the Mace was a gift to this Parliament from Sydney's Jewish community. That gift was made on 15 October 1974 by Mr Maurice Allen, the then President of the New South Wales Jewish Board of Deputies—a body formed in 1945 as the umbrella organisation of New South Wales Jewry.

This morning in the Speaker's courtyard members met the current executive and members of the New South Wales Jewish Board of Deputies to celebrate the thirtieth anniversary of the gift of this Mace to the Parliament of New South Wales. The current President of the board, Mr David Knoll, reminded those present that the Jewish community presented two gifts to the Parliament on this day 30 years ago. Along with the magnificent Mace, the Parliamentary Library was given a copy of the Tanach—the Old Testament. For the first time in 30 years I have brought it back into the Chamber, where it was presented. Mr Knoll reminded those present that this place also had the distinction of providing the first Jewish Minister of the Crown anywhere in the British Commonwealth, when Saul Samual, the then member for Orange, became Treasurer in 1859. But, as was reflected upon today and 30 years ago when the Mace was presented, members of the Jewish faith have been active in civic, public, charitable and political life in this State and nation since its settlement by Europeans in 1788.

The initiative for gifting the Mace belongs to Sir Asher Joel, a member of the Legislative Council for 20 years from 1958, who suggested it as a suitable medium for the Jewish community to express its desire to be associated with the sesquicentenary of parliamentary institutions in New South Wales. The *Australian Jewish News*—a great journal of record to this day—reported that Mr Allen, as President of the board, said:

> The Executive and the Board felt that the community would be happy to present this symbol of our democratic heritage and to allow the Jewish community the opportunity of providing a tangible demonstration of their wish to participate in the celebrations.

Mr Allen's widow and daughters—Mrs Norma Littman, Janet Goldberg and Linda Frydman—were fittingly present at this morning's function. Also present were the widow, son and daughter of the late Syd Einfield, the only Jewish member of the Assembly when the Mace was presented, who was given the honour of joining the then Premier, Robert Askin; Leader of the Opposition, Neville Wran; and the Speaker, Jim Cameron, in

speaking on that occasion. Mr Einfield's contribution that day contained at least two references that bear repeating. Talking about the long history of service to the State by members of the Jewish community, he noted that amongst those who had arrived on the First Fleet was John Harris, who became our first policeman. John Harris's grandson, George Harris, subsequently served in the Queensland Parliament, and his daughter, Evelyn, was the mother of Lord Casey, Governor-General of Australia from 1965 to 1969. Syd Einfield also quoted Sir Robert Menzies on the significance of the Mace in Parliament. Menzies described the Mace as:

> ... the symbol of power … the symbol of a free Parliament chosen by a free people making their laws freely and rendering to those laws a free and dignified obedience.

That theme was taken up 30 years ago by Speaker Cameron, who was the first member for Northcott—a seat for which I was the last member when it was abolished in the 1998 electoral redistribution. In 1974 Speaker Cameron told the Chamber:

> Parliaments today throughout the world are under pressure. They can well do with positive evidences of support from the communities they strive to serve. I pay tribute to the members of the Jewish Board of Deputies for this most supportive act of identification on their part with this Parliament. All parliaments contend against great challenges. There are challenges to transmit meaningful leadership to the people; to break out of the straitjacket of detail and to escape into creativity; to attract the participation of the people positively within the parliamentary process.
>
> This Mace will remind us of the Jewish community's wish to help Parliament meet these challenges.

As every school group can attest, I have always been proud of the New South Wales Jewish community's connection with this Parliament. It is a link that should be better known and one that should bring even greater pride to every member of that community across this city and this State. I am pleased that the genesis of today's function occurred at a meeting between Mr Knoll and the board's executive and the Leader of the Opposition on 27 September. The board had indicated its desire to raise its profile and connections with members of the current Parliament and the Leader of the Opposition responded by suggesting a function revolving around the community's gift of the Mace. I am grateful that the board pursued the matter with its usual vigour and for the hospitality offered this morning by Mr Speaker.

Participants at this morning's function were presented with a booklet outlining the history of this Mace and its gifting to the Parliament and a copy of the illuminated address that came with it—a document that lists all those organisations affiliated with the Jewish Board of Deputies in 1974, including the North Shore Temple Emanuel in my neck of the woods and the North Shore Synagogue in my electorate. I intend to gift my copy of the booklet and address to Masada College, Lindfield campus, in the hope that the community's involvement in this Parliament will be better known by students attending that fine school. I also hope that, at a moment of opportunity in the Middle East, it will serve to remind us of the democratic institutions that make up Israel and to strengthen our resolve to bring democratic processes to the Palestinian Authority so that the goal of peace can be realised in that part of the world. I conclude by offering David Knoll and his executive and members my best wishes for their term in office, by welcoming an old friend, Vic Alhadeff, to his new role on the board and by paying tribute to the foresight, vision and commitment of Maurice Allen, Joel Asher and his counterparts 30 years ago.

Mr ACTING-SPEAKER (Mr Paul Lynch): Order! Granted that no point of order was taken on the speech of the Deputy Leader of the Opposition—nor could a valid point of order have been taken—I ask the honourable member to explain the standing orders to his parliamentary leader. The Deputy Leader of the Opposition clearly understands them but the leader of the parliamentary Liberal Party clearly does not.

Mr BARRY O'FARRELL: I am grateful for you, Mr Acting-Speaker, for seconding the motion that I advanced to Sydney's Jewish community on behalf of the Parliament regarding the gift of parliamentary democracy that allows you to say that and me to say this, under the protection of parliamentary privilege, on behalf of our local communities.

Mr ACTING-SPEAKER (Mr Paul Lynch): Order! We both do that and it is a pity that the leader of the parliamentary Liberal Party does not understand it.

ANTHEM 2004

Mr GEOFF CORRIGAN (Camden) [6.03 p.m.]: Last Sunday, 14 November 2004, it was my great pleasure to attend the inaugural Macarthur Primary School's musical challenge, which was called Anthem 2004. Anthem 2004 was organised by a private company, Club Voice Over Productions, and I congratulate the

producer, Chris Sewell, on his great job. This is the second of Chris's productions that I have attended. The first was Eureka!, a high school musical challenge. Both Eureka! and Anthem 2004 had a similar format: a number of schools performed three acts, there were masters of ceremonies and cheer squads. Harrington Park Public School performed Snow White in act 1, the Senior Choir performed in act 2 and the Senior Dance Group performed in act 3. Act 1 for St Paul's Primary School, Camden was a violin solo by Eliza Matthews, act 2 was A Dinosaur Play by Warwick Suters, and act 3 was The Jackson 3, with masters of ceremony Phoebe Dunstan and Ally Small. Jessica Cockburn performed as a soloist for Narellan Vale Public School in act 1. She was accompanied by dancers Bethany Cockburn and Peyton Antoniou. Act 2 was the Narellan Vale Public School Choir and act 3 was the Narellan Vale Public School Senior Dance Group, with masters of ceremony Alana Cherry and Daniel Watt. That gives honourable members an idea of what happened on the day.

This was the first Anthem production and originally 12 schools indicated their willingness to participate. However, due to a variety of factors, only four entered. They were: St Thomas More, Ruse; Harrington Park Public School; Narellan Vale Public School; and St Paul's, Camden. I congratulate all performers on their high performance standards. I particularly congratulate Jessica Cockburn of Narellan Vale Public School, who sang beautifully. I understand that Jessica has been accepted into the Newtown High School of the Performing Arts next year. Producer Chris Sewell appointed three judges: Ellie Hugelmeyer of the arts department, Leah Cassar of Leah Cassar Voice Productions, and entertainer Danny Elliott. All the judges donated their time and expertise to encourage the performing arts in our region. It is great to see people putting something back into their community.

Before I tell honourable members who won I shall place on record my appreciation to the local sponsors who donated prizes for the raffle. They are: McDonald's Macarthur, AMF Macarthur Tenpin Bowl, Dumaresq Street Twin Cinemas, Heart and Home Interiors, Vanity Skin and Spa Therapies, Playmaze, House of Georga Children's Fashion, Tony Wolf and Son Quality Printers, Curtis Aviation New South Wales, Relish Café Restaurant, Kitten Kaboodle Sleepwear and Lingerie, Kiss This Girls and Ladies Fashion Wear, Surf Shack, Cut It Out Hair Design, Open Secret Ladies Fashion, and Camden Hire. In the introduction of the program Chris Sewell said:

> Welcome to history in the making … The Inaugural Macarthur Primary Schools' Music Challenge—Anthem 2004. Four local schools are battling it out for musical supremacy and the competition is red hot! Today you'll see the best of the best displaying everything from singing, dancing, drama and comedy to solo instrumentalists—accompanied by amazingly enthusiastic cheer leaders and anchored by entertaining and incredibly informative M.C.'s.
>
> Shows of this magnitude are held together by those who lead quietly from the sidelines. I'm talking here, of course, of the teachers who, without reservation, have given their time and effort to give you the show you will see today.

I heartily endorse that comment. He continued:

> **The beautiful power of music.**
>
> Proceeds from Anthem 2004 are going towards purchasing a new wheelchair for young local resident Sean Halling.

Sean Halling's wheelchair is five years old and he needs a new one. Chris Sewell and his team from Club Voice Over Productions aimed to raise $2,500 from a raffle to help the family achieve that. Unfortunately on the day $500 was raised from the raffle and $200 from a school colouring-in competition. Although the organisers were disappointed, Mrs Halling was most grateful and told us that it would help the family.

I then presented a first prize of $1,200 to Narellan Vale Public School, second prize of $600 to Harrington Park Public School, third prize of $400 to St Paul's Primary School, and fourth prize of $200 to St Thomas More School. All schools gracefully and gleefully accepted the placings. It was a reward for what was obviously a lot of hard work by students, teachers and parents. Besides being thoroughly entertained on the day, I have learnt in the past few days about the quality and character of my local schools. Even though the prizes won could be used in the schools, they decided independently of one another that the prize money would be better used to help young Sean get a new wheelchair. I congratulate St Paul's, Camden, Narrellan Vale Public School and Harrington Park Public School on their decisions. They have shown great compassion and humanity and it stands those schools in great stead. I congratulate the organisers—both front- and back-of-house staff—students, teachers, parents and all the family and friends who turned up to support them.

PUBLIC EDUCATION REVIEW

Mr ROBERT OAKESHOTT (Port Macquarie) [6.08 p.m.]: I certainly hope my private member's statement does not get lost in the heady discussions we have had so far on the Schools Spectacular, Jewish

influence over the mace, and soccer teams in Wollongong. I refer to the consultation process on public education that is currently taking place. I strongly urge as many people on the mid North Coast as possible to participate in this consultation process. Attempts have been made to get the word around that a substantial review is being conducted of all areas of public education. However, I think that message has been lost amongst many people on the mid North Coast, and perhaps in the rest of New South Wales. I want to flag this important exercise that I hope, amongst all the cynicism in education, is treated seriously and that early next year when recommendations are made they are acted upon by government and not lost in the system.

A range of suggestions are already contained in the consultation document entitled "Excellence and Innovation—A consultation with the community of New South Wales on public education and training". I want to mention and flag potential ideas for people if they are thinking of making a submission but are a bit short on ideas, because it will be a good starting point. Chapter 11 is titled " Supporting Learning and Teaching: Partnerships—Schools and Communities", something that is desperately needed within the Department of Education and Training, that is, significantly improved links and partnerships into the community. I endorse comments made by some people who have had input, for example:

- all schools need to build effective partnerships with parents, carers and all people and businesses interested in the education of students
- individuals and organisations to be well informed so that they can participate effectively in decision-making
- students to have a real voice in school planning
- better systems to connect with parents and carers from non-English speaking backgrounds
- schools to do more to recognise the important role of parents and carers as teachers
- parents and carers to have a higher degree of genuine participation in school decision-making, including in decisions about policy, planning and budgeting
- greater community and interagency involvement in education
- industry involvement with secondary schools to support learning about work and vocational education and training for students
- genuine partnerships with parents and carers of students with disabilities
- greater commonality in the ways in which schools across the State involve parents in decision-making

Those points are all very good and valuable. This is a far-reaching document that talks about early childhood, primary, middle, secondary and TAFE years, and looks at information and communication technologies, organisational cultures within the Department of Education and Training and environmental learning space. If nothing else comes out of this document except improvements to links and partnerships into the community then it has been a worthwhile exercise. Public education has certainly been an issue of great debate both in this House and in the community for some time. There are obvious conflicts between State and Commonwealth governments in funding arrangements for public education and there is great political interest in the future directions of public education in New South Wales.

Notwithstanding all the division in public education throughout the political environment, I would hope, and I take it on good faith, that this document released by the new director-general can unify. We are all very cynical about potential actions to be taken in the future, about whether this document can be acted on, or whether forces within the Department of Education and Training will put it on a shelf to collect dust. I hope that is not the case. I strongly urge the community of the mid North Coast to participate and the Government to act on the final recommendations.

DEPARTMENT OF HOUSING RUSSIAN-SPEAKING TENANTS

Ms CLOVER MOORE (Bligh) [6.13 p.m.]: I want to speak about Russian-speaking Department of Housing tenants in my electorate. According to the most recent census, people who speak Russian at home make up just 1 per cent of the population in Bligh, but in Department of Housing estates in Redfern and Surry Hills they are by far the largest of non-English speaking backgrounds [NESBs]. The Eastern Suburbs Multi-cultural Access Project has found that, compared to the general population and to other NESB groups, Russian speakers are generally older, more dependant on welfare, in poorer health, have lower nutrition levels and have lower English language skills. Most Russian-speaking Department of Housing tenants are elderly, increasingly frail, and isolated from the wider community because of the language barrier.

Department of Housing officers tell me that many Russian speakers have maintained their tenancies for more then 25 years and are generally excellent tenants. In response to serious community concerns, I held an open meeting specifically for Russian-speaking public tenants in July, and the tenants raised significant concerns about their safety and security. In fact, the room was packed with very distressed elderly Russian tenants. They told me about many incidents of assault and robbery within their estates. Many said they were afraid to leave their apartments and did not feel like reporting crime and harassment to police or to the Department of Housing as they did not think it would result in action. At the meeting, both the police and Department of Housing officers, through interpreters, encouraged the tenants to report all incidents of crime, harassment and suspicious behaviour.

Tenants said that unreliable lifts and intercom systems in high-rise buildings of 18 to 20 storeys have had a major impact on their safety and security. Russian tenants in Surry Hills recently told me that one of the two lifts to floors 11 to 14 of the Northcott high rise did not work for more than seven weeks. Honourable members might remember that a couple of years ago in the Northcott Department of Housing high-rise development there were five deaths, three murders and two suicides. Yet lifts in that building did not work for seven weeks for that very large elderly population. Breakdowns of the second lift force tenants who have difficulty with stairs to just stay housebound. This is unacceptable and I recently asked the Minister for Housing to replace those lifts. I call on him to ensure that both the lifts and the intercom systems will provide reliable and secure access for those elderly residents. The Australian Housing and Urban Research Institute's paper "Linkages Between Housing, Policing and Other Interventions for Crime and Harassment Reduction on Public Housing Estates" says:

> Crime is a major concern of residents living in high concentrations of public housing and that the evidence shows that [these] disadvantaged people are most likely to be both perpetrators and victims of crime.

The report goes on to say that there is increasing evidence that tenant participation strategies, crime prevention policing and community renewal programs are effective ways of reducing crime rates, and particularly victimisation, which is defined as the incidence of unreported crime, harassment, fear of crime and perception of crime rates. That would be particularly so for these elderly, frail non-English speaking Russian people that I have described who live in Department of Housing flats in Redfern and Surry Hills.

Recently I have seen the initial success of these strategies with the Russian tenant communities. Since July we have had follow-up meetings, and both the Police and the Department of Housing people have been able to report some success. The police now run monthly clinics at both estates, enabling tenants to report crime in a non-threatening way. The police now tell us that the incidence of crime has decreased because of this reporting. There was a very serious incident involving a particular perpetrator assaulting these elderly residents. A security camera trial led to the arrest of that person. That was very good.

Regular interpreter services involving those tenants and a neighbourhood advisory board involving them in the Community Gardens are other ways of reducing the problems that I have been describing. I conclude by commending Minister Scully for personally visiting both Surry Hills and Redfern with me and also for agreeing to the creation of a community room in Redfern, a meeting place for the residents and tenants living in that high-rise accommodation in Redfern. That room has now opened. It is very much appreciated by those tenants, who had very real physical and social problems to deal with on a day-to-day basis.

Private members' statements noted.

[*Mr Acting-Speaker (Mr Paul Lynch) left the chair at 6.18 p.m. The House resumed at 7.30 p.m.*]

GENE TECHNOLOGY (GM CROP MORATORIUM) AMENDMENT BILL

Bill received and read a first time.

Second reading ordered to stand as an order of the day.

BUSINESS OF THE HOUSE

Precedence of Business: Suspension of Standing and Sessional Orders

Mr CARL SCULLY (Smithfield—Minister for Roads, and Minister for Housing) [7.32 p.m.]: I move:

> That standing and sessional orders be suspended for Government business to take precedence of general business on Thursday 18 November 2004 and Government business to take precedence of all other business on Friday 19 November 2004, when divisions and forums may be called.

