

LEGISLATIVE ASSEMBLY

Friday 19 November 2004

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

Mr Speaker offered the Prayer.

ABSENCE OF THE LEADER OF THE HOUSE

Mr DAVID CAMPBELL: I advise the House that the Leader of the House is attending the Australian Transport Council meeting in Brisbane and will not be here for today's sitting, and that I will fulfil the role of Leader of the House in an acting capacity for the day.

NOXIOUS WEEDS AMENDMENT BILL

Second Reading

Debate resumed from 10 November.

Mr ANDREW STONER (Oxley—Leader of The Nationals) [10.01 a.m.]: The Opposition will not oppose the Noxious Weeds Amendment Bill but will highlight a number of concerns that have been raised by various stakeholder groups during our consultation on this bill. On the whole, the bill is a practical piece of legislation, which the Opposition hopes will go some way towards improving the management of noxious weeds in New South Wales. Noxious weeds have a major impact on agricultural productivity and the environment in New South Wales. The Co-operative Research Centre for Australian Weeds Management reports that weeds cost Australia in excess of \$4 billion annually. Noxious weeds are estimated to cost \$600 million in New South Wales alone.

By way of background, the Noxious Weeds Act 1993 was reviewed under national competition policy guidelines in 1998. The review made a range of recommendations to improve weed management in New South Wales and the recommendations that require legislative changes are represented in the bill before the House. While the Government claims that this bill is the result of extensive consultation with industry, local government and State government organisations, it fails to mention that this consultation was undertaken in 1998. Judging from the Opposition's consultation with various stakeholder groups, it is disappointing to hear that little consultation has taken place since.

One of the main concerns that has been raised with the Opposition by organisations including the Southern Councils Group and the Local Government and Shires Association is that consultation by the Government on this bill has been somewhat rushed and to a degree has been confidential. The Local Government and Shires Association indicated to the Opposition that it would have preferred to consult more widely with member councils, but that it did not have the opportunity to do so. While the Opposition welcomes the provisions in the bill that will allow landholders to better meet their land management obligations, we are concerned that there will be increased administration requirements for local authorities that have not been met with additional resources. In short, the Opposition is concerned that some aspects of the bill represent another of the Government's cost-shifting exercises.

The legislation rationalises the definition and classification of noxious weeds from the existing 13 categories into the following 5 categories: (a) weeds prohibited at a State level—which are expected to be between 6 and 8; (b) weeds prohibited at a regional level, that is, those weeds whose spread is limited climatically; (c) weeds that are controllable at the regional level, and are not widely distributed within that region; (d) locally controlled weeds, where decisions can be made at the local level regarding control measures; and (e) provisions relating to seed content in fodder, plant, equipment and other potential weed vectors. Under the bill the Minister, on the advice of the Noxious Weeds Advisory Committee, will classify noxious weeds. Noxious weeds control orders must be reviewed at the end of every five years to ensure they remain current.

The bill allows for greater consultation during the formulation of noxious weed control orders, other than emergency weed control orders. Noxious weed control orders, which must be made publicly available for a

period of 21 days, may list the obligations on parties responsible for control and the methods to be used. The bill enables the Minister to make emergency weed control orders where he considers that action needs to be taken immediately and that the 21-day consultation period would lead to an irreversible weeds spread. These will be effective for up to three months. In cases where an emergency weeds control order has been issued, a local control authority can serve an emergency control notice on an owner or occupier. While the great majority of landholders are vigilant and conscientious about weed management responsibilities, some are not. I can imagine that it must be particularly frustrating for a grazier who has been attentive in managing noxious weeds on his property to look across the fence onto his neighbour's property and see acres of Bathurst burr or, in the case of the North Coast, giant Parramatta grass, that have been left unchecked. The emergency control order will hopefully alleviate such situations.

While the Opposition welcomes provisions in the bill to allow the taking of emergency action to control noxious weeds, these additional responsibilities of local control authorities must be matched with additional resources for on-ground work. To some degree this concern has been appeased by the fact the original draft bill has been amended to allow local control authorities to recover the costs of taking emergency action. Having said that, however, a large number of concerns have been brought to the Opposition's attention by county councils and local councils that their noxious weeds management budgets are stretched to the limit by virtue of a large proportion of these funds having to be tied up in administrative functions. Judging from the Minister's second reading speech on the bill, there is a great deal of emphasis on extra administration and information having to be provided by local authorities. The bill provides that local control authorities must collect and record information regarding the presence and extent of noxious weed infestations and prepare reports about weed-related matters for the New South Wales Government when requested to do so.

Although local authorities are already having to do this to report for other purposes, such as preparing state of the environment reports, I am aware that these authorities held initial concerns that such additional reporting responsibilities would not be met with additional resources to help meet such commitments. The Opposition certainly hopes that the Department of Primary Industries will continue with programs to assist councils to report in a consistent matter. Some local authorities have advised the Opposition that up to 30 per cent of their noxious weeds budget can be taken up in administrative requirements, rather than on-ground work, where it is needed. It is incumbent on the Government that such inefficiencies be addressed through streamlining the administrative requirements of local authorities, not creating more.

The bill provides for instances in which the Minister considers that a local control authority is not fulfilling its responsibilities for weed control, and/or is not effectively requiring landholders to do so, to direct a local control authority to take action or issue a notice. In severe cases, an administrator can be appointed for the local control authority's weed control responsibilities, and the cost of the administrator's duties after that date is a debt recoverable from the local control authority. The Local Government and Shires Association originally was concerned that this power within the bill could allow the Minister to strip a local control authority of its power in the same way as the Environmental Planning and Assessment Act allows the Minister to strip a council's planning powers. I understand that this concern has been somewhat appeased by proposed section 24 (2), which requires the Minister to consult a local control authority before giving a direction for the appointment of a weeds control administrator. The Opposition welcomes this amendment.

The Opposition does not oppose the fact that the bill will widen the scope of weeds grants to include education and some types of research. However, it is equally important that the current focus of physically controlling weeds remain. A number of county councils have raised concerns that since the amalgamation of local council areas, the number of roads on which they will be responsible for controlling weeds will increase. This has been matched with no additional funding by the State Government. If the Government is serious about controlling weeds, I urge it to increase the budget of these county councils to more effectively and immediately remove weeds from an increased number of roadside areas. This is an immediate problem that does not require research and development—although this will be used for preventative weeds strategies in future—but it does require increased financial resources.

An area of the bill that has been met with concern from the Local Government and Shires Association is that which limits the fees that local control authorities can impose for services, such as issuing notices. This is a concern that is shared by the Opposition, as it will mean that there is the potential for a council's revenue to be limited by this amendment. I am aware that the department has noted that these maximum fees will be set by regulation, and that the drafting of this regulation would be subject to a consultation process and a regulatory impact statement early in 2005. Even so, the Opposition has reservations on signing off on this particular part of the legislation when it has not seen the regulations.

The final point I wish to make in relation to this legislation is that in some cases a local control authority can be made responsible for the control of aquatic weeds. In most cases, this will be because the watercourse, or weed problem in the watercourse, will be too large for a landholder or occupier to control. Under the current Act, the control of aquatic weeds is the responsibility of those occupiers that are situated along its banks. The Local Government and Shires Association has raised concerns that there could be potential resourcing implications if the Minister determines that a council is responsible for the control of aquatic weeds. Situations where this could occur remain unclear. The Opposition would like the Minister to provide some guidelines as to how an aquatic weed problem will be classified so that it becomes the responsibility of a local control authority rather than an occupier.

The Opposition welcomes the fact that under section 69, to be inserted in the Act by the bill, a local control authority may enter into agreements with another person or body to exercise functions of the authority under the Noxious Weeds Act. To some degree this has satisfied our concern that the management of aquatic weeds by local control authorities is another of the Government's exercises in cost shifting. In conclusion, the Opposition believes the bill generally introduces a number of significant reforms that will greatly improve noxious weeds management in New South Wales. For this reason we do not oppose the bill before the House.

Mr STEVE WHAN (Monaro) [10.12 a.m.]: I support the Noxious Weeds Amendment Bill and welcome the support of the Opposition for it. Weeds are a major and insidious form of land degradation not only in New South Wales but also at a national level. A report published in March by the Co-operative Research Centre for Australian Weed Management places the national cost of weeds at more than \$4 billion annually. This figure does not include the cost to the environment or the impacts on lifestyle and recreational activities. The Leader of The Nationals mentioned in his contribution some of the weeds that are causing serious problems in areas on the North Coast. Obviously a number of weeds are a threat right across the State and the nation, as well as in local areas. In the Monaro area that I represent weeds such as serrated tussock, African love grass and fireweed are having a severe impact.

Mr SPEAKER: Order! There is far too much noise in the area behind the chair. The precincts of the Chamber are subject to the same standing orders relating to disruption and noise that apply to the Chamber itself. It is impossible for proceedings to continue if people in the vicinity of the Chamber are making too much noise. The honourable member for Monaro has the right to be heard in silence.

Mr STEVE WHAN: I am sure that what I was saying was not that funny. Obviously a good joke is being told behind the chair. In the time that I have been the member for Monaro, and in the years prior to that when I campaigned around the area, landowners and local authorities consistently raised the problem of weeds with me. Weeds are a serious problem on a number of properties. The Leader of The Nationals raised the issue of landowners expressing frustration when their neighbours did not properly control weeds. That occurs frequently in the Monaro area, particularly in areas where there are rural-residential subdivisions. It is a difficult challenge for a lot of city people who buy a number of acres of land and struggle to control the weeds on that land. No doubt that challenge will continue.

As local member, some of the calls that I dislike the most are calls from constituents who get upset and annoyed when they have been asked to remove weeds from their property. Unfortunately, that has happened on more than one occasion. When they take on a small property in a rural area they must recognise the responsibility that they have, in particular to their neighbours. Local councils in the Monaro area established a weeds committee that does a lot of weed control in the region. Winston Phillips, one of the people who is heavily involved with that committee, and other committee members as a group do an excellent job with the resources that they have available in leading the fight against weeds.

The New South Wales community bears a share of the more than \$4 billion national cost for weed control in the State. Strong measures must be put in place to minimise the effect of noxious weeds on the productive and natural resources of this State. This bill provides measures that will increase our collective ability to manage noxious weeds effectively and efficiently. The bill provides for significant changes to the way in which we are brought into the scope of the legislation. As the old saying goes, prevention is always better than cure. Both the New South Wales weeds strategy and the national weeds strategy have, as their first objective, the prevention of new weed problems.

By prioritising weed management activities towards the prevention of new problems and by rapidly dealing with any new weeds that occur, resources will be used where they will accrue the maximum benefit for the State. The new control classes of noxious weeds that are provided for in the bill reflect the importance of any

species that are placed in them. That will enable resources to be targeted at weeds that have the most potential impact in New South Wales—a significant shift away from the categories in the Act that are simply aimed at defining control actions. The bill introduces for the first-time noxious weed declaration processes designed to increase flexibility in the way weeds are controlled and to enable the people of New South Wales to have an input into those practices.

The new weed control orders will specify the obligation on land managers and others in controlling weeds and the methods that may be used to do so. That greatly enhances flexibility in that control obligations and methods can be varied to suit specific circumstances. Land managers will be able, over time, to implement contemporary management practices that achieve the objectives of the legislation and amend weed management requirements as technology and knowledge changes—something that is lacking in the present legislation. Where appropriate, that flexibility will remove the present requirements to continuously suppress and destroy, which can sometimes provide little alternative other than the frequent application of chemicals.

The bill also introduces a public consultation process before a weed control order is made. The bill requires the Minister for Primary Industries to notify the public of the Government's intent to make such an order and to make the proposed order available for comment. Finally, the bill provides that weed control orders have a limited life of five years. That will ensure that the declaration of any noxious weed, including the obligations and control methods specified, keep up with contemporary practices and community expectations. No longer will noxious weed control obligations be imposed on the land managers of New South Wales for historical reasons. In future, weed control obligations will be fully justified and the land managers of this State will have an input into the process for imposing those obligations.

Earlier I said that part of the bill provides for the removal of the present requirement for landowners to continually suppress and destroy. Sometimes there are quite limited alternatives to the frequent application of chemicals. The flexibility provided by this bill is welcome because it will allow people to adopt control options that reduce the need for chemicals. Some of those alternatives include different pasture management techniques, different crops or different plant selection techniques to crowd out weeds and prevent them from taking over pastures. One of the more controversial methods that has been suggested to me for the control of serrated tussock was to convert pasture to pine plantations. While pine plantations are obviously valuable and exist in some parts of the Monaro electorate as an important and emerging industry, perhaps that they are a longer term control method for serrated tussock as some graziers may not be willing to convert their land. Nevertheless, there are other ways of managing pastures to crowd out weeds and ensure that they did not take over the land.

Catchment management authorities are now established and as a result I am hopeful that there will be a better co-ordinated and more widespread involvement of community-based organisations in land management so that weed control becomes a mainstream objective. Weed control is a subject that has dominated the thinking of land management and volunteer land care groups in the Monaro electorate for some time because the spread of serrated tussock is such a challenging problem.

Mr Daryl Maguire: And St Johns wort.

Mr STEVE WHAN: The honourable member for Wagga Wagga referred to St Johns wort, and the Monaro electorate has a lot of that as well. I heard of a novel way of controlling St Johns wort from a friend who lives in Cooma. For quite some time he has been making a living out of harvesting St Johns wort from the roadside and using it quite successfully in the production of alternative therapies and medicines. He is always very quiet when we are talking about the eradication of St Johns wort.

Mr Daryl Maguire: It grows best along the railway lines.

Mr STEVE WHAN: Yes. I digress briefly to add that he used to collect quite a lot of it and put it in the back of his van and drive home. He told me that by the time he arrived at home, he felt quite high from the various weeds he had collected along the way. I often wondered whether a random roadside drug test would have picked up the reason why he felt that way. The bill requires local control authorities to contribute to overall weeds management in New South Wales by monitoring weed infestation and activities, and reporting to the State, as needed. This will increase the efficiency of weeds management and improve the way in which resources are distributed.

Aquatic weed control obligations will be amended to remove the inequities in the Noxious Weeds Act 1993 and to ensure that those weeds are able to be controlled. This will be achieved through changes in the

legislation and added flexibility in the declaration process, which will alter the obligations of landholders and control authorities. The Leader of The Nationals has mentioned the role of weeds county councils in many parts of the State. In the Monaro electorate the obligation to control weeds is met by a group of local councils. They Snowy River Shire Council, the Bombala Council and the Cooma-Monaro Shire Council meet regularly as a committee to set strategies and make applications for grants.

The Leader of The Nationals referred to the need for more funding for the control of weeds. Although this bill does not deal with funding directly, it clearly provides for greater flexibility in the way in which weeds management is carried out. At the risk of making myself unpopular, I have to agree with the comments of the Leader of The Nationals that more funding should be provided for the control of weeds in New South Wales. In the Monaro electorate, in particular, there is not enough funding to totally get on top of weeds eradication. Hopefully, over time, more funding will be made available to enable us to do so.

Weeds control is just one of the areas of government for which all honourable members would like more funding to be provided. However, naturally enough, governments are only able to provide funding that they have been able to raise, and other priorities also have to be met, such as funding for education and health. It is a fundamental responsibility of government to strike the right balance in the allocation of funding. While I would like to see more money being made available for the control of weeds, I recognise the significance of competing priorities.

Earlier I mentioned the frustration of landowners whose efforts to control weeds are limited by the land care practices adopted by their neighbours. Recently people in my electorate had an order for the control of weeds applied to their properties. They were frustrated because they felt that they had done a lot to control weeds but that seeds from their neighbour's weeds were being blown onto their properties. Despite their own efforts to control weeds, they felt that the infestation of weeds was continuously regenerating. I understand their frustration and I hope that the greater flexibility of the new provisions addresses the problem and that the legislation is perhaps tougher on neighbouring landowners who do not meet their obligations.

The bill is contemporary in its concepts and objectives. It illustrates the Government's commitments to minimising the negative impact of noxious weeds on our productive and natural resources. It is important to ensure that the control of weeds is an issue that is not forgotten in New South Wales. The Government is working with the community, local councils and weed control organisations to make sure that the problem is being tackled forcefully. I congratulate the Minister for Primary Industries on the work that he is undertaking in reviewing the legislation and on putting in place a bill that will meet the longer-term requirements for better weed control management. I hope that maximum possible resources will be directed to controlling weeds in New South Wales. I commend the bill to the House.

Mr JOHN PRICE (Maitland) [10.26 a.m.]: I support the Noxious Weeds Amendment Bill, based on my experience as chairman of an unusually titled committee that was known originally in the Hunter as the Committee Against Alligator Weed. The committee was not a formal county council, or funded as such, but it was a co-operatively based committee of seven municipal councils that included Port Stephens Council, Newcastle City Council, Lake Macquarie City Council, Cessnock City Council, Maitland City Council and Wyong Shire Council. Later I will discuss in detail the strategies applied to the control of alligator weed, but I note at the outset that weeds are a major problem in rural areas. To some degree, they will also be a problem in city areas because weed infestation is an insidious form of land degradation.

The bill is designed to modify attempts to control weeds by introducing greater flexibility. A report by the Co-operative Research Centre for Australian Weed Management suggests that the control of weeds should be taken more seriously. The report was produced in March this year and estimates that the annual cost to the community of containment of weeds and destruction of pasture from weeds, to the point of complete environmental breakdown in some cases, is \$4 billion. In one way or another, that cost impacts on all Australians ranging from people involved in rural industries to those engaged in recreational sport. Weeds are a serious problem and the issue must be taken seriously because of its impact on society generally.

No matter how minor a problem people might consider weeds infestation to be, the people of Australia are paying for it because they make a contribution in one way or another to the control of weeds. The State's contribution is significant and, in my opinion, only partially addresses the problem. But it is a major allocation of funds in an attempt to address the problem, and it is an escalating allocation. The Government adds to the funding every year and expands its control activities as best it can. Heavy reliance is placed on weeds officers in local council areas and generally they do their best, but when the problems that have been outlined by other

speakers are taken into account, including propagation of weeds by windborne seeds, it can be appreciated that it is very difficult to eradicate weeds species. Approximately 40 years ago, species of plants were taken off the noxious weeds list because they became uncontrollable and so eventually were accepted as part of the scene. I do not think we are at that stage again, but it is significant to realise that mother nature runs the show and we can only cope as best we can in the areas that we can.

The bill provides measures that will increase our collective ability to manage noxious weeds in the most effective and efficient manner. It also provides for significant ways of bringing weeds into the scope of the legislation. Prevention is better than cure. The New South Wales Weeds Strategy and the National Weeds Strategy have as their first objective the prevention of new weed problems. We have to make every attempt to ensure prevention of those problems. If weed management activities are prioritised to prevent new problems and deal rapidly with new weeds, resources will be used where they will accrue the maximum benefit to the State and indeed to the community.

The new noxious weed control classes provided for in the bill clearly reflect the importance of any species that are placed in them. This will allow resources to be targeted at those weeds that have the most potential to impact on New South Wales. Some weeds have been highlighted during this debate, and the list contains many others. Indeed, viewing the list of noxious weeds, one wonders how to cope with any or all of them because of the proliferation of growth in certain parts of the State. This is a significant shift away from the categories in the Act, which are simply aimed at defining control actions.

The bill introduces, for the first time, noxious weed declaration processes that are designed to increase flexibility in the way weeds are controlled, and allows the people of the State to have input into those practices and procedures. In the first instance, weed control orders will specify the obligation on land managers and others with respect to controlling weeds and the methods that may be used to control them. This greatly enhances flexibility in that control obligations and methods can be varied to suit specific circumstances. This will allow land managers to implement contemporary management practices that achieve the objectives of the legislation over time, and allow weed management requirements to be amended as technology changes. Currently, this ability is not available by legislation.

Where appropriate, this flexibility will remove the present requirement to continuously suppress and destroy, which can sometimes provide little alternative other than the frequent application of chemicals. The bill also introduces a public consultation process before a weed control order is made. It requires that the Minister for Primary Industries notify the public of the intent to make the order and make the proposed order available for comment. Finally, the bill provides that weed control orders will have a limited life of five years. This will ensure that the declaration of any noxious weed, including the obligations and control methods specified, keep up with contemporary practices and community expectations.

No longer will noxious weed control obligations be imposed on the land managers of New South Wales for historical reasons. In the future weed control obligations will be fully justified and the land managers in this State will have input into the process for imposing these obligations. The bill will require local control authorities to contribute to overall weed management in New South Wales by monitoring weed infestation and activities, and by reporting on these to the State as needed. This will increase the efficiency of weed management and improve the distribution of resources. Aquatic weed control obligations will be amended to remove the inequities in the Noxious Weeds Act 1993 and ensure that these weeds can be controlled.

I refer specifically to alligator weed, which is a classic imported weed that has no natural predators. In the late 1970s the infestations were so bad in portions of the Hunter region that it was felt that a unified approach by all the local councils was necessary. Alligator weed is a water-borne noxious weed that can be carried in streams. It can be picked up in motor vehicle treads. It can be carried along in the cloven hooves of animals. A weed node in a section only 20 millimetres long will immediately take root. Alligator weed has acclimatised to this country so well that it can take root on river banks and in pastures. This is the case in many areas in the lower Hunter, particularly in the Williamstown area. The weed was originally introduced from South America and came across in ballast in sailing ships, which was unloaded in the suburb of Stockton, where the ships used to tie up.

As the ballast rocks and associated soil were removed by people for various purposes over the past 150 years alligator weed was carried into a number of paddocks that eventually became turf paddocks. People who farmed turf farmed the product, and they disposed of it throughout the State. Sadly, in those early days a number of government contracts included turf from the Williamstown area, which meant that alligator weed, probably in

its best form in terms of agricultural care, was transported to government agencies throughout the State. So this noxious weed was laid out in strips in front of the courthouse in Bourke and police stations in Brewarrina and other places, along with the buffalo grass and kikuyu grass that was required for the beautification of those public buildings.

As a result of lawnmowing and disposal of wastes, some of the nodes got into waterways and started blocking dams and drains throughout the Western Division, which created a major problem. Once the committee was formed in the Hunter and research was undertaken specifically into the damage that was done, we checked with the American authorities and found that the American army was employed to distribute chemicals to control that weed infestation. At that time—this was the late 1970s—some \$US16 million a year was being used on the eradication of alligator weed. In the State of Florida alligator weed was growing at such a prolific rate that sustainable records indicated that on one occasion a car drove through a safety barrier, went into the river, landed on a bed of alligator weed and remained floating, and the occupants were able to escape.