On a number of occasions I have said that it is with great reluctance that I move to set private members' business aside. But, as I indicated to the honourable member for Epping, my counterpart in the Opposition, the upper House requires us to have all our legislation completed by the close of business on the next sitting Tuesday. We have tomorrow, Friday and the next sitting Tuesday to get through the great deal of legislation we propose to introduce and finalise before the year is done. We could sit longer, but the upper House has indicated that would not matter. In a sense I apologise to Opposition members because I know they value private members' day, but we have time limitations. It is with great reluctance and a heavy heart that I move the suspension of standing orders for Government business to take precedence. I look forward to the performance of the honourable member for Epping. During these sorts of debates he usually gets 9 out of 10 for a National Institute of Dramatic Art performance. This happens at the end of every session. The Government needs to get on with its business. We will have private members' days next year.

Mr ANDREW TINK (Epping) [7.34 p.m.]: The Leader of the House said he had a heavy heart. It is a pity he did not have a heavier work agenda earlier in the year so that we had a decent flow of work throughout the year and more time to debate legislation without the end-of-year bulge. He has ended up with a pre-Christmas end-of-year bulge before December has even begun—most of us end up with an end-of-year bulge on 26 December! It is a bad way to run a government. It is unfortunate that everything is loaded up at the end of the year when we do not have time to debate anything seriously. Many times during the year we have upped stumps on Thursday because we had no work to do on Friday. The number of Friday sitting days that have been cancelled due to lack of Government interest are legion.

We have upped stumps early on Friday, after about an hour or so of sitting, so that another day can be ticked off to avoid the column that Alex Mitchell might otherwise write about how the House never sits. We do an hour's work and then we are out of here. If we sat fair dinkum full days on a Friday that could, in all honesty, be given a tick for a full working day we would not have this problem. Seven sitting days are set down beyond this Friday. I am sure that sensible accommodations with the other Chamber are always available. I am amused by the way we seem to rush into this early shut-down mode when I am sure that options are available to make better use of those days. When we shut down before December has even started, which is what we are showing every likelihood of doing, it brings us into disrepute. The general public see us stop work before December.

These days most people work right up until Christmas Eve and are back at work on the first working day after the new year. Quite a few people work during the Christmas break. Ordinary people take off days, but we take off months because the Government does things at the last minute and does not plan its work properly. Every working day in here counts. The Leader of the House pulls the extra money. He is responsible for ensuring that things happen properly and that we sit every day that is advertised. When I next click on the Parliament's web site I trust I will see a suitable apology from the Leader of the House to the public of New South Wales, underneath a nice shot of the fountain. Next year we might get a decent program so we can do a proper year's work throughout the year. On that basis, we oppose the motion.

Question—That the motion be agreed to—put.

The House divided.

Ayes, 44

Ms Allan	Ms Gadiel	Ms Nori
Mr Amery	Mr Gaudry	Mr Orkopoulos
Ms Andrews	Mr Gibson	Mr Pearce
Mr Bartlett	Ms Hay	Mrs Perry
Ms Beamer	Mr Hickey	Mr Price
Mr Black	Mr Hunter	Dr Refshauge
Mr Brown	Ms Judge	Mr Scully
Ms Burney	Ms Keneally	Mr Shearan
Miss Burton	Mr Lynch	Mr Stewart
Mr Campbell	Mr McLeay	Mr Tripodi
Mr Collier	Ms Meagher	Mr West
Mr Corrigan	Ms Megarrity	Mr Whan
Mr Crittenden	Mr Mills	*Tellers,*
Ms D'Amore	Mr Morris	Mr Ashton
Mr Debus	Mr Newell	Mr Martin

Noes, 31

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

Pair

Ms Saliba	Mr Pringle

Question resolved in the affirmative.

Motion agreed to.

CRIMES AMENDMENT (CHILD PORNOGRAPHY) BILL

Second Reading

Debate resumed from 10 November.

Mr ANDREW TINK (Epping) [7.48 p.m.]: The Opposition supports the Crimes Amendment (Child Pornography) Bill. The objects of the bill are to increase the maximum penalty for the production or dissemination of child pornography to imprisonment for 10 years, make the possession of child pornography an indictable offence and increase the maximum penalty for the offence to imprisonment for five years, increase the maximum penalty for using a child for pornographic purposes to imprisonment for 14 years and, most importantly, revise the definition of "child pornography" for the purposes of offences relating to the production, dissemination or possession of child pornography, so as to remove the requirement that the material be classified as refused classification. The bill will also extend the offences relating to child photography and the use of children for pornographic purposes to cases of torture, cruelty or physical abuse.

One of the most important functions of the bill is the revision of the definition of "child pornography"—an issue that arose relatively recently. The Commissioner of Police was so concerned about the state of the law that he said on 2UE on 14 October that, in the view of the Crown Solicitor and the Crown Advocate who advised him, there are some complications in the legal language. The Commissioner of Police went on to state that it would be necessary to refer the language issue to the criminal law division of the Attorney General's Department, where no doubt it will be the subject of amendment.

In my view, the Leader of the Opposition quite correctly robustly took up that issue. The Leader of the Opposition made a number of comments that, in turn, caused the Commissioner of Police to make his comments. The Leader of the Opposition raised a bona fide issue of fundamental importance, the relevance and accuracy of which has been verified by the introduction of this bill. The Attorney General recognised that fact on 20 October when, as reported in the *Daily Telegraph* of that date, he announced that the laws would be amended. The newspaper article stated:

> Mr Debus maintained that the amendment was a "very small procedural change" to ensure that there was not the "slight possibility" a court could throw out a charge.
>
> But asked if the amendment would not have been introduced had Mr Brogden not pointed it out, Mr Debus replied: "I think that is true".

It is a pity that the Minister for Police was not as equally frank. He belittled himself in the way in which he carried on and targeted the Leader of the Opposition, almost to the point of embarrassment. It was a suboptimal performance on his part when he suggested that the Leader of the Opposition was putting ideas into the minds of

defence barristers to provide technical defences for people who might otherwise be found guilty under this bill. That is an absurd, pathetic approach. After all, it is the Minister's police officers who have to prosecute those offences. When the Commissioner of Police acknowledges publicly on Sydney radio that there are problems, everyone would expect the Minister to acknowledge that in some way, combined with an undertaking and plan of action to have the problems fixed.

I regret that such an undertaking was not forthcoming from Minister Watkins. His behaviour was not at all appropriate. On the other hand, the Attorney General has acknowledged and recognised—however begrudgingly—that there was an ambiguity in the wording of the bill. I am pleased to see that that has been resolved. It had to be resolved. That ambiguity could have resulted in court proceedings being jeopardised. No spin from the Minister's office would get around a case being resolved in favour of a defendant. Where even the remotest possibility of that exists in a crime that the public wants dealt with appropriately and professionally, it is incumbent that it be fixed. That is what this bill is about. When these issues arise in the future—history indicates they will—I hope that the Minister for Police takes a better approach. When the Commissioner of Police confirms on radio that there is a problem, he should graciously accept that there is a problem and get on with fixing it.

Another major aspect of the bill is the increase in penalties that takes the offences into the indictable class. For example, the charges for possession of child pornography have increased to five years imprisonment. If my memory serves me correctly, the increase brings those penalties into line with those in other States that have had that penalty in operation for some time. On that count, the bill is a welcome change to the criminal law. Accordingly, the Opposition supports the bill.

Mr BARRY COLLIER (Miranda) [7.55 p.m.]: The object of the Crimes Amendment (Child Pornography) Bill is to amend the Crimes Act in relation to child pornography offences. Among other things the bill increases the maximum penalty for certain child pornography offences, makes the possession of child pornography an indictable offence and revises the definition of "child pornography" to remove the requirement that the material be classified as refused classification [RC]. The bill extends the offences relating to child pornography and the use of children for pornographic purposes to cases of torture, cruelty or physical abuse, whether or not in a sexual context. The bill also removes any doubt as to the timing of the classification of material in connection with existing offences relating to child pornography.

The serious and insidious nature of child pornography has been well and truly highlighted by Operation Auxin. This police operation targeted child pornography nationwide, which resulted in a large number of arrests as well as the confiscation of computers, DVDs, videotapes, books and magazines from business premises and family homes. Persons arrested came from a wide range of occupations and their exposure by police brought shock to their friends, workmates and communities, as well as shame to their families. A number of people committed suicide following their arrest and charging by police. But make no mistake: child pornography is truly an abhorrent crime. It is an abhorrent, morally reprehensible crime, whether we are talking about the production of child pornography, the sale or sharing of it, the use of it, or the possession and deliberate viewing of it. Child pornography is an abhorrent crime.

There can be no doubt among right-thinking persons that the production of child pornography means the abuse and exploitation of young children. It is the corruption of innocence, the loss of childhood, for the profit and selfish satisfaction of what I can describe only as morally bankrupt adults. In *Regina v Stroempl* (1995) 105 the Ontario Court of Appeal for Ontario said:

> The evil of child pornography lies not only in the fact that actual children are often used in its production, but also in the use to which it is put.

The court noted that paedophiles use child pornography in ways that put children at risk. That includes showing children pornographic material to promote discussion of sexual matters and to persuade them that such activity is "normal". The purpose of paedophiles in using that material is to "groom" innocent children for future abuse. The paedophile perpetrator will rationalise that in his own sick mind by saying that he loves the child, when nothing could be further from the truth. Taking a child's innocence, stealing a child's youth, destroying a child's life for personal sexual gratification is a very far cry from anything that any reasonable person would know as love. And what about those who simply buy child pornography or download it from the Internet using their credit card? What of those who build up their own library of DVDs showing child pornography or accumulate multiple images of child pornography at home on disks and computer hard drives? As the court said in Stroempl:

> The possession of child pornography is a very important contributing element in the general problem of child pornography. In a very real sense possessors … instigate the production and distribution of child pornography.

The truth is that those who buy, possess and accumulate child pornography provide the market for those who produce it and who profit from child abuse. In sentencing offenders for different offences the courts generally give weight to a number of sentencing principles, including punishment, retribution and rehabilitation. In cases of offences that involve the possession of child pornography, the courts give weight to different factors. I quote from the judgment in *Regina v E.O.* in the Ontario Court of Appeal, which states:

> Possession of child pornography is a crime of enormous gravity, both for the affected victims and for society as a whole. For that reason, the courts have repeatedly recognised that the most important sentencing principles in cases involving child pornography are general deterrence and denunciation. Further, the offence of possession of child pornography requires the imposition of sentences which denounce the morally reprehensible nature of the crime, deters others from the commission of the offence, and reflects the gravity of the offence.

That is what the bill does. The maximum penalty for the offence of possession of child pornography is increased from two to five years. The maximum penalty for the offence of production or dissemination of child pornography is increased from five to 10 years, and the maximum penalty for using a child for pornographic purposes is increased from seven to 14 years for a child under the age of 14, and from five to 10 years for a child aged 14 and over. The bill addresses concerns that have been raised about child pornography offences in New South Wales, including inadequate sentences.

The bill also increases the uniformity of child pornography legislation with that of other States and Territories in the following ways. First, the five-year maximum penalty for the possession of child pornography matches existing penalties in the Australian Capital Territory, Victoria and Western Australia, and amendments announced in Queensland and South Australia. Second, the 10-year maximum penalty for production or dissemination matches existing penalties in the Commonwealth, the Northern Territory and Victoria, and amendments announced in Queensland and South Australia.

In addition, the bill introduces a definition of child pornography based on an offensiveness test. Offensiveness tests are used in the Commonwealth, the Northern Territory, Tasmania, Victoria and Western Australia, and in amendments announced in Queensland. Other jurisdictions have extended the concept of child pornography to cover material involving cruelty, torture and physical abuse. Those jurisdictions are the Commonwealth, the Northern Territory and South Australia. Similar amendments have been announced in Queensland. The new definition will mean that material thought to be child pornography will not have to be classified refused classification, or "RC", by the Commonwealth Classification Board. Delays in prosecutions waiting for material to be classified will undoubtedly be reduced by this new amendment. This retrospective clarifying amendment puts paid to the fallacious argument that a person cannot be charged before the material is classified. I welcome the bill and commend it to the House.

Mr ANTHONY ROBERTS (Lane Cove) [8.02 p.m.]: The purpose of the Crimes Amendment (Child Pornography) Bill is to amend the Crimes Act 1900 in connection with offences relating to child pornography and the use of children for pornographic purposes. The bill amends the Crimes Act in relation to child pornography offences as follows. It removes any doubt as to the time of the classification of material in connection with existing offences relating to child pornography. The Attorney General publicly admitted that this amendment was included only after it was pointed out by the Leader of the Opposition, the Hon. John Brogden, that ambiguity in the wording of the legislation meant that court proceedings could be jeopardised if the material involved was not properly classified.

The bill extends the offences relating to child pornography and the use of children for pornographic purposes to cases of torture, cruelty or physical abuse, whether or not in a sexual context. It revises the definition of child pornography for the purposes of offences relating to the production, dissemination or possession of child pornography so as to remove the requirement that the material is classified as refused classification, or "RC". It increases the maximum penalty for using a child for pornographic purposes to imprisonment from 7 to 14 years in the case of a child under 14 years of age, and from 5 to 10 years in any other case. It makes the possession of child pornography an indictable offence and increases the maximum penalty for the offence to imprisonment from 2 to 5 years. It increases the maximum penalty for the production or dissemination of child pornography to imprisonment from 5 to 10 years.

The bill also contains five defences to charges for the offences of production, dissemination or possession of child pornography. Those defences have already been referred to in this debate. I am aware of the benefits of this legislation and I am fully supportive of it. In early October police publicly expressed their

frustration that current child pornography laws in New South Wales were allowing perpetrators to escape gaol. That was totally unacceptable. Child pornography can reinforce a paedophile's perception that paedophilia is normal. It is not. It can be shown to children as part of a process of grooming them for future abuse. That is disgraceful and disgusting. Increasing the maximum penalties gives the courts the opportunity to impose substantial sentences, thereby sending the message that child pornography will not be tolerated.

The inadequacy of penalties for child pornographers in New South Wales was brought to light during Operation Auxin, the recent police operation targeting Internet child pornography. At that time the Opposition was highly critical of the Carr Government for not acting earlier to increase penalties for these offences. The Opposition is cognisant of the fact that the Government is answering its calls. Now that the Government has amended laws relating to child pornography offences it must also consider introducing a new provision in the Search Warrants Act to allow an appeal to the Supreme Court where a magistrate, a chamber magistrate or an authorised officer has refused to grant a search warrant. The need for this amendment is evidenced by the difficulties encountered by police in obtaining warrants to search the homes of people allegedly accessing child pornography. I wholeheartedly support the bill and look forward to what will happen in relation to the Search Warrants Act.

Ms VIRGINIA JUDGE (Strathfield) [8.05 p.m.]: I support the Crimes Amendment (Child Pornography) Bill, the object of which is to amend the Crimes Act 1900 in relation to child pornography offences. The bill seeks to expand the definition of "child pornography", increase the penalties for offences relating to it and to increase the power of the courts. I commend the Minister, the Hon. Bob Debus, and his staff for doing the hard work and preparation that was necessary to enable the timely introduction of the legislation. The bill replaces the current definition of child pornography with that of "material that depicts or describes a person who is or appears under 16 engaged in sexual activity, or in a sexual context, or as the victim of torture, cruelty or physical abuse, whether or not in a sexual context, in a manner that would in all the circumstances cause offence to reasonable persons".

That extends the current definition by including material involving torture, cruelty or physical abuse towards children, the most innocent of all victims. It is an important reflection on us as a society. Today I consulted with Sheila Rudman, a child and adolescent counsellor who, sadly, has had patients who have been subjected to that sort of abuse. I asked her to share her thoughts on this subject and she said to me:

> This redefining of what is child pornography goes to the heart of how we view children and pornography. It is recognition of the widely held clinical belief that child pornography is about power, not about sexual relations. In widening the definition, the NSW Government is saying that we don't want children to be made vulnerable, or victimised, regardless of the perpetrator's intent.

The definition of child pornography will now include "depictions or descriptions of people who are apparently under 16". So if the material involves a 16-year-old or a 17-year-old child, or an adult who appears to be under the age of 16, in a pornographic context, the material will be deemed to be child pornography. I understand that the extension to subjects apparently under the age of 16 is necessary to cover cases where it is not known who the child is, and the prosecution, therefore, cannot prove his or her age. Previously, police would send material to the Commonwealth Classification Board, which would assess the material and decide whether it should be classified refused classification, or "RC".

The amendments to this bill will enable judicial officers and juries to make determinations, by reference to definitions in the bill, as to whether material constitutes child pornography. That will remove the requirement for police to have the material classified. As someone who works with victims, Ms Rudman indicated to me that this streamlining of the process was important in encouraging more victims to assist prosecutions under the Act. In the bill material is defined broadly to include "any film, printed matter, electronic data or any other thing of any kind, including any computer image or other depiction".

The specific references to electronic data and computer images will ensure that the offences of possessing and disseminating child pornography apply to material accessed and distributed via the Internet—a necessary response to the increasing sophistication of operators. The bill also removes the statute of limitations requiring possession of child pornography offences to be dealt with summarily before the Local Court within two years. The offence is now an indictable offence, as it should be, allowing the District Court to deal with more serious matters. This upgrading of the offence provides a strong deterrent to future offenders, thereby reducing the potential damage.

The right of our children to protection and care is stated explicitly in the United Nations Convention on the Rights of the Child. That is the reason for changing the penalties and definitions of child pornography

offences as well as increasing the power of the courts. As the Minister said in his second reading speech, it is important that our courts give effect to the principles of general deterrence and denunciation in cases involving child pornography by imposing substantial sentences. This bill gives the courts the capacity to do that. If our courts can provide effective deterrence to people who possess child pornography, fewer young, defenceless children will be abused in its production.

Many of us have children and we all have relatives and friends with children. We know that babies and young children are vulnerable and innocent. They are angels. To perpetrate these sorts of acts against our children—to deny children's freedom and to make them part of these abhorrent and disgusting practices—is to take away their innocence forever. That is absolutely unforgivable. The lives of those young children who are abused, some of them as young as six months, are destroyed; they are irreparably damaged. Many have problems for the rest of their lives and require huge amounts of counselling, if they can access those services. These children are abused for the distorted and dysfunctional gratification of another person.

I recently read an interesting book called *Growth Fetish*, by Clive Hamilton, a lecturer at the Australian National University. In the book he discusses consumerism and how ready we are to sacrifice our will on the altar of consumerism. Unfortunately, that consumerist fetish is being extended to the abuse of young children, who are being used for profit. The people who produce pornographic videos and other media are making a lot of money by destroying the innocence and the lives of young children, who are our future. That is absolutely unforgivable. I congratulate the Government and commend it for tightening the legislation to catch anyone who is involved in any way in these sorts of crimes. I commend the bill to the House.

Mr WAYNE MERTON (Baulkham Hills) [8.12 p.m.]: I certainly do not oppose the Crimes Amendment (Child Pornography) Bill, which the Opposition believes is extremely worthwhile. As several honourable members have said—and it is worth restating—the bill amends the Crimes Act 1900 in connection with offences relating to child pornography. The bill increases the maximum penalty for the production or dissemination of child pornography from 5 to 10 years imprisonment. It makes the possession of child pornography an indictable offence and increases the maximum penalty for the offence from 2 to 5 years imprisonment. It increases the maximum penalty for using a child for pornographic purposes from 7 years imprisonment to 14 years in the case of a child under 14 years of age, and from 5 to 10 years in any other case.

The bill revises the definition of child pornography for the purposes of offences relating to the production, dissemination or possession of child pornography so as to remove the requirement that the material be classified as "refused classification". It extends the offences relating to child pornography and the use of children for pornographic purposes to cases of torture, cruelty or physical abuse, whether or not it is in a sexual context. The bill removes any doubt as to the timing of the classification of material in connection with existing offences relating to child pornography. The Attorney General admitted publicly that this amendment was included only after the Leader of the Opposition pointed out that the ambiguity in the wording of the legislation meant that court proceedings could be jeopardised if the material involved was not classified properly.

It is a matter of record that in early October police expressed publicly their frustration that current child pornography laws in New South Wales were allowing perpetrators to escape gaol. That is absolutely intolerable and the State Government should feel very uncomfortable about it. Child pornography can reinforce a paedophile's perception that paedophilia is normal, which is absolutely unbelievable, completely unrealistic and just plain evil. Pornography may be shown to children as part of a process of grooming them for future abuse. Increasing the maximum penalties for these offences will give the courts the opportunity to impose substantial sentences, thereby sending the message that child pornography will not be tolerated. We must send a message to the community that any offences relating to child pornography will not be tolerated.

The inadequacy of penalties for child pornographers in New South Wales came to light during Operation Auxin, the recent police operation that targeted Internet child pornography. At the time the Opposition was publicly highly critical of the Carr Government for not acting earlier to increase the penalties for these offences. This legislation is long overdue. In the past people have escaped prosecution and conviction because of inadequacies in the law. It is time that the Government responded to those inadequacies. The Opposition supports the bill but we believe it should have been on the statute books long before now. We are concerned about the level of child pornography and its devastating effects. Child pornography can ruin the lives of young people, and the Opposition is not about to allow that to happen.

Mr ALLAN SHEARAN (Londonderry) [8.16 p.m.]: The object of the Crimes Amendment (Child Pornography) Bill is to amend the Crimes Act 1900 in relation to pornographic offences involving children. The

purpose of the bill is to increase the penalty for offences involving child pornography and make them consistent with those applying in other jurisdictions. The maximum penalty for possession of child pornography will soon be uniformly five years in New South Wales, Victoria, Queensland, South Australia, the Australian Capital Territory and Western Australia. Child pornography offences have received attention in recent months because of the large numbers of arrests nationwide that resulted from Operation Auxin. I compliment all involved in that operation on their success. The proposals in the bill address concerns that have been raised about child pornography offences in New South Wales, including inadequate sentences, the statute of limitations, and delay in processing because of the procedure for classification under the Commonwealth Classification (Publications, Films and Computer Games) Act 1995.

The bill will remove this impediment to the effective prosecution of these cases and allow the more serious cases of possession of child pornography to be dealt with in the District Court. The classification requirement was intended to ensure that decisions as to what constitutes child pornography are made in an independent and uniform manner. However, many cases involve material that is clearly child pornography, for example, pictures of young children involved in sexual activity. Classification adds delays to the prosecution process and expense to NSW Police, who receive 100 free classifications per year and pay for additional ones. Operations such as Auxin, which involved large numbers of cases and images, are likely to stretch the limits of the system. A link to the classification regime remains in that it is a defence when the material is classified other than "refused classification", either before or after the alleged offence.

I had not intended to speak on this bill but was prompted to do so by some comments by the Attorney General in his second read speech. For instance, he said that child pornography can reinforce a paedophile's perception that paedophilia is normal and it can be shown to children as part of a process of grooming for future abuse. That is scary in anyone's language, and it is particularly scary for parents with young children. The Attorney General continued:

> If the courts can provide effective deterrence to people who possess child pornography, this market may be eliminated, and the impetus to produce child pornography, and to abuse children in its production, will be reduced.

Persisting with such deterrence is a very worthy cause. The indication from both sides of the House is that any effort made to reduce the market in pornography is a plus. I have three children in their twenties whom I am not concerned about, but I also have an eight-year-old child. I wonder what sort of effect this material could have on such a child in later life, particularly, if it is suggested that such material gives some normality to the industry.

I note in the second reading speech the reference to the requirement that the material must in all circumstances be offensive to reasonable persons. That would mean that a family member taking photographs of young unclad children at the beach would have a defence. I noted the commitment of the officers of the child protection unit of NSW Police, in my capacity as a former member of NSW Police before I came to this place. If the increased penalties go any way to deterring potential offenders, it can only be a plus. I am sure the committed officers of NSW Police appreciate the effort the Attorney General has put into this legislation and that it will lead to a reduction in this offensive and abhorrent crime.

Mr BOB DEBUS (Blue Mountains—Attorney General, and Minister for the Environment) [8.21 p.m.], in reply: I thank honourable members for their support for this bill. It was inconceivable that the House would do anything other than endorse the increased penalties and the more stringent attitude that this bill has demonstrated towards the heinous crime of child pornography. I will restrict my reply to dealing with three myths that I noticed Opposition speakers continued to peddle during the debate. In fact, I noticed that they were all reading from a single sheet of paper. The honourable member for Gosford smiles, but he smiles in a conspiratorial fashion: he knows it is so. They all had the same sheet of paper with the same instructions, so for the record I will mention these matters.

First, it is simply not true that all offenders convicted of child pornography offences over recent years somehow escaped prison sentences. The statistics show that in recent times a significant proportion of those convicted of child pornography offences have received custodial sentences. It is true, nevertheless, that Operation Auxin has changed everybody's perceptions about the nature and extent of this truly awful crime. The results of Operation Auxin have clearly startled even those who have had the unfortunate responsibility of pursuing the perpetrators of this dreadful crime. The police who have been directly involved have indicated their frank astonishment at the levels of depravity that were revealed by Operation Auxin and the extent to which this crime has found expression. Obviously, that is significantly because the Internet, unfortunately, allows more opportunities for people to commit this sort of crime, as it allows for the expansion of many other activities—most of them, fortunately, of a benign and useful nature.

I mention also the question of the procedural changes that have been introduced to clarify offences relating to child pornography. It has been alleged that somehow or other these changes have been introduced because the vigilant Leader of the Opposition pursued a campaign that in some way or other encouraged the Government to make them. The truth of the matter is that by his grandstanding on these issues the Leader of the Opposition has done much to confuse the question, perhaps raising the possibility of an impotent defence, a defence that might be brought forward by defence lawyers, though it would nevertheless have been unsuccessful, a defence that could potentially have wasted the time of courts as various prosecutions were conducted following Operation Auxin.

More important, the changes were made because the Leader of the Opposition used such absurd and wildly exaggerated language to create a suggestion of legal uncertainty when there was none of any significance that it became necessary, as the Crown Advocate advised, for abundant caution for us to make the changes, which made it clear that a person could be charged before classification was conducted with respect to pornographic material. The Crown Advocate advised that although it was extremely unlikely that a court would ever accept the argument that a person could not be charged before classification of this material had taken place, nevertheless on the distant and, as it were, logical possibility that somewhere, somehow a magistrate might do it, it would be sensible to make the procedural change.

In other words, we were talking about a mere commonsense matter, even though the Leader of the Opposition felt obliged to act as if, I think in his own words, we were facing the greatest crisis in the history of the criminal justice system in New South Wales. His language was absurd and ridiculous, but he had created a situation and we had to deal with it. In other words, when I said that it was probably true that the particular part of the bill clarifying offences relating to child pornography would not have been introduced but for the intervention of the Leader of the Opposition, I was saying so because the Opposition Leader had done a bad thing, not a good thing.

Finally, the third myth that has been rather systematically perpetrated is that there is some kind of systemic problem that arises because a chamber magistrate had refused an application for a search warrant in a particular case involved in the whole of the Operation Auxin activity. There is no need to change the law, as the Opposition suggested. Refusals of search warrant applications by chamber magistrates can be reheard by ordinary magistrates. We simply do not need to amend the Search Warrants Act. Indeed, the matter that raised the Opposition allegation was reheard by another magistrate when police put forward more evidence and the matter proceeded as the police had desired.

Again, the Opposition had been making hysterical claims about a circumstance in which there was, in fact, nothing in particular to be alarmed about at all. Indeed, in that case the system was working perfectly well. That being said, I again acknowledge that all honourable members who have spoken in this debate have supported the bill. There can be no doubt at all that the changes that we are speaking about, made in the aftermath of the revelations of Operation Auxin, have the unanimous support of the House. I commend the bill.

Motion agreed to.

Bill read a second time and passed through remaining stages.

HOME BUILDING AMENDMENT BILL

Second Reading

Debate resumed from 10 November.

Mr CHRIS HARTCHER (Gosford) [8.30 p.m.]: I will relate to the House details of yet another flawed and rushed bill, introduced by the Government without consultation with major industry groups, especially the Housing Industry Association and the Master Builders Association. Yet again we see the Carr Government creating custom legislation to suit the unions, to mend bridges destroyed by the Australian Labor Party during the Federal election campaign. This is a cynical attempt to introduce unions into a non-unionised industry, the home building industry.

Honourable members opposite may claim that this bill provides exactly what builders have been asking for, exactly what builders need to gain better access to home warranty insurance, and to properly protect those for whom they are building houses. But builders will get no satisfaction from this legislation, which unfairly

penalises them, makes the insurance situation more complicated, provides nothing to stop the dangerous rise in uninsured owner-builder homes, and forces unions onto an industry that has been openly hostile to union activity.

The builders of New South Wales want the reintroduction of the Building Services Corporation, and the Coalition is committed to achieving this upon attaining office in 2007. The builders want that so badly that they gave up a day of work recently to assemble outside this building in Macquarie Street to protest the Carr Government's action. This bill does nothing to allay their fears. The Government has proved once again that the unions come first, that the big Australian Labor Party donors and on-the-ground supporters win, and that the people, the builders and the residents of New South Wales lose.

This bill does nothing to increase consumer protection. The major issue facing the home building industry is a lack of access to proper home warranty insurance. To avoid the constraints and complications of home warranty insurance, many prospective homeowners are simply signing on as owner-builders. They build the house themselves and hire contractors to complete the project. The builders do not require home warranty insurance because they are working as contractors to the owners, and the owners do not require home warranty insurance because they have no need to indemnify themselves against the liabilities of their own work, provided they plan to live in the house. But home warranty insurance exists to insure against the occasional fault of the builder. That fault is just as likely to happen if that builder is a contractor.

Under the current inequitable system houses are not being insured, but the rate of building faults is not being reduced. It is a dangerous situation, and this Government has done nothing to ensure the problem is rectified. Instead, the Government has introduced legislation that seeks to create a governing council for the industry with two union representatives. This is despite the fact that the home building industry is totally non-unionised. These two representatives, of course, will be from the Construction, Forestry, Mining and Energy Union [CFMEU]. The bill seeks to extend trade union activity to an industry which, as I have said, has been hostile to trade union activity.

The bill also allows for the council to suspend the licence of any builder for 60 days, without the chance of an appeal, while an inquiry is held into any alleged offence. This will have a devastating effect not only on builders but upon subcontractors and upon people for whom the builder may have been acting. The bill simply allows for a representative of the now unionised council to come onto any building site and put a builder out of business for any reason whatever, while they take their time investigating the allegations. Sixty days suspension in the working life of a building contractor is a death sentence for that business. Small businesses will sink while the Carr Government's inefficient investigators investigate nothing in particular. Sixty days without cash flow for most businesses spells bankruptcy. Creditors demand payments, while no building can be done by the company or its contractors. Bills still require payment, and that is quite apart from the builder's ability, or inability, to support his or her family.

Appeal is provided for, but it is completely unsupportive. How can a legal challenge be mounted in the courts to appeal a suspension that ends the builder's income? There will simply be no income available to fund a legal appeal. This legislation flies in the face of our justice system, which allows for the assumption of innocence until guilt is proven. Under this legislation builders are neither guilty nor innocent. They are simply put out of business. It is unfair, and the Coalition cannot discern why Labor members opposite would choose to impose such extraordinary legislation on small businesses in their own electorates. The Carr Government did not conduct any consultation before this bill was introduced. It certainly did not consult the Housing Industry Association or the Master Builders Association. The only consultation that the Government may have had is with the unions. But the home building industry has nothing to do with unions. This industry has again and again rejected unions, and remains a completely non-unionised industry. The unions have no place in this industry, and yet the only body that the Government would appear to have consulted is the trade union movement, and especially the CFMEU.

The peak industry body, the Housing Industry Association, does not support this bill. The association has made it very clear that it believes the bill should be defeated. It is opposed to this bill because of the guilty until proven innocent suspension of licence provisions, and because the Government has done nothing to seek independent review of the Home Building Act. This bill makes industry policemen of principal contractors and builders, who will under this legislation be required to check the licences of all contractors and record the scope of work to be done by each contractor. With over 30 areas of contract on an average house site, and more than 70 different licence categories, this task will be near impossible for any small business and will impose massive compliance burdens and costs. The most likely outcome is that this provision will simply be ignored.

The Housing Industry Association is also concerned that this legislation provides nothing in the way of consumer protection, despite it being introduced by the so-called Minister for Fair Trading. The Minister is doing nothing to make trade fairer with this bill. In fact, most of the provisions of the bill are completely unfair. I challenge the Minister to identify any clause in the bill that increases consumer protection or enhances the role of the building industry. The Minister will not be able to point to anything in the bill that provides greater protection for consumers.

This Government has proved once again that it is not interested in working for a viable home building industry. That is well established since it privatised the Building Services Corporation some years back. Instead, the Government is set to impose some of the most unworkable, draconian legislation this industry has ever seen. It has shown that it will do absolutely nothing for the home building industry. Its best solution is to impose the unions on an industry that has rejected them time and time again.

The Coalition does not support this bill. The housing industry does not support this bill. Builders will not support this bill. And sensible New South Wales citizens will not support this bill. Honourable members opposite may wish to put local small businesses out of work for the sake of an ideology-driven Government and the trade union movement. They may wish to disregard one of the largest employers in this State in its pandering to the unions. Builders have proved they are willing to vote on this issue alone. They have proved they will rally against this Government simply for its inaction. If honourable members opposite see novelty value in waiting for the reaction to this legislation and its draconian impact, the Coalition remains quite happy for them to do so. But the Coalition cannot, and will not, support this bill. The Master Builders Association, one of the major bodies involved in this industry, simply says:

> The MBA received a briefing by the General Manager, Home Building Service, on Wednesday 3rd November 2004. A copy of the bill was not provided, nor a copy of the PowerPoint presentation. The MBA raised some concerns at the time.
>
> A copy of the bill was received via email on Wednesday 10 November 2004—the same day the bill was introduced to Parliament.

That is the level of consultation by this Government: a PowerPoint presentation; you cannot have copies of the bill, and you cannot have copies of the presentation. The bill was introduced in Parliament on 10 November, and that was when the major industry group gets a copy of the bill. But the Minister will pretend there was widespread consultation. The Master Builders Association continues:

> Accordingly, the Master Builders Association has had difficulty in properly considering the bill … and has had further difficulty consulting its executive council and its membership.
>
> The industry is being treated with the same contempt as previously raised in recent correspondence to Parliamentarians by the Construction Industry Training Advisory Board in respect of Continuing Professional Development (CPD).
>
> It is suggested that the haste to push the bill through Parliament is a precedent to the release of the ICAC report into licensing.
>
> The urgency in progressing this bill through Parliament cannot be justified. There is no threat to property or human life in delaying this bill and allowing thorough and proper consultation and consideration by industry.
>
> As previously mentioned, the industry is sick of the contempt by which it is being treated.

The Master Builders Association [MBA] goes on to say:

> It cannot be accepted that the provisions of this Bill are designed to further protect the consumer. If such a statement is made, then it is hypocritical when the *Home Building (Insurance) Amendment Act 2002,* substantially reduced the level of consumer protection by introducing a HWI scheme of "last resort" and to rescue the ailing privatised warranty scheme.