That gives honourable members an idea of the spread of alligator weed. This massive weed can stop a river flow. It is now able to come on shore and survive successfully. Removal of the top of the weed shows that the roots run about a metre down into the subsoil. The weed will regenerate from a node. As the plant is evolving here it is getting to the stage where it can seed. Recently I was talking to some people who claim that alligator weed is seeding now. During my time with the committee one measure introduced to control alligator weed was a specific moth. However, the moth did not acclimatise very well to Australia. The moth had to lay its eggs so that the larvae could attack the alligator weed and destroy the plant that way. But with a weed that has only limited flowering and a moth that was not keen on Australian climatic conditions—unlike the predator weed—we had a continuing problem. That difficulty remains.

We have the same problem with a number of water-borne plants, including several varieties of salvinia. In the shire where I live we still have significant problems with aquatic weeds and many land-borne weeds. A large portion of the Barrington Tops tourist area is in my electorate. Scotch broom has almost taken over the tops area and its eradication has cost the State a fortune, but it continues to be a problem. Common blackberry and lantana infest neighbouring properties. Landowners make every attempt to eradicate those weeds, and the council weeds officer does the best job he can in support of their efforts. However, the weeds still recur, and we need to deal with that high-maintenance problem. Fireweed is another weed that has become a problem. It comes and goes, but the proliferation of seed from the fireweed plant is enormous. If we get a steady westerly down the Hunter Valley paddocks that one would think are by and large clear of it are full of it again within two years.

We have much the same problems with Scotch thistle. I have referred just to common weeds. There are significant infestations on the river banks along our streams, particularly in country areas. Green cestrum, which is common in my area, is a horror for dairy farmers and cattle farmers. It is extremely difficult to remove because the seeds are ingested and carried by small birds, finches, wrens and the like. The plants can come up anywhere, particularly in areas that one thinks have been cleared for pasture.

This bill is extremely important; it is not the solution but it is certainly a major step forward and will allow us to achieve the changes that we need. We have to do this for self-preservation, for our rural industries and for the community generally. It could be said that the bill is contemporary in its concepts and objectives and illustrates the Government's commitment to minimising the negative impacts of noxious weeds on our productive and natural resources. I commend the bill to the House. It is great, progressive legislation in the area of administration and I look forward to the excellent results that I anticipate will come as a result of its implementation.

Debate adjourned on motion by Mr Gerard Martin.

BUSINESS OF THE HOUSE

Order of Business: Suspension of Standing and Sessional Orders

Mr DAVID CAMPBELL (Keira—Minister for Regional Development, Minister for the Illawarra, and Minister for Small Business) [10.41 p.m.]: I move:

That standing and sessional orders be suspended to allow:

- (1) the honourable member for Bathurst to move a motion forthwith dealing with the privatisation of Telstra; and

(2) for the following time limits to apply:

Mover of the motion	five minutes
Any nine members	five minutes
Mover of the motion in reply	five minutes

I have moved this motion because the imminent sale of the balance of Telstra is an important community issue, certainly for Australia and especially for New South Wales. This week at the opening of the National Parliament the Governor-General said:

The government will pursue its longstanding policy for the full privatisation of Telstra.

Senator Coonan, the Minister for Communication, Information Technology and the Arts, said publicly that that process is under way. It is important that this House debate that issue and confirm and reaffirm opposition to the sale of the balance of Telstra in the interests of country people. In my portfolio area as Minister for Regional Development whenever I am in a regional location people report to me their difficulties with Telstra. In my portfolio area as Minister for Small Business people who run small businesses in a regional area tell me that they cannot get access to a broadband service, and their businesses are impacted on because of inadequate telecommunications across rural and regional New South Wales.

It will be a challenge for the Opposition to support debate on this important matter and I expect that the honourable member for Epping will come up with all sorts of spurious reasons why we should not have this debate today. I urge him to be aware of his health, and to take breaths between sentences. Of course, we will be ready with a glass of water if he should need it. The privatisation of Telstra is an important community issue for people in the city and in the country. Therefore, it is more important that the House support my motion for suspension.

Mr ANDREW TINK (Epping) [10.43 a.m.]: It does not surprise me that the Leader of the House left this motion to be moved only when he was well away and safely in Brisbane today. He gave the hospital pass to the Minister for Regional Development to move the motion. If I were forced to contemplate moving a motion such as this I would seek diplomatic immunity from Peter Beattie in Brisbane, which is where the Leader of the House is today. It was he who should have moved this motion, and probably he should have moved it yesterday. The motion to be moved by the honourable member for Bathurst has not been foreshadowed. I foreshadow that it will be a dump on the New South Wales Nationals, I will bet that it is a pathetic attempt to prop up the Independent Labor candidate in the Dubbo by-election. I will bet that this is the second part of a two-part strategy commenced by the Federal member Tony Windsor earlier this week in which, surprise, surprise, after he spent days campaigning in Dubbo he did a dump on John Anderson and Senator Macdonald of the Federal upper House.

As most commentators are saying today, Mr Windsor has so much egg on his face he will not need to cook another one for the rest of the year. The motion moved by the Minister is the second pincer movement in the strategy designed to embarrass candidates for the Dubbo by-election. The only thing that the Minister got right when he moved the suspension motion was to say that this matter had been raised in Federal Parliament. This issue was raised in Federal Parliament precisely because it is an issue for the Federal Parliament, an issue for that forum not this one. And, guess what? For those who might be interested in the recent Federal election results, the Coalition candidate for Parkes, John Cobb, was returned with the greatest thumping majority in the history of that electorate.

We already know that the people of Dubbo are happy for this difficult issue concerning Telstra to be handled by the Federal Government in the way it has been handled in the past. The people of Dubbo, which is in the Federal electorate of Parkes, are confident that their Federal member will be able to handle the situation. They do not want any meddling by the honourable member for Bathurst, who is about to get up and make an even bigger idiot of himself than he normally does by moving a bodgie motion that the Minister did not have the guts to foreshadow. If the Labor Party were fair dinkum about talking about privatisation in a way that is relevant to this Parliament, to this Government, to this jurisdiction, it would talk about its plans to privatise State Forests.

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

Mr ANDREW TINK: The Minister has been sitting in State Cabinet, which is talking about privatising State Forests. He sits in caucus as a senior member, and talks about privatising State Forests. The Minister for Regional Development and the honourable member for Bathurst are advocates for privatisation in

New South Wales—the two prime movers of this motion are two of the greatest advocates for privatisation in the New South Wales Parliament. They are going to privatise State Forests; they are going to sit back and let it go ahead. The Minister sits in State Cabinet and aids and abets a decision to privatise State Forests. If the Government wants to talk about privatisation in New South Wales in a way that is relevant to this jurisdiction, it should talk about its plans to privatise State Forests.

The Minister should leave any questions about the future of Telstra, one way or the other, to the Federal Parliament, the Federal member for Parkes, and to other Federal members who have been thumpingly returned to the Coalition with the confidence of their electorates to be able to go forward and consider this matter in a mature and considered way. That is far more than we are getting from the State Government, the Minister and the Whip when it comes to talking about privatisation in New South Wales. Bring on debate that is relevant to New South Wales privatisation, bring on debate about plans to privatise State Forests. [*Time expired.*]

Question—That the motion be agreed to—put.

Division called for. Standing Order 191 applied.

[*In division*]

Mr Richard Amery: Point of order: I point out that there must be something wrong with the elevators. I have noticed virtually no members of the National Party in the Chamber.

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

Noes, 2

Mr Barr
Ms Moore

Question resolved in the affirmative.

Motion agreed to.

TELSTRA PRIVATISATION

Urgent Motion

Mr GERARD MARTIN (Bathurst) [10.55 a.m.]: I move:

That this House condemns the New South Wales Nationals for failing to oppose the further privatisation of Telstra by the Federal Government.

It is very important that we discuss this matter today. We know that there has been a slight change in the political landscape in Canberra: This is the first time in a long time that the Coalition—or any government—will have control of both Houses of Parliament. Country Labor and the Labor Party have steadfastly opposed the full privatisation of Telstra. We pose a simple challenge today: we want members of The Nationals of this House to use whatever influence they have in Canberra to make a very strong point to their party that they should not become just the lapdog of the Liberal Party on this issue. The very simple question that we ask our colleagues opposite is: Do you oppose the full privatisation of Telstra under any circumstances? That is a pretty unambiguous and simple question. All we want is a yes or a no. Members of The Nationals should not be able to dodge the question any longer. Any response that includes "Well, it depends on what compensation is offered and what conditions are put on the sale" should be put in the yes column. We have got this character in Canberra now by the name of Barnaby Jones. He seems to have rolled in from somewhere up north.

Mr Thomas George: Point of order: I want to point out that the new Nationals Senator in Canberra is Barnaby Joyce, not Jones.

Mr GERARD MARTIN: I have got him mixed up with a fellow that used to be in the Clampetts with Buddy Ebsen. Anyway, Barnaby Joyce it is.

Mr Andrew Constance: Point of order: I want to have it noted that the person referred to by the honourable member for Bathurst is not even a senator yet and will not be until 1 July next year.

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

Mr GERARD MARTIN: We have given you six months.

Mr SPEAKER: Order! The honourable member for Bathurst will address the Chair and speak to the motion.

Mr GERARD MARTIN: Barnaby whatever his name is has been making statements that he will be the maverick: The Nationals will not fall into line. Already Costello and Howard have been to Anderson and said, "You are just a little tail now. Come along with us." Telstra is vitally important not only to Australia but to regional and country Australia in particular. Over the last three years Telstra has returned \$11.1 billion in dividends or profit, and 51 per cent of that money is going into public coffers. Therefore it is available for further development in the bush. The Esten report a couple of years ago, by John Anderson's mate, was to dress up the country part of what Telstra was doing through Telstra Country Wide as clearing the slate and to show that everything was fine in the bush so that Telstra could be fully privatised without disadvantage to anyone.

No-one in rural and regional New South Wales that my colleagues and I talk to—and we are out there all the time—wants to have a bar of the privatisation of Telstra. When honourable members opposite are out in the bush they say, "We oppose the full privatisation of Telstra" but when they get down to Carrington Street or wherever the head office in Sydney is, when they go for cocktails with the big end of town, they say that they are quite happy with privatisation and think it is the way to go. They are saying one thing out in the country and when they get down here they are being pulled into line by The Nationals, and that is exactly what is going to happen in Canberra.

We know that Peter Costello is pushing as hard as he can for this. There should be no compromise on this. The motion is very simple. We tried to remove two-syllable words from the motion but a couple had to go in. I ask a simple question of the Leader of The Nationals and his colleagues: Do they oppose the full privatisation of Telstra under any circumstances? It is not an ifs-and-buts situation; it simply requires a yes or no answer. It is perhaps timely to ask about the views of people in, say, Dubbo. I wonder what The Nationals are saying to the people of Dubbo. I bet they are telling them they do not support the full privatisation of Telstra, whereas in reality they do. The Nationals should demonstrate that they are not just a pale tail of the Liberal Party. [*Time expired.*]

Mr ANDREW STONER (Oxley—Leader of The Nationals) [11.00 a.m.]: I state clearly for the record, as I have stated time and again, that The Nationals in New South Wales are opposed to the sale of Telstra until such time as services in the bush are significantly improved and guaranteed into the future. In fact, The Nationals have continually stood in the way of the full sale of Telstra. Indeed, the great many improvements already achieved in telecommunications and information technology in the bush are a direct result of the stance taken by The Nationals. I recall fondly when the member for Murray-Darling, via a leaked document, had a constituent from Cobar talking about mobile coverage—

Mr Andrew Constance: Where is he?

Mr ANDREW STONER: That is a good question. A new mobile tower was erected near Cobar. The leaked document showed that the member for Murray-Darling took the credit—unbelievably—for the Federal Nationals delivering on more mobile phone towers because of their strong stance on Telstra. In case the honourable member for Bathurst has not read it, I shall refer to an article in today's *Australian* newspaper.

Mr Alan Ashton: That is an authoritative newspaper!

Mr ANDREW STONER: You like it, do you?

Mr Alan Ashton: It is garbage.

Mr ANDREW STONER: Is that right? I am sure the editor will be pleased to hear your views on his paper. The article stated:

Nats won't be rushed on Telstra.

Senior Nationals won't be rushed into passing legislation on the \$30 billion full privatisation of Telstra, saying they want to complete their own review of services in regional Australia first ...

But Veterans Affairs Minister De-Anne Kelly said the Nationals would not agree to the sale until it was satisfied that mechanisms for "future proofing" services in the bush were adequate.

"We still have a significant presence in the Senate and obviously as a party to the coalition our views at the end will predominate," Mrs Kelly said.

I contrast this strong stance, which has delivered much already and will deliver more for country people, with the stance of the Labor Party on privatisation, which is one of unbridled hypocrisy. Federal Labor sold off the Commonwealth Bank after saying in the lead-up to the election that it would not. As soon as Labor came to government it privatised the Commonwealth Bank. Federal Labor privatised Qantas and it would flog off Telstra at the earliest opportunity, without any dispensation for the bush. Thankfully, that opportunity will not arise for Federal Labor for a very long time. We know about State Labor's secret plans to flog off State forest softwood plantations, which will result in the loss of a huge number of jobs.

Mr Gerard Martin: Point of order: The Leader of the Nationals knows full well that a merchant is doing a simple scoping study, which encompasses all the possibilities. We are opposed to the privatisation of State Forests.

Mr DEPUTY-SPEAKER: Order! There is no point of order. The honourable member for Bathurst will resume his seat.

Mr ANDREW STONER: I am thankful to the honourable member for Bathurst for taking that point of order. We note his position on the record. This will cost a huge number of jobs in places like Oberon, Tumut, Nundle and Walcha. The honourable member for Bathurst was on the radio not long ago saying that it would not be a privatisation but a corporatisation. What is the difference? It will be flogged off, one way or the other. We fondly remember the plan of the Premier and the Treasurer to flog off the State's electricity utilities.

Mr DEPUTY-SPEAKER: Order! I call the honourable member for Swansea to order.

Mr ANDREW STONER: If State Labor were fair dinkum, it would move a motion about privatisation and the Labor Party's track record. This motion is wrong, wrong, wrong! The words "condemns New South Wales Nationals for failing to oppose the further privatisation" are wrong. The motion has been moved by a liar and a scoundrel, words that Mr Speaker ruled in order recently. This is simply a waste of the Parliament's time. It is designed to produce a press release for Dubbo in time for the by-election. [*Time expired.*]

Mr STEVE WHAN (Monaro) [11.05 a.m.]: We have seen again today that The Nationals will not give an unequivocal "no" to the sale of Telstra. That is what the people in country New South Wales want to hear. Telephone services are a key issue for country people because services are not up to scratch, and the sale of Telstra will not bring them up to scratch. The Federal Government's proposal makes no provision for future service improvements, for ensuring that the current standards are maintained in perpetuity and that the necessary upgrades in telecommunications will be maintained. Yet again the New South Wales Nationals have said one thing in their own electorates but in the city they bow to the views of the Liberal Party. We know from bitter experience that The Nationals with safe seats take their constituents for granted. We know their interest in country New South Wales. Their web site states:

Our Policies To Give Country and Coastal Communities A Fair Go.

Policy page currently under construction.

There is nothing there. The Nationals have no policies for country New South Wales because they get their marching orders from the Liberal Party in Canberra and Sydney. We see the discomfort of the Leader of The Nationals whenever he discusses this issue in this place. The matter was debated a year or so again and at that time he refused to oppose the sale of Telstra, as he has done today. I am quoted in *Hansard* as stating:

The Leader of the National Party is a little upset by this debate, as he is demonstrating now by threatening the Independents.

I well remember him standing over the Independents, berating them for supporting the Government in opposing the sale of Telstra. This is a difficult issue for The Nationals because they will not go against the Liberal Party,

despite wanting to tell their constituents that they will. The honourable member for Bathurst referred to the people of Dubbo. They should be told that if they elect a member of The Nationals and Dubbo becomes a safe seat they will be ignored in the same way they were ignored previously.

The Nationals took the people of Monaro for granted before I won the seat following 15 years of their neglect. During their term in government no new hospitals were built in the electorate. This Government has built three of the five hospitals in the area. Cooma Hospital was built before my time when Labor John Akister was the member. Labor will rebuild Bombala and Queanbeyan hospitals. It has already rebuilt Delegate District Hospital. However, no hospitals were built by The Nationals.

When I became the member for Monaro there was a backlog in water and sewerage treatment plant programs. However, since coming to office, Labor has upgraded town water supplies that had suffered because of the Coalition Government's neglect. This Government has capital works projects for three major water and sewerage treatment works, one that has been completed and two that are presently under construction. The people of Dubbo should realise that they will face similar problems if they elect a member of The Nationals in tomorrow's by-election.

Mr Andrew Constance: Point of order: I would be particularly interested to hear what The Nationals have done for Perisher Blue.

Mr DEPUTY-SPEAKER: Order! No point of order is involved. The honourable member for Monaro has the call.

Mr STEVE WHAN: What a silly point again from the honourable member for Bega, who recently told the people of Bega he was more interested in winning Monaro. What a bizarre thing to say when he is supposed to represent Bega.

Mr Andrew Constance: It was winning government, actually.

Mr STEVE WHAN: The honourable member should look at his words in *Hansard*. The Nationals in New South Wales are desperate. If they lose tomorrow this may be the last appearance of the Leader of The Nationals. We heard speculation about Larry Anthony coming into this place. The Nationals showed some loyalty to their leader when they said Larry Anthony would not come into this place as the member for Lismore. Probably they like the honourable member for Lismore. But the honourable member for Epping gave the game away when he took a point of order and said it is the people of Tweed who are conspiring to bring Larry Anthony into this Parliament. They will not get rid of the honourable member for Tweed, because he is such a good member. But it was an admission from the Liberal Party that they want Larry Anthony in this place to provide The Nationals with some leadership. I saw a fantastic quote from Alan Jones in the foreword to Kerry Chikarovski's book:

... what was so fundamentally wrong with the State Party [the Liberal Party] in New South Wales. On the score of knifing and backstabbing, they got ten out ten. On the score of judgement, they surely got nil.

Mr DONALD PAGE (Ballina—Deputy Leader of The Nationals) [11.10 a.m.]: The motion is a complete waste of the time of the House. Two days ago the Leader of the House said we had to abandon private members' business because the Government had a great deal of legislation to get through by Friday so that it could be considered by the upper House. Yet today we are dealing with a policy issue that is as clear as the day is long. The position of the New South Wales Nationals is clear and has been clear for a long time: The Nationals are opposed to the full sale of Telstra until such time as services in the bush are improved significantly and guaranteed into the future. The time of the House should be used to debate important State legislation rather than this time-wasting motion. The sale of Telstra is a Federal issue and was a Federal issue at the last election. The Coalition won the Federal election with a significantly increased majority. The Labor Party is wasting the time of this House by debating a Federal issue on which the position of The Nationals has been clear for a long time.

Ms Angela D'Amore: Point of order: I suggest that the member stick to the issue and debate the motion rather than go on with this frivolous terminology.

Mr DEPUTY-SPEAKER: Order! I am sure the honourable member for Ballina will return to the leave of the motion.

Mr DONALD PAGE: I am dealing exactly with the motion. I am talking about the sale of Telstra and the position of The Nationals. If the honourable member is not smart enough to listen to what I am saying, I feel sorry for her. Not only is the motion a waste of the time of the House, but it shows what a bunch of hypocrites those opposite are. As we speak, the sale of State Forests is on their agenda. Members of the Labor Party Cabinet—none of them are in the Chamber—are considering the full sale of State Forests, which will be a death blow to many country jobs. The honourable member for Bathurst, of all people, should oppose the sale of State Forests.

Mr Steve Whan: Point of order: The member is straying from the motion. He should note that the House has debated State Forests. Country Labour has put its position on the record.

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

Mr DONALD PAGE: The hypocrisy of the Labor Party at the State level is unbelievable. I intend to expose that hypocrisy by moving an amendment to the motion. I move:

That the motion be amended by deleting all words following "New South Wales" and inserting instead the words "condemns the Labor Party for its plan to sell off State Forests softwood plantations."

The amendment deals with an issue of State significance. The position of the New South Wales Nationals has been put by the Leader—

Mr DEPUTY-SPEAKER: Order! The amendment is not acceptable in its current form.

Mr DONALD PAGE: I am sure we can deal with the detail to make it acceptable. Members opposite are a bunch of hypocrites. The Federal Labor Government sold off the Commonwealth Bank and Qantas, yet Labor members here talk about privatisation as though, somehow or another, it is a new concept on the political horizon. The motion is a waste of the time of the House. We have important business that needs to be dealt with. By taking up an hour and a half, or whatever it is, of the time of his House, those opposite are trying to get some sort of story into Dubbo prior to the by-election tomorrow. But it will not work. If they were smart they would have done this yesterday rather than today. It is a complete waste of time.

Mr NEVILLE NEWELL (Tweed—Parliamentary Secretary) [11.15 a.m.]: I support the motion, and I will comment on facilities and infrastructure around regional New South Wales, particularly on the North Coast. As everyone knows, at this stage the Coalition has sold only part of Telstra but, with their numbers, they will be able to sell the whole of Telstra, much to the detriment of people in New South Wales and Australia in general. The part sale of Telstra was a shonky deal that involved Senator Brian Harradine from Tasmania. At the time the Federal Government set up a Regional Telecommunications Infrastructure Fund, with some \$2 billion. The fund was chaired by the former Deputy Prime Minister, Mr Doug Anthony, and it should have resulted in a fairly good deal for the bush. Unfortunately—surprise, surprise—\$150 million of the money went to Tasmania.

Some \$1 million went to a chap on the North Coast who was hoping to set up a marketing scheme for agricultural produce. He was going to use information technology, although I do not know what that has to do with telecommunications infrastructure. The scheme has delivered nothing and we have not seen that \$1 million since it was handed over some years ago. In 1999 the same fellow came to me and asked for more money to help get the system going. Obviously I was not able to accommodate him, nor was I inclined to, considering the amount of money that had disappeared into some great big black hole. The cursory inquiry into services in regional and rural New South Wales referred to by the honourable member for Monaro missed the point that technology improvements in the past three to four years have not resulted in improved services to regional or rural New South Wales.