The Master Builders Association has exposed the Government for what it is: an organisation that cares nothing for consultation, an organisation that does nothing to involve the major players and stakeholders in the industry. It has been caught out having pushed this bill through on 10 November. It is now seeking to rush it through in the dying days of this session. Let us look in more detail at the bill. According to the Master Builders Association:

> **Schedule 1 Amendments relating to insurance**
>
> **Schedule 5 [2] Constitution of Home Warranty Scheme Board.**
>
> The functions of the Board under this provision does not fully account for the Grellman Inquiry's recommendation which outlined the establishment of a Scheme Board modelled on the Motor Accidents Authority. The Board will merely take on an advisory and consultative function.

The MBA had hoped the Board would, in the absence of an independent warranty insurance ombudsman, provide an independent function in considering grievances and complaints. The MBA raises many issues forwarded to the Interim Scheme Board that still await response.

Schedule 1 [6] and [7] 103AD Exchange of information between insurers

The MBA has continually expressed concern to the Interim Scheme Board and the Home Building Service (HBS) regarding the ability of insurers to circulate information among themselves in regard to builder applicants.

The MBA has documents identifying that at least one former insurer had previously held secret "blacklist" on builders.

The MBA has concerns that this provision raises privacy issues, not only of builders, but such information could disclose information in relation to their consumer clients. The provision effectively gives impunity to insurers from laws normally protecting the privacy of such information.

On the other hand, should builders circulate certain information amongst themselves during the tender process (government tenders), it may be considered collusion.

The MBA is also aware that insurers have sought exclusivity with their builder clients; to the extent that one insurer seeks a declaration that insurance will not be sought elsewhere. Therefore the circulation of information may, in turn, prejudice a builder's position with an existing insurer.

The MBA is most concerned that the provision is retrospective in allowing the circulation of any insurance information previously held by the insurer and relating to the person.

The Market Practice Guidelines governing insurers, released by the Minister for Commerce in September, allows insurers to gather information from third parties, however the insurers are not required to disclose such information or the identity of these third parties. Accordingly, such information could be mischievous, misleading or vindictive. Such information would be available to be circulated under these provisions.

Schedule 2 Amendments relating to authorities

Provisions under this section give extraordinary powers to the Director General. Of concern is that such powers are often delegated to officers under the Director General.

The MBA is concerned that the current Director General holds a prejudicial line of thought, that the Office of Fair Trading is solely a consumer protection agency. The MBA has pointed out there is also a responsibility to administer the Home Building Act, which translates into ensuring an overall operation and viability of the residential sector in NSW. There is a general feeling of an adversarial approach, rather than objective approach towards industry.

It is of concern that the Bill will give the Director General the authority to form arbitrary opinions and decisions as to a person's character, integrity, financial viability; or in determining the meaning of "fit and proper person".

There is a serious lack of guidelines in allowing the Director General to form such opinion and a lack of reasonable and accessible mechanism for appeal.

Provisions of the Bill will extend the … judgement of the Director General beyond licensees or authority holders, but will bring into the Act so-called "close associates", including a spouse, de facto and/or partner.

The effect is that a license may be denied and/or the licensee subject to disciplinary action due to a "close associate's" past misgivings that also may be unrelated to the industry. Surely this is a case of double jeopardy in the case of the "close associate"

Provisions under this section may cause the cancellation or rejection of a licence where a person is employed; or a "close associate" has been bankrupt. The licence holder may be subject to disciplinary action for employing such a person. There are numerous examples in which a person has been made a bankrupt through no fault of their own. The Member for Murrumbidgee recently raised concern at the plight of builder constituents who have been the subject of poor engineering advice that could in turn, bankrupt their businesses. Under these provisions, these builders may be prevented from being employed or engaged by another builder in order to put food on the table.

A licence holder intending to employ such a person may obtain approval from the Director General **(Schedule 3[6])**. The practicality is that employers would simply prefer not to engage such a person rather than bother to go through the Director General.

Part 4A provide an appeal mechanism by the Administrative Decisions Tribunal. The cost and daunting prospect of such a process is not considered an effective safety mechanism.

Schedule 2 [6],]14] and [19] effectively introduces into the Home Building Act, a consorting provision that was used years ago by police under the criminal code. Surely there is not sufficient evidence that the NSW residential industry has deteriorated to that extent; or its participants considered to be of a criminal nature to warrant an anti-consorting provision.

Schedule 2 [27], [28] and [29] allows the Director General to obtain "financial insolvency" information. Since 1997, the home warranty scheme has introduced unprecedented, rigorous and onerous financial testing of licence holders. The MBA is aware and concerned in regard to the quality and accuracy of financial information obtained through credit reference agencies.

It is most concerning that the Bill proposes to extend such powers to obtain financial information from "close associates"

Schedule 3 Amendments relating to disagree action

61A Power to suspend authority when show cause notice is served.

This provision effectively ties suspension of business with notice to show cause. It is also effectively a denial of natural justice. It can be compared to an automatic denial of bail for criminal misdemeanours.

The power to suspend a builder for 60 days has the potential to cause collateral disruption and damage to clients or the license holder. This would be despite any mechanisms established by the regulator to prevent adverse effect on consumers.

This provision should be considered in respect of a package of recent laws which provides consumers with a cooling-off period, requirement to be provided with a consumer guide and an early dispute resolution process involving Home Building Service Inspectors, to name a few.

Such punitive action in suspending a builder for 60 days will have a flow-on effect to subcontractors, suppliers and others in the contractual chain.

Schedule 3 [8] the Director General can take discretionary action against a license holder that (a) "does not meet financial solvency determined by the Director General." Such levels of financial solvency as determined by the Director General should be predetermined, transparent and publicly disclosed. Not simply discretionary.

Schedule 4 Amendments relating to offences and penalties

127A Power to request name and address of persons undertaking residential work or specialist work.

The provision is considered unworkable for principal contractors, especially on larger sites where many workers simply come and go during the day. To put it in practice on some sites, access would need to be controlled to a single access point, and a person employed exclusively to administer the requirement.

The provision raises privacy issues whereby it calls for the residential address to be provided to an officer, rather than the business address.

A more practical approach would be for a list of nominated or declared subcontractors to be kept on site. However during periods of contractor shortages this may be unworkable.

32AA Unlicensed contracting

The owner-builder side of the industry is simply not being policed without giving regard to new requirements on owner-builders. As an example, home warranty insurance is not being obtained in contract exceeding $12,000 between owner-builders and subcontractors. Despite the issue being raised on numerous occasions, the regulator has simply turned a "blind eye".

Schedule 5Amendments relating to Home Warranty Insurance Scheme board and Home Building Advisory Council

115D Membership of Advisory Council.

The residential building industry has effectively remained non-unionised and therefore we question the appointment of 2 persons in consultation with the Labor Council.

It is noted that representation was afforded the union on the former Home Building Advisory Council of one representative who rarely attended meetings. This alone brings into question the union's interest in the residential sector; or the issue of home warranty insurance.

It is important for the views of the MBA to be placed on the record of this Parliament because the Master Builders Association, despite being a principal representative body of builders in this State, was not consulted by the Government and was therefore denied the opportunity of expressing its views. More importantly, the Housing Industry Association [HIA], which also points out that no consultation has taken place, has condemned the legislation. On the Thursday preceding the introduction of the bill, the HIA also received a PowerPoint presentation but did not receive a copy of the bill until it was introduced in the Parliament.

Among the HIA's concerns is the proposal that will make it a criminal offence for builders to engage unlicensed contractors. The only defence to accusations of a breach is a builder being able to show that everything possible was done to check that the subcontractor was licensed. If the Government paid any attention to the way in which the building industry operates it would know that builders are not always at a building construction site and cannot therefore be expected to engage in a continuous checking of subcontractors. This legislation, which imposes unrealistic expectations upon the building industry, also flies in the face of building practice but achieves nothing for consumers.

Recently throughout New South Wales, the Office of Fair Trading conducted blitzes on building sites and found that approximately 600 subcontractors were not licensed. That is clear evidence of this Government's failure to enforce compliance obligations, but the Government now seeks to shift its responsibilities onto small business. Over the past five years there has been continual amendment of the Home Building Act. The HIA has called for an independent review of the Home Building Act to assess whether consumer protection may be better achieved in other ways. The Governments ought to undertake an independent regulatory impact assessment of its legislation. Under the principles of the Council of Australian Governments [COAG], there is an expectation that all State governments will undertake an assessment of the regulatory impact of legislation, but no such assessment has been done of the Home Building Act.

The HIA has stated that the bill will make builders and principal contractors the industry's policemen and will add significant compliance costs to the costs already borne by small businesses, thus further eroding affordability through increased housing costs. The HIA is also convinced that there is no additional consumer benefit to be derived as a result of implementation of this legislation. The builder or the principal contractors will remain responsible to the owner and the Government will not pursue the subcontractor. The HIA supports the licensing of contractors when they contract with members of the public. Only Queensland and South Australia have a licensing system for subcontractors, and Queensland has the highest level of consumer complaints concerning building work in Australia.

Other concerns expressed by the HIA relate to the automatic 60-day suspension of licences without judicial review, which will affect directly the livelihood of small business operators, consumers whose houses remain incomplete, and subcontractors who are awaiting payment. The HIA believes that the anti-rebirthing laws are far too wide because a subcontractor without fault who is made bankrupt will not be able to be employed in the industry except by approval of the Office of Fair Trading. That provision will accentuate the current shortage of skills in the industry. The views of the HIA and the MBA have been ignored by the Government. It will be interesting to hear the Minister in her reply reveal who has been consulted and what attempt has been made to ascertain whether the legislation is necessary.

Many representations have been made to me by persons employed in the building industry and I have no doubt that representations and complaints will increase as implementation progresses and people become increasingly conscious of the effects of the bill. Honourable member should bear in mind that up until 3 November no information had been circulated about this bill apart from a rushed PowerPoint presentation and that a copy of the bill was not provided until 10 November, yet on 17 November the Government proposes that this bill will be passed by the Legislative Assembly and as soon as possible thereafter by the Legislative Council. The Coalition will oppose the bill in the Legislative Assembly and in the Legislative Council and will otherwise do all in its power to oppose the passing of this legislation.

The Minister has failed to engage in consultation but seeks to treat the building industry—one of the largest industries in this State—as though it manufactures killer toys. The impact of this legislation upon the building industry can be gauged from telltale signs. One is that it will simply be met by builders with widespread defiance and non-compliance. Builders are very independently minded and are unlikely to comply with an enormous Act of Parliament when its provisions are incomprehensible. The Home Building Act is significant legislation and the Home Building Amendment Bill that is currently before the House has 45 pages of provisions. Builders are expected to comply with an amending bill that is 45 pages in length. Although the bill may have been great fun for the bureaucrats to draft and for the Minister to present, it is a nightmare for builders, who operate largely out of their utilities or their homes. Overwhelmingly the home building industry consists of micro-businesses, unlike the commercial building industry, and some small building companies simply do not have the wherewithal or the inclination to comply with legislation that is as ridiculously extensive as this bill is.

The Minister should acknowledge that builders will have to contend not only with the Act but also with this amending bill and the regulations as well as the Fair Trading Act and its regulations. At the end of the day, legislation that is overdone will simply lead to massive levels of non-compliance. But if the Government and the bureaucrats feel that they are achieving something, the Minister should state in her reply what will be achieved, including the manner in which consumers will be protected. The Minister should outline how she has consulted with the industry and conducted an assessment of the legislation's regulatory impact. The Minister should also inform the House of the ways in which she has complied with COAG requirements. However, far from elucidating the processes associated with this legislation, the Minister will merely read from prepared notes.

This Minister never has any idea of the issues associated with the legislation she presents to this Parliament and will not answer a single point made during debate. I have already stated on the record the views

of two major building associations that the Minister has refused to consult and the Minister will not respond to criticisms of this legislation by the HIA and the MBA. It is nevertheless important for the views of those organisations to be expressed, and I am determined to ensure that that occurs.

Mr Brad Hazzard: And that the interests of consumers are expressed.

Mr CHRIS HARTCHER: And the question must be asked: how will one single consumer be assisted by this legislation? This legislation certainly kicks the builders and hits them hard by making them industry policemen or quasi-officers of the department. This legislation certainly ensures that after a period of 60 days builders' licences may be withdrawn without judicial review of the process. Moreover, builders' businesses will be able to be suspended, resulting in their subcontractors and their families being denied income. The Coalition certainly know about those impacts, but we would love to hear the Minister's responses to the allegations levelled at this legislation by the HIA and the MBA. The Minister may have heard the allegations before, but she has not answered them. She has to run to her department to get departmental officers to write out answers for her. She has neither the requisite ability nor knowledge to enable her to answer questions and allegations. She has to wait for someone to write out the answers for her.

The current situation is that one of the largest industries in this State will be paralysed and attacked by this Government. However, the builders of New South Wales, in common with the train commuters of New South Wales, will have their say in March 2007. Thousands of subcontractors and licensed builders will exact their vengeance upon this Government in 2007, as will this State's one million daily train travellers. If ever there was a Government in its dying days, it is the Carr Labor Government, and the Minister at the table is a classic example of why that is so: Her ignorance of the building industry is almost without parallel. She has never been on a building site and would not know what one looks like.

Residential home building is being savagely attacked by this Government. The Minister has no answer for the criticisms that have been made of this legislation, other than to resort to personal abuse. The Housing Industry Association issued a statement under the heading "Death Sentence. For Small Business" which states:

> The Home Building Amendment Act introduced into the NSW Parliament yesterday, is a charter for sending small businesses in the housing sector to the wall and should be withdrawn...
>
> "The proposal to prohibit builders engaging unlicensed trade does not enhance consumer protection", stated the HIA's NSW Executive Director, Elizabeth Crouch.
>
> "This Bill is a thinly disguised attack on the efficient independent contract system that operates within the housing sector", Ms Crouch said.
>
> HIA is alarmed at proposals for building licences to be suspended for up to sixty days while an inquiry into an alleged offence is conducted.

Only one organisation benefits from this bill: the Construction, Forestry, Mining and Energy Union [CFMEU]—the old favourite of the Australian Labor Party. The Labor Party had one representative on the union's advisory council, the controlling council, who never attended meetings. The Labor Party will now have two representatives on that council as part of the union's program from the CFMEU to try to unionise the thousands of subcontractors in the State. As the honourable member for Lane Cove correctly pointed out, we saw a magnificent sight on Thursday 7 October when thousands of CFMEU workers cheered the Prime Minister. They waved the red flag, but it was for the Liberal Party. The next time subcontractors and builders wave the flag it will be for the Liberal Party. Members of the CFMEU, in their thousands, supported the Liberal Government in Tasmania.

Ms Reba Meagher: So you would like them on board?

Mr CHRIS HARTCHER: Yes, the Coalition would like them on board; they represent thousands of workers in the State. They will wave the red flag when the Leader of the Opposition walks in, the hall will erupt with cheering for the alternative Premier who cares about the building industry and there will be a change to a government that cares about builders.

Ms VIRGINIA JUDGE (Strathfield) [9.01 p.m.]: I support the Home Building Amendment Bill. I commend the Minister for Fair Trading, her staff and the department for their hard work in bringing this timely bill to the attention of the House. I will correct some of the erroneous and fallacious statements of the honourable member for Gosford. Some of his statements led me to believe that he was talking about a different

bill. I inform him that the Home Building Amendment Bill is about protecting consumers, protecting many of the people who live not only in his electorate but throughout this State. This is a balanced bill because it gives inherent protection to builders. Tonight the Liberals proclaimed their support for the Housing Industry Association [HIA] and I ask the honourable member for Lane Cove to listen carefully to what I am about to say. At the beginning of September the Leader of the Opposition publicly condemned the HIA when he told builders:

> They don't do much of a job representing you, as far as I'm concerned.

What hypocrisy! Yet the Opposition has the gall to say that this bill does not look after consumers and that our hard-working Minister for Fair Trading has not done her job in consulting the community. I rest my case! Home ownership has been part of the great Australian dream for a long time. Historically, that dream has changed over the years. Some years ago the dream was to own a small home on a quarter-acre block, perhaps with the traditional white picket fence. My mother was one of a family of 12 and she lived in a rented house on the waterfront at Abbotsford. That house has since been demolished and a block of units has been built on the site. I am sure that we all have had that dream of home ownership, of a stable house that has been properly built by licensed builders and will not fall down around our ears. Perhaps in the new modality, a more contemporary dream would be to own a semi, a unit, a villa or a townhouse with a yard. These days many seniors are looking for a villa without steps in which they can have a little garden and perhaps a cat or dog.

While Australians are pursuing that dream—a dream they are entitled to have—they should have the freedom to follow it. Unfortunately, many Australian families face a variety of downfalls and deception. This bill is about protecting people from deception. Deception often happens because transactions may, sadly, involve a naïve individual and a knowledgeable agent supported by his business. That is the crux of the issue and the focus of this important bill; this is about protection of the consumer. That protection will be achieved through a number of new provisions. The first protection this amending bill offers is enhancing the licensing and certification provisions for the renewal and restoration of contractor licences. Under that provision the Commissioner for Fair Trading can prevent inappropriate people from holding authorities. Essentially, that means if a business has a history of questionable unreliable visitors practices, fraud or worse, it will not be trusted with the safety of a person's most valuable asset: their home. The honourable member for Heathcote and the honourable member for Drummoyne know that, and they support the bill.

A person's home is that piece of real estate for which they have sweated over the years, for which they have made sacrifices so that they can have their own roof over their head. This bill has particular resonance in my seat of Strathfield, where there is an area known as the "golden mile", where having a home is a real focus. Many houses in that area are older, and people who buy them may want to demolish them and build a new house that is more in keeping with the needs of contemporary families. They will want a family room, more bedrooms, a couple of extra bathrooms and a garage for several cars. Home buyers may want to do a major renovation of an older house.