The Howard Government has pulled back from its community service obligations, which were put in place by Labor governments to ensure that subsidies were available to provide regional and rural areas with services and infrastructure commensurate with those enjoyed in Sydney and other metropolitan areas. Telstra and other companies have been allowed to concentrate on the higher return locations. They have not made a commensurate investment in technology in the bush. Consequently local facilities have either run down or have not kept pace with the latest technology. None of the areas on the Tweed coast or in the Pottsville area in the south of the Tweed shire have satisfactory mobile phone coverage. This was evident in the latest bushfire disaster in the area: people were not able to make mobile phone calls because they did not have mobile phone coverage. Areas in the western part of my electorate have the same problem.

In the Alstonville area mobile phone coverage is less than satisfactory, but little has been done to improve it. Yet those opposite are washing their hands of what their Federal counterparts are prepared to do when they should be banging on the doors in Canberra to ensure that money flows into Telstra to ensure services in the bush. They should oppose the full privatisation of Telstra because it will not improve services in the bush, it will not upgrade the line, and it will not take broadband coverage to the bush. At the moment anyone who is five or 10 kilometres out of town on copper wire is stuck with the old technology. If they want to use the Internet, despite the fact that they might have the most modern software and computer, they are stuck with a line that will not carry the required information. The Leader of The Nationals indicated clearly that The Nationals are not prepared to oppose the further sale of Telstra. They are prepared to put qualifications on the sale, and for that reason they should be condemned.

Mr GEORGE SOURIS (Upper Hunter) [11.20 a.m.]: Standing orders were suspended to eliminate private members' business so vital legislation could be dealt with and forwarded to the Legislative Council to ensure that it can be dealt with there before Christmas. Some pieces of legislation are to take effect from 1 January and 3 January, so the suspension motion had some air of genuineness. However, we are now engaged in an urgency motion on a matter that is not urgent. The standard fare for this Government is to move urgency motions of one form or another to condemn the Federal Government. It is like a cracked record. The Government has produced a schedule of nine speakers. This is designed to waste the time of Parliament. We all know there is no hope of fulfilling the mandate the Government sought two days ago by suspending standing orders and eliminating private members' day. That exposes the hypocrisy of the Government and the lengths to which it is prepared to go. As a result, and after giving careful consideration to the motion, I move:

That the motion be amended by adding the words:

"That this House supports the people of country New South Wales, ensuring that they are always provided with comprehensive and affordable Telstra services."

If members of the Government were in any way genuine or serious they would support this amendment rather than the brazenly political motivation behind the motion.

Mr DEPUTY-SPEAKER: Order! Although I have yet to see the amendment in writing, the amendment must be relevant to the question it seeks to amend. Indeed, Speaker Ellis ruled that the amendment must be within the scope of the motion and not subversive to the principle. I suspect the wording the honourable member—

Mr Brad Hazzard: Point of order—

Mr DEPUTY-SPEAKER: Order! You can take a point of order if you wish, but I am ruling on the proposed amendment.

Mr Brad Hazzard: You are not in a position to; you have not heard the point of order yet.

Mr DEPUTY-SPEAKER: Order! I am ruling on the amendment. I ask the honourable member for Wakehurst not to interrupt me.

Mr GEORGE SOURIS: Do not worry about that. Once again the Government has wasted the time of Parliament in an attempt to make political points against the Federal Government. On a number of occasions I have resigned myself to opposing the further privatisation of Telstra until services in the bush reach an acceptable level. That is also the strongly enunciated position of the Deputy Prime Minister, the Federal leader of The Nationals. That has been clearly enunciated and it does not vary from any previous statement. I express my complete confidence in and support for my friend and colleague John Anderson, who has been unfairly maligned by an Independent who has no morality or ethical standards and who is prepared to use parliamentary privilege to defame a person of the utmost integrity.

Mr Bryce Gaudry: Point of order: There is a form of the House—a substantive motion—by which a member can launch an attack upon a person who is not a member of this House. If the member wishes to move such a motion I ask that he do so within the forms of the House.

Mr DEPUTY-SPEAKER: Order! I uphold the point of order. The honourable member for Upper Hunter may take that course if he wishes to do so.

Mr GEORGE SOURIS: We should not be considering the Federal Government and Telstra. The editorial in today's *Dubbo Liberal* urges the people to give this Government a kick in the backside. The by-election will be a litmus test for the fate of this Government. The people of Dubbo understand that there are some issues that are more important than this crass political exercise. [*Time expired.*]

Mr RICHARD TORBAY (Northern Tablelands) [11.25 a.m.]: To argue that debating the privatisation of Telstra is a waste of time is in itself an indictment of The Nationals. The former leader—and I emphasise "former" after that contribution—says that this is all about the political players. We are elected by people, by the citizens of each electorate. When this issue was put to the people there was an overwhelming response. Governments are elected to do the will of the people.

Mr Thomas George: We are not elected to do this.

Mr RICHARD TORBAY: We are elected to represent our people and that is what I intend to do. When the communities in my electorate were surveyed and asked, "Do you support the full privatisation of Telstra?" only 97 per cent opposed the full privatisation.

[*Interruption*]

The honourable member for Lismore asks, "What about Coalition seats?" I am happy to oblige. Does anyone remember Alby Schultz, the Liberal member for the Federal seat of Hume? Only 92 per cent of Hume opposed the sale of Telstra. De-Anne Kelly put the proposition to the people of Dawson and only 81 per cent of the people in her seat opposed the privatisation of Telstra. The Nationals' nonsensical position is that they will only support privatisation if services are up to standard. Anybody who knows anything about telecommunications knows that technology is changing daily. There are improvements and innovations. To argue that they would sell it if it is up to speed by some line-in-the-sand date flies in the face of reality. If it were suggested 10 years ago that Telstra be privatised, that would have been a whole new argument, given the technology available today.

One cannot make that argument. One has to look at investment into the future. We do not know what future technologies will be, but if we maintain majority public ownership we can continue to influence strong investment in regional and rural areas. Given the population density in metropolitan areas, that is where the funds will go, as we have seen with the privatised Sydney airport. Once it was privatised the Coalition said we will never have an argument about access for country airlines at Kingsford Smith, that it would regulate to protect it. What is Rex doing now? It is having a discussion about access. Opposition members can call it whatever they like, but I am representing country people and I urge them to do the same instead of toeing the party line—protect the people instead of the party.

It is clear to me that privatising Telstra against the will of the people, not knowing what future opportunities and technology will be, will not protect country people. The argument is that we should wait until services are up to standard. That will never happen, because with new technology and opportunities there will be a constant process of new development in which country people need to have a strong say. We will never win the argument if we ignore the views of a good sample of the community in the six or seven electorates that I mentioned, where the lowest level of opposition to the full privatisation of Telstra was 81 per cent. That was in the electorate of a member of The Nationals. If we are to recognise the will of the people and support our communities we must do everything in our power to maintain majority public ownership of Telstra and invest its enormous revenues in infrastructure in regional, rural and metropolitan New South Wales.

Mr THOMAS GEORGE (Lismore) [11.30 a.m.]: I move:

That the motion be amended by leaving out all words after "That" with a view to inserting instead:

"That this House supports the people of country New South Wales ensuring, that they are always, through the privatisation of Telstra, provided with comprehensive and appropriate Telstra services."

Mr Richard Torbay: Point of order: That means that The Nationals support the sale of Telstra.

Mr DEPUTY-SPEAKER: Order! There is no point of order. The honourable member for Lismore has the call.

Mr THOMAS GEORGE: The honourable member for Northern Tablelands—that champion of country people—ducks in and out of the Chamber, returning only to take points of order. He is not staying to

listen to the entire debate. He is now back in the Chamber—I knew that my comments would make him return. This hypocritical Carr Labor Government supposedly detained the House today to deal with government business, which we have been considering flat-out for the past two days. Now Labor members say they are concerned about the people of Dubbo—just before tomorrow's by-election in that electorate. The Labor Party is not even fielding a candidate in that by-election, who, if successful, could represent constituents' views to the Carr Government. Labor is ignoring the people of Dubbo—

Mr Alan Ashton: It was out of respect to Tony McGrane.

Mr THOMAS GEORGE: That may be so. The Labor Party was not game enough to field a candidate yet Labor members are criticising The Nationals, who have fielded a candidate. We are willing to put ourselves on the line and see what happens tomorrow. That is much more than the Carr Labor Government is prepared to do. I want each and every Labor member who has spoken in this debate to tell the House what he or she has done about the proposed full privatisation of Telstra other than make speeches in this place. Have Labor members written to the Federal Government about this issue? Has the honourable member for Monaro approached the Federal Government about this matter? No, he has not. I assure the House that I have spoken to the Federal member of Parliament for my area—

Mr Steve Whan: Point of order: I accept the honourable member's challenge and inform him that I have organised community meetings on the subject of Telstra.

Mr DEPUTY-SPEAKER: Order! There is no point of order. The honourable member for Lismore has the call.

Mr THOMAS GEORGE: That is the trouble with Parliament: Members opposite make representations on behalf of their constituents via press releases or public meetings. They never put pen to paper or take deputations to Federal members of Parliament. I have done that. I have spoken to the Federal member for Page several times and expressed the concerns of my constituents about Telstra services. Since Telstra Countrywide has extended its operations to the North Coast, services have improved markedly, although there is still some way to go. I will tell the House how much the Carr Labor Government cares about Telstra services in the country. In my electorate there is a little town west of Casino called Bonalbo. For three years I have been trying to get through this House approval to build a Telstra tower so that residents there can have some sort of telephone service.

Mr Steve Whan: Through this House?

Mr THOMAS GEORGE: Yes. The National Parks and Wildlife Service will not approve the tower's construction. And Labor members claim to support country and regional New South Wales! Many of my constituents do not have mobile telephone service, and nor do the emergency services. That is not Telstra's fault: The New South Wales State Government has delayed the approvals process. I condemn the State Government for that. People in my electorate have been robbed of mobile telephone services because the Government will not get off its backside and approve the building of a Telstra tower. Day after day, Labor members condemn the Federal Government. Instead of dealing with State legislation today we are arguing about Federal matters and taking up the time of the House. I support the motion as amended.

Mr ALAN ASHTON (East Hills) [11.35 a.m.]: The honourable member for Lismore said that we are wasting the time of the House. When the Government moved to suspend standing and sessional orders to allow this motion to be moved, the honourable member for Epping spoke heatedly against it and then Coalition members voted with the Government. The Coalition voted with us to bring on the motion! The honourable member for Manly, not the Coalition, called for a division. I remind honourable members that the motion of the honourable member for Bathurst states:

That this House condemns the NSW Nationals for failing to oppose the further privatisation of Telstra by the Federal Government.

According to the amendment moved by the honourable member for Lismore, The Nationals will support the further privatisation of Telstra so long as everything is sweet and cosy in the regions. We have flushed them out: The Nationals in New South Wales support the full sale of Telstra. It is great that that has been confirmed in Parliament today. When Barnaby Joyce's election to the Senate was confirmed the first thing he said was, "I'm going to have a good look at this Telstra thing; I'm not real wrapped about that." Senator Boswell said, "Hey mate, we're on the right track here; we'll have a good look at this." But then they got a phone call from a bloke

named Costello, who said, "Hang on, back in your box. We're part of a Coalition: We're the Liberals and we tell you what to do." And The Nationals quickly went back into their box on this issue.

In the past few years the New South Wales Nationals have tried to be half pregnant on the issue of Telstra. The Nationals members have said in this place, "Well, we don't really like it, we're not really happy and we're not going to fully support it, but we'll wait to hear about whether there are any black spots, whether technology will fix the problems and how services will be improved." As the honourable member for Northern Tablelands said, we could wait forever for those answers. New technology will be developed and new villages and townships will spring up and we will never be able to satisfy everybody.

Mention was made of the Commonwealth Bank's privatisation. Even John Howard would admit that privatising the Commonwealth Bank made Australia a more viable investment destination. The sale of Qantas was not the biggest deal in the world because not everyone catches planes. But everyone should be able to use the services that Telstra provides. Telstra is an iconic Australian company. The Federal Government has sold half of Telstra and now it wants to flog off the rest. Signals are not good enough. How many employees will be sacked from a privatised Telstra? Privatisation never creates more jobs; the work force is always reduced to improve the bottom line, which is profit for shareholders. Admittedly some ordinary Australians hold shares in Telstra but most will not buy them. Those who bought shares in T2 were duded completely.

Mr Thomas George: Did you get any?

Mr ALAN ASHTON: No, I do not have any shares in Telstra, and I will not be buying any because I am an ordinary Australian and I reckon the company is going great now. It should be 100 per cent in public hands, but 50 per cent or 51 per cent public ownership is better than nothing. How many workers are The Nationals prepared to see laid off? Telstra workers in country areas will lose their jobs. Larry Anthony has already lost his, but he is on his way to State Parliament—they are just trying to work out which seat to put him in. But that is another issue.

We want The Nationals to tell the truth—which they did in the amendment, thank God. I bet that amendment will be withdrawn. Even as I speak the Liberal Party Whip is sitting with the Clerk working out how The Nationals amendment can be withdrawn. Coalition members know that the amendment flushes them out as supporting the full sale of Telstra so they are trying to change its wording. The honourable member for Bega is making a quality contribution to the discussion. When the division on this motion is called we will flush them out. Do The Nationals support the full privatisation of Telstra or will they try to maintain their half-pregnant position and sit on the fence? They cannot keep doing that. As Joh said, "You can't walk along a barbed wire fence with a foot either side." That was one of his best sayings.

That great old leader Sir Joh would not have flogged off Telstra. He was smart about things like that. He had a lot of faults, but if he were Prime Minister he would not be selling it. Thankfully, in 1987 he stopped John Howard from becoming Prime Minister and in the process kept Telstra in public hands for a lot longer. Honourable members opposite should tell the truth. If they believe in privatisation, rather than saying that the Federal Nationals have a policy but theirs is slightly different, they should say whether they are for it or against it. They either oppose it or support it. The current Leader of the Opposition—I say that advisedly because his performance over the past couple of days suggests that his tenure is terminal—keeps standing up in this place and asking, "Yes or no?" That is the question the Government is putting to honourable members opposite: Yes or no? The Nationals are going to flog off Telstra or they are not. Give us a yes-or-no answer.

Mr ANDREW CONSTANCE (Bega) [11.40 a.m.]: I move:

That the amendment be amended by inserting the word "debate" after "privatisation".

The amended amendment would read that this House supports the people of country New South Wales, ensuring that they are always, through the privatisation debate—

Mr Gerard Martin: Point of order: There is some confusion. Is that a foreshadowed amendment? There have been about four amendments and the Government would like to know what is happening.

Mr DEPUTY-SPEAKER: I am trying to determine that now. It is not a foreshadowed amendment. It is an amendment to the amendment that has been moved.

Mr ANDREW CONSTANCE: It is interesting that we are having this debate today, promoted by the Country Labor faction of the Labor Party. Why is Country Labor not running a candidate in the Dubbo by-election? Honourable members opposite are running scared. What have they done? They have put up a de facto candidate. Today's Dubbo *Daily Liberal* editorial puts the situation very clearly. It states:

Rejecting a return to the Coalition ranks is, by default, an endorsement of the Labor Government at a time when it needs a kick in the backside.

Honourable members opposite should be embarrassed. They could not even run a candidate in Dubbo.

Mr Alan Ashton: Point of order: The honourable member for Bega is not talking about the matter before the House, the privatisation of Telstra and The Nationals' position. He is talking about the by-election for the seat of Dubbo, which has no relevance.

Mr DEPUTY-SPEAKER: Order! I am sure the honourable member for Bega is about to return to subject matter of the motion.

Mr ANDREW CONSTANCE: My point is that we are having this debate 24 hours before a by-election in Dubbo because Country Labor members will immediately send out a press release about it to the people of Dubbo. Country Labor is running scared. Labor could not run a candidate in Dubbo because it knew what the people of country New South Wales would do to it in this by-election. That is a great shame. It demonstrates the cowardice of Country Labor and the Labor Party. They are afraid to run a candidate in the by-election. We have seen these lackey Labor Independents running around country New South Wales—

Mr Peter Draper: Point of order: The honourable member is using unparliamentary language when describing the Independents and making false allegations. I ask him to withdraw.

Mr DEPUTY-SPEAKER: Order! The honourable member for Bega has been asked to withdraw the disparaging remarks relating to Independent members of this House.

Mr ANDREW CONSTANCE: I am happy to withdraw that remark if I have offended the honourable member for Tamworth. However, the honourable member for Northern Tablelands is not in the Chamber to defend his position. The Labor Party has run scared in Dubbo. It is not running a candidate and honourable members opposite are now debating the privatisation of Telstra.

Mr Bryce Gaudry: Point of order: Once again I raise the issue of relevance. I ask you to draw the honourable member back to the topic of the debate, that is, the amendment moved by the honourable member for Lismore supporting the privatisation of Telstra.

Mr DEPUTY-SPEAKER: Is the honourable member for Bega ready to resume his speech?

Mr ANDREW CONSTANCE: Yes. I will now refer to Telstra, and particularly to the honourable member for Bathurst. When he made his contribution to the debate this morning he did not have the decency to disclose that he holds shares in Telstra. He is nothing less than a hypocrite! With the privatisation of Telstra the value of his shares will only improve. He is a dirty, grubby hypocrite who did not want to mention the fact that he has shares in Telstra—

Mr Steve Whan: Point of order: The honourable member for Bega has cast a very serious aspersion on the honourable member for Bathurst. He should know that according to the rules of this House the honourable member for Bathurst has quite properly declared his pecuniary interests, as all honourable members do.

[Time expired.]

Mr GERARD MARTIN (Bathurst) [11.45 a.m.], in reply: We are in a state of confusion about this amendment. We have had four amendments mentioned by honourable members opposite. The honourable member for Lismore moved that this House support the people of country New South Wales, ensuring that they are always, through the privatisation of Telstra—his words—provided with appropriate Telstra services. Members opposite, in panic mode, have made four or five attempts to untangle this mess. We started with a simple question: Are they saying that they support the sale of Telstra? According to the amendment, they are. It is in big, bold, black letters.

Mr Andrew Constance: Point of order: To assist the honourable member opposite, I would like—

Mr DEPUTY-SPEAKER: He does not need assistance. What is the point of order?

Mr Andrew Constance: Should I reread the amendment?

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

Mr GERARD MARTIN: It is clearly on the record. Honourable members opposite voted to bring on the debate and they are now in turmoil. Put simply, they are saying that they support the sale of Telstra. It does not matter what version of the amendment we are talking about—version one, two, three or four—they are all on the record.

Mr Peter Debnam: Point of order: The member for Bathurst is misleading the House. He is a hypocrite and an idiot.

Mr DEPUTY-SPEAKER: Order! The honourable member for Vacluse will resume his seat.

[*Interruption*]

Mr DEPUTY-SPEAKER: Order! The honourable member for Vacluse will resume his seat.

[*Interruption*]

Mr DEPUTY-SPEAKER: Order! The honourable member for Vacluse is close to being in contempt of the Chair. He will resume his seat.

Mr GERARD MARTIN: Like all honourable members on this side of the House, I have openly declared my pecuniary interests. My measly Telstra shares were given to me by my family as a Christmas present. One of my sons thought it was a good idea. He has seen the error of his ways. All we have had from honourable members opposite is red herrings because they are embarrassed. They voted with the Government to bring on this debate. We started with the honourable member for Ballina, who moved an amendment. He said that we should not worry about the detail; they would deal with that later. They should think about their amendment. This debate is about whether they support the privatisation of Telstra. They voted to bring on the debate, and they clearly support the further privatisation of Telstra.

Mr Andrew Constance: Point of order: It is disgrace that he is protecting the value of his shares.

Mr DEPUTY-SPEAKER: Order! That is not a point of order. The honourable member for Bega will resume his seat.

Mr GERARD MARTIN: No matter what spin they put on it, it is very simple: they have not taken up the challenge. Do they oppose the full privatisation of Telstra? They have had their leader, their former leader and any other member of the gaggle saying "Yes, but maybe, if so or what". They cannot even get their English and syntax right in the way they have written these—

Mr David Campbell: There is conflict. There is one position and then there is another.

Mr GERARD MARTIN: Exactly. But it is very simple: They are supporting the privatisation of Telstra. No matter what, they are supporting the full privatisation of Telstra.

[*Interruption*]

You are a silly boy, go back to Vacluse. We can see how terrified they are when the facts come out. They can attack me all they like—but it is like being hit by a wet lettuce. They are so desperate even the honourable member for Lismore spoke—which rarely happens. He moved a lousy amendment that has embarrassed them. We want to know where they stand in this debate. They are supporting the full privatisation of Telstra.

Question—That the amendment of the amendment be agreed to—put.

The House divided.**Ayes, 26**

Mr Barr
 Ms Berejiklian
 Mr Brogden
 Mr Constance
 Mr Debnam
 Mr Draper
 Mrs Hancock
 Mr Hartcher
 Mr Hazzard

Mrs Hopwood
 Mr Humpherson
 Mr Kerr
 Mr Merton
 Ms Moore
 Mr Oakeshott
 Mr O'Farrell
 Mr Page
 Mr Richardson

Ms Seaton
 Mrs Skinner
 Mr Souris
 Mr Stoner
 Mr Tink
 Mr Torbay
Tellers,
 Mr George
 Mr Maguire

Noes, 42

Ms Allan
 Mr Amery
 Ms Andrews
 Mr Bartlett
 Ms Burney
 Miss Burton
 Mr Campbell
 Mr Collier
 Mr Corrigan
 Mr Crittenden
 Ms D'Amore
 Ms Gadiel
 Mr Gaudry
 Mr Gibson
 Ms Hay

Mr Hickey
 Mr Hunter
 Ms Judge
 Ms Keneally
 Mr Knowles
 Mr Lynch
 Mr McLeay
 Ms Meagher
 Ms Megarrity
 Mr Mills
 Mr Morris
 Mr Newell
 Ms Nori
 Mr Orkopoulos
 Mrs Paluzzano

Mr Pearce
 Mrs Perry
 Mr Price
 Mr Sartor
 Mr Shearan
 Mr Stewart
 Mr Tripodi
 Mr Watkins
 Mr West
 Mr Whan

Tellers,
 Mr Ashton
 Mr Martin

Pair

Mr Brown
 Ms Saliba

Mr Aplin
 Mr J. H. Turner

Question resolved in the negative.

Amendment of amendment negated.

Question—That the words stand—put.

The House divided.

Ayes, 43

Ms Allan
 Mr Amery
 Ms Andrews
 Mr Bartlett
 Ms Burney
 Miss Burton
 Mr Campbell
 Mr Collier
 Mr Corrigan
 Mr Crittenden
 Ms D'Amore
 Ms Gadiel
 Mr Gaudry
 Mr Gibson
 Ms Hay

Mr Hickey
 Mr Hunter
 Ms Judge
 Ms Keneally
 Mr Knowles
 Mr Lynch
 Mr McLeay
 Ms Meagher
 Ms Megarrity
 Mr Mills
 Ms Moore
 Mr Morris
 Mr Newell
 Ms Nori
 Mr Orkopoulos

Mrs Paluzzano
 Mr Pearce
 Mrs Perry
 Mr Price
 Mr Sartor
 Mr Shearan
 Mr Stewart
 Mr Tripodi
 Mr Watkins
 Mr West
 Mr Whan

Tellers,
 Mr Ashton
 Mr Martin

Noes, 25

Mr Barr	Mrs Hopwood	Mrs Skinner
Ms Berejiklian	Mr Humpherson	Mr Souris
Mr Brogden	Mr Kerr	Mr Stoner
Mr Constance	Mr Merton	Mr Tink
Mr Debnam	Mr Oakeshott	Mr Torbay
Mr Draper	Mr O'Farrell	
Mrs Hancock	Mr Page	<i>Tellers,</i>
Mr Hartcher	Mr Richardson	Mr George
Mr Hazzard	Ms Seaton	Mr Maguire

Pairs

Mr Brown	Mr Aplin
Ms Saliba	Mr J. H. Turner

Question resolved in the affirmative.

Amendment negatived.

Question—That the motion be agreed to—put.

The House divided.

Ayes, 46

Ms Allan	Mr Hickey	Mrs Paluzzano
Mr Amery	Mr Hunter	Mr Pearce
Ms Andrews	Ms Judge	Mrs Perry
Mr Bartlett	Ms Keneally	Mr Price
Ms Burney	Mr Knowles	Mr Sartor
Miss Burton	Mr Lynch	Mr Shearan
Mr Campbell	Mr McLeay	Mr Stewart
Mr Collier	Ms Meagher	Mr Torbay
Mr Corrigan	Ms Megarrity	Mr Tripodi
Mr Crittenden	Mr Mills	Mr Watkins
Ms D'Amore	Ms Moore	Mr West
Mr Draper	Mr Morris	Mr Whan
Ms Gadiel	Mr Newell	
Mr Gaudry	Ms Nori	<i>Tellers,</i>
Mr Gibson	Mr Oakeshott	Mr Ashton
Ms Hay	Mr Orkopoulos	Mr Martin

Noes, 22

Mr Barr	Mrs Hopwood	Mrs Skinner
Ms Berejiklian	Mr Humpherson	Mr Souris
Mr Brogden	Mr Kerr	Mr Stoner
Mr Constance	Mr Merton	Mr Tink
Mr Debnam	Mr O'Farrell	
Mrs Hancock	Mr Page	<i>Tellers,</i>
Mr Hartcher	Mr Richardson	Mr George
Mr Hazzard	Ms Seaton	Mr Maguire

Pairs

Mr Brown	Mr Aplin
Ms Saliba	Mr J. H. Turner

Question resolved in the affirmative.

Motion agreed to.

REDFERN-WATERLOO AUTHORITY BILL**Second Reading****Debate resumed from 17 November.**

Mr FRANK SARTOR (Rockdale—Minister for Energy and Utilities, Minister for Science and Medical Research, Minister Assisting the Minister for Health (Cancer), and Minister Assisting the Premier on the Arts) [12.18 p.m.], in reply: I have listened intently to the debate and I thank all honourable members for their contributions. A number of issues came out of the second reading debate and, following consultation with the honourable member for Bligh and with the shadow Minister, the honourable member for Wakehurst, I foreshadow that I will move a number of amendments.

I have taken on board some of the suggestions, including an amendment to clause 45 which the honourable member for Wakehurst requested, and amendments will be moved in Committee. The bill will create the Redfern-Waterloo Authority, which will manage public infrastructure, land and properties in the area and promote the social and economic development of the community. By establishing a dedicated body the authority will be able to deal in commercial property management and development, at a distance from the Government, while remaining accountable to the Minister and the community. When the board has been established I will appoint a board and a chief executive officer. I again state for the public record that the honourable member for Bligh, in her capacity as the Lord Mayor of Sydney, will be invited to be a member of the board.

The work of the authority will be funded through the establishment of a Redfern-Waterloo Fund. The issue of funding was raised by the honourable member for Wakehurst and the honourable member for Bligh. The fund will be financed through commercial activity on government land and properties and developer levies including those from the Carlton and United Breweries [CUB] site at Broadway, which is within close proximity to the operational area and is explicitly provided for in the bill. As a starting point, the Redfern-Waterloo Authority will assume control of the Australian Technology Park, including all of its revenue and expenditure and approximately 20 members of staff who are currently employed there. The funding of operational activities will be addressed over time in negotiations with the Treasurer in accordance with the usual annual practice that applies to all State government statutory authorities.

In relation to the Carlton and United Breweries site, it follows from the provisions of clause 29, relating to affordable housing contributions, that developments on the former CUB site will be declared State-significant developments. The capacity of the authority to raise affordable housing contributions on this site will deliver a range of housing choices to the disadvantaged communities of Redfern and Waterloo. I am advised by the Minister for Infrastructure and Planning that he intends to delegate his authorities to the City of Sydney Council in respect of this site. This will enable the council, through its central city planning committee, to undertake the rezoning of the site and exercise the Minister's consent authority's power under the delegation. I am also advised that any instruments of delegation will specify, among other things, that provisions for affordable housing and other development contributions should be consolidated under one provision that is applicable to State-significant development.

In the context of State-significant sites, a schedule has not been finalised and will be the subject of further detailed consideration. However, I am able to say that I expect that most government land at Redfern-Waterloo will be declared State-significant, including the Australian Technology Park, the Eveleigh railway workshop and the Department of Housing assets, the Block and surrounding areas as well as the Carlton and United Breweries site as explicitly mentioned in the bill. At this stage other sites have not been settled or determined. If the honourable member for Bligh is concerned, I will be happy at a later stage to discuss the matter with her.

The possibility of disputes between Ministers was also mentioned during the debate. The bill provides explicitly that the Premier will resolve differences between Ministers. The provisions in relation to surplus land are not dissimilar to provisions in the Sydney Harbour Foreshore Authority legislation. They provide that if the Minister agrees that the land is surplus to core business, it will be transferred under terms and conditions to be negotiated, with the Premier having a right to arbitrate disputes. That is how issues are resolved between Ministers—either by a Cabinet process or by the Premier, and that will apply in relation to this project.

A big issue with this project is consultation. It is my view and the Government's view that consultation is a pretty vital part of this exercise. The Government is committed to ensuring that the community will be

consulted on, for example, development of the Redfern-Waterloo Plan. In accordance with clause 14 (3) of the bill, the Minister for Redfern-Waterloo will consult widely with the community and all levels of government when developing the plan. In this regard I am sympathetic to the amendment foreshadowed by the honourable member for Bligh, which is intended to strengthen the authority's consultation process. The amendment will be considered at the Committee stage.

In accordance with clause 11 of the bill the Minister may establish advisory committees consisting of members of the local community to advise on matters and strategies to be included in the plan. It is my intention that advisory committees will be established and will be appropriately focused on providing the support and detailed assessment necessary which it will not always be appropriate for the board itself to consider. Consultation on this project began in November 1998. Between November 2001 and March 2004 substantial consultation was undertaken involving 1,500 participants. Collectively the consultations addressed all issues associated with Redfern and Waterloo, including youth, infrastructure development, the delivery of human services and community safety.

The information that was collected in these consultations has been used to inform public policy and service delivery. The environmental planning aspects of the Redfern-Waterloo Plan will be addressed through environmental planning instruments under the provisions of the Environmental Planning and Assessment Act. Other aspects of the plan will address broader social issues, such as human services delivery and employment. It is fair to say that addressing the concerns and issues associated with Redfern-Waterloo will be a significant challenge. It is equally fair to say that consultation will be a vital part of the process. The process will be important, but it is also important to note that the authority, the Minister and the Government must try to reconcile competing claims.

Claims are always made during a consultation process and some involve requests for more public resources, which may or may not be available, absent infinite taxation revenue. But government has an important role in reconciling competing claims and ensuring that progress is made toward outcomes that will result in improvements in the area through a degree of leadership. Consultation is important, but at the end of the day governments have responsibility to ensure that there is progress: put another way, talking is great, but at some point, doing becomes even better. While it is essential to discuss, debate and settle on correct courses of action, at the same time it is essential to affect progress by taking action. The Government has a very genuine commitment to achieving better outcomes for Redfern-Waterloo.

Under the provisions of the bill the Heritage Act 1977 will not apply to land or development in the operational area which is declared to be State-significant under the Redfern-Waterloo Plan, despite prohibition or restriction under the Heritage Act. This provision ensures that the authority is free to develop infrastructure for the benefit of the local community. For example, the Redfern railway station has been identified as an appropriate location for a town centre, as called for by the local community. But the station site's development needs to balance a whole range of complex issues. It must meet the requirements of the Commonwealth Disability Discrimination Act and meet RailCorp's future operational requirements as well as other functional and planning requirements. It is important in redeveloping the railway station to balance the needs of competing claims in a relatively expeditious manner. Any development process will be subject to public consultation, as the Government is required, and intends, to engage in.

It is important to note that clause 28 is not a unique provision. The power is comparable to the provisions of the Walsh Bay Development (Special Provisions) Act, for example. I also point out that clause 28 is circumscribed substantially because the function to which it relates has to be identified in the Redfern-Waterloo Plan and it has to be essential for achieving development. There are some provisions that circumscribe the exercise of the power provided in clause 28. Concern has also been expressed about provisions relating to authorised officers. I point out that those provisions mirror the provisions of the Sydney Harbour Foreshore Authority Act. The exercise of their functions will be limited to the operational area of the authority. The functions may well be necessary, especially in relation to public domain supervision.

As I have already pointed out to the honourable member for Bligh and the honourable member for Wakehurst, the bill provides for delegation and assignment of functions to other organisations. It may well be that functions are required to be carried out by authorised officers and that those functions are already being carried out by the officers of the City of Sydney Council. In that event it may make a great deal of sense to outsource those functions. I have held discussions with the Minister for Police. There is no intention to duplicate police work or appoint officers to carry out police work. That is not the intention of clause 28; it is included in the bill to import flexibility. I particularly have in mind in relation to clause 28 issues relating to management of

the public domain. I know that there are some challenges currently associated with the Australian Technology Park, and meeting those challenges may require the appointment of rangers, for example. If this clause is exercised, the functions may well be delegated to officers of the City of Sydney Council or some other body.

The honourable member for Wakehurst and the honourable member for Bligh have referred to the process by which the operational area can be expanded. I acknowledge the contribution of the honourable member for Wakehurst in suggesting an amendment to clause 45, which I intend to accept. One important issue relates to social impact statements. We need to distinguish between the role of the Redfern-Waterloo Authority and the role of the Redfern-Waterloo Partnership Project [RWPP]. The creation of the authority is one aspect of the Government's response to extensive consultation with the Redfern and Waterloo communities over recent years. The Redfern-Waterloo Partnership Project will continue its work to improve the socioeconomic conditions of the Redfern and Waterloo communities by focusing on issues such as community safety and the delivery of human services.

The establishment of the Redfern-Waterloo Authority and the Redfern-Waterloo Partnership Project was a clear acknowledgment of the need to have two interrelated but separate bodies, each having a defined focus of delivery in quite separate areas of responsibility. The continued placement of the RWPP within the Premier's Department will ensure that the capacity exists to drive change across all government agencies. Some members suggested that the authority was focused on infrastructure development. This is the case. The RWPP has the unambiguous responsibility for leading the reshaping of human service delivery in Redfern and Waterloo.

The community has a right to expect effective and accountable services that have the capacity to meet their needs. It is my responsibility as Minister to ensure that all services, government and non-government, deliver on these expectations. The bill and the ongoing work of the Redfern-Waterloo partnership represent a bold and earnest attempt by the Government to address decades of social and economic disadvantage in Redfern and Waterloo. Some of the provisions are more in the nature of reserve powers. Nevertheless, the Government believes that the necessary authority should be provided so as to maximise the prospect of success of this very important initiative. I commend the bill to the House.

Motion agreed to.

Bill read a second time.

In Committee

Clauses 1 to 13 agreed to.

Ms CLOVER MOORE (Bligh) [12.32 p.m.], by leave: I move my amendments Nos 1 to 4 in globo:

No. 1 Page 6, clause 14 (1) (a), lines 5-8. Omit all words on those lines. Insert instead:

- (a) to promote, facilitate, manage, undertake and secure the social, economic, ecological and other sustainable development and use of the operational area, including the development and management of land, the provision of infrastructure and the establishment of public areas,

No. 2 Page 6, clause 14 (1) (f), line 21. Insert "sustainable" before "improvement".

No. 3 Page 6, clause 14 (3), lines 27 to 29. Omit "The Authority is to consult with, as appropriate, any non-government agency or community group dealing with such issues."

No. 4 Page 6, clause 14. Insert after line 29:

- (4) In exercising any of its functions, the Authority is, in such cases as it thinks appropriate, to consult with local government, the business community, the local indigenous community, local non-government agencies and the general community.

The honourable member for Canterbury and the honourable member for Heffron, who have grave concerns about the Aboriginal community in Redfern and Waterloo, expressed their support for this bill because it would address the social problems of Redfern and Waterloo, and the Block in particular. We should not fool ourselves. This legislation is not intended to fix the social problems in Redfern and Waterloo. When we look closely at the bill in Committee we will see that it is nothing more than a grab for cash. With stamp duty revenue way down, the Government is looking for a new source of revenue. I have grave concerns about aspects of this bill. Indeed,

the bill could be described as a Trojan horse to annex more land from local government by stealth. As we were waiting for this debate to come on, one member said to me, "We are really creating another level of government."

I believe that this legislation can have dramatic consequences for large tracts of inner-city land. I am concerned about the setting up of what could be considered by many as a special police force, and about the extraordinary and unfettered powers being given to the Minister under this legislation. It is important that all honourable members, who, over the years, have expressed their grave concerns about the Block, Redfern and Waterloo, support my amendments. Amendments Nos 1 to 4, which I understand the Government will support—and I welcome that—introduce new references in the bill to "social, ecological and sustainable development" in relation to the authority's functions. Without these amendments, the authority would read that it is:

... to promote, co-ordinate, manage, undertake and secure orderly and economic development.

These amendments will add the words "social, ecological and sustainable development" to improve the nature of the authority. While I believe this bill is fundamentally the wrong approach, these amendments represent a modest step in the right direction. Addressing and combining community and physical renewal at the same time is critical for the Redfern-Waterloo area. There is an opportunity to build on the work that has been achieved by the Redfern-Waterloo Partnership Project. Sustainable development should be a central element to the bill. I mean "sustainability" in all senses of the word; I mean environmental, community and economic sustainability, which is fundamental to effective outcomes for this area.

The Redfern-Waterloo area needs rigorous and long-term outcomes. The only way this will be achieved is through a well-planned process that ignites community imagination and pride. These amendments will strengthen the provisions relating to the authority's obligation to engage with local government. I note that the Minister in his reply to the second reading debate said that there had been extensive consultation. I have been involved in all the consultation that has occurred since the Redfern-Waterloo project was set up. I am concerned about this area, which is in my electorate. As the Premier's Department representative, Michael Ramsey, knows, the consultation has left a lot to be desired in terms of informing the community that it was on and engaging the community during the process. The Minister cannot say that there has been effective and exhaustive consultation since the Redfern-Waterloo project was set up. Consultation is the major area that has fallen down, and I have said that to two Premiers.

Community engagement and consultation is critical in addressing the longstanding local problems. The community wants to be involved in the process. We have a fine line to tread, and any new approach must be inclusive and implemented sensitively so that it does not alienate people. I agree absolutely with the Minister, who said that there needs to be action—I have been saying that for years—rather than talk. But what we are debating in this bill is the nature of the action. I have always spoken for the rights of people in this community, and I have supported their right effectively to be involved in the process and to have a say in the future of their area. This bill has significant omissions, and I believe that my amendments Nos 1 to 4 will improve it.

[*Consideration interrupted.*]

DISTINGUISHED VISITORS

The CHAIRMAN (Mr John Mills): I welcome to the area behind the Speaker's chair Justice Michael McMahon of the Hong Kong High Court, who is a guest of the honourable member for Wakehurst.

REDFERN-WATERLOO AUTHORITY BILL

In Committee

[*Consideration resumed.*]

Mr BRAD HAZZARD (Wakehurst) [12.38 p.m.]: I will not take up much time of the Committee because I addressed most of the issues during my contribution to the second reading speech on behalf of the Opposition. The amendments negotiated between the Government and the honourable member for Bligh, with the involvement of the Liberal Party and The Nationals, highlight the need for sustainable development in the Redfern and Waterloo area. The Opposition is still not convinced that the consultation has been as extensive as the Minister believes. If my email in-box is any indication, the number of communications I have received in the

past 24 hours from community groups—Redwatch, the Aboriginal group at the settlement—indicates the Government should have undertaken a great deal more consultation than it has.

I doubt whether there has been much consultation at all. As I indicated in my contribution to the second reading debate, although the Opposition will not actively oppose amendments from the Government or the honourable member for Bligh, it will reserve its position on the bill until it is before the Legislative Council. We will review the individual issues put to us by both the Aboriginal and non-Aboriginal communities in the area. The Opposition does not oppose the amendments and I support the honourable member for Bligh for moving them.

Amendments agreed to.

Clause 14 as amended agreed to.

Ms CLOVER MOORE (Bligh) [12.41 p.m.], by leave: I move my amendments Nos 5, 6 and 7 in globo:

No. 5 Page 7, clause 15, lines 1-3. Omit all words on those lines. Insert instead:

- (3) In carrying out any of its functions, the Authority is to apply the principles of social, economic, environmental and other sustainable development.

No. 6 Page 7, clause 16, lines 5 and 6. Omit all words on those lines.

No. 7 Page 7, clause 16, line 8. Insert "within the operational area" after "private land".

I understand that the Government will not support the amendments, and that is a real pity. Amendment No. 5 provides that the authority must apply principles that currently it is only required to consider. Those important principles need to be very much part of the process. Amendments Nos 6 and 7 are also important. They seek to amend clause 16 and will have the effect of limiting the authority to exercising its powers only in the designated operational area, not outside it. The bill has set up boundaries, the designated area. Clause 16 allows the Minister to do whatever he wants to do outside the area.

Mr Robert Oakeshott: A new State.

Ms CLOVER MOORE: As the honourable member for Port Macquarie said, a new State that, amoeba-like, will get bigger and bigger. If the honourable member for Wakehurst does not support my amendment it is vital that the Opposition and those on the crossbench in the upper House ensure that the Minister's functions apply only to that designated area. It is bad enough that the authority is to be set up. We already have three tiers of government and a very effective city government working together co-operatively as equal partners with the Government in the partnership project. The new authority will be able to exercise its powers not only in the designated operational area but outside that area.

The bill sets up a new super-authority that will be above the law and will have a range of extraordinary powers. The Minister will be accountable to no-one and will have the capacity to annex other suburban areas at will, to cherry pick the most valuable development sites, and to act as the consent authority for his developments without being hindered by inconvenient planning laws such as the Heritage Act. I remind the honourable member for Wakehurst that that is what we are dealing with here. In addition, the bill sets out to annex developer contributions for affordable housing outside the designated operational area, which I expect to be worth between \$10 million and \$30 million. The Government says that between \$8 million and \$10 million is to be spent on services to the area. We can all see what is going on here, what the bill is all about: it is a grab for cash. I urge honourable members to support my amendments.

Mr BRAD HAZZARD (Wakehurst) [12.45 p.m.]: I am pleased that the honourable member for Bligh accepts that the Coalition has a pivotal role to play in most of the matters before the Committee. However, this is a Government bill. Although the Coalition agrees with the basic principles put by the honourable member for Bligh, at this time it would be wiser to allow community consultation to continue, albeit de facto community consultation. The Coalition reserves its position on that. Having said that, the Coalition agrees that the authority should look at principles of social, economic, environmental and other sustainable development in the program that it is to adopt.

However, the difficulty is that the bill has been brought on far too quickly and without sufficient consultation. It is still not clear what is to happen in Redfern and Waterloo. The problem is that we do not know

what the Redfern-Waterloo Plan will do. The Coalition assumes that the plan will deal with most issues. However, thus far, the Redfern-Waterloo Partnership Project has not been overly successful in addressing the issues. The bill is the Government's way of handling the matter. At the moment the Coalition will not oppose the Government's position and will not support the amendments moved by the honourable member for Bligh.

Mr ROBERT OAKESHOTT (Port Macquarie) [12.43 p.m.]: I am concerned about clause 16 (1), which states:

The Authority is not limited to exercising its functions on or in relation to land within the operational area.

That is an extraordinary provision to be included in any bill; it should ring huge alarm bells amongst all members of Parliament. That clause creates a new level of government. It empowers the Minister to do as he likes, when he likes and, importantly, wherever he likes. The Committee should support the amendments moved by the honourable member for Bligh to have that provision omitted, because the bill has huge implications not only for Redfern and Waterloo but for all of New South Wales. That provision gives the Minister unlimited powers to act in any way he wishes. A conspiracy theory that has floated around Port Macquarie and regional and rural New South Wales for a long time is that Redfern is to be bulldozed and redeveloped and all its residents are to be moved into regional and rural areas. That myth has been put to bed. However, the bill as it stands proves that that conspiracy, that myth, has some basis. This bill gives the Minister complete power over the area—over any area. That is confirmed by clause 16 (2), which states:

The Authority may exercise its functions on or in relation to public or private land.

That gives the Minister unlimited power to do as he wishes. I urge the Committee to strongly support omitting that clause.