I speak with authority on this issue as a former mayor of Strathfield. In that role I processed many development applications from familles that wanted to renovate a house. They wanted to know that the person they hired to do the work was properly qualified and licensed to do the job. People do not want someone to pretend that they know what they are doing or that they are qualified to do work that may cause financial stress down the track. Consumers deserve to know that when they hire a builder to build their new home or renovate an existing home, for which they have sweated and saved, that builder will hire only licensed contractors. Home owners deserve that piece of mind and, quite frankly, that is a large part of what they are paying for. When they sign a contract they want to know that the product they will get is structurally sound.

I will outline a few differences between the current industry-run scheme and the former scheme run under the Greiner-Fahey Government. Maximum payments under the current scheme are considerably greater than those under the former Coalition Government. Members opposite are squealing and chattering, because they do not want to hear the truth; they do not want to know what this bill provides. I could tell by the way that the honourable member for Gosford was speaking that he had not read this important bill. The maximum payment is now $200,000 for defective work, as opposed to $100,000 under the former Government's scheme. I rest my case: these are the facts. Members opposite should take those facts on board and get them into their heads. The maximum cover for the loss of a deposit in the current scheme is $200,000, subject to deposit requirements under the Act, compared to just $10,000 under the former Government's scheme. That $10,000 would not have gone very far.

Home warranty insurance is best provided by the insurance industry, thus avoiding passing on to taxpayers the burden of funding the scheme. Home warranty insurance is long-tail insurance with claims being

made up to six years after work is completed. Claims to the Fair Trading Administration Corporation are still being received and paid out, despite the scheme closing seven years ago. In contrast, the private sector is ready and willing to enter the market and provide home warranty insurance. Indeed, there are now four insurers operating in the marketplace. The bill does not introduce any new power to suspend a licence. Quite rightly, that power already exists.

However, it is used only in extreme cases when consumers are at significant risk from a licensee continuing to operate. One example of this is the case of Prouds, where more than 500 family homes were potentially affected. Obviously the honourable member for Gosford does not care about those 500 families. As the Office of Fair Trading was able to act quickly it was able to prevent further loss. In August this year the Office of Fair Trading acted to protect those families and it suspended the holding licence for 60 days. This bill brings the Home Building Act into line with other fair trading laws. Any decision to suspend a licence will be reviewed by the Administrative Review Tribunal and a show cause notice will be issued.

I rebut the point made earlier by the honourable member for Gosford, who obviously has not read certain parts of the bill. The honourable member for Gosford said that this was just going to happen. Any decision to suspend a licence has to be reviewed by the Administrative Review Tribunal; it does not just go off into fairyland. That is what has to happen. It is obvious that Opposition members are in fairyland. They should put on their wings, fly off to Pittwater and build their sandcastles on the beach. The commissioner would need to be satisfied that the grounds of the show cause notice, if established, justified the suspension or cancellation of a licence. So it does not occur on a willy-nilly basis. Opposition members do not want to know about those issues; they want to remain in fairyland.

When consumers are affected because of existing contracts with a suspended builder the Commissioner of Fair Trading can appoint an external co-ordinator to manage the contracts. The Government has given consideration to those issues. A number of inaccurate claims have been made about the bill's prohibition on contracting with unlicensed contractors. I find it deplorable that an industry association has claimed that it is standard practice to use unlicensed contractors. It is unlawful for an unlicensed person to carry out building work that requires a licence, which speaks realms. Unlicensed contractors do not have the required experience or skills to undertake building work. I do not think the honourable member for Gosford or the honourable member for Lane Cove would like to employ them to do building work on their properties, but it is okay for other people. It is not okay for them but other people can use unlicensed builders. I hope that every taxpayer in New South Wales is aware of the Opposition's position. I would not want to be in their constituencies.

Mr DEPUTY-SPEAKER: Order! Opposition members will contain themselves.

Ms VIRGINIA JUDGE: The fact that they are interjecting demonstrates that they are really nervous about this bill. I am encouraged by their interjections because it shows that the Government is on the right track. If an unlicensed person carries out building work it puts consumers at risk and it unfairly undermines the reputation of many hard-working builders that we support and that are doing the right thing. Those builders would not dream of taking such action. In recent compliance operations the Office of Fair Trading extensively fined unlicensed operators, and so be it. Unlicensed contracting was the main reason for the 900 fines recently issued by the Office of Fair Trading—a telling fact. It is important to show that this Government will have no tolerance for practices that put our homeowners and taxpayers at risk. That is why the bill proposes that builders ensure that contractors have a licence. It will apply equally to builders and owner builders. That reasonable requirement will help to achieve the consumer protection objectives of the licensing code. I commend the bill in its entirety.

Mr DARYL MAGUIRE (Wagga Wagga) [9.13 p.m.]: The Home Building Amendment Bill introduces a series of amendments to the Home Building Act 1989. The Government claims that it will strengthen the building licensing system, increase penalties and establish a new structure for home warranty insurance providers. I have ascertained from information that I have been given by the building industry in my region that the Housing Industry Association [HIA] and the Master Builders Association oppose this bill. The building industry, an enormous industry in New South Wales, contributes many billions of dollars to the economy of this State. It is the economic barometer by which we measure the health of this State. Time and again the Premier and the Treasurer have referred to those statistics.

The building industry employs thousands of subcontractors. Other honourable members referred to the fact that this legislation does not extend consumer protection but it will create a policing role on building sites. Anyone who has worked on a building site or who has experienced the construction of a home or unit will

understand the complexities and problems that builders face when they are managing people on building sites and they are recording all the required information. This bill seeks to extend trade union influence in an area in which it is not wanted. A builder is to be held responsible for ensuring that each subcontractor is licensed. Honourable members would be aware that there are more than 30 different contracts and more than 70 licence categories. The department will

automatically suspend a licence without a court review. The bill also provides for increased penalties and it will establish a governing council comprising industry and two union representatives. The Housing Industry Association sent me a press release entitled, "Proposed New Laws Attack the Livelihood of Builders and Trade Contractors", which stated.

> HIA has attacked the NSW Government's draconian proposals to make criminals of builders who engage unlicensed contractors and giving public servants unfettered power to suspend a builders licence for up to 60 days without prior notice or an offence being proven.
>
> HIA will vigorously oppose laws that: make builders policemen; expose them to massive fines; and make builders guilty until proven innocent at the whim of public servants. You haven't been found guilty, yet your means of earning a living will be cut off while government officials conduct their leisurely investigations.
>
> The Association will strenuously fight to stop governments punishing the trade contractors and clients of innocent builders caught up in this bad and dangerous piece of legislation.

In a letter to the Premier dated 12 November the HIA stated:

> Please find the following rejection of the proposed changes to make criminals of builders for engaging unlicensed contractors in work practices.
>
> Whilst we support in principle the enforcement of bonafide contractors (and most builders are aware of their responsibilities to engage bonafide contractors) we feel it totally unacceptable that builders wear the brunt once again of lack of officers to perform their task in the building industry.
>
> Our concerns for the building industry is that we are governed by Dept. of fair trading who don't have the resources and have an undeveloped sector to manage and control the building industry.
>
> Of late we have had instances of contractors and builders waiting up to 6 months to be assessed to obtain a licence. How long would it take for the same government body to enforce and control this new law?

I read that letter onto the record to highlight a problem that was brought to my attention some weeks ago by a licensed builder who has home owners warranty insurance and who is now applying to become a building inspector and obtain a building consultant's licence. He wrote:

> You may recall that I rang you some weeks ago about the delay in the NSW Govt. Dept. of Fair Trading processing applications for building consultants licence.
>
> It was 18 weeks yesterday since I was put into that system and over 19 weeks since lodging my application. (I have a signed receipt). About 4 weeks ago I was told there was only one application in front of mine. Ten days later I was told that my application was now on the top of the list. If that is the truth it means they process one application about every ten days!
>
> I have had to ask to be referred to TAFE for an exam...

That is ludicrous. The Office of Fair Trading and the Minister want to implement a regime that enables public servants to put builders and consultants on notice without giving them a chance to defend themselves. They have to put up with a bureaucracy that does not even approve applications within 19 weeks. This bill is an absolute disgrace. The department does not have the capacity to deal with the provisions in it. My constituent's application for a builders licence had not been processed after a period of 19 weeks, even though he had been told that his application was on the top of the list. The Office of Fair Trading is approving only one application every 10 days.

All honourable members are aware that I have been in business. I know what it is like to lie awake at night and wonder how the hell I am going to pay my bills or meet my commitments. I ran a business that employed many people. At night when I used to lie awake my wife would say to me, "What is the problem?" I would say, "I have to put someone off tomorrow." I have lain awake at night, with a knot in my guts, wondering how I will break the news to a fellow who depends on me for his livelihood.

If the Minister pushes this legislation through Parliament without establishing the proper management procedures and builders are prevented from working and earning an income as a result, the impact will be felt

throughout the community. It will affect not only builders and their families but also the local schools that depend on them for school fees and the many people, such as subcontractors and building suppliers, whom builders employ in the course of their business. We know that every dollar that is spent in the community generates $3, and it is the same with jobs. This is disgraceful legislation. The Government has mismanaged this regime, which as been doomed since then Minister Faye Lo Po' introduced the relevant legislation in this place. Builders have been fighting these measures ever since. A building supply company, which is leading the fight in our region against this legislation, wrote to me and said:

> The major problem the local branch has, it is costing consumers large amounts of money for a last resort insurance. Consumers are of the misconception that the insurance enables them to claim on any trivial matter concerning building practices.

I will put before the House more proof of the absurdity of the homeowners warranty regime. I have received a letter from a consumer who contacted her cousin to build an extension on her house. The cousin is one of the best builders in our city. His father was a builder before him and the family are all builders—they are the best that one can employ. My constituent signed a contract with her cousin to build the extension. She then received a letter from the insurance company because the builder had declared that they shared the same surname. They are cousins by blood but my constituent is not connected in any way with the building industry. They do not share any financial relationship and my constituent has nothing to do with her cousin's company.

The insurance company wrote back to her and said that she would have to indemnify her cousin, the builder, before he could build the extension. The builder is already insured—he has $2 million worth of home warranty insurance. But my constituent, who wants to employ one of the best builders in our community, cannot do so because they share the same surname. It is an absolute disgrace. That is how absurd this regime has become. The builder cannot build the extension for his cousin, even though a contract has been signed, because she is required to indemnify him.

I get fired up about legislation such as this. I have raised these issues in the House time and time again but still the bureaucrats cannot come to grips with reality. The Minister continues to impose legislation on the building industry without understanding what she is doing. I challenge the Minister to defer this legislation and to follow the lead of her predecessor Minister Aquilina, who took up the challenge and came to our city. He met and spoke to builders and learned what the building industry is all about. At least he listened. I challenge the Minister to come to Wagga Wagga. I will organise for her to meet builders, who will tell her what the industry is all about. Builders operate out of vehicles; they do not have flash offices or employ people to arrange and conduct site visits. They are often building five or six houses simultaneously and they travel from site to site. They employ contractors, subcontractors and delivery people. Until one visits a building site and appreciates what is involved in running a building company one can have no concept of the impact of this legislation on builders.

I challenge the Minister to defer this legislation and to come with me to Wagga Wagga to meet builders, who are generating jobs in our economy and securing futures for children—with no help from the legislation that the Government has introduced in this place. Builders will not take on apprentices because they cannot guarantee their futures. Builders are absolutely snowed under with paperwork. The Government expects builders to do paperwork rather than build houses, which is what they are good at. What has the Minister done to lift her game? She has done absolutely nothing. She expects builders to police building sites—she expects builders to do the work that her department should be doing and that she should be funding. The building industry is no stranger to me. I have been to builders' meetings and listened to their concerns. All builders want to improve the building industry and the structure of services in New South Wales. They do not want to see shonky operators in the industry. [*Extension of time agreed to.*]

Builders want to improve building standards in this State. They are dedicated to that task. Everyone knows that there are crook builders in the industry. The likes of the builder that I just mentioned want to run those crooks out of the industry. But this legislation will not achieve that aim. The Minister should organise her bureaucrats to devise a system whereby they can check builders' licences. That is not the builders' responsibility so why is the Minister making builders responsible for policing sites? No matter what happens, the builder is responsible. He has to resolve the problems and fix any defects because insurance is a last-resort measure. If a licensed contractor or subcontractor does substandard work or uses faulty building materials, the builder is ultimately responsible. A builder must sign away his house, his kids and his car—every single thing he owns—in order to secure homeowners warranty insurance. The Minister did not have to sign away anything to become a Minister; she did not have to sign away anything to become a member of Parliament. Other Australians do not have to sign away their kids and their pet dog in order to ply their trade. Builders must then give guarantees to

the building industry, to the suppliers and to the banks. Come on! The Minister should wake up: she simply does not understand the issues.

I again challenge the Minister to come to Wagga Wagga. I will arrange a meeting with builders so that she can learn what the industry is all about. She can learn how it affects our community and about the impact of this draconian legislation that her bureaucrats have drafted. It is an absolute disgrace. The Minister should withdraw or defer the legislation until she has a better understanding of the situation. I have never before been fired up like this in the House but I am certain that the Minister will live to regret this legislation. Minister Lo Po' introduced the regime and successive Ministers have tried to improve it, and failed. The regime has driven builders out the door. They have refused to work and have relinquished their licences because it is just too hard. Experienced professional builders are building pergolas for less than $12,000 and younger builders are flat-out getting a start.

I appeal to the Minister to withdraw this legislation, or at least to defer it until she has learned what the building industry is about. She will learn something if she talks to builders from Builders for Active Insurance Reform, the Housing Industry Association and the Master Builders Association. This legislation will have repercussions throughout the building industry and the wider community. Builders do not have the dollars and cents they need to create jobs. More builders are being pushed out of the industry, and the future looks very gloomy. I thank the House for granting me an extension of time. I implore the Minister to put the legislation on hold and to come with me, or any Opposition member behind me, to talk to builders. I assure the Minister that she will be treated with respect and the dignity that befits a Minister of the Crown, but we will explain the problems so that she understands that the bureaucrats' assertions are wrong. That is what I want the Minister to do.

Ms ANGELA D'AMORE (Drummoyne) [9.30 p.m.]: I am pleased to offer my support for this bill. In 2003 the Minister for Commerce established an inquiry into the New South Wales Home Warranty Insurance Scheme. The inquiry consulted widely and considered a range of possible options. The recommended option was retention of the existing scheme. A number of enhancements were also proposed. The inquiry concurred with the implementation of the Government's 2002 reforms arising from the inquiry of the Joint Select Committee on the Quality of Buildings, known as the Campbell inquiry. The inquiry saw the Campbell inquiry reforms as contributing to a more stable scheme, and felt that there was a need to complement the reforms with measures addressing governance, licensing and dispute resolution.

The bill provides for the establishment of a new governance scheme for insurers. That involves a permanent Home Warranty Insurance Scheme Board comprised of experts in insurance to monitor and oversight the operation of the scheme. This will improve insurer accountability and help foster better relations between insurers and their clients. The membership of the Home Building Advisory Council will also be reconstituted to reflect its broader role in advising on consumer and trader related matters. The chair and deputy chair of the scheme board, as well as the Director-General of the Department of Commerce, will be members of the advisory council. The advisory council will have members drawn from the insurance industry, the Master Builders Association and the Housing Industry Association. Two licensed builders, two consumer representatives, two building employee representatives and a lawyer will also be members of the council.

An industry deed will be entered into between the Government and the insurers. That will provide an agreement outlining the co-operative commitment of insurers and the Government to the scheme. It will help to further stabilise the scheme and promote its long-term support by the insurance industry. The bill also proposes a range of reforms to tighten up the licensing scheme, expand the disciplinary powers and increase penalties for breaches of the Act. It introduces tougher requirements for licensing to remove shonks from the industry and to prevent their re-emergence in the licence system either as a new legal entity or hiding behind another entity. Consumers who have been ripped off by those rogue traders rightly cannot understand how essentially the same business continues in another name even though it is clear that the same person is pulling the strings. The new licensing provisions should go a long way towards stamping out such activities.

Good builders will be pleased by these enhancements, which apply to the small minority of unscrupulous traders who bring disrepute to the building industry. The enhancements will complement the compliance activities of the Home Building Service in locating and taking action against unlicensed and unscrupulous traders. These and the other proposals in the bill will give the licensing authority the necessary weapons to effectively crack down on unlicensed operators. They will support the vast majority of licence holders who do the right thing but who are often disadvantaged by having to compete with the illegal or incompetent operators. I call on honourable members to support this important package of reforms.

Mr ANTHONY ROBERTS (Lane Cove) [9.32 p.m.]: I cannot believe that once more I have to fight another impediment to trade and business in New South Wales. The Home Building Amendment Bill introduces a series of amendments to the Home Building Act 1989 that the Government claims will strengthen the builder licensing system, increase penalties and establish a new structure for home warranty insurance providers. By way of background, the home building industry has been the subject of considerable debate in recent years, especially since the privatisation of home warranty insurance in 1996. I am proud that the Coalition is committed to the reintroduction of the Building Services Corporation.

This legislation was introduced without industry consultation and is strongly opposed by the Housing Industry Association [HIA] and the Master Builders Association. The Government fails to understand that the building industry employs thousands of builders and contractors. This legislation does not extend consumer protection in any way. I join with my colleague the honourable member for Wagga Wagga in inviting the Minister to go to building sites in Wagga Wagga, a wonderful place. The Minister can talk face-to-face with builders and understand the problems they face rather than deal only with public servants.

The legislation will simply make life difficult for builders. The home owner's contract is still with the builder, never with the subcontractor. There has been no independent regulatory review of the impact of these changes on the building industry, despite the undertaking of New South Wales to the Council of Australian Governments not to increase the burden on small business without an appropriate review. More important, the major concern of builders and subcontractors is that the bill extends the influence of trade unions, especially the Construction, Forestry, Mining and Energy Union [CFMEU], in an industry which has always been hostile to trade union activity. That will immediately and directly affect jobs and the livelihood of builders.

The bill provides that the builder is to be responsible for ensuring each subcontractor is licensed. There are more than 30 contracts and more than 70 licence categories, and the provision imposes an impossible burden on small businesses. There is an automatic suspension of the licence by the department without court review—at present application must be made to the District Court—which is a denial of due process for small business. There are draconian increases to penalties. As the shadow Minister, the honourable member for Gosford, said, the governing council for the industry will have two union representatives, despite the fact that the home building industry is totally non-unionised. Where do the two representatives come from? The honourable member for Baulkham Hills has just alluded to the answer. The CFMEU! I talk a lot with the builders in my electorate and they are concerned about this legislation because they will have to close down their businesses.

Mr Paul McLeay: Name them!

Mr ANTHONY ROBERTS: I am not prepared to name them because if I do they will be victimised under this legislation. They will be hunted down and sent out of business by the CFMEU mafia and thugs. That is why I will not name them. I am happy to read the letter that thanks me and the Coalition for all the hard work we are doing in relation to this issue. The letter states:

> It has been brought to our attention that the proposed Home Building Amendment Bill is designed to hold a builder guilty until proven otherwise!
>
> It is also understood that the proposed bill will give unfettered powers to public servants to suspend licences and stop the builder's income. It is further understood that builders will be forced to act as non-paid inspectors for state authorities in licensing subcontractors, etc …
>
> Isn't the builder already subjected to enough pressures imposed on him [or her] by regulatory and financial scrutiny and control in place?
>
> We all acknowledge that the industry suffers from a few bad apples like any other industry and if the proposed bill is to sort out those bad apples … beware, you are throwing out the baby with the bathwater!!!

That was directed at the Government. As I have said before, for obvious reasons—the ramifications from CFMEU members or the Government—I will not name this distressed builder, who is considering hanging up his tools and his hard-earned expertise and going on the dole. I agree with the HIA, which says that the legislation is a charter for sending small businesses in the housing sector to the wall and should be withdrawn. The proposal to prohibit builders engaging in unlicensed trade does not enhance consumer protection. The bill is a thinly disguised attack on the efficient independent contract system that operates within the housing sector.

Once again the Government is shutting down small business operators with draconian legislation that will not work. All that will happen is that more businesses will move out of New South Wales into Queensland or Victoria. The Government is overseeing the decline of small business and jobs in New South Wales. That is

disgrace and the Government should be ashamed of itself. I give credit where credit is due, and I am happy to tell the Minister and honourable members opposite that I will do so tonight. That credit is due the Federal Coalition Government. If it were not for the Federal Coalition Government, New South Wales would have shut up shop a long time ago. The only reason that the Carr Government can continue to hop and hobble from one disaster to the other, yet still stay just ahead of the race, is that the Federal Government has brought substantial benefits to this country. When the Minister and honourable members opposite come to write out their Christmas cards, make sure there is one that says:

> Dear John,
>
> Thanks very much for saving us again this year from our own Government.
>
> Yours sincerely,
> NSW Government Member

My major concern is that this bill will make criminals of builders who engage unlicensed subcontractors and basically will give public servants unfettered power to suspend a builder's licence for up to 60 days, without prior notice of an offence being given. The Government will make builders policemen and expose them to massive fines. The bill makes builders guilty until proven innocent—at the whim of a public servant. The Government is saying to builders: You have not yet been found guilty, but your means of earning a living will be cut off while the bureaucracy trundles its way through a so-called inquiry. Who will be driving that process? The union movement. It will hunt down builders who refuse to employ union contractors. They will victimise those builders. The Government is totally dominated and controlled by the union movement, which is the moving force behind the bill. Government members cannot convince me that a 60-day loss of income will not be a death sentence for most small businesses in the building industry. I strongly oppose the bill and, like my colleagues, I will continue to strongly oppose it. We will stand up for small businesses and the professional builders who work day in and day out under this highest-taxing Government.

Mr Thomas George: Now they won't be able to work on Boxing Day.

Mr ANTHONY ROBERTS: They will not be able to work at all shortly! Builders must not only fight the union movement, but almost daily they must fight the highest-taxing government in the Commonwealth, the third highest taxing government in the history of this State. Now they must fight this bill. This is their last kick. Coalition members are fighting on behalf of those men and women in the industry who employ people. They too have families. My colleagues and I will continue to fight to make sure they get a fair go. The Minister has a good heart. The honourable member for Wagga Wagga has invited the Minister to his electorate to meet with some of his builders. I hope she will go to Wagga Wagga and meet those builders directly, so that she will learn of the problems and the issues confronting the building industry at the moment.

Mr PAUL McLEAY (Heathcote) [9.43 p.m.]: I also take this opportunity to invite the Minister to meet builders in my electorate. The Minister has been to the electorate a number of times to meet many small business people. We are much obliged to her for that. As the Minister already knows, the electorate of Heathcote has the highest number of qualified trade-based people of all State seats, according to census statistics. They are very happy with some of the changes that are occurring. The Home Building Amendment Bill introduces a number of reforms to the home warranty insurance scheme. The inquiry into the home warranty insurance scheme that was commissioned by the Minister for Commerce in May 2003 was asked to consider whether the current legislative framework for the scheme, including the 2002 reforms, is effective for consumers and the industry.

Mr Adrian Piccoli: Point of order: It is a long-held tradition of this Chamber, as well as a requirement of the standing orders, that members not read speeches in Parliament. This practice is becoming all too common. I am sure the honourable member for Charlestown, the honourable member for Heathcote and the honourable member for Drummoyne have had plenty of builders come to see them about this type of legislation and, therefore, can contribute to the debate without referring to written speeches. They should not read speeches prepared by the department. It is time honourable members started speaking from their own experiences.

Mr ACTING-SPEAKER (Mr Paul Lynch): Order! I have heard enough on the point of order. The honourable member for Murrumbidgee will resume his seat. The honourable member for Heathcote is simply referring to copious notes.

Mr PAUL McLEAY: If the honourable member for Murrumbidgee did a bit of research and took matters seriously, instead of offering platitudes, he might have something constructive to say. The inquiry was

asked also to look at possible alternative options for the provision of this important product. The inquiry consulted widely with stakeholders and received 219 submissions from organisations and individuals. The inquiry's final report was submitted to the Government in September 2003. Having examined a range of options, the inquiry recommended the retention of the existing scheme, but proposed a number of enhancements to improve its operation. The inquiry considered that its primary recommendations would provide the foundations for scheme stability, noting that time must be given to allow the reforms to be implemented and mature.

Mr Wayne Merton: Point of order: I take this point with the greatest of reluctance. It is quite clear that the honourable member for Heathcote is not referring to copious notes but is in fact reading a speech word for word. With the greatest respect, I would ask you to review your ruling in the light of what has transpired since you made it.

Mr ACTING-SPEAKER (Mr Paul Lynch): Order! The honourable member for Heathcote is referring to copious notes, and he still has the call.

Mr PAUL McLEAY: The Government's response to the inquiry was announced in October 2003. It accepted in principle the report's primary recommendations and commenced dialogue with insurers and the building industry to provide a platform for the future of the scheme. As a result of the Government's actions, the conditions for a stable scheme have been established. Two new insurers, namely CGU Insurance and Lumley General Insurance, have entered this market, providing greater competition and choice for builders. To provide advice on the best way to implement the various recommendations and to oversight the reform process, the Government has established an Interim Scheme Board comprising experts in insurance matters. The bill has been developed with the assistance of this expert group and after consultation with key stakeholder groups.

The bill proposes new governance arrangements for the scheme. A permanent scheme board will be established, and it will monitor the operation of the scheme and provide high-level expert advice to the Minister. The board members will be required to have knowledge or experience in insurance products or commerce. The Minister will be obliged to consult the board before approving insurers or varying or revoking an approval. The board will oversight insurer compliance with the operating conditions for insurers and make recommendations to the Minister.

As part of the conditions of approval for insurers, market practice guidelines have been established. These guidelines deal with issues such as underwriting guidelines, eligibility requirements for cover, and service standards for insurers. The market practice guidelines and future claims handling guidelines will provide a benchmark for the monitoring of the scheme. An industry deed also will be part of the new governance arrangements. This deed will be between the Government and the insurers and will spell out each party's commitment to the scheme. The deed will not preclude new insurers from entering the market or restrict trade. The deed will serve to improve transparency of the regulatory and commercial arrangements and should assist market competition.

The Home Building Advisory Council is to be reconstituted under the Home Building Act to advise the Minister on consumer-related and trader-related matters. Its members will include representatives from the insurance industry and the building industry, two licensed contractors, two persons representing consumers, two persons representing building employees and one legal practitioner. The chair and deputy chair of the scheme board will also be members of the advisory council, as will the Director-General of the Department of Commerce. This will ensure that the two bodies are fully informed of all key issues for the home building industry.

A new offence is to be created to deter contractors from making a false or misleading application for insurance. Under most forms of insurance the insurer can void or reduce a claim if the person who takes out the policy makes a false or misleading statement or omission when applying for cover. Under the home warranty scheme any claim by a consumer is not prejudiced by fraud on the part of the builder when applying for cover. However, the insurer is clearly disadvantaged by the builder's action. This new offence provision will help deter such conduct.

As well as these insurance reforms, the bill includes a range of measures to improve compliance with the Act and to help eliminate from the industry the small number of disreputable players who continue to cause heartbreak for consumers. The bill amends the home building regulation to specify persons who are disqualified from holding a licence or a certificate. They include a person who has been convicted of an offence involving dishonesty in the last 10 years, unless the commissioner determines that the conviction should be ignored

because of the time that has elapsed since the offence was committed or because of the triviality of the acts or omissions involved. Disqualified persons will include a person who has failed to pay an imposed monetary penalty or to comply with a condition placed on a licence under the disciplinary provisions by the commissioner.

The bill expands the grounds for taking disciplinary action. It will now be a ground of improper conduct if the licence was improperly obtained or the commissioner has become aware of information about the licensee that, if known at the time the application for licence was determined, would have been grounds for rejecting the licence. Failure to meet the financial standards of solvency determined by the commissioner for the grant of the licence will also a ground for taking disciplinary action. If the licensee knowingly does any essential building work or specialist work before the principal certifying authority has carried out any critical stage inspection required under the Environmental Planning and Assessment Act in relation to the work, or fails to give the required notification in relation to such an inspection, that will be a ground to take disciplinary action. That provision reinforces the importance of the new inspection regimes in raising the quality of building in New South Wales.

Penalties under the Act are to increase significantly. That was a commitment of the Government prior to the last election. Both the Supreme Court in its summary jurisdiction and the Local Court will be able to deal with breaches of the legislation. The maximum penalty for breaches such as working without a licence or insurance will be increased to 1,000 penalty points or $110,000 for corporations, which will allow serious and large-scale illegal activity to be dealt with by the Supreme Court in its summary jurisdiction. The maximum penalty for individuals will remain unchanged. The Local Court will be limited to imposing fines of up to $22,000, which is the current maximum for fines under the Act. The maximum penalty for a corporation under the disciplinary provisions will rise from $22,000 to $50,000, which is in line with the finding in the 2002 report of the Joint Select Committee on the Quality of Buildings that the $22,000 penalty is not sufficient disincentive for large operators who turn over millions per annum. I congratulate the Minister on the steps being taken to improve the operation of the legislation.

Mr WAYNE MERTON (Baulkham Hills) [9.52 p.m.]: I have detailed notes, but I certainly will not use them as copiously as the previous speaker used his notes. This is the third occasion on which I have spoken today on legislation introduced by the Government that effectively denies natural justice and the rights of individuals. It is incredible that a Government that is so aware of the benefits and contributions made by the building industry to New South Wales should see fit to introduce such legislation without any real consultation. The Housing Industry Association has described the legislation as a death sentence for small business. That is an understatement. The legislation will undermine the very foundation of the New South Wales building industry. For some years New South Wales has had an industry built on the principles of private and free enterprise and small family companies in which mums and dads subcontract partnerships.

Many building companies consist of a house in Western Sydney and a utility. The registered office is the kitchen. The board meetings consist of mum and dad having a meeting over breakfast. At the end of the week mum runs around and collects money from building companies that owe the subcontractors money so she can pay the bills and have enough money to buy groceries on Friday afternoon. We are not talking about multinationals. We are not talking about the Government, which has the benefit of a great public service system and infrastructure. We are talking about honest, fair dinkum, hard-working Australians in a competitive industry. The result of that competition is one of the most efficient industries in the State. In real terms the price of homes has decreased because of competition, hard work, and the integrity and initiative of those in the building industry.

Subcontractors are a vital part of the industry, but the legislation attacks subcontractors and is yet another step by the Government to unionise them. It is about letting their union mates into the building industry. It is about having the unions run the building industry. If that happens the price of houses will rise by $10,000, $15,000 or $25,000 overnight. Builders who are prepared to work hard will be accountable to a union and the industry will be a completely different ball game. The Opposition does not believe that is good enough. We believe in small business and we believe that small businesses should be given an opportunity to prosper. The legislation imposes an obligation on building companies, many of which are only small companies, to ensure that each subcontractor is licensed. Honourable members know that the average house requires something like 30 contracts in more than 70 license categories. It is an obligation that is almost impossible to fulfil.

The consumer will not benefit from the Government imposing an obligation on a builder to ensure that each subcontractor is licensed. If the work is defective the builder bears the ultimate responsibility. But the

legislation is about regimentation and centralisation. The introduction of Macquarie Street-type control will be the demise of what has been a great building industry in New South Wales. It is almost impossible to embrace the concept that building licences can be suspended for up to 60 days while an inquiry into an alleged offence is conducted. If someone makes a complaint a builder can have his licence suspended for 60 days. Who will pay the bills? How will the wife pay for groceries? Businesses will close down.

Ms Reba Meagher: Rubbish!

Mr WAYNE MERTON: It is all very well for the Minister to say "Rubbish". She does not know what it is like. She has never run a building business. I do not know whether she has ever run a business of any sort.

Ms Reba Meagher: You haven't read the bill.

Mr WAYNE MERTON: She should read the bill carefully. She will have the opportunity to respond. It is interesting to note that no-one in the building industry believes the Government is right. Perhaps the Minister is out by herself telling the world that it is right; but she is wrong.

Mr ACTING-SPEAKER (Mr Paul Lynch): Order! I suggest to the honourable member for Baulkham Hills that he direct his remarks through the Chair.

Mr WAYNE MERTON: I will do that while I am referring to these notes. You might note that my reference to them is somewhat different to those of the previous speaker.

Mr ACTING-SPEAKER (Mr Paul Lynch): The Chair is acutely aware of your presentation.

Mr WAYNE MERTON: The provision that licences can be suspended for up to 60 days while an inquiry into an alleged offence is conducted has little or no regard to the rights of contractors or employees associated with the licensee. For example, a building company is doing quite well. I am down the road, but I am not as efficient and I charge more than he does so I do not get the business. Suddenly I resent this company. What I do? I make a phoney complaint, or I get someone else to make a complaint about the job. The next thing you know my competition is closed down for up to 60 days because of my phoney or vexatious claim. The Minister may have a glass of water and smile, but the poor wife who goes around on Fridays to collect the money from the builders will not be able to do so. She will have no groceries in the house. If the Minister believes suspension of a person's licence is warranted, a prima facie case for suspension of the licence should be established in a court instead of the licence being suspended and questions being asked later.

Mr Brad Hazzard: Based on a whim.

Mr WAYNE MERTON: Suspension may be based on a whim or a vexatious complaint as a result of this bill. The Opposition believes that that is unfair because it is a denial of natural justice. To say the least, the provisions of the bill are totally unreasonable. I do not believe that the Government has made a serious attempt to examine the problems that are involved in the home warranty insurance scheme. I suggest to the Minister with respect, appreciating that she probably believes that she is operating within the legal framework as she understands it, that the home warranty insurance scheme in New South Wales is an absolute disaster and it is not improving as time passes. In contrast to that, however, the scheme that operates in Queensland is exactly the same as the system that operated in New South Wales before the Labor Government privatised the provision of home warranty insurance.

As members of a parliamentary committee, some of the Minister's colleagues and I visited Queensland and examined the system that operates there. We attended the offices of the Queensland Building Services Corporation and spoke to the manager, who told us that if someone applied by phone for insurance in the morning, a cover note would be faxed to the insured that afternoon. In contrast to that, the scheme that operates in New South Wales is an absolute nightmare that begins with lodgment of an application.

The honourable member for Wagga Wagga gave examples of the consequence of delays. If a delay occurs in processing an application, building is not permitted to commence. Even people who have operated successfully in the building industry for years without any claims being made against them are not certain of obtaining home warranty insurance. What is even worse is that the consequences may be a loss of jobs and a loss of production. But who cares? Who cares about people who are doing their utmost to earn an honest living? This Government operates on complete indifference, and all the bureaucratic processes in the world will not change that.

Mr Thomas George: We care.

Mr WAYNE MERTON: Yes, the Opposition cares. As a previous speaker said, thank God for the Howard Government, which provides some measure of restraint, moderation and responsibility. But for the Howard Government, the New South Wales Government would be absolutely out of business; but I digress. If one of the three companies operating in the home warranty insurance field decides to accept an application for insurance, a guarantee will be sought from the applicant. As other honourable members who have preceded me in this debate have pointed out, in most cases the builder, his wife and their family have to pledge or hock the family assets, obtain a mortgage or in other ways provide a guarantee.