Mr FRANK SARTOR (Rockdale—Minister for Energy and Utilities, Minister for Science and Medical Research, Minister Assisting the Minister for Health (Cancer), and Minister Assisting the Premier on the Arts) [12.48 p.m.]: It has been said that this bill is a grab for cash. Nothing could be further from the truth. The development of land is about providing both infrastructure and employment. It is also about financing the betterment of the area. As the relevant Minister, I predict that this site would not be of any great benefit to State Treasury. In fact, the area needs an injection of funds. As I said earlier, to the extent that there are powers that provide a degree of flexibility, they are really there to address issues that might arise, because we have a significant challenge on this and we had to address that challenge.

Mr Robert Oakeshott: With a bulldozer.

Mr FRANK SARTOR: That is just not true. Amendment No. 5 is to do with applying the principles of social, economic and environmental sustainability in all cases—in other words, mandating it. The trouble is that with some aspects of exercising a function it is not relevant to apply these things. There are clearly some operational aspects down the line where it is not relevant. But the bigger problem is that once we start providing these mandatory requirements we can leave any actioning authority vulnerable to legal challenge. So there has to be a degree of legal discretion. It is part of the framework of the bill. It is clearly a necessary consideration, but applying it in all cases and in all aspects of the authority's functions cannot be accepted by the Government for all sorts of practical reasons.

Amendments Nos. 6 and 7 relate to being able to carry out functions outside the area. That needs to be read with the functions provisions of the bill. For example, the functions in clause 14 (1) (a), (b), (c), (e) and (f) refer explicitly to the operational area. Clause 14 (2) says that the principal objective of the authority is the achievement of the Redfern-Waterloo plan. That provision is read down to be Redfern-Waterloo. But at the same time the bill provides for affordable housing contributions from the CUB site, which is outside the area. Hence it may be conceivable and necessary to undertake actions outside the area for the benefit of the area. But any extension of role that is unrelated to achieving benefits for Redfern-Waterloo would probably be ultra vires. I think that the courts would read that down substantially. We cannot support the amendments.

Ms CLOVER MOORE (Bligh) [12.52 p.m.]: What we have to do in this Chamber is make good legislation, and we have to make it for the future. The honourable member for Port Macquarie and I are pointing out what the bill will allow the Minister to do. The Minister can change the operational area and make it wider under clause 45. It is of grave concern and it is not making good legislation.

Question—That the amendments be agreed to—put.

Division called for. Standing Order 191 applied.

Ayes, 5

Mr Barr
Mr Draper
Ms Moore
Mr Oakeshott
Mr Torbay

Question resolved in the negative.

Amendments negatived.

Clause 15 agreed to.

Clause 16 agreed to.

Clauses 17 to 25 agreed to.

Ms CLOVER MOORE (Bligh) [12.59 p.m.], by leave: I move my amendments Nos 8 and 10 in globo:

No. 8 Page 12, clause 26 (1), line 12. Insert ", in consultation with the Board," after "Minister".

No. 10 Page 12, clause 26 (2) (a), line 16. Insert "sustainable" before "improvement".

I understand that the Government supports amendments Nos 8 and 10. Amendment No. 8 relates to the development of a plan that will guide the work of the authority. It requires the Minister to consult with the board when he is developing the plan. From my reading of the bill it would seem that without this amendment the board's only functions would be to advise on advisory committees and to give advice to the chief executive officer on day-to-day matters. So it is very important that the proposed board have a say in the development of the plan that is going to guide the work of the authority. Amendment No. 10 inserts another consequential reference to sustainability to ensure consistency in the bill.

Mr BRAD HAZZARD (Wakehurst) [12.59 p.m.]: The Opposition does not oppose these amendments. I highlighted the problem in the second reading debate that the Opposition cannot see how the government authority will liaise with the development of the Redfern-Waterloo plan. Obviously, we have been told to take it all on trust. To some degree at the moment we do not have a lot of choice about that, but the Liberal Party and The Nationals are happy to support the amendments.

Mr FRANK SARTOR (Rockdale—Minister for Energy and Utilities, Minister for Science and Medical Research, Minister Assisting the Minister for Health (Cancer), and Minister Assisting the Premier on the Arts) [1.00 p.m.]: The Government is happy to support the amendments.

Amendments agreed to.

Ms CLOVER MOORE (Bligh) [1.00 p.m.]: I move my amendment No. 9:

No. 9 Page 12, clause 26 (2), line 14. Omit "may". Insert instead "must".

Mr Frank Sartor: Can you move several amendments together?

Mr Brad Hazzard: Perhaps amendments Nos 11, 12 and 13?

Ms CLOVER MOORE: I appreciate that the Opposition has not had time to do any work on this important bill. In the 20 years that I have represented the city, this is the most shocking bill I have ever seen. It is the most draconian and arrogant bill I have ever seen. It is quite appalling that Opposition members are up in Dubbo door-knocking for tomorrow's by-election. The principal function of this Chamber is to make the laws, not just to have them amended by the House of review, which is the Legislative Council. The principal function is to be in this Chamber making good law, and it is disgraceful that they are not participating and voting in this debate. Indeed, they are not even here. It is appalling. They are failing in the primary core duty that they were elected to carry out by the people who voted them in. Members of the Liberal Party and The Nationals who are

not here are not engaging in the debate. It has been suggested that we deal with the amendments together, to rush them through. Apparently it is too far for members to come from levels 8, 9 or 10 down to the Chamber.

Mr Brad Hazzard: They are not coming.

Ms CLOVER MOORE: They are not going to come. They do not want to get any exercise and they do not want to carry out their core function. It is absolutely appalling and if the people of New South Wales knew that they want me to move all these amendments together because they do not want to come to the Chamber more than once—

Mr Frank Sartor: Talk to your amendments.

Ms CLOVER MOORE: I am talking to my amendments and I am saying why they are so important. I am outlining why we should deal with the amendments properly. They should not all be moved together so that members of the Liberal Party and The Nationals only have to come to the Chamber once, that is, if they are not in Dubbo. We should give due and proper process to this very important creation of important legislation, which is such a shocking and draconian bill. Having said that, I would like to refer specifically to amendment No. 9. I draw the Opposition's attention to it because it is very important. This amendment relates to clause 26 and the plan that will guide the authority—this other level of activity in New South Wales. The amendment will make it mandatory for all the listed matters to be included in the plan rather than being optional.

This is especially important and I urge the honourable member for Canterbury and the honourable member for Heffron, who spoke in the debate, to vote for it. The amendment states that it is mandatory to include human services. This needs to be an integral part of the plan, that is, if the plan is not just about developing this area so that the Government can get extra income. It should not be ignored. This is an important amendment and I urge all honourable members to support it.

Mr BRAD HAZZARD (Wakehurst) [1.03 p.m.]: That ferocious attack on the Coalition was because we are not as excited as the honourable member for Bligh about the difference between a "may" and a "must" in the bill. The honourable member for Bligh should contain her hissy fit. On behalf of the Opposition, I have been forthright and honest in letting her know the Opposition's position. Fundamentally, the Opposition's position, as expressed in my contribution to the second reading speech, is that we do have concerns but we will not be railroaded by hissy fits from Independents. The fact is that five Independents were up in Dubbo playing the Independent game.

The CHAIRMAN (Mr John Mills): Order! Members will direct their remarks through the Chair.

Mr BRAD HAZZARD: I appreciate your ruling. The honourable member for Bligh has been in the Chamber for another vote today. She knows exactly who is here and who is not here. It is just a lot of rot for her to be carrying on about all Nationals and Liberals not being here.

Mr Richard Torbay: Don't be sensitive.

Mr BRAD HAZZARD: Well, it is just stupidity and she is merely alienating what otherwise would have been our goodwill, and has been goodwill, and honesty with her. Just because she has a problem with the Minister and they cannot communicate does not mean she can take it out on the Opposition. Give us a break!

Mr Frank Sartor: You got that wrong.

Mr BRAD HAZZARD: I think I got it pretty right. The two of them cannot communicate. Save the emotional blackmail for somebody else. We are dealing with the bill, on its merits, as we see them, the best we can in the circumstances. This is the Government's bill and we do not propose to oppose it. If the honourable member for Bligh and the others want to play games, let them play them.

Mr ROBERT OAKESHOTT (Port Macquarie) [1.05 p.m.]: I was not going to speak, but after that backhanded attack by the honourable member for Wakehurst on the Independent member for Bligh, I thought I should rise to express concerns of many members about the lack of attendance in the Chamber this week. That is important, because less than two weeks ago the Leader of The Nationals in my local paper, the *Port Macquarie News*—

Mr Brad Hazzard: Point of order: Up until about 20 minutes ago the honourable member for Port Macquarie had not even looked at this bill.

The CHAIRMAN (Mr John Mills): Order! That is not a point of order, as the honourable member for Wakehurst well knows. What standing order has been breached?

Mr Brad Hazzard: The only issue here is "may" or "must". He should confine his comments to that. He may say something or he must say nothing.

The CHAIRMAN (Mr John Mills): Order! No point of order is involved. The honourable member for Port Macquarie has the call.

Mr ROBERT OAKESHOTT: The point I was making—and it is a very important point—is that less than two weeks ago the Leader of The Nationals in my local paper the *Port Macquarie News* is quoted as saying that attendance in Parliament by members of Parliament is their number one priority.

Mr Brad Hazzard: Point of order:—

The CHAIRMAN (Mr John Mills): Order! The honourable member for Wakehurst need not take a point of order. Debate in Committee is restricted. Although the comments of the honourable member for Port Macquarie may be perfectly proper in a second reading debate, they are not proper in Committee. The honourable member for Port Macquarie should direct his attention to the amendment and not to other matters.

Mr ROBERT OAKESHOTT: Thank you, Mr Chair. You beat me by about 10 seconds, because the point I was going to make was that the Leader of The Nationals said that they "must" attend, not "may" attend in this Chamber.

Mr Brad Hazzard: Point of order:—

The CHAIRMAN (Mr John Mills): Order! The honourable member for Port Macquarie should not challenge my ruling. If he has nothing further to say, he should resume his seat.

Mr FRANK SARTOR (Rockdale—Minister for Energy and Utilities, Minister for Science and Medical Research, Minister Assisting the Minister for Health (Cancer), and Minister Assisting the Premier on the Arts) [1.07 p.m.]: An amendment will be moved shortly to clause 26 (2) to add further heads of consideration in respect to the Redfern-Waterloo plan. With the greatest respect to the proponent, the amendment would greatly reduce the flexibility of the authority. For example, it may be that the plan is produced in a number of stages, or the plan may cover strategic vision for land use. It may be the addition of a human services plan.

If this amendment is carried, the Government could not produce a plan that covers every aspect of this. It must be covered adequately otherwise it will be subject to legal challenge. With the greatest respect, the initiative in Redfern and Waterloo will stand on its merits and, of course, the Government can be praised or criticised for the outcome. However, to try to tie us down with technicalities that we must cover every aspect in a manner that is not open to legal attack could tie this place up with enormous vexatious litigation. It greatly reduces our flexibility because we could not, for example, address some aspects of the plan first, have an interim plan covering those, and move on over time. We have to cover everything and then have scores of legal advisers to ensure that the plan is not vulnerable to legal attack. With the greatest respect, we are not prepared to do that.

Ms CLOVER MOORE (Bligh) [1.09 p.m.]: We must have the word "must" rather than the word "may" because it is absolutely vital that the strategic vision for the improvement of the area, urban design, land use rezoning, the carrying out of development, human services, the creation of employment opportunities, infrastructure including transport and pedestrian facilities, renewal and regeneration of public land and assets, and any other matter that the Minister considers essential are included in the plan rather than being optional. I urge honourable members to support the amendment.

Question—That the word stand—put.

Division called for. Standing order 191 applied.

Ayes, 5

Mr Barr
Mr Draper
Ms Moore
Mr Oakeshott
Mr Torbay

Question resolved in the affirmative.

Amendment negatived.

Mr FRANK SARTOR (Rockdale—Minister for Energy and Utilities, Minister for Science and Medical Research, Minister Assisting the Minister for Health (Cancer), and Minister Assisting the Premier on the Arts) [1.15 p.m.]: I move Government amendment No. 1:

No. 1 Page 12, clause 26. Insert after line 23:

- (i) the maintenance of a social mix of income levels, household types and cultural groupings,
- (j) the provision of affordable housing for owners and tenants,

This amendment is in response to representations we have received from Council of Social Service of NSW. It is similar to an amendment the honourable member for Bligh wishes to move that contains other words that we are not prepared to support.

Ms CLOVER MOORE (Bligh) [1.16 p.m.]: I support the Government's amendment as far as it goes. It will provide the maintenance of a social mix of income levels, household types and cultural groupings, and affordable housing for owners and tenants. However, I move:

That the amendment be amended by adding the words "including publicly funded housing".

Waterloo and Redfern have large housing estates, and people living in public housing in the area will be concerned if the Minister does not include "including publicly funded housing". Next week I will meet with public housing tenants from Redfern and I know they will be concerned with the bill and the threat it poses to their future housing.

Unless the Minister accepts the addition of the words "including publicly funded housing" they will have every reason to feel threatened. They will know that I asked that the words be included in the bill and they will know that the Government refused to include them. Although the physical condition of the public housing in Redfern and Waterloo needs to be improved dramatically—it has not been maintained—we should directly counter the serious threat of removing public housing tenants from the area. We should ensure that any plan for the area provides a future for public housing tenants to live in the area. I urge the Minister to accept my amendment.

Mr BRAD HAZZARD (Wakehurst) [1.17 p.m.]: The Opposition supports the Government amendment. However, we understand why the honourable member for Bligh is concerned about public housing. We share her concerns that public housing should be seriously considered within the ambit of the development plan and the bill. The wording in proposed paragraph (j), "the provision of affordable housing for owners and tenants", sufficiently covers "public housing". I assume the Minister will clarify that. We do not see any reason to support the amendment to the amendment.

Mr ROBERT OAKESHOTT (Port Macquarie) [1.18 p.m.]: I do not oppose the amendment, but I highlight that the Committee is supporting the maintenance of a social mix of income levels. I would hope the Parliament would work to raise everyone out of poverty, rather than nominate areas of the State in which poor people live permanently. Today we are seeing the creation of a new State called Frankenstan. I would hope it is not called Frankenstein. Again I make the point that it is extraordinary that neither the Liberal Party nor The Nationals have chosen to turn up today to debate what is—

Mr Brad Hazzard: Point of order: I ask you to bring the honourable member for Port Macquarie back to the scope of the bill and the specific amendment, and direct him to stop waffling on about Liberals and Nationals, who he knows are all here in numbers.

The CHAIRMAN (Mr John Mills): Order! The honourable member for Port Macquarie knows he has an obligation to address the amendment.

Mr ROBERT OAKESHOTT: While politics are played in this place, this legislation really is the meat and vegetables of government. We are dealing with some of the most hardcore issues and problems that this State can deal with.

Mr Brad Hazzard: Point of order: We could be here for the next three hours. There are some rules and forms the Committee must follow. The honourable member should speak to the precise amendment. He should not be allowed to traverse into a second reading debate. He had that opportunity. He was probably in Dubbo.

The CHAIRMAN (Mr John Mills): Order! I have heard enough of the point of order, and I have already reminded the honourable member for Port Macquarie to restrict his remarks to the scope of this amendment.

Mr ROBERT OAKESHOTT: My point is about the social mix of income levels, household types, and cultural groupings. In my view this is the heart of what the Government should be dealing with. We are dealing with some of the most critical issues within this bill that affect the Redfern-Waterloo area but the entire indigenous community of New South Wales.

Mr Frank Sartor: I am prepared to accept the amendment.

Mr ROBERT OAKESHOTT: I am happy with the Minister accepting the amendment.

Mr FRANK SARTOR (Rockdale—Minister for Energy and Utilities, Minister for Science and Medical Research, Minister Assisting the Minister for Health (Cancer), and Minister Assisting the Premier on the Arts) [1.21 p.m.]: It is nonsense that the five members sitting opposite say they are Independents. I have been independent for years and I know all about being independent. None of you is being independent; you are just voting on this for reasons of solidarity without thinking of the merits. A moment ago we debated whether there should be a "must" or a "may" in relation to this matter. The Committee decided it should be "may". That is why I am now prepared to accept that we can list affordable housing in the bill, because it does not matter.

The Independents cannot on the one hand preach that we have to consult the community and on the other hand try to tie everything down in rigid legislation that gives no flexibility. They have to make up their minds. Do they want to consult and be flexible or do they want to tell the people straight up that this is what they have to do? They are being inconsistent. I am prepared to accept the amendment because, having regard to the amendment the Committee just passed, publicly funded housing is a matter we may consider. Of course there is a lot of public housing in Redfern and Waterloo, and that will continue. We will look at the provision of housing, but the consensus coming out of the Committee was about housing choices.

Ms KRISTINA KENEALLY (Heffron) [1.22 p.m.]: I support the amendment as well. As the Minister and the honourable member for Bligh have said, public housing is a feature of the Redfern-Waterloo area. I know from my work with residents in Waterloo that they have been quite concerned that the project is an attempt to get rid of public housing. That has never been the case. Many times I have made a commitment on behalf of the Government that we will not reduce public housing in Redfern and Waterloo, and it is appropriate to accept this amendment.

Amendment of amendment agreed to.

Amendment as amended agreed to.

Ms CLOVER MOORE (Bligh) [1.24 p.m.], by leave: I move my amendments Nos 12, 13 and 14 in globo:

No. 12 Page 13, clause 26 (8), line 8. Omit "may". Insert instead "must".

No. 13 Page 13. Insert after line 16:

27 Social impact assessment of draft Redfern-Waterloo Plan

- (1) Before the Redfern-Waterloo Plan is adopted, the Authority is to conduct an assessment of the impact that the draft Plan, if adopted, would be likely to have on the existing residents of the operational area (a *social impact assessment*), having particular regard to its likely impact on the following:

- (a) the social mix of the operational area,
 - (b) the indigenous community in the operational area,
 - (c) people of non-English speaking background in the operational area,
 - (d) the type and affordability of housing in the operational area,
 - (e) the employment opportunities and vocational training available in the operational area,
 - (f) the availability and affordability of public transport in the operational area,
 - (g) the availability of sport and recreational facilities, and open space, in the operational area,
 - (h) the prevention of crime in the operational area, with particular reference to drug and alcohol related crime and to public safety,
 - (i) the level and quality of community services available in the operational area, with particular reference to the following services:
 - (i) health services (including acute health services, primary health services, mental health services and health services relating to drug and alcohol dependency),
 - (ii) disability services,
 - (iii) youth services,
 - (j) the availability to low-income households of access to energy and water efficient household appliances (including the replacement of existing appliances that are not energy or water efficient),
 - (k) any other matter that the Authority considers relevant.
- (2) The Authority must publish an advertisement in relation to the social impact assessment:
- (a) in a newspaper circulating throughout the State, and
 - (b) in a local newspaper circulating in the operational area.
- (3) The advertisement under subsection (2) must:
- (a) state that a copy of the draft Redfern-Waterloo Plan and the social impact assessment will be available for public inspection at the place specified in the advertisement and on the website maintained by the Authority, and
 - (b) invite written submissions on the draft Redfern-Waterloo Plan to be made to the Authority within 30 days after the publication of the advertisement.
- (4) Any written submissions made on the draft Redfern-Waterloo Plan within the 30-day period are to be considered by the Authority and forwarded to the Minister together with the Authority's recommendations in relation to the submissions.
- (5) The Minister is not to adopt the draft Redfern-Waterloo Plan unless the Minister has taken into consideration any submissions made under this section and the Authority's recommendations in relation to the submissions.

No. 14 Page 14, clause 29, lines 2-7. Omit all words on those lines. Insert instead:

- (1) This section applies to development that is State significant development and that is carried out on land within the operational area.

My amendment No. 12 will make it mandatory, rather than merely discretionary, for the authority to respond to requests from the Director-General of the Department of Infrastructure, Planning and Natural Resources. I am concerned about the unfettered powers the Minister will have if this legislation passes in its current form. The power of the authority as prescribed in the bill will be so remarkably unfettered and lacking in any external accountability that it is particularly important to include some checks and balances, especially to make the authority work consistently with the Government's overall planning agenda. Therefore this amendment will make it mandatory, rather than merely discretionary, that the authority respond to requests from its own director-general.

Amendment No. 13 relates to clause 27 as drafted. This extraordinary clause gives the authority power to consent to its own development activity. Firstly, I believe very strongly that it is outrageous to give the

authority such enormous power without any of the usual checks and balances and accountability mechanisms. If existing clause 27 is deleted from the bill, as I am proposing, it will leave the Minister for Infrastructure, Planning and Natural Resources or local government as the consent authority. If this clause is omitted, either the Minister or the democratically elected local government body, which is the city council, will be the responsible planning authority, which is as it should be.

I fail to see why this would present any practical difficulties. In most cases it will simply require the Minister for Infrastructure, Planning and Natural Resources to refer the development proposal to his colleague for approval—hardly an onerous task, I would have thought. I see that as the basic way to make sure that the consent process is at arm's length from the developer's role. This authority will be the developer. We do not want the developer to also be the consent authority, because we can see the agenda that is being created here. We want to ensure some level of accountability, and that level will be the Minister for Infrastructure, Planning and Natural Resources or the democratically elected consent authority, the city council.

I see this as the most basic way of making sure that the consent process is at least to some degree at arm's length from the developer's role and ensuring some level of accountability for this new super authority. It would be an abuse of the Government's power and an abuse of public trust to allow this development authority, which will be in partnership with the private sector, to sell off public land, to override all the usual planning instruments and legislation, and to act as its own consent authority in the process.

I repeat that for the benefit of the Committee: It would be an abuse of the Government's power and an abuse of public trust to allow the development authority that the bill is proposing, which will be in partnership with the private sector, to sell off public land, to override the usual planning instruments and legislation, and to act as its own consent authority in the process. That is what is before us. It is extraordinarily arrogant of the Government and the Minister if they think the public will wear this.

I think the public will be truly shocked—and not just the public of Redfern and Waterloo. People will realise that this is a model for other areas and they will be truly afraid. This is the most flagrant disregard of basic planning accountability that I have seen in all my years as an elected representative. My amendment proposes to insert instead the requirement that the Redfern-Waterloo plan produced by the Minister include social impact assessments. If the community is expected to accept this authority with extensive unfettered powers and little accountability—which is supposedly justified in the name of improving the area's social problems—the very least the Government can do is undertake an assessment of outcomes to establish whether there have been any real or lasting benefits to the community. That is all we are asking.