Mr Peter Debnam: Everything except the kids!

Mr WAYNE MERTON: As the honourable member for Vaucluse so rightly observes, everything the builder and the builder's family own is taken as a guarantee, except the kids. If something goes wrong, under the guarantee the builder and his family will lose the lot. I point out to the Minister that this is the only form of insurance in the world that requires a personal guarantee from the insured.

Mr Peter Debnam: It is not insurance at all.

Mr WAYNE MERTON: The honourable member for Vaucluse has pre-empted my next point, which is that it is not insurance at all. I do not know what it is except that I know it is a sham—a furphy—because in Queensland that type of guarantee does not exist. An ideal scheme used to operate in New South Wales, but the Labor Government's reforms changed all that, and the scheme has been going downhill ever since. Builders have gone out of business and people have lost their right to have their homes built by the builder they have chosen because insurance has not been granted.

In some instances that has resulted in only some builders being able to compete, and the home building field has contracted as a result. A consequence of that has been an increase in prices owing to a lack of competition. Only one or two home unit construction companies may obtain insurance, which means that a maximum of two companies will compete for a contract instead of five or six, which would otherwise be the case under a different scheme. The consequence is that prices soar and the costs are passed on to the purchaser—the battler from Struggle Street—who will have to pay a higher price because of this Government's neglect.

I really cannot understand why the Minister has not fixed the scheme. The Minister has fiddled around and pretended to fix the scheme, yet all she has to do is adopt the model that is administered by her Labor colleagues in Queensland. The Queensland scheme is modelled on the insurance scheme that operated in New South Wales prior to the election of the Carr Labor Government. If the Minister reverts to that scheme, she will overcome most of the problems. The bill imposes impossible obligations on building companies. It will be impossible for building companies to comply with the provisions of this bill, and non-compliance may have a potentially disastrous effect if it results in the loss of a licence. A licence may be suspended at the whim of a competitor or a vexatious client and suspension may operate for up to 60 days without judicial review. The consequences of that may be that a builder will go out of business. If a builder's license is reinstated, who will pay compensation for the builder's loss of trade for that 60 days? That is just one of many questions the Minister should respond to on behalf of the Government during her reply.

Mr BRAD HAZZARD (Wakehurst) [10.05 p.m.]: This bill certainly does not improve matters for builders or consumers in New South Wales. Some years ago when the Carr Labor Government threw out the licensed builders insurance scheme, it basically threw the baby out with the bathwater. This Government got it wrong and effectively introduced a scheme of private underwriting which requires builders to hock everything they own just to be able to work continuously. Effectively, the scheme has excluded new builders from entering the field. This legislation is supposed to be about providing consumer benefit in the building industry, but I make it clear to the House that, whatever else this Government has done, it has effectively presided over a doubling of building costs in Sydney and other parts of New South Wales over the past two years.

Recently I travelled to Adelaide and met a colleague who is building a style of house in South Australia that most people in Sydney would not be able to afford to build, yet it costs the same as the price of a very modest Sydney home. That comparison made it crystal clear to me that the Carr Labor Government is totally incapable of addressing the problem of home building insurance. Granted, the home building insurance scheme is a complex issue, but it has been made more complex by the Government. The problems have been caused by

well-meaning bureaucrats who have been involved in the administration of the Builders Licensing Board, which later became the Building Services Corporation, but did not provide advice to various Ministers on how to make the building industry viable in New South Wales.

Unfortunately, the Fair Trading portfolio has been assigned to the least experienced and most junior Ministers of the Carr Government. I do not intend to cast a reflection upon the Minister at the table, but Ministers who have developed some expertise and appreciation of the depth of problems of a large industry should be in charge of the Fair Trading portfolio and the Fair Trading bureaucrats. If that were to happen, some serious change could take place instead of advice being given by bureaucrats who have survived successive metamorphoses of the department, ensuring that the New South Wales Government gets it totally wrong.

This is a dumb bill. Examination of its provisions causes one to seriously wonder how a Government could manage to draft such inane and insane legislation. Quite apart from what the bill will do to builders, as outlined by my colleagues who have participated in this debate, new section 103AD states that insurance information obtained by one insurer must be handed over to another insurer that inquires about that information. That is a very simplistic provision that presumably was drafted by the Parliamentary Counsel under instruction from the bureaucrats who put this legislation together. New section 103AD (3) provides:

> An insurer requested to provide relevant insurance information under subsection (1) is required or authorised to disclose the information despite section 121 or any other law of this or any other jurisdiction with respect to the privacy of such information that would otherwise prohibit that disclosure.

It is a general provision, basically saying that the insurer has to provide information and that privacy requirements no longer negate handing over the information. The relevant words are "relevant insurance information", which is not necessarily carried through although it is defined rather loosely under new section 103AD (5). New section 103AD (4) provides:

> An insurer is not liable for any damage caused by the provision of information under this section to another insurer.

On a superficial and simplistic reading that appears to make sense, but in reality it is highly questionable as to exactly what is meant by that provision. It provides that an insurer is not liable for any damage caused by the provision of information, not "relevant insurance information" as referred to earlier in the section. It is has become just "information". An insurer could hand over information which presumably fits within a more generic definition, not within the terms of "relevant insurance information" as defined in new subsection (5) and referred to in new subsections (1), (2) and (3). It is possible that information that is handed over may not be relevant, may not be correct, and may be totally wrong. That can cause damage to the builder, yet there appears to be no entitlement for that builder to bring any cause of damage, or for the insurer who is the recipient of the incorrect information to bring any action against the insurer who provided the incorrect information.

Nowhere in the bill could I find that the builder would have any entitlement. So the building work might stop completely because one insurer gave the wrong information, but even the recipient insurer, under that provision, apparently will have no right of action against the insurer who provided the misinformation. It may even be maliciously wrong information. Where is the logic in that, when one is trying to make sure that our building industry becomes more viable, to attract more builders into the marketplace, and to ensure that insurers are making it easier for builders to obtain insurance? It does not make a lot of sense. I would be interested in the Minister responding to that; doubtless she will rely on the experts who are present tonight to explain how that happens.

What is meant by "any damage"? It is not defined in the Act. What damage might the insurer suffer? Is it economic damage? Is it loss of business in some other way, generically? Regrettably when one goes through the bill one finds a lot of silly little provisions. The ones that concern me are not so much the insurer-directed ones but the ones directly impacting on builders. Certainly the provisions relating to the insurer will indirectly impact on builders, but the provisions that relate to builders are grotesque. They are totalitarian and will not encourage builders into the market place so that there is an increased level of competition in New South Wales. New section 56 is headed "Grounds for taking disciplinary action against holder of a contractor licence". New section 56 (i) states:

> … in the opinion of the Director-General, there is a risk to the public that the holder will be unable (whether or not for a reason relating to the financial solvency of the holder) to carry out work that the holder has contracted to do …

Where in the regulations are there guidelines to tell us how the director-general should exercise that opinion? Many provisions in the bill seem to come right back to the opinion of the director-general. We all know that the

director-general, in practical terms, delegates his authority to officers within the department. I have acted for builders and consumers in the incarnation of the Builders Licensing Board and the Building Services Corporation, and I know that the level of expertise within that department was not high when it came to officers further down the line. By definition, they often have building trade expertise, but not necessarily a full understanding of what is fair, just or reasonable to those they are seeking to regulate. New section 61A is an absolute masterful exposé of totalitarianism. It states:

> (1) When a show cause notice is served on the holder of an authority under section 61, the Director-General may by notice in writing to the holder suspend the authority pending a determination by the Director-General of whether to take disciplinary action under this Act against the holder …
>
> (3) Such a suspension may not be imposed for a period of more than 60 days after the show cause notice is served. The period of the suspension is to be specified in the notice imposing the suspension.

As other honourable members have indicated, that section effectively says to the director-general that he is omnipotent and that he can determine with absolute discretion whether a builder or contractor should be able to work for two months. If I told the Minister for Fair Trading that she would lose two months pay because someone had made an assertion about her capacity to be a Minister, she would not be happy. I am talking not about big companies but about small family companies. More often than not we are talking about mums and dads and maybe an apprentice son or a young apprentice, and we find that the family's mortgage will not be paid because the family business has come to a grinding halt for up to 60 days. That is an excessively long time, and the director-general will have the absolute right to make that determination.

I cannot understand how a Labor Government that purports to act in the interests of consumers and small builders could possibly justify, on the whim of a director-general, shutting down a small business and stopping the builder from employing an apprentice and paying his mortgage and all his living costs, with no real opportunity for an appeal. New section 61A (4) reflects what I said earlier, that this is a dumb bill, drafted by amateurs, as evidenced by its use of these words:

> The Director-General is not required to afford a person an opportunity to be heard before taking action against the person under this section.

In every other subsection reference is made to the "holder of an authority", but suddenly the bill now states "a person". What does that mean in the legal sense? If the remainder of the section refers to "the holder of an authority", what does this dumb legislation mean by "a person"? Does it mean a person who is the holder of the authority, or does it mean some other Joe Blow who might want to have a say in the matter? The person does not have to be heard by the director-general. I look forward to the Minister explaining this because I am sure she has an absolute command of every provision of the bill. She knows just how important this bill is to consumers, who are paying double the price for building work than is paid in most other States. The Minister knows the significance of this bill.

If the Minister gets it wrong, her senior ministerial ambitions will not be helped. People will take more notice of where she is planning on building a house when she finally moves from Coogee. I ask the Minister to explain precisely what that provision means. The bill is abysmal. The extra requirements remove the right of a builder to be able to speak up for himself, and to get something done, to have some formal right of appeal; and he could be without work for 60 days. The head builder is somehow required to act as a policeman for the Department of Fair Trading and find out whether the subcontractors hold a licence, although the consumer is dealing directly with a builder.

Why are these additional regulations and requirements being imposed on builders in New South Wales, who are already suffering? The Minister should think carefully before she states that the Government wants to protect consumers and that is why it introduced this legislation. She is strangling the building industry and, in the process, consumers are being strangled. Consumers are very unhappy. I know a lot of people who decided not to build in New South Wales because they found it so hard to get a builder. When they finally got a builder to give them a quote, in some cases it was double or triple what had been quoted in other States. This is a dumb piece of legislation. The Government should withdraw it and the Minister should talk to people in the building industry and establish how to make that industry viable for both builders and consumers as they have the same interests. There is a commonality of interest for both of them.

Mr MALCOLM KERR: (Cronulla) [10.20 p.m.]: Government members have displayed a complete and abysmal ignorance of the building industry. I listened to a few of the speeches, and not one Government member had a grasp of what is happening in the building industry. Does the honourable member for Camden

know what Bob the Builder would be called if he lost his job? He would be called Bob. It is about time Government members spoke to builders in their electorates and found out what is going on. They are suffering great hardship as a result of not being able to obtain insurance, and they have had to sell their homes in order to sustain their businesses.

This legislation will impose additional burdens and requirements on builders and will result in a number of them going out of business. Reference was made earlier to what would happen if a complaint were made. Unscrupulous builders would use this legislation to drive decent tradesmen out of business. I was interested in the speech of the honourable member for Heathcote, who went through the whole process that led to the introduction of this bill. Nowhere in his copious notes was there any reference to the fact that he consulted local builders. He did not refer once to the position in which local builders find themselves. He did not say anywhere in his speech what effect this legislation will have on builders in his electorate.

In the lead-up to the next election it will be interesting to see how builders have been affected by this legislation. The honourable member for Gosford, the honourable member for Baulkham Hills and the honourable member for Wakehurst referred to the practical difficulties that will be experienced by builders as a result of this ill-conceived legislation, which is a tragedy. At present the building industry in this State is in crisis, and the Government is not prepared to grasp the nettle. There are competing industries. The Government is trying to serve what used to be the Labor Council of New South Wales—it is now called Union New South Wales, to distinguish it from the Labor Party.

[*Interruption*]

It is still hard labour for anyone in the work force. Not only builders will be affected as a result of this legislation; people who are trying to build or renovate their homes will be affected. This anti-consumer measure will make it harder for people to get decent tradesmen. Fewer people will want to go into an industry that creates so many difficulties and hurdles for decent tradesmen.

Mr Paul Gibson: It has driven you to drink already.

Mr MALCOLM KERR: It has driven me to drink already and it has not yet been proclaimed. This legislation will have a number of effects. A lot of builders will go out of business. People in the shire who want to build homes and want to see the building industry prosper will go backwards. This legislation is a retrograde step. I look forward to hearing the Minister's reply to the debate. I hope she deals with all the questions that have been raised. All honourable members in this House should look seriously at this legislation, which will affect the future of many of their children and the affordability of homes. This bad legislation must be rejected.

Mr ANDREW CONSTANCE (Bega) [10.25 p.m.]: The construction industry in the Bega electorate and I are opposed to the Home Building Amendment Bill. With the privatisation of the home warranty insurance scheme the Government established an unregulated monster that has done nothing other than destroy small family businesses, particularly in coastal New South Wales. Builders are unable to gain access to insurance relatively quickly, and those problems are coupled with other restrictions that have been placed on the building industry. This legislation is a backward step. Local economies throughout coastal New South Wales are driven by the construction sector—by small builders and subcontractors who are dependent on a regulatory framework in the marketplace that enables them to get on with their job.

Obviously we must be able to strike a balance with the protection of consumers, but I do not believe that this bill seeks to achieve that aim. Many subcontractors who used to work in an unlicensed environment in Victoria travel from that State to work in my electorate. This bill is an admission by the Government that the Office of Fair Trading cannot appropriately police the building sector. The Government and the Minister have admitted that the Office of Fair Trading has not been able to appropriately assess subcontractors. The Office of Fair Trading now requires builders to act as policemen, which is placing additional pressure on small family businesses. They are already struggling to attract home warranty insurance and they are now facing the imposition of additional regulations that will require them to act as industry policemen.

As I said earlier, this legislation will add to the compliance costs of small businesses and it will further erode the affordability of homes. Builders will now be required to check licences every time there is a contract and they must be aware of the work every licensee can perform. That task will be almost impossible for small business as there are more than 30 contracts and more than 70 licence categories. With that in mind, I call on the Minister and the Government to halt this process and to consult more broadly with the building sector, and

particularly small businesses in regional and coastal New South Wales, where this type of measure will have a detrimental impact.

Much reference has been made to other provisions in the bill, but I express concern about the influence of the Construction, Forestry, Mining and Energy Union on the building industry. This is a convenient unionisation of the process that gives the union movement a firmer foothold and a greater chance of affecting the level of competition in the marketplace. As a member of the Public Bodies Review Committee, I visited the Building Services Authority in Queensland. I commend its scheme to the New South Wales Government. The unregulated insurance market that resulted from privatising the industry has not worked in New South Wales. Many businesses are in dire straits, which has resulted in marriage and family breakdown.

Mr Peter Debnam: Kids are on the street.

Mr ANDREW CONSTANCE: I agree with the honourable member for Vaucluse. Builders have had to put absolutely everything on the line, from the family home to the kitchen sink, to secure bank guarantees and a union ticket. That is completely unacceptable. I call on the Government to adopt a scheme similar to that of the Building Services Authority Queensland. The Opposition will oppose the bill, which heaps further unnecessary regulation onto the building sector. It will cause more delays for consumers if businesses have to police subcontractors in the marketplace.

Mr ADRIAN PICCOLI (Murrumbidgee) [10.31 p.m.]: I have just one question for the Government: What does it have against builders, particularly small builders? It seems that in every session of Parliament new legislation is introduced that hammers builders yet again. The builders of New South Wales have had enough. Builders throughout my electorate have complained to me about the home owners warranty scheme and the Government's abolition of the Building Services Corporation in 1995. That proved to be a massive failure because the private insurance providers failed to do as the Government expected—they did not enhance competition, make the system fairer, or reduce premiums. The Government has been completely inactive ever since; it has done nothing to fix the industry.

The Government has introduced plenty of legislation that has hampered builders—not just building legislation but occupational health and safety and WorkCover reforms. That is why I asked at the outset what the Government has got against builders, particularly small builders. The big building companies have nothing to worry about. That probably has a lot to do with the donations the Labor Party receives from the large construction companies. Perhaps if small businesses banded together and paid levies to the Labor Party they would get favoured treatment. The unions give Labor plenty of money and it gives them plenty in return. It is all about paying the price: this is the best Government that money can buy. That has been obvious for the past 9 or 10 years.

Builders come to see me all the time—I see more builders than any other small business people—to discuss issues of concern, such as the home owners warranty scheme and the Government's latest attempt to hamper builders. Individual builders have lobbied the Government, the Master Builders Association [MBA] and the Housing Industry Association over the years but the Government has done nothing to placate them or support small business operators. That is why I am asking: What has the Government got against builders? Builders ask me why the Government always hampers building in New South Wales. Tonight the Government rolled out a couple of backbenchers and gave them prepared speeches—it was like sticking a dummy in their mouths and asking them to suck. They delivered speeches prepared by the department, trotting out the Government line. They should be embarrassed.

I assume that the great groundswell of builders who are upset about the Government's home owners warranty and other building legislation do not live only in Coalition electorates. I heard some Coalition members speak very passionately in this debate on behalf of builders in their electorates. We heard only prepared speeches from Government members, but I am sure that plenty of builders have complained to them about this legislation. It was embarrassing to listen to those honourable members failing to represent an important constituency in their electorates.

Mr Peter Debnam: They are betraying their electorates.