If the Redfern-Waterloo plan is about improving the social conditions of a seriously disadvantaged area surely an assessment of likely social benefits should be conducted. That is what I propose in this amendment. This is particularly important in light of the failure of previous development corporations. For example, the South Sydney Development Corporation became a real estate venture. As the honourable member for Heffron knows, many people are now living in areas that have no infrastructure. The real estate was developed and the stamp duty was collected but there is no transport, no access to open space and no support services. City of Sydney now has to address that problem. I understand that the Government vigorously opposes the concept of social impact assessment and will not support this proposal. However, perhaps the Legislative Council Standing Committee on Social Issues could consider the matter.

I propose that before the Redfern-Waterloo plan—which will guide the actions of the authority in the area—is adopted the authority should assess the social impact that its adoption would be likely to have on existing residents of the operational area, having particular regard to the likely impact of the following criteria. These include social mix, the indigenous community, the plan's impact on non-English speaking people—large numbers of elderly Russians live in public housing in the area—the type and affordability of housing, employment opportunities, the availability and affordability of public transport, and the availability of sport and recreational facilities and open space in the operational area. The latter is particularly important for Aboriginal youth.

The assessment should consider the prevention of crime in the operational area—we know about the tremendous conflict in the area, systemic crime and violence, and how that affects the relationship between the Aboriginal community and the police. The level and quality of community services are also absolutely vital in an extremely disadvantaged and impoverished community. Health services are vital to the Aboriginal community and to every other resident in this impoverished area. The assessment should examine disability services and youth services—one of the biggest issues in Redfern-Waterloo is youth crime and the provision of

youth services. It should also consider access by low-income households to energy-efficient and water-efficient appliances. The authority is being asked to advertise in regard to the social impact assessment so that people can tell the Government what they think about the plan and the authority can take on board the community's concerns. That is what I propose in this very reasonable amendment.

Amendment No. 14 relates to clause 29 of the bill and to the Carlton and United Breweries site. The site, which is located in Chippendale, is not within the operational area of the bill yet the bill will allow the Government to take developer contributions from that site. I believe the Carlton and United Breweries site should be excluded from the ambit of this bill for the logical reason that it is outside the designated area. The Government has designated an area of control for the Redfern-Waterloo Authority yet it is now saying that it will take developer contributions from that site. A local environment plan is currently being prepared for the site because the brewery has vacated it and the site is to have a different use. The City of Sydney council and the Central Sydney Planning Committee, which is dominated by Government appointees—including the Government Architect and the director-general of infrastructure and planning—are overseeing development of a proper planning instrument for that site. The bill is cutting across that process.

The Government is working proactively and constructively with City of Sydney on an outcome for the Carlton and United Breweries site. Clause 29 of the bill cuts across that process and says that moneys may be taken from the site. This bill is very much about the inner city but it provides a model that can be used in other parts of the State. This is why the honourable member for Port Macquarie should be involved in this debate. This is an important matter of principle. The authority is being given unprecedented power to cherry pick developer contributions from surrounding local government areas—to take income from a site that is not in the designated area. That should alarm other honourable members. Contributions from this site alone are expected to be worth between \$10 million and \$30 million. The Government has said that it expects to spend \$8 million to \$10 million meeting social needs in Redfern and Waterloo but it will cherry pick much more money from the Carlton and United Breweries site, which is not in the area designated in the bill.

I am concerned that this bill is nothing more than a grab for cash. It is rather like the Trojan horse because it will annexe income from areas that are not designated in the bill. I believe this could have worrying and dramatic consequences for large tracts of the inner city. I commend my important amendments to the Committee and ask for support from honourable members who are concerned about proper planning, proper processes and the future of inner-city communities.

Mr BRAD HAZZARD (Wakehurst) [1.37 p.m.]: The Opposition has had discussions with the honourable member for Bligh and the Government about this bill. The Government has foreshadowed that it intends to move an amendment to clause 45 of the bill. It is not the perfect solution but at least the Government has considered concerns about its apparent capacity to simply broaden the Redfern-Waterloo Authority's area by regulation. The honourable member for Bligh is critical of the Government amendment, which does not limit the Minister as much as it might in other circumstances. It assigns some, but not much, accountability to the Minister. But there is a requirement for the Minister to consider issues that he would not have to consider otherwise.

The Opposition will not oppose the Government's foreshadowed amendment No. 2, but it will not support the honourable member for Bligh's amendments. I recognise the honourable member's difficulty. There are substantive issues. The honourable member also has a potential conflict of interest between her position on the Council of the City of Sydney, and understandably wanting to protect that, but also wanting to do the right for the communities of Redfern and Waterloo. I do not know where the line is drawn. I accept that she is critical of the Coalition, but we are trying to find the right way forward. As I said in the second reading debate, the Opposition is not entirely happy with this bill. Equally, I am not in a conflict position and I am coming to this from an objective point of view. The Opposition will maintain its support for the amendment negotiated with the Government, but will not support the amendments moved by the honourable member for Bligh.

Ms KRISTINA KENEALLY (Heffron) [12.41 p.m.]: The honourable member for Bligh made a comparison to the South Sydney Development Corporation [SSDC]. I am not sure that that is valid. The SSDC's main task was to get the Green Square master plan to council. It did not have the powers being proposed for the Redfern-Waterloo Authority, nor did it have to address the challenges that confront the Redfern-Waterloo area. Those challenges are the reason the Government has moved to establish the Redfern-Waterloo Partnership Project and the Redfern-Waterloo Authority. It is also not valid to say it has simply been a real estate exercise.

The honourable member for Bligh claimed that transport services in the area are inadequate. There is a railway line and a station, and I use both to get to work. Bus services in the area have increased significantly

through Victoria Park. I can get information for the House and the honourable member about the significant increase in bus routes in that area. The honourable member would know in her capacity as mayor that I have concerns about the parking arrangements in Victoria Park, but this is not the time for that debate. I am not saying that everything that the SSDC has done is perfect. I throw the confusion we have had about parking into that mix. However, hers is not a valid claim or an appropriate comparison.

I cannot support the honourable member's amendment dealing with social impact statements. That is not because I do not believe they are important. However, to require the authority to undertake that sort of assessment would confuse its role with the project's role. It would unnecessarily tie up the Redfern-Waterloo Authority. I often hear from constituents that the project does not consult enough and also that it has not done enough. The Minister spoke earlier about the need to strike the right balance between community consultation and getting on with the job and accomplishing outcomes for the community. The project and its focus on social impact in the area, and the regular social impact assessments required to be done through regular planning processes, are appropriate to address that task. It would not be appropriate to require the authority to undertake the sort of social impact statements that are proposed in this amendment.

Ms CLOVER MOORE (Bligh) [12.44 p.m.]: I would like to correct something the honourable member for Wakehurst said about my having a conflict of interest in relation to the Carlton and United Breweries site.

Mr Brad Hazzard: I said "may"; I did not say you had a conflict.

Ms CLOVER MOORE: I do not have a conflict in relation to that site. In fact, there is a congruence of interest given my role as mayor and member for the area. I would like to correct the honourable member's misunderstanding about the Carlton and United Breweries site. The State Government designates sites for affordable housing and collects money for that purpose; the money is not collected by council. However, the council, as a democratically elected tier of government, is the appropriate body to make decisions about planning and development. It is working co-operatively with the State Government through the South Sydney Planning Committee to ensure that we get the best possible planning outcome for the site. The site should not be cherry picked by the Government because it is not within the area stipulated in this bill.

Mr FRANK SARTOR (Rockdale—Minister for Energy and Utilities, Minister for Science and Medical Research, Minister Assisting the Minister for Health (Cancer), and Minister Assisting the Premier on the Arts) [12.45 p.m.]: Amendment No. 12 is a "may" or "must" issue. The Government cannot support this amendment, which relates to clause 26 (8). It provides that the authority must, at the request of the Director-General of the Department of Infrastructure, Planning and Natural Resources, do certain things. The authority is under the direction of the Minister, not of another departmental head. We cannot have two lines of direction. It is illogical to set it up with an inherent conflict.

Amendment No. 13 would insert reference to a social impact assessment for Redfern-Waterloo. This is very important. People talk about consultation, but this amendment would impose the most prescriptive process possible. The honourable member cannot have it both ways: she cannot say that she wants consultation and to be able to deal with community concerns and then prescribe the process in this manner. In fact, the amendment is prescriptive not only about the nature of an impact statement, but it also includes a list of heads of consideration. It provides:

The Authority must publish an advertisement in relation to the social impact assessment:

- (a) in a newspaper circulating throughout the State ...

There is no relevant newspaper in this State. It then provides that the advertisement must contain certain things. I have never seen so much micro-management in my life. However, the main reason the Government will not support this amendment, apart from the fact that it would endlessly tie up the process, is that the communities of Redfern and Waterloo want to see some progress. As I said, much more consultation will be conducted, but we must monitor progress. This is an academic exercise in conducting social impact assessments of everything that moves. Many of these social service issues will be dealt with by the Redfern-Waterloo Partnership Project in the Premier's Department, not by the authority. The honourable member would be obliging the authority to carry out a process in an area in which it has only partial involvement. The Government cannot support that. This is process gone mad.

Clause 27 relates to consent authorities. The bill provides that the Minister for Infrastructure and Planning may delegate his consent to the Minister responsible for this authority. It does not provide that he will,

but that he may—and he well may. I cannot believe the honourable member's hypocrisy. Local councils throughout New South Wales approve development applications all the time. To say that local government is morally superior so it can approve its own development applications, but this authority—which has an important purpose in addressing these issues urgently—cannot be irreconcilable. This authority is a one-stop shop to resolve issues and move on. The power is not in the hands of this Minister, it is in the hands of the Minister for Infrastructure and Planning, who will delegate as he thinks appropriate from time to time.

The same applies to clause 28 in regard to heritage matters. We have to address these issues. I mentioned earlier in my response that this relates particularly to Redfern station, where we have to balance access provisions and a whole range of issues. There are enough different government bodies involved in Redfern-Waterloo without allowing more silos. This process is about reducing the number of silos and walled fiefdoms and having a cohesive one-stop shop, an accountable body that will address those issues. As I said earlier, we are circumscribing that power. The provisions of the Heritage Act do not apply to development in the operational area. It has to be State-significant land. It has to be identified in Redfern-Waterloo before we can override the Heritage Act in the plan.

As the responsible Minister I have to consider the developments essential to achieve the strategic division of the area. There are limitations, but the situation has to be addressed in a holistic way rather than with more walled fiefdoms, which is one of the problems in the area. Clause 29 relates to affordable housing contribution. The honourable member for Bligh might argue that the bill should not contain clause 29 (1) because it may involve areas outside the designated area, but the Act is very accountable. I have heard comments about democratically elected local government. I remind everybody that the State Government is also a democratically elected body whose charter is the governance of the setting up of local government. Local government is a creature of the State under our Constitution and the State Government is no less a democratically body. In fact, it has a much bigger mandate. Let us not carry on about the superior moral rights of local government versus State government: they are legitimate views, positions and spheres of government, and local government does not have a superior position.

In regard to this matter, Sydney City Council is saying, "We might raise a significant amount of money from the Carlton and United Breweries site but we, as a city council, want to put it wherever we want." The truth is, it could set up a local environmental plan [LEP] and the money would not have to go to State-affordable housing; it could go to whatever affordable project it wants, if it chooses to include it in the LEP. This is a major site that is being developed, and some of that money could be used for affordable housing in Redfern-Waterloo. I do not know whether the figure of \$10 to \$30 million is correct; I do not think it is that high, but I would not apologise for attracting funds from the sale of Carlton and United Breweries site if they would benefit Redfern-Waterloo.

The city council has a lot of money: it is cashed up after a decade of really good financial management. Does it really need to take affordable housing money, or money for other purposes, or can that money be put towards Redfern-Waterloo? The Government says that overall, all things considered, this is a really good thing to do. The Government is being accountable by explicitly putting it into this Act. I do not understand all the fuss about clause 36. The authority wants to be able to set up or appoint officers to do certain things. What are those things? They may be the function of a ranger, for example. Despite what has been said on the other side—

Ms Clover Moore: We are not dealing with that yet.

Mr FRANK SARTOR: I will deal with clause 36 now and we can come back to it later. This clause will give the authority the flexibility to establish authorised officers. I have already discussed this matter with the Minister for Police and we do not intend to duplicate what the police do. We will not be appointing special police. This is not about police; this could be about rangers. I have told the honourable member for Bligh and the honourable member for Wakehurst that certain sections of the Act allow us to delegate those functions. We might even delegate them to the local council, but the fact is we need to have the reserve powers in this Act to do those things. I hardly think this is a major issue. In fact, the sensitivity in regard to this matter is beyond belief. I do not understand what it is about. Clause 44 concerns penalty notices. Penalty notices relate to what authorised officers do. Rangers have to be able to fine people or issue parking fines: the two go together. They are the same issue.

I will deal finally with clause 45. It is all very well to claim in this place that local government is somehow being disadvantaged, but the Lord Mayor of Sydney will be appointed to the authority board. As Lord Mayor of Sydney I never argued with the State about powers; I argued about vision. The debate has to be about vision and what will we do with our powers and functions. No-one can win the argument that one is morally

superior to the other. Every citizen in this democracy has an equal chance of being morally correct or incorrect. This debate should be about substance and vision, not about our patch and your patch. The simple fact is that after decades of local government in that area, the social problems have not been adequately addressed by South Sydney Council and various combinations of councils. I think everyone agrees with that.

In terms of trying to provide support and improvement of the area we are at one: the Government, the Opposition and possibly the honourable member for Bligh agree. This is a genuine attempt by the Government to set up a vehicle—and it is nothing more than a vehicle—to achieve some improvements in the area. It has nothing to do with the cash cow. Any moneys generated will of course go towards the betterment of Redfern-Waterloo.

Ms CLOVER MOORE (Bligh) [1.56 p.m.]: I point out that my amendment relating to social impact assessment is about the collection of empirical information: it is not about consultation. We are told this bill is about social improvement, but it is not; it is about development. If it is meant to be about social improvement why not have a social impact assessment? A social impact statement is not about consultation; it is about collecting information to say, "Yes, this is improving conditions for the Aboriginal community," or "Yes, this is improving employment opportunities for disadvantaged youth living in the Waterloo high-rise flats," or "It is ensuring that there is going to be adequate open space for these dramatically increasing residential inner city communities."

That is what it is about. It is not about consultation; it is about collection of empirical information and assessment. If we are setting up this authority to do something about this area that has been neglected, let us assess how we are going. Let us have a social impact assessment to ensure that our vision is being carried out. It is something that is able to measure an impact. If the Minister were serious about achieving any of those things he would embrace the proposal, not speak against it.

Question—That the words stand—put.

Division called for. Standing Order 191 applied.

Noes, 5

Mr Barr
Mr Draper
Ms Moore
Mr Oakeshott
Mr Torbay

Question resolved in the negative.

Amendments negatived.

Clause 26 as amended agreed to.

The CHAIRMAN (Mr John Price): Order! As the honourable member for Bligh has notified her intention to vote against clauses 27, 28, 36 and 44, the question now is that the clauses stand part of the bill.

Ms CLOVER MOORE (Bligh) [2.02 p.m.]: I am opposed to clause 27, which should be omitted. The Minister should not become the consent authority, or delegate power to the authority. I am also opposed to clause 28, because this clause allows the Heritage Act to be overridden. So far, I have not heard any justification for this clause. The Government has not established a case for overriding the Heritage Act, and the onus is on the Government to do so. I urge the Minister to try to discharge that onus in his response to my comments. Again I ask: Why should the authority be exempt from such provisions when it is acting in the role of private developer? Clause 28 would make the developer the consent authority, with the Heritage Act not applying. That is the import of the clause. If the authority is to act as a private developer it should be subject to the same checks and balances and requirements that apply to any other private developer.

I am also opposed to clause 36. This clause confers on authority officers powers that would be met with alarm and controversy even if those powers were introduced in the context of anti-terrorism measures. These officers are to be given special powers and identification cards. In all discussions I have had so far with

Government representatives I have not been given any adequate reason for the creation of these authorised officers. Therefore I propose that clause 36 be deleted from the bill. If the Government believes this special force, with its own special identification, needs to be created, I wonder how the Government regards the Redfern-Waterloo area. Some believe this is the Government's balaclava and dogs on the wharves moment.

Though the bill is cloaked in the language of addressing social problems, this special group of people will be a law unto themselves, and we have not been given any valid reason for their existence. I have real concern about clause 36 because it creates authorised officers, with special identification cards, to enforce offences against the proposed Act when those offences are not yet specified and can be created by regulation. So the offences are not specified, they can be created by regulation, we do not know what the offences will be, and yet these authorised officers will be working in that area. It seems to me that a private force is being established, and I think it is reasonable to ask why. For those reasons I will vote against the clause, and I urge other honourable members to vote with me to delete clause 36 from the bill.

Clause 44 provides that the authorised officers may serve penalty notices for yet unspecified offences. So I propose that this clause also be deleted. It will allow authorised officers to serve penalty notices when we have not been told why they would be doing that. Here, I think we are looking at the creation of a police state, and I have real concerns about this provision. I am also going to vote against clause 45—one of the worst clauses in this shocking, draconian bill. This is what I call the stalking horse provision, because it allows the annexure of land by regulation as the Minister chooses.

The CHAIRMAN (Mr John Price): Order! The Committee is not dealing with clause 45 at this time.

Mr FRANK SARTOR (Rockdale—Minister for Energy and Utilities, Minister for Science and Medical Research, Minister Assisting the Minister for Health (Cancer), and Minister Assisting the Premier on the Arts) [2.07 p.m.]: I have already responded on most of these matters. In relation to development matters, local government is its own consent authority. This is a delegated power for the other Minister anyway. I have responded in great detail regarding heritage matters. The issue of the authorised officers really is being whipped up to farcical proportions. Most authorities have power to delegate functions. The City of Sydney Council has authorised officers. It has the power to do that. That does not make this a police state. I have already said that Minister Watkins and I will not be duplicating police powers.

Ms Clover Moore: So what are you giving them delegated powers to do?

Mr FRANK SARTOR: They might be doing a range of functions. They might even be delegated back to the city council, and the honourable member will be on the board because this is enabling legislation that gives us the flexibility to do things that the board considers appropriate. I repeat, the honourable member will be on the board. These sorts of polemic arguments, made to score political points, are unnecessary. I would have preferred a more gracious approach. We can agree to differ. Quite frankly, this is enabling legislation that gives the board some flexibility in the future, and does not tie it down so that it cannot do a damned thing. The City of Sydney Council and South Sydney Council have had this sort of power for centuries, and what have they done about it? We are now trying to address these issues and, as I have said, the Lord Mayor will be on the board.

Question—That clauses 27, 28, 36 and 44 stand—put.

Division called for. Standing Order 191 applied.

Noes, 5

Mr Barr,
Mr Draper,
Ms Moore,
Mr Oakeshott,
Mr Torbay

Question resolved in the affirmative.

Clauses 27 agreed to.

Clause 28 agreed to

Clause 29 agreed to.

Clauses 30 to 35 agreed to.

Clause 36 agreed to.

Clauses 37 to 43 agreed to.

Clause 44 agreed to.

Mr FRANK SARTOR (Rockdale—Minister for Energy and Utilities, Minister for Science and Medical Research, Minister Assisting the Minister for Health (Cancer), and Minister Assisting the Premier on the Arts) [2.11 p.m.]: I move Government amendment 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.

The amendment will make it clear that changes to boundaries have to comply with the core intent of the bill. As I have said, the functions of this bill make its intent clear. Any activities that are not germane to those functions would not be legally valid. The matter that was referred to by the shadow Minister, the honourable member for Wakehurst—who is not in the Chamber at present—now forms part of my amendment. To not be able to adjust boundaries would render these provisions inflexible. We must have a degree of flexibility. This matter must comply with the core intent of the bill otherwise it will render itself vulnerable.

Ms CLOVER MOORE (Bligh) [2.13 p.m.]: I have gone to some length to inform honourable members how concerned I am about this legislation, but this clause is the worst aspect of the worst piece of legislation I have seen in the 20 years or more that I have represented this city. The Minister is proposing—and he has done this after consultation with the honourable member for Wakehurst—what I would call a Monty Python amendment. The Minister is asking himself whether what he is doing is a good thing. He wants to satisfy himself that what he is doing is the right thing. So it will be Frank asking Frank whether Frank thinks that Frank is doing the right thing, and Frank will probably say yes. That is what this amendment is about.

I call this clause, which I think is the worst of the clauses in this appalling legislation, the stalking horse provision, as it will allow the annexure of any other land by regulation as the Minister chooses. He can look down at the inner city and think, "I like the look of that. I will talk to myself and see whether I think it is a good idea and then I will do it. I will not come back to Parliament, I do not need to talk to anyone because that is what I can do." The Minister will be able to extend the area of land referred to in this bill without any reference to us. Any person who was concerned about the democratic process would be quite alarmed about this provision. It could have dramatic consequences for large tracts of inner Sydney, leading some to speculate that the bill may be little more than a stalking horse.

This provision could enable the annexation of further land by stealth in the south Sydney airport corridor, replicating some of the proposals put forward by the former South Sydney Development Corporation. The Minister does not have to talk to anyone about this; he can just go and do it, which is why it is so alarming. The one justification that has been put forward by the Government for the amalgamation of the City of South Sydney was that the richly resourced city could address the social issues in Redfern-Waterloo. So why is this legislation needed? Why is this authority being set up, particularly as the Redfern-Waterloo partnership is still operating, with the Premier addressing the social issues?

This authority was set up so that the Government had an unfettered opportunity to develop the area. No indication has been given of precisely what sites will be targeted in the operational area—an issue of great concern to me. We have boundaries around this area but this clause will allow the Minister to go outside those boundaries and annex any other area. We have also been told that the Minister will be addressing significant sites in the area. Does that mean Redfern railway station, Eveleigh rail yards, the Australian Technology Park, public housing, Rachel Forster Hospital and Redfern Public School? The Heritage Act will not apply, and the Minister will be developer and consent authority. The director-general does not have to be involved as that amendment was not agreed to.

When I go to the Redfern Public Housing Tenants meeting next week and tenants ask me what this bill means for them I do not believe they will be satisfied with the answers they get. Discussions relating to public

domain improvements resulting from the Redfern-Waterloo project included a \$12 million project to upgrade Redfern Street. Does the Government's action mean that the public domain activity proposed by the city is now on hold? We do not know what this authority will be doing in this area. Another controversial site is Redfern Park. Currently the city is consulting with the community on the future of the park and the oval. Does this mean that at any time in the future the Minister can just take over? This legislation will enable the Minister to do whatever he likes in Redfern Park.

Mr Frank Sartor: Council owns it, not us.

Ms CLOVER MOORE: The Minister will be able to do whatever he likes in this area as a result of this bill. None of the powers are necessary or justifiable. This is not about social improvement for the area; this is about this Minister becoming developer and consent authority, and the Heritage Act not applying. The social impact assessment that I put forward also has been rejected. I urge members to vote against this clause. I am not convinced that this Monty Python amendment will achieve a better outcome as a result of Frank talking to Frank. I am concerned about the fact that the Minister can look around the area and decide that other parts of neighbouring suburbs can be brought into the operational area without ever coming back to the Parliament. This can be done by regulation after the Minister has had a conversation with himself. That is what all this is about. It is a truly shocking day for democracy and planning in this State.

Ms KRISTINA KENEALLY (Heffron) [2.19 p.m.]: With all due respect, I think it is a bit rich to hear the honourable member for Bligh talking about Frank speaking to Frank because sometimes I wonder whether the honourable member for Bligh is speaking to the Lord Mayor, whether Clover is speaking to Clover, or just who has been speaking in this debate. I was not aware that mayors had the right to speak in State Parliament.

Ms Clover Moore: They do when they vote.

Ms KRISTINA KENEALLY: The honourable member for Bligh should make clear from which position she is speaking. In response to the argument that the regulations can just come from Frank—out of Frank's mind—I point out that regulations are open to challenge in this place and in the Legislative Council. The honourable member for Bligh mentioned Redfern Park and questioned whether the Government would take over that community consultation process. The land is Crown land that was given to the Council of the City of Sydney. The Government has indicated on several occasions that it has no interest in taking over Redfern Park.

As a matter of fact, recently the Council of the City of Sydney was about to ride roughshod over Redfern Park by not exhibiting three options that had been developed by the former South Sydney City Council. I give credit to Councillor Michael Lee for ensuring that the process went ahead and I acknowledge that the Lord Mayor allowed it to happen. The Government has no interest in taking over Redfern Park and it has indicated on several occasions that that is the case. I cannot see any problem with the legislation as it is written. The regulations are open to challenge. At least when Frank speaks to Frank he has only one role to speak through, but when Clover speaks to Clover we are not entirely sure who is talking to whom, and whose interests are at heart.

Ms CLOVER MOORE (Bligh) [2.21 p.m.]: Under this legislation the Government will be able to do whatever it likes with Redfern Park. The Minister can tell us during debate that there is no plan, but what alarms me about this legislation is that the Government can take over Redfern Park; that is what this legislation allows it to do. The amendment that we are dealing with states that the Minister has to declare that he or she is satisfied that the changes to the operational area are broadly consistent with the delivery of the strategic vision, but the decision does not have to come back to Parliament.

Mr Frank Sartor: For Redfern-Waterloo.

Ms CLOVER MOORE: For the Redfern Waterloo Plan.

Mr Frank Sartor: It cannot have anything to do with Botany or anywhere else.

Ms CLOVER MOORE: And, under this clause, the Minister can extend that area and he will not have to come back to Parliament. I point out to the honourable member for Heffron that Ministers in this place might have many portfolios as well as responsibilities for their electorates. My role as the Lord Mayor and member for Bligh is one in which I represent the same constituencies. I am able to be more effective for them because I am able to speak on their behalf both here as the member for Bligh and in Town Hall, so that makes me doubly

effective for that group of people. Like the Minister, I have those two responsibilities, although I note that some Ministers have perhaps four or five portfolios and become responsible for authorities and also have responsibilities for their electorates.

I see real synergies in that, but the issue we are dealing with here is not my role as an effective representative for the inner city. What we are dealing with here is what this clause allows the Minister to do. This clause is alarming because it allows the Minister at any time to take over any area adjacent to the designated area, and he can do that by regulation without coming back to this Parliament. That is what really alarms me.

Mr FRANK SARTOR (Rockdale—Minister for Energy and Utilities, Minister for Science and Medical Research, Minister Assisting the Minister for Health (Cancer), and Minister Assisting the Premier on the Arts) [2.22 p.m.]: In response to the points that have been made, let us be clear and honest about this. All regulations are open to challenge in Parliament. All regulations can be overturned, and it is completely untrue to say that the Minister can do something with no accountability. The honourable member for Bligh should stop saying that. She has suggested that this clause will lead to a massive expansion in territory, but the fact is that the bill relates to Redfern and Waterloo. Any expansion must be relevant to the key purpose of the bill.

Ms Clover Moore: Why don't you delete it then?

Mr FRANK SARTOR: No, because who knows? Legislation is always framed in a broad sense to deal with possibilities that are not always conceived of when the legislation is drafted. After all, there will be a board overseeing the Redfern-Waterloo Authority and the Government has already undertaken to appoint the Lord Mayor of Sydney, the honourable member for Bligh, to the board, so probably it will be the honourable member for Bligh who exercises powers under clause 45. I think it is a bit much to talk about conflicts. The simple fact is that the Government has moved to intervene where for a century local government has failed. The Government has moved to intervene to assist the area and co-ordinate mainly its own agencies, and it has done so in good faith. All this hoo-ha and denigration of the State is sheer nonsense. Let us talk about the vision. Let us argue about the substance of what the Government wants to do. Let us not argue about who is doing it. The current system has not worked. The Government is trying to do it better.

Question—That the amendment be agreed to—put.

Division called for. Standing Order 191 applied.

Noes, 5

Mr Barr
Mr Draper
Ms Moore
Mr Oakeshott
Mr Torbay

Question resolved in the affirmative.

Amendment agreed to.

Clause 45 as amended agreed to.

Clauses 46 to 49 agreed to.

Schedules 1 to 4 agreed to.

Bill reported from Committee with amendments.

Adoption of Report

Mr FRANK SARTOR (Rockdale—Minister for Energy and Utilities, Minister for Science and Medical Research, Minister Assisting the Minister for Health (Cancer), and Minister Assisting the Premier on the Arts) [2.26 p.m.]: I move:

That the report be now adopted.

Mr ROBERT OAKESHOTT (Port Macquarie) [2.26 p.m.]: I know that an important by-election will take place in Dubbo tomorrow, but I found the Committee process extraordinary. I welcome the debate that has taken place and the passage of this legislation. A most critical issue has been debated in this Parliament, yet many members of Parliament have not turned up and have not participated in discussion or in the passage of the legislation, which I find disgraceful. Members of this House have heard many times about the problems relating to Redfern and Waterloo—problems relating to indigenous communities throughout New South Wales.

This was the time to talk through the problems and to work on the solutions. But one-half of the members of this House did not turn up to participate in debate on this bill, and they should be ashamed of themselves, particularly when all members present in the Chamber know that a number of members are sitting in their offices watching this debate on closed-circuit television. The members who did not turn up for this debate should be heartily ashamed of themselves. They thought about this strategically because half of them are doorknocking up in Dubbo.

Mr Barry O'Farrell: Point of order: We know it is a novelty for the honourable member for Port Macquarie to be in this House on a sitting day, but, as the standing orders provide, the reality is that when amendments are being moved by as few members as have supported amendments during the Committee stage, there is no list and there are no seats for members on the Government side when that occurs. As the Opposition has done over 148 years, members stayed out of the Chamber during those divisions because the only names listed in those divisions are the names of members of the minority.

Mr ACTING-SPEAKER (Mr Paul Lynch): Order! The Deputy Leader of the Opposition has made a useful debating point, but it is hardly a point of order. The Deputy Leader of the Opposition will resume his seat. The honourable member for Port Macquarie has the call.

Mr ROBERT OAKESHOTT: Two weeks ago the Leader of The Nationals stated publicly in my local paper that the number one priority for members of Parliament was to attend Parliament. Four divisions were called during the Committee stage of this bill on critical matters of State, or on what could be considered to be at the heart of matters of State. If Coalition members were determined and keen to get into government, for all the right reasons, they would have been present for, and would have participated in, this debate, and tried to provide solutions. Some members thought that they would not turn up because only five members would vote and have their names recorded. Therefore, I will do a rollcall of members who did not turn up for the debate in Committee.

[Interruption]

This is relevant to what happened in Committee. The members not present were Mr Aplin, Mr Armstrong, Ms Berejiklian, Mr Brogden, who has commented publicly about Redfern-Waterloo issues, Mr Cansdell, Mr Constance, Mr Debnam, Mr Fraser, who has not been here all week, Mr George, Ms Hancock, Mr Hartcher—

Mr Daryl Maguire: Point of order: Which standing order demands that members must participate in a debate and vote in divisions? To which standing order is the honourable member for Port Macquarie referring that requires all members to participate in debate?

Mr ACTING-SPEAKER (Mr Paul Lynch): Order! I do not believe that is a valid point of order. It is probably an appropriate debating point for the honourable member to make if he wants to participate in the debate.

Mr ROBERT OAKESHOTT: Mr Hazzard was here. I give him credit for being the only Liberal Party member who participated in the debate. However, when a division was called he felt that party allegiance was more important than the issues and problems in Redfern-Waterloo so he left the Chamber. Other members not present included Mrs Hopwood, Mrs Hodgkinson, who is away on leave, Mr Humpherson, Mr Kerr, Mr Maguire, Mr Merton, Mr O'Farrell, although we know he is in the building because he spoke earlier, Mr Page, Mr Piccoli, Mr Pringle, Mr Richardson, Mr Roberts, Ms Seaton, Mrs Skinner, Mr Slack-Smith, Mr Souris, Mr Stoner, Mr Tink, and both the Turners.

I put it on the record that these members chose not to turn up for what is, I would have thought, one of the most critical issues we could debate in this Chamber. However, I do not absolve all Government members,

because about half a dozen Ministers were not here either. As there is a sea of faces I cannot identify which Government members were not here, but many of them did not turn up. The Redfern-Waterloo Authority Bill should have been one of the key debates seen in this Chamber not only this week but also this year and this parliamentary session. I am pleased to see this legislation go through. I am extremely disappointed that some members chose not to turn up when, surprisingly, a few members have come into the Chamber because a division has been called.

Motion agreed to.

Report adopted.

Third Reading

Mr FRANK SARTOR (Rockdale—Minister for Energy and Utilities, Minister for Science and Medical Research, Minister Assisting the Minister for Health (Cancer), and Minister Assisting the Premier on the Arts) [2.33 p.m.]: I move:

That this bill be now read a third time.

Division called for. Standing Order 191 applied.

Noes, 5

Mr Barr
Mr Draper
Ms Moore
Mr Oakeshott
Mr Torbay

Question resolved in the affirmative.

Motion agreed to.

Bill read a third time.

BUSINESS OF THE HOUSE

Routine of Business: Suspension of Standing and Sessional Orders

Mr DAVID CAMPBELL (Keira—Minister for Regional Development, Minister for the Illawarra, and Minister for Small Business) [2.34 p.m.]: I move:

That standing and sessional orders be suspended to provide:

- (1) for the remainder of the sitting, no divisions or quorums be called until the rising of the House.
- (2) at the conclusion of Government business the House adjourn without question.

The House has undertaken some important debates today, and appropriately so. As was pointed out in the previous debate, the Opposition has been somewhat light in terms of numbers in the Parliament today. Importantly, the House has sat through what would normally be the lunch break to ensure that the Redfern-Waterloo Authority Bill, which is important, was debated and dealt with. As I said, there have been some important debates. At the end of a long sitting week, this procedural motion will enable members, particularly Opposition members, to work in their electorates this afternoon. That is the purpose of moving this motion, and I encourage the Opposition to support it.

Mr ANDREW TINK (Epping) [2.36 p.m.]: This is a pathetic end to what has been one of the most pathetic sitting days in the history of this Parliament. First, the day started without the Leader of the House, who is in the sunshine State of Queensland. We had a substitute leader of the House at the beginning of the day, which shows how seriously the Government takes the business of the Parliament. Secondly, today has been pathetic because yesterday the Government refused to have a question time. It refused to allow itself to be held accountable in any meaningful way today. Thirdly, having mucked around all day with a number of spurious

divisions, the Government has decided, at 2.40 p.m., that it is time to up stumps because Government members want to go home and catch an early movie or a surf, or do something along those lines. The Government will use its numbers now to ensure that it will not need to use its numbers later today. That is what this is all about.

I could not believe the performance of the honourable member for Port Macquarie earlier. He is never here for votes, yet today he made one of his rare cameo contributions of high indignation. He is furious that the Opposition, for its own reasons, sided with the Government. It was clear to honourable members, including Government members and the five Independent members, that it was unnecessary for us to be here to vote because there were not enough members for a proper vote. The honourable member for Port Macquarie took a rollcall of members who did not vote. In the future if people are interested in the career of the honourable member for Port Macquarie in this Chamber, which I doubt, they should look up the name "Oakeshott" and see the number of votes he has missed during the years he has been here. I think that is the end of the debate as far as he is concerned. He is not here more than he is here, and when he is here it is only to spray bile around the place. He should have a good look in the mirror.

If the honourable member chose to turn up more frequently he may have some basis on which to talk about other members being here or not being here. However, his earlier comments were off the point, which is that overwhelmingly honourable members, except the Independents, were of one mind. That was clear to Government members at the start of the day. The bells had to ring only for a minute for us to know that it was all over and it was unnecessary for all members to vote. It was as simple as that. I have said enough about the honourable member for Port Macquarie. Another point I would like to make is, in a rollcall of Government Ministers those present today are Minister Knowles, Minister Nori, Minister Hickey—and I thank him for the glass of water, gratefully accepted—Minister Campbell and Minister Meagher.

Mr David Campbell: Point of order: You have not given the complete list, you forgot Sartor and Watkins. You cannot get your amendments right and you cannot even write a list of names.

Mr ACTING-SPEAKER (Mr Paul Lynch): Order! The Minister will resume his seat.

Mr ANDREW TINK: They are eminently forgettable Ministers. They have not been in here for anything amounting to participation in debate. That was the only time I have seen Minister Campbell get to his feet with any speed, obviously it was to cover up what was extraordinary embarrassment. I listed five people instead of seven, good grief! Seven Ministers—what a fantastic outcome, what a serious result. The Government is really taking these matters seriously, and has just discovered another two Ministers. News flash! Minister Campbell, who comes from somewhere south of Wollongong, has found an extra two Ministers and saved the day. So, the day was worthwhile because the Minister for Police was here along with some other Minister—what a great outcome!

Today has been a dead-set farce. Friday sittings will remain a farce until the Government accepts that the only decent sitting day in this place is one that has a question time. Unfortunately, sitting days with question time interfere with the travel plans of our Premier, who seems to spend more time in India and other places outside Australia than any other Premier in living memory. Gee whiz; I have been provided with another glass of water by the Minister for Mineral Resources; thank you, Kerry.

Mr ACTING-SPEAKER (Mr Paul Lynch): Order! The Minister for Mineral Resources will resume his seat.

Mr ANDREW TINK: The Minister for Energy and Utilities will have to lift the water restrictions if I continue to be given glasses of water. The day has been a farce. Let us not have another Friday farce; let us ensure that next time the House sits on a Friday we have a question time. [*Time expired.*]

Motion agreed to.

NSW SELF INSURANCE CORPORATION BILL

Bill introduced and read a first time.

Second Reading

Mr TONY STEWART (Bankstown—Parliamentary Secretary) [2.42 p.m.], on behalf of Mr Craig Knowles: I move:

That this bill be now read a second time.

The NSW Self Insurance Corporation Bill reconstitutes the NSW Insurance Ministerial Corporation as the NSW Self Insurance Corporation and clarifies its functions and powers as the provider of self-insurance arrangements for government agencies. The purpose of reconstituting the corporation is to provide a more robust legislative framework for managing liability claims with an assessed cost in excess of \$4 billion and for managing the funds set aside to meet those claims. The NSW Insurance Ministerial Corporation was constituted originally by section 24 of the Government Insurance Office (Privatisation) Act 1991 for the purpose of receiving and managing residual assets, liabilities, rights and obligations of the Treasury Managed Fund, the Pre Managed Fund Reserve, the Governmental Workers Compensation Account and the Transport Accidents Compensation Fund.

Those had been part of the business undertaking of GIO Australia Holdings Limited when it was in Government ownership. The Treasury Managed Fund is a scheme of self-insurance that protects the insurable assets and exposures of its members. Fund members include all public sector agencies financially dependent on the Consolidated Fund, all public hospitals and a number of statutory authorities. The three other schemes are now closed and the residual liabilities are being managed through the corporation. Since the GIO's privatisation in 1992, the GIO has been retained by the corporation as the manager of the four schemes. Contracts with GIO General Limited, which is now a subsidiary of Suncorp Metway Insurance Limited, expire on 30 June 2005. The corporation, which is administered by the New South Wales Treasury, is taking the opportunity to implement fundamental reforms to the arrangements by which claims management services are provided to government agencies in New South Wales.

It is intended to create a contestable market for the provision of services. This is to be achieved by unbundling the range of activities currently incorporated under one contractual arrangement into separate contracts for actuarial and information services, risk management services, insurance broking services and claims management services, which themselves will be broken down by line of business to encourage up to five providers to tender for those services. Unbundling current activities in such a manner will maximize the opportunity for prospective entrants to bid, under open tender, for services or clusters of services in which they are likely to have a competitive advantage. This is seen as critical to fostering efficiency gains and reducing Government liability costs. The corporation has, since the privatisation of the GIO, simply operated under the broad charter conferred under the Government Insurance Office (Privatisation) Act 1991.

However, with the move to a more complex form of management including multiple non-Government service providers there is a need to specify clearly the functions, powers and operating arrangements of the corporation. The bill reconstitutes the corporation as the NSW Self Insurance Corporation, a title intended to convey clearly the nature of the primary functions for which it has responsibility. The corporation will be managed by the Minister, who will be the Treasurer, and the Minister will be able to delegate the exercise of any of the functions of the corporation to other persons. This power is necessary to underpin contracts for the claim management, actuarial, risk management and other professional services required to effectively manage liability claims. As provided under clause 11, the financial transactions of the corporation will be conducted through a self insurance fund which is to be established in the special deposits account.

The operations of the corporation will be subject to the scrutiny of the Auditor-General. The bill provides a comprehensive and robust framework to support reforms aimed at achieving better outcomes in the management of property and liability risks of the Government. Provision is made in clause 18 for a review of the Act after a period of five years to determine whether the policy objectives of the Act remain valid and whether the terms of the Act remain appropriate for securing those objectives. The Minister will be required to report to Parliament on the outcome of the review. I commend the bill to the House.

Debate adjourned on motion by Mr Thomas George.

ROOKWOOD NECROPOLIS AMENDMENT BILL

Bill introduced and read a first time.

Second Reading

Mr TONY STEWART (Bankstown—Parliamentary Secretary) [2.49 p.m.], on behalf of Mr David Campbell: I move:

That this bill be now read a second time.

This bill will help provide for the sustainable management of Rookwood Cemetery now and for future generations. It represents the Government's commitment to ensuring that the legislative framework that governs

the management of this important reserve is as effective as possible. The bill will enable land to be set aside within the reserve areas of Rookwood Necropolis for denominational crematoria. It allows the tenant of the existing crematorium to appeal to the Land and Environment Court against a valuation made by the Valuer-General. It also clarifies certain provisions relating to the revenue stream of the Joint Committee of the Necropolis Trustees, the JCNT, and updates the Necropolis Act to accord with current legislative drafting principles.

Before discussing the proposed amendments in more detail I would like to provide members with some background about the Rookwood Necropolis. As many members would be aware, the Rookwood Necropolis was established in 1868. It is one of Australia's oldest cemeteries and one of the largest dedicated burial grounds in the world, being some 283 hectares in total area. The burial grounds have been in continuous use since its creation, and more than 800,000 bodies have been interred there. Rookwood is more than a cemetery. The area preserves a record of our architectural and social history, and that is one of the reasons why Rookwood is a popular tourist attraction. A Permanent Conservation Order protects 81 hectares which encompasses one of the largest Victorian era public cemeteries in the world.

But it is the principal role of the Rookwood Necropolis, as a city of the dead, that has given rise to the amendments in the bill. Within the parameters of the necropolis there are several denominational reserve trusts, including a general trust. These groups represent a wide range of religious and national groups which manage dedicated lands for burial purposes. The various denominational reserve trusts at Rookwood, like many other cemetery trusts, are grappling with the problem of decreasing burial space. The trusts have specifically allocated geographic areas for burial. Based on current burial trends, some trusts have only enough land available for two to three years of interments, while others may have 20 to 30 years left.

The trusts are exploring a variety of options to help them manage their reserves for the future. In managing available burial space each trust is affected by the burial rites and rituals observed by those interred within its respective reserve area. For faiths that allow cremation this option will extend the viability of existing cemetery space by reducing the land required for interment. While this bill proposes that each denominational reserve trust has the ability to set aside land for a crematorium, the Government believes it is unlikely that every trust would seek to build a crematorium. In determining whether to proceed with the construction of a crematorium a trust would undertake an evaluation of the project to ensure it is viable. Any trust that seeks to build a crematorium would also be responsible for funding the construction of the facility and obtaining the appropriate building consents and planning permissions.

The JCNT is a management body created to maintain the infrastructure, such as roads and drainage, across the entire area of Rookwood cemetery. These works are funded by contributions from each of the denominational reserve trusts and rent from the existing crematorium. The rental payments from the existing crematorium provide a substantial portion of the funds used by the joint committee for maintenance. The current legislation provides that the rental payable by the tenant of the existing crematorium may be calculated in two ways. It may be based on 10 per cent of the value of the land area of the crematorium, or on 5 per cent of the imputed revenue of the crematorium. Where a difference exists between the two calculations the higher figure is used. Historically, the land value has been higher.

The bill will establish a review mechanism for the parties directly affected by the land valuation. Such a mechanism did not previously exist. Both the Joint Committee of Necropolis Trustees and the tenant of the existing crematorium will be able to appeal to the Land and Environment Court in relation to the valuation accepted by the Valuer-General. This represents a more equitable process, and demonstrates the Government's ongoing commitment to ensuring an effective legislative framework to administer the Rookwood Necropolis. This bill also proposes to clarify the way the joint committee determines contributions payable by the reserve trusts, the process for approving the determinations, and the time frame for payment. This will enable both the joint committee and the reserve trusts to better administer their finances and plan for the future.