Mr ADRIAN PICCOLI: They certainly are. Coalition members are trying to help not just builders but Labor members of Parliament. We know there is a groundswell of opinion against the Labor Party as a result of the current crises in rail and health. Builders are very angry. The Newspoll survey released a couple of weeks

ago put support for the Labor Party down to 48 per cent. I am very concerned about that. Let us consider the electoral pendulum. Earlier this evening the honourable member for Heathcote read a prepared speech—they put the dummy in his mouth and he sucked obediently. His support margin is so narrow that if an election had been held last Saturday he would have lost his seat. He is not a bad sort of bloke so I urge him to join the Opposition in standing up for builders. Government members should represent builders' issues in this place, not read speeches prepared by bureaucrats, who deliver them to their offices saying, "Here, you've got 15 minutes to read this out." That is a disgrace. It is no wonder builders across New South Wales are so upset.

My parents' neighbours, Terry and Vicky Greedy, are builders. They are absolutely frustrated and exasperated about the current state of the building industry in New South Wales. Vicky rang me on Monday. She had received some information from the MBA about the bill, and she asked, "What's going on? We're going to have to close our doors." Terry and Vicky run a small company that builds a few houses every year—they are having a go. But they are continually exasperated by the actions of this Government. Why does the Government not help builders? What has it got against builders?

If people want to inject heroin in New South Wales the Government will give them a safe and cosy spot in Kings Cross to do that. But if people want to work hard and run a small business—another great Australian dream—the Government will put every barrier it can find in front of them. Convicted murderers—like the one we heard about during question time today—who reoffend will be let out on bail, contrary to the Government's promise before the last election that repeat offenders would get gaol, not bail. The Government will bend a few rules to keep convicted murderers out of gaol but it will do its best to get rid of the State's builders.

The rumour in the industry is that the Government is trying to get rid of one-third of builders in New South Wales. Congratulations, the Government is well on its way to achieving that goal. It is forcing a lot of people out of the building industry. The honourable member for Wagga Wagga said that the industry is having difficulty attracting apprentices, who are discouraged from getting into the building game because it is becoming too hard. Why would people want to get involved in the industry, with the home owners warranty and all the other requirements stacked on top of each other? The bigger building companies will survive. However, if they go broke they will take everybody with them. We have seen some classic examples of that in the past 10 to 15 years.

This bill will not add one ounce of protection to consumers. The Government needs to go back to the drawing board and rethink the way it treats the building industry and deals with insurance. If the Government continues its negative, obstructive, and overly proscriptive approach the building industry will become a cottage industry. In years to come we will remember how there used to be builders in New South Wales. We will lament that one can no longer get a builder because this Government forced them out of the industry. Bureaucrats in the gallery have had a lot to do with this legislation. It is nothing personal, but I can tell them that builders are upset about this legislation and the way they are being treated in New South Wales. I do not know what they are being told, but they come into my office absolutely furious, upset and frustrated by this legislation. Many of them are getting out of the business. I conclude by saying, "2007—bring it on!"

Mr THOMAS GEORGE (Lismore) [10.42 p.m.]: I support my colleagues in opposing the Home Building Amendment Bill. I am amazed that building problems are contained within electorate boundaries. I cannot believe that builders in the electorates of Opposition members have problems with this bill, but builders in the electorates of Australian Labor Party members and the Independent members do not have any problems. I cannot believe that Government members who have contributed to the debate on this bill have not mentioned builders having problems in their electorates.

Mr Gerard Martin: Isn't that amazing?

Mr THOMAS GEORGE: It is very amazing.

Mr Gerard Martin: So you live in a vacuum somewhere?

Mr THOMAS GEORGE: I must do. The honourable member for Bathurst has said in very strong terms that not one builder in his electorate of Bathurst has a problem with this bill.

Mr Gerard Martin: They have problems with the GST.

Mr THOMAS GEORGE: Oh, problems with the GST? If that is all his builders are telling him, he is not listening. He never listens to anyone else in this House.

Mr Gerard Martin: I never listen to you.

Mr THOMAS GEORGE: That's exactly right. You are not capable of listening to me.

Mr Gerard Martin: We are capable of listening.

Mr THOMAS GEORGE: No, you are not. You do not listen to your builders. I compliment the honourable member for Wagga Wagga, who outlined what is happening in the building industry. He invited the Minister for Fair Trading to his electorate. If she does not want to go south, I am more than happy to have her in the electorate of Lismore, together with people from her office, to talk to builders.

Ms Reba Meagher: The last time I was up there you nearly killed me.

Mr THOMAS GEORGE: No, I didn't. I promise I will not put you in a bus again. I will take you around in a car. The Minister is more than welcome to talk to the builders in my electorate. I cannot believe that no-one else is having problems. This bill makes builders responsible for ensuring that each subcontractor is licensed. There are more than 30 contracts and more than 70 licence categories, which creates an impossible imposition on small business. The bill provides for the automatic suspension of a licence by the department without court review. This is a denial of due process. At present, application must be made to the District Court. The honourable member for Wakehurst clearly described it as "dumb" legislation.

Mr Peter Debnam: It is fundamentally flawed.

Mr THOMAS GEORGE: Fundamentally flawed—I appreciate the honourable member's help. The bill provides for increased penalties. The governing council for the industry will have two union representatives. The home building industry is totally non-unionised. The two union representatives will be from the Construction, Forestry, Mining and Energy Union [CFMEU]—

Mr Gerard Martin: Of which I am proud to be a member.

Mr THOMAS GEORGE: Have you declared an interest? I realise the problem is that Government members have to declare an interest; that is why they have not stuck up for builders in their electorates. Minister, what consultation was carried out with the industry?

Mr Brad Hazzard: She ignored the MBA.

Mr THOMAS GEORGE: What about the CFMEU? What did it say about this bill? This bill will make builders and other principal contractors industry policemen. I do not have to elaborate on this bill because the Coalition's concerns have been well and truly documented. I am surprised that the builders who have problems with this bill reside only in Coalition electorates. I cannot believe that builders in the electorates of Government members or Independent members do not have problems. Builders in the Lismore electorate have approached me about their major concerns. They do not believe that their industry has been consulted. I oppose the bill.

Mr GREG APLIN (Albury) [10.47 p.m.]: It is the eleventh month of the year and it is nigh upon the eleventh hour of the night. The Home Building Amendment Bill is literally being debated at the eleventh hour—it says a lot when a bill has been introduced late in this term. Obviously the idea was to get the bill passed before the end of the year. It is a punitive bill, introduced under the guise of protecting the public, but it does no such thing. According to the Government, the bill strengthens the builders licensing system, increases penalties, and establishes a new structure for home warranty insurance providers. If this bill were so beneficial to the general public, we would not have a stream of builders in our offices protesting against it. Many Opposition members have referred to that issue, and it has been the case in the Albury electorate.

However, not only builders complain about the problems besetting them in business; often families are suffering likewise. Only last week a subcontractor who came to my office said he had just been to the Minister's department in Albury. He complained about his treatment, not from the individual who dealt with him but from the system. He had to wait a minimum of 12 weeks to work in this State. He had no trouble working in Victoria. That says an enormous amount about the difference between New South Wales and Victoria. These people can find work without any difficulty in Victoria—they are all licensed—but when they come to New South Wales they have to wait a minimum of 12 weeks before they will even have paperwork processed. That is an

indictment of the Minister's department, and it needs to be shaken up and organised. It is the same with the Firearms Registry and with Justice of the Peace applications. What is the minimum period that anyone has to wait for anything to be processed in this State? It is 12 weeks. It is not getting any better; it is getting worse. That needs to be addressed, and it is not addressed by this bill.

A licensed subcontractor with a history of perfect work comes into my office, at his wit's end, saying, "I cannot work in this State. Despite the fact I have been working successfully on the other side of the border, where I have contracts, I have to wait a minimum of 12 weeks. I pay my licence fee now, but I have to wait for my licence. They take my money first, but it takes 12 weeks before they even consider giving a subcontractor a licence to work in this area." Not only that, but this subcontractor is also applying for a supervisor's licence. Here is the rub. He pays up front, so he has paid twice now—once for the subcontractor's licence and once for the supervisor's licence. Yet that supervisor's licence entitles him to work for only the one job. If he then changes and works for another contractor, guess what? He has to pay again. What double-dipping! How many times a year must he pay to work in this State? Is that fair? Is that what is contemplated by this bill? No wonder it is called a punitive bill! No wonder it is not acceptable.

Whom did the Minister consult on this bill? It was certainly not the Housing Industry Association and it was certainly not the builders. That is why people are coming into our offices and complaining. The Minister has heard from honourable members on this side; it is no different anywhere in this State. The builders are under threat, and they need protection. The Coalition will introduce the Building Services Corporation because we believe it is a better type of operation to protect the builders and the public. That is a matter that should be taken on board by the Minister. We have had enough of builders complaining; we need to protect them. The Minister ought to do the same. I commend that advice to the Minister.

Mr CARL SCULLY (Smithfield—Minister for Roads, and Minister for Housing) [10.51 p.m.]: I welcome the contributions of all honourable members to debate on this terrific bill, the Home Building Amendment Bill. I am surprised how supportive of it they have been. A number of views have been expressed. The Home Building Amendment Bill is the sort of bill that needs to be considered seriously. I think that is all the contribution I need to make.

Ms REBA MEAGHER (Cabramatta—Minister for Fair Trading, and Minister Assisting the Minister for Commerce) [10.51 p.m.], in reply: I thank all honourable members for their contributions to the debate on the Home Building Amendment Bill. At the outset I should say that the suggestion by the Opposition that I have been sitting up late at night, crafting a cunning plan with the Ferguson brothers to swell the ranks of the Construction, Forestry, Mining and Energy Union is just fanciful. Whilst that suggestion might have excited the factional predisposition of some of my colleagues in this House, I have to disappoint them: It is not the case. That Coalition members have run that line highlights the absence of integrity in the arguments they used in the debate. The misinformation put out by the Opposition is extremely disappointing.

I start by dealing with suspensions—the issue that engendered most interest in the industry and was the subject of most of the misinformation put forward in this House by Coalition members. The Opposition argued in this place that this is some new draconian power that has been crafted by the Government to drive builders to the wall and effectively shut down the building industry—interestingly, at the same time as we are said to be trying to unionise that industry. I want to clarify that the power to suspend a builder's licence already exists, and it was last used on 9 August, when we suspended the licence of Prouds. Some 500 families were at risk because of problems with Prouds, and the Commissioner for Fair Trading stepped in and suspended Prouds' licence.

Let me make it very clear: The power to suspend a builder's licence already exists under the Fair Trading Act. The power is used on the rare occasion that there is real danger to consumers. In fact, it has been used only four times in the past 12 months. Although that power exists under the Fair Trading Act, it is being included in the Home Building Act to make that stand-alone legislation, bringing it into line with other fair trading Acts, like the Motor Dealers Act. I have heard not one complaint from Coalition members about the suspension powers that exist under that Act. In fact, the Opposition in this place supported the suspension powers being included in the Property, Stock and Business Agents Act. Why do Coalition members support the power to suspend the licence of real estate agents while vehemently opposing that power for builders? I find that quite extraordinary.

The suspension power also exists in the Valuer's Act. The Opposition does not know what it is talking about in this case. The existing power to suspend a licence is being included in the Home Building Act to make that stand-alone legislation. I went to great lengths to explain this to the Housing Industry Association when I

met with it recently. It has been consulted extensively on the development of this legislation. In fact, I met with the association to run through its concerns because I did not want the association to be under any misapprehensions or to not understand the Government's intentions with this legislation.

I address a number of other points that have been raised in this debate. The issue of close associates has been raised. The provisions defining a close associate of a licence applicant or holder have been put in place to deal with the situation of phoenix companies, which many honourable members would be aware of. Disqualified persons have been able to get back into the industry by posing as employees or consultants of a shelf company, or as a spouse or business associate, when really they exercise control of the company. These provisions will help ensure there is adequate scope to investigate and deal with those who would seek to take advantage of consumers.

Another point raised in the debate relates to the privacy provisions. The bill amends section 127 of the Act to expand the definition of "relevant information" to include information relating to the financial solvency of an applicant or licence-holder or close associate of that person. This is very important to enable the commissioner to verify the information provided by the licence-holder or applicant. The Legislation Review Committee has noted this power and stated that, having regard to consumer protection objectives, it does not constitute an undue trespass on the privacy rights of licence applicants and others. Another issue of concern raised in the debate this evening relates to the introduction of the Home Warranty Insurance Scheme Board. The Opposition, in order to demonstrate my cunning, sly and secretive attempts to engage the Construction, Forestry, Mining and Energy Union to unionise the building industry, suggested that somehow it is provocative that two representatives of workers in this State have been included on the Home Building Advisory Council.

Mr Peter Debnam: It is a rort.

Ms REBA MEAGHER: It is certainly not a rort. Let us look at how that council is constituted. It has two representatives of the insurance industry, appointed by the Minister. Two representatives of the building industry are to be appointed by the Minister after consultation with the Master Builders Association and the Housing Industry Association. Two people are to be appointed by the Minister after consultation with the Labor Council. Two licensed contractors are to be appointed. Two persons are to be appointed representing the interests of consumers. One legal practitioner is to be appointed. And, such other qualified person as the Minister considers has appropriate qualifications and experience is to be appointed. That is, two of the 14 are to be selected to represent the interests of workers in the building industry.

If that is supposed to highlight a conspiracy to unionise the building industry, then the Opposition is really clutching at straws. That highlights the ideological tenets of the arguments that they have been running this evening. That is very disappointing. The reason those opposite have problems with builders in their electorates is that they are lying to them about the impact of the legislation. I was interested to hear the comments of the honourable member for Gosford about licensed contractors. I took the time to look at the number of building disputes in his electorate: 127 in the past 12 months. He reiterated his support for the position of the Housing Industry Association [HIA]. I quote Elizabeth Crouch, who said:

> The proposal to prohibit builders engaging unlicensed trade contractors is contrary to long-standing industry practice and, in our view, does not enhance consumer protection.

Regardless of the bill, it is unlawful to engage an unlicensed contractor on a building site. But the HIA wants the practice to continue. With a bit of a wink and nod they want builders to be able to engage unlicensed contractors. That is not acceptable. The honourable member for Gosford, a law-maker in this State, supported that comment. It will stay with him for some time. There is opposition within the industry to the proposal that builders check the licence qualifications of contractors they engage. Everyone supports the notion that a consumer would ask a builder for his licence qualifications before entering into a contract with him and paying him any money. If we do not consider it an onerous obligation on a consumer, why do we consider it such an onerous obligation on a builder to check, for example, whether the electrician he is about to contract is licensed to do the work for which he is contracted? It is rubbish to suggest that such an obligation would turn builders into policemen. The bill requires builders to take the responsibility of checking that the people with whom they are directly contracting are qualified to do the work for which they will pay them.

In consultation with the HIA I gave a commitment that I would read a specific set of words onto the record to clarify the association's concerns on this point. In recent compliance operations Fair Trading has fined unlicensed contractors extensively. The majority of the 900 people fined this year were fined for unlicensed contracting. It is important to send a clear message that we will not tolerate practices that put the consumer at

risk. That is why item [2] of schedule 4 to the bill proposes that builders should ensure that any contractor they engage directly has a valid licence. The provisions require builders to check the bona fides of contractors engaged directly by them, but not those of subcontractors engaged further down the chain. That responsibility would apply to contractors who directly engage subcontractors. Thus, the responsibility to ensure appropriate licensing extends only to those linked via direct contractual relationships.

That requirement is reasonable and is not onerous. The results will more than outweigh the cost. It will help achieve the important consumer protection objectives of the licensing regime. The requirement will apply equally to builders and non-builders, as well as to developers, kit home suppliers and building consultants. The Government believes that this provision is reasonable. It is reasonable that the industry work with government to raise the standard in the industry and to raise the standard of compliance within the industry. Other industries co-operate in that way. The argument by industry associations that all compliance operations are the responsibility of government is a nonsense. It is not a nanny State. The Office of Fair Trading does not have thousands of inspectors stationed on building sites to check people's licensing requirements, and nor should we. It is a simple requirement that demonstrates some responsibility for the standard of contractors on site. I thank the House for the debate this evening and I commend the bill to the House.

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

The House divided.

Ayes, 44

Ms Allan	Ms Hay	Mr Orkopoulos
Mr Amery	Mr Hickey	Mrs Paluzzano
Mr Bartlett	Mr Hunter	Mr Pearce
Ms Beamer	Ms Judge	Mrs Perry
Mr Black	Ms Keneally	Dr Refshauge
Ms Burney	Mr Knowles	Mr Sartor
Miss Burton	Mr Lynch	Mr Scully
Mr Campbell	Mr McLeay	Mr Shearan
Mr Collier	Ms Meagher	Mr Stewart
Mr Corrigan	Ms Megarrity	Mr Tripodi
Mr Crittenden	Mr Mills	Mr West
Ms D'Amore	Ms Moore	Mr Whan
Ms Gadiel	Mr Morris	*Tellers,*
Mr Gaudry	Mr Newell	Mr Ashton
Mr Gibson	Ms Nori	Mr Martin

Noes, 29

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

Pair

Ms Saliba	Mr Pringle

Question resolved in the affirmative.

Motion agreed to.

Bill read a second time and passed through remaining stages.

BUSINESS OF THE HOUSE

Days and Hours of Sitting

Motion by Mr Carl Scully agreed to:

That this House meet for the despatch of business on:

Thursday 18 November 2004 at 10.00 a.m.
Friday 19 November 2004 at 10.00 a.m.
Tuesday 7 December 2004 at 2.15 p.m. and
Wednesday 8 December 2004 at 10.00 a.m.

The House adjourned at 11.15 p.m. until Thursday 18 November 2004 at 10.00 a.m.