In order to ensure that all facilities operating in the necropolis make a contribution to the upkeep and management of the cemetery, the amendments also provide for any denominational crematoria to pay a regulated fee to the joint committee based on the number of cremations carried out. This fee will not apply to the existing crematorium, and is not intended to be a disincentive to cremation activities. Rather, it is intended to safeguard the revenue stream of the joint committee to ensure that it can continue to maintain shared infrastructure within the cemetery grounds at an appropriate level. Finally, the opportunity has been taken to modernise the language of the Act. The bill includes a number of consequential amendments ensuring that references reflect the terminology of the current Crown Lands Act 1989 rather than the repealed Crown Lands Consolidation Act 1913.

The bill addresses the need for greater flexibility in managing available burial space by giving denominational reserve trusts the ability to establish crematoria should certain preconditions exist. The amendments will not provide a solution for every reserve trust or every faith in managing available burial space. But they do provide new options for those who want to explore this option to improve the longevity of this historic cemetery. Trustees of cemetery reserves are taking up the challenge of managing these spaces for the future. The bill will assist trustees in carrying out their job by providing them with new options and by clarifying existing practices. I commend the bill to the House.

Mr ANDREW STONER (Oxley—Leader of The Nationals) [2.57 p.m.]: The Opposition does not oppose the Rookwood Necropolis Amendment Bill. The objectives of the bill include enabling additional crematoria to be constructed, subject to planning controls; providing for the right of appeal of the lessee of the Rookwood crematorium to the Land and Environment Court in respect of the determination of rent, based on land value, for the existing crematorium site; and allowing for a levy for cremations for denominational crematoria. I note that this levy will not affect the existing crematorium. Rookwood Necropolis cemetery, like most cemeteries in the Sydney metropolitan area, is currently experiencing logistical concerns about the decreasing burial space.

The Opposition acknowledges that this amendment to the Necropolis Act 1901 is only one response to the shortage of available burial space. Rookwood Necropolis was established in the 1860s and is one of the largest and oldest cemeteries in the southern hemisphere. Six denominational trusts and the Joint Committee of Necropolis Trustees [JCNT] manage Rookwood. The committee oversees the maintenance of joint infrastructure such as roads and drainage within the area of the necropolis.

Currently there is only one crematorium at Rookwood and it is subject to a static release to a private company that is due to expire in 2025. The JCNT is currently funded by rental paid by the existing crematorium tenants as well as by levies paid by the denominational trusts, which is in accordance with the criteria established by the current legislation. Any new denominational trusts establishing a crematorium will also contribute a fee or levy for each cremation. The levy will initially be set at \$100 per cremation, indexed to the consumer price index.

As the Minister said, the Catholic Cemetery Board has been pursuing this matter with the Government and intends to establish a crematorium at Rookwood on land held by it in trust to encourage cremation within the Catholic faith. The crematorium will be a state-of-the-art facility and will utilise modern technology. The Opposition recognises that is not a suitable solution for all religious groups, but for those that permit cremation the amendment will provide one option to assist the efficient management of burial space. The Opposition also commends the bill to the House.

Mrs BARBARA PERRY (Auburn) [2.29 p.m.]: I support the Rookwood Necropolis Amendment Bill. Rookwood Cemetery is contained wholly within my electorate of Auburn. As the Parliamentary Secretary noted, the Necropolis is one of the best surviving examples in the world of a Victorian cemetery and the largest cemetery in the Southern Hemisphere. It is also a precious record of Sydney's cultural and architectural history. The death of a friend or family member is a momentous and heart-rending event that we all must face. Discussions relating to interment and cemeteries are things that, as a society, we do not wish to contemplate or discuss. The reality is, however, that suitable burial space in the Sydney metropolitan area is a diminishing resource, and this is an issue we must address now.

The bill proposes one option. For faiths that allow cremation, it will extend the viability of existing cemetery space by reducing the land required for interment. Rookwood already has a privately operated crematorium. The denominational reserve trusts have asked about being able to build crematoria that meet the specific needs of their faith. For some the sanctity of the place where their friends or family are cremated, and the observance of the rituals and ceremonies surrounding interment, may not always be recognised through secular ceremonies.

Denominational crematoria provide the opportunity to respond to a need within the community to provide specific services in accordance with the precepts of the particular faith. To some, these differences in cultural or religious observance may not seem so important, but as a multicultural community we can appreciate that these differences make us a richer society. We also recognise that every person has the right to commemorate the life of a loved one and to grieve in accordance with his or her cultural and religious beliefs. I welcome the introduction of this bill and support it.

Motion agreed to.

Bill read a second time and passed through remaining stages.

WORKERS COMPENSATION AND OTHER LEGISLATION AMENDMENT BILL**Bill introduced and read a first time.****Second Reading**

Mr TONY STEWART (Bankstown—Parliamentary Secretary) [3.03 p.m.], on behalf of Ms Reba Meagher: I move:

That this bill be now read a second time.

This bill introduces a number of reforms to workers compensation legislation. I will first list the major amendments made by the bill and then explain the purpose of the amendments in more detail. Schedule 1 amends the Occupational Health and Safety Act 2000 to ensure that where WorkCover has not been notified of a serious incident, the time limit in which the authority can bring a prosecution is extended by six months. This is to stop employers either deliberately or inadvertently avoiding prosecution by taking advantage of the two-year time limit on prosecutions. Schedule 2 gives effect to miscellaneous amendments to the Workers Compensation Act 1987, including to permit WorkCover to issue stop-work orders to uninsured employers and to increase and extend the payment of funeral expenses for work-related deaths.

Schedule 3 contains amendments to the Workplace Injury Management and Workers Compensation Act 1998 to provide for the appointment of acting deputy presidents of the Workers Compensation Commission of New South Wales, to make procedural changes to the method of appointment of approved medical specialists, to permit the Workers Compensation and Workplace Occupational Health and Safety Council of New South Wales to establish committees, and to ensure that WorkCover may issue guidelines that specify the qualifications required by a medical practitioner to be permitted to assess the degree of permanent impairment of an injured worker. Consequential amendments are also made to the Statutory and Other Offices Remuneration Act 1975 and the Workers Compensation (Dust Diseases) Act 1942.

Before I explain the amendments in detail, I wish to acknowledge the assistance with the bill the Minister has received from stakeholders consulted. The bill was provided to the WorkCover Advisory Council, the Labor Council, the Bar Association, the Law Society, the Workers Compensation Commission, and the Self Insurers Association. These stakeholders provided valuable input at short notice, and honourable members may be assured that the Minister carefully considered their comments in finalising the bill.

I will now outline the amendments in more detail. Firstly, this bill will address an anomaly in the Occupational Health and Safety Act 2000 regarding the prosecution of offences. Currently, an employer that does not notify WorkCover of a serious incident within a two-year period can avoid prosecution because, in the absence of a coronial inquest, WorkCover must prosecute offences within two years. A six-month time limit already applies to prosecutions for breaches of the duties of designers, manufacturers, and suppliers of plant and substances for use at work. In these cases the six-month period begins when WorkCover becomes aware of the act or omission alleged to constitute the offence. This is because sometimes design faults causing safety risks take years to become apparent.

The proposed amendment will allow WorkCover to prosecute outside the usual two-year period for occupational health and safety prosecutions if WorkCover was not notified of the incident within seven days as required under section 86 of the Occupational Health and Safety Act. In these cases WorkCover may commence a prosecution within six months of becoming aware of the incident, and then only if the chief executive officer certifies that it is in the public interest to do so. The chief executive officer may also issue a certificate stating the relevant notification date or the date on which WorkCover became aware of the incident. The date on this certificate is not reviewable. I assure the House—and the Legislation Review Committee specifically—that the conclusive nature of this certificate is necessary to ensure that prosecutions can proceed for offences where a company has deliberately not notified WorkCover to avoid criminal prosecution.

This inability to prosecute employers simply because of a failure to notify WorkCover was highlighted in the recent parliamentary Inquiry into Serious Injury and Death in the Workplace, and this proposal implements recommendation 19. Employers who notify WorkCover as required under the legislation can be assured that the two-year time limit will still apply. The bill provides an additional safeguard by allowing WorkCover to notify an employer if it becomes aware of an incident that the employer did not notify. The six-month period will start to run from the date WorkCover notifies the employer.

The Minister assures honourable members that the discretion to prosecute outside the two-year time limit will, of course, not be exercised lightly. As I have already mentioned, this power cannot be exercised unless the chief executive officer of WorkCover certifies that the prosecution is in the public interest. This is a very important safeguard and WorkCover will develop guidelines to ensure that this power is exercised only where there is a clear need to ensure that an employer is brought to account for a serious workplace incident that was due to a breach of the Act. Further, the bill amends the Workers Compensation Act to address the problem of non-insurance by employers. Uninsured employers place a huge burden on the scheme because they do not contribute insurance premiums. This leads to higher premiums for the employers who do the right thing.

This initiative will complement existing powers to prosecute for non-insurance and recover double the unpaid premiums from uninsured employers. However, this power will allow for the immediate enforcement of the obligation of all employers to hold workers compensation insurance. Inspectors will be able to issue stop work notices to uninsured employers. This is a similar instrument to stop work notices for safe workplaces. The decision by WorkCover to issue a stop work notice can be reviewed in the Supreme Court. However, the notice will come into effect only if the employer does not provide adequate proof of insurance within five days. If employers do not comply with the notice they will be liable to fines of up to \$55,000 and imprisonment for six months. Employers who are insured need not be alarmed by these tough new powers because they can readily obtain a certificate of currency from an insurer as proof of insurance.

I thank the Construction, Forestry, Mining and Energy Union and the Labor Council for drawing my attention to this proposal. The amendment has been agreed by the WorkCover Advisory Council, which comprises both employer and employee representatives, and which advises me on occupational health and safety and workers compensation matters. The proposal developed by a working party of the advisory council was unanimously supported by the full council. The bill amends the Workers Compensation Act to increase and extend the payment of funeral expenses for all work-related deaths. The amount of funeral benefits payable will increase from a maximum of \$4,400 to \$9,000 for workers who die in the course of their employment. This amendment will take effect from the date of introduction of the bill. The increased amount is double the amount available in most other Australian States.

Apart from a 10 per cent rise to cover GST in 2000, this is the first increase since 1992. In addition to this increase, funeral benefits will now be payable for all workers who die in the course of their employment. Until now only workers with no dependants were eligible for funeral benefits. This meant that, in cases where workers had dependents, funeral expenses are paid out of the compensation that dependants received. As a result of the Government's decision, workers with dependants will receive up to \$9,000 for the funeral. Of course, they will continue to receive the lump-sum compensation of \$296,000 plus weekly payments for their dependant children aged under 16 or, in the case of dependant children who are students, under the age of 21. This extension of funeral benefits to workers who have dependence is another recommendation of the parliamentary inquiry into serious injury and death in the workplace.

Several changes are also proposed to the Workplace Injury Management and Workers Compensation Act 1998. The bill allows the Minister to appoint acting deputy presidents of the Workers Compensation Commission. The primary role of deputy presidents is to hear appeals from arbitrators. Currently there is only provision in the Act to appoint an acting president, but not to appoint acting deputy presidents. These appointments mean that acting deputy presidents can be appointed when a deputy president is on leave or when the Minister considers it necessary to ensure the proper and efficient administration of the commission.

Consequential amendments also are made to the Statutory and Other Officers Remuneration Act 1975 so that the Statutory and Other Officers Remuneration Tribunal can determine the rate of payment for the acting deputy presidents in the Workers Compensation Commission. The bill also makes minor procedural changes to the way that approved medical specialists are appointed. Approved medical specialists issue binding certificates about the level of a worker's permanent impairment in disputes in the commission. The bill confirms that when appointing approved medical specialists the president may consider the recommendations of the WorkCover Advisory Council. The bill provides that the council can set up a subcommittee to assist in the carrying out of the council's functions.

The 1998 Act currently allows WorkCover to make guidelines regarding the assessment of permanent impairment of injured workers. The bill makes explicit that this power includes the ability for the guidelines to specify the training and qualifications of practitioners who undertake these assessments. The amendment addresses an issue that was the subject of a recent Supreme Court case in *Thomson v WorkCover*. I understand that WorkCover is appealing the decision in the Court of Appeal. Honourable members would be aware that

these guidelines were issued by WorkCover in consultation with the permanent impairment co-ordinating group, which consisted of representatives from the specialist medical colleges as required by section 377 of the Act, as well as Labor Council representatives.

Any future changes to the permanent impairment guidelines will be developed in consultation with the WorkCover Advisory Council. I can assure the House that the amendment does not change the permanent impairment guidelines in any way other than to address the issue that was identified in the Thomson decision—that is, to confirm that guidelines may provide for the training and qualifications of doctors who may undertake permanent impairment assessment.

Currently the guidelines provide that an assessor will be a registered medical practitioner with qualifications in the relevant medical specialty who has undertaken the requisite training in use of the WorkCover guides. Assessors may be one of the claimant's treating practitioners or an assessor engaged on behalf of the employer or insurer to conduct an assessment for the purposes of assessing the level of permanent impairment. However, given that the Government intended that the guidelines provide for who may undertake permanent impairment assessments, the bill will ensure that existing guidelines issued in 2002 are valid.

I assure the Legislation Review Committee specifically that this retrospective validation is necessary not only because it implements the Government's policy but also because it ensures that the system in place since 2002 is not unduly disrupted on technical grounds. The bill continues the program of reform and improvement to the workers compensation scheme in the interests of workers, employers and the broader community. I commend the bill to the House.

Debate adjourned on motion by Mr Thomas George.

STATUTE LAW (MISCELLANEOUS PROVISIONS) BILL (NO. 2)

Bill introduced and read a first time.

Second Reading

Mr TONY STEWART (Bankstown—Parliamentary Secretary) [3.18 p.m.], on behalf of Mr Bob Carr:
I move:

That this bill be now read second time.

The Statute Law (Miscellaneous Provisions) Bill (No. 2) continues the well-established statute law revision program that is recognised by all members as a cost-effective and efficient method for dealing with amendments of the kind included in the bill. The form of the bill is similar to that for previous bills on the Statute Law Revision Program. Schedule 1 contains policy changes of a minor and non-controversial nature that the Minister responsible for the legislation to be amended considers to be too inconsequential to warrant the introduction of a separate amending bill.

The schedule contains amendments to some 40 Acts and four statutory rules. I will mention some of the amendments to give honourable members an indication of the kind of amendments that are included in the schedule. Schedule 1 amends a number of Acts within the Primary Industries portfolio so as to commit the director-general of the Department of Primary Industries to delegate his or her functions under those Acts to any member of staff of that department. The amendments also update various outdated references to the Department of Agriculture and to a position that has been abolished.

Schedule 1 also amends the Catchment Management Authorities Act 2003. That Act permits catchment contributions to be levied under its predecessor Act during a specified transitional period. The amendment removes any doubt that those contributions can continue to be collected and recovered after the expiry of the transitional period, so long as they were levied during that transitional period. Another amendment made by schedule 1 is an amendment to the Crimes (Local Courts Appeal and Review) Act 2001. The amendment reinstates certain rights of appeal to the Land and Environment Court that were inadvertently omitted when the Act re-enacted the relevant provisions of the Repealed Justices Act 1902.

Schedule 1 also amends the Heritage Act 1977. As well as updating various outdated references, the amendments will permit a person to be appointed to the Heritage Council for a third term of office. Currently, a person cannot be appointed for more than two terms. Schedule 1 also amends the Natural Resources

Commission Act 2003 to permit the commission to employ its staff directly. The amendment is consistent with the employment provisions of certain other statutory bodies, such as the Independent Pricing and Regulatory Tribunal. It does not change the employment status of any current employee of the commission.

The last schedule 1 amendments I will mention are those to the Public Finance and Audit Act 1983, which relate to the Audit Office. At present, that office is a Government agency whose staff is employed under the Public Sector Employment and Management Act 2002. The amendments establish the Audit Office as a separate public sector service. Its staff will consist of the persons who are appointed as members of staff by the Auditor-General under the Public Finance and Audit Act 1983. The amendments supersede, but are consistent with, amendments set out in the Public Finance and Audit (Auditor-General) Amendment Act 1991, which is repealed by schedule 3.

Schedule 2 deals with matters of pure statute law revision consisting of minor technical changes to legislation that the Parliamentary Counsel considers are appropriate for inclusion in the bill. Examples of amendments in schedule 2 are those arising out of the enactment or repeal or renumbering of other legislation, those correcting duplicated numbering or typographical errors and those updating terminology. Schedule 3 repeals a number of Acts and instruments and provisions of Acts. The Acts and instruments that were amended by the Acts or provisions being repealed are up to date on the legislation database maintained by the Parliamentary Counsel's Office and are available electronically.

Two of the Acts being repealed—the Broken Hill Proprietary Company Limited (Reclamation and Exchange) Agreement Act 1950 and the Broken Hill Proprietary Company Limited (Steelworks) Agreement Act 1950—ratified agreements between Broken Hill Proprietary Company Limited and the Crown in relation to the former BHP steelworks operation in the Newcastle area. In 2002, the State acquired freehold title to the relevant land from BHP under arrangements that required termination of the agreements and the repeal of the Acts ratifying the agreements.

Schedule 4 contains provisions dealing with the effect of amendments on amending provisions, savings clauses for the repealed Acts and a power to make regulations for savings and transitional matters, if necessary. The various amendments are explained in detail in explanatory notes set out beneath the amendments to each of the Acts concerned. Rather than repeat the information contained in those notes, I invite honourable members to examine the various amendments and accompanying explanatory material and, if any concern or need for clarification arises, to approach the relevant Minister regarding the matter. If necessary, I undertake to arrange for Government officers to provide additional information on the matters raised. If any particular matter of concern cannot be resolved and is likely to delay the passage of the bill, the Government is prepared to consider withdrawing the matter from the bill. I commend the bill to the House.

Debate adjourned on motion by Mr Andrew Tink.

LICENSING AND REGISTRATION (UNIFORM PROCEDURES) AMENDMENT (PHOTO ID) BILL

Bill introduced and read a first time.

Second Reading

Mr TONY STEWART (Bankstown—Parliamentary Secretary) [3.26 p.m.], on behalf of Ms Reba Meagher: I move:

That this bill be now read a second time.

Applying for a licence can be a complex and time-consuming process. Application forms must be completed. Supporting documents and evidence must be gathered and provided. In some circumstances, tests must be undertaken. For a limited number of licences, an applicant must also provide an identification photograph. Having a photograph taken is an added time-consuming burden. This bill gives a licence applicant an option that reduces this red tape. The Licensing and Registration (Uniform Procedures) Amendment (Photo ID) Bill gives an applicant for certain specified licences the choice of reusing an existing photo held by the Roads and Traffic Authority or attending a motor registry to have their photo taken. Whichever choice applicants make, their photograph will be securely stored by the Roads and Traffic Authority. It will be available only to the licensing authority for very specific purposes set out in this bill.

The principal objectives of the bill are to improve customer service by giving a licence applicant the choice of reusing an existing photograph on other licences; to improve the integrity and security of photograph

identification issued by New South Wales licensing authorities, reducing opportunities for identity theft and fraud; to protect the privacy of a person who provides an identification photograph to a licensing authority; and, importantly, to enable more effective use of the Roads and Traffic Authority infrastructure and resources for taking and securely storing identification photographs. The Licensing and Registration (Uniform Procedures) Act 2002 provides a framework for consistent administration of New South Wales government licences. Parliament has already applied the Act to licences issued under 29 pieces of legislation.

The Act sets standard procedures for submitting and processing licence applications. It also sets standard procedures for licence administrators when they are determining an application, including the processes used to request information, the time periods for making a decision and notifying an applicant. The Act gives licence applicants the right to have decisions reviewed by the Administrative Decisions Tribunal if a right of review is not already in place for a licence. This bill extends the Licensing and Registration (Uniform Procedures) Act to enable more effective administration of requirements for identification photographs. The term "licence" in this speech is a generic one and includes registrations, certificates, permits and other related terms.

I turn now to the detail of the bill. The bill applies to licences listed in schedule 3A to the Licensing and Registration (Uniform Procedures) Act. Schedule 3A lists licences administered by the Commissioner for Fair Trading and the WorkCover Authority. These licences are issued under the Home Building Act 1989, the Property, Stock and Business Agents Act 2002, chapter 9 of the Occupational Health and Safety Regulation 2001 and the Explosives Act 2003. The bill does not require anybody to provide a photograph. Any requirement will continue to be through the legislation that establishes the licence. The Commissioner for Fair Trading and the WorkCover Authority can currently require a photograph for these licences under the relevant licensing legislation. This bill simply enables access to a photograph held by the Roads and Traffic Authority if either of these licensing authorities decides to implement a requirement for a photograph. Further licences can be added to schedule 3A.

Legislation establishing a licence can amend the schedule. This includes a regulation, where the licence is established by a regulation. This approach is flexible but also ensures appropriate scrutiny of a decision to use the service. The Department of Commerce has identified more than 15 categories of licence or registration in New South Wales where a photograph is currently required. This is in addition to the photograph required for a driver's licence. The range is quite broad: It extends from surveyors registered with the Board of Surveying and Spatial Information through to the holder of a firearms licence. Many occupations in the transport industry also require an identification photo, including tow truck drivers, taxidriviers and masters of commercial vessels. These licences can be added to schedule 3A if this is considered appropriate after experience is gained with the initial licences.

The bill enables the Director-General of the Department of Commerce to enter into photo-access arrangements with the Roads and Traffic Authority and licensing authorities. The director-general can then provide an information technology service for licensing authorities that links to the Roads and Traffic Authority and uses that existing infrastructure for taking and storing photographs. This is similar to arrangements that are currently in place between the Commissioner of Police and the Roads and Traffic Authority for firearms licences and security industry licences. The photo-access arrangements with the director-general will enable the Roads and Traffic Authority to exchange information with a licensing authority to verify the identity of a person being photographed or to correctly locate an existing photograph, disclose a photograph to a licensing authority to assist in verifying the identity of a person making a licence application, take and store a photograph of an applicant who chooses not to use an existing photograph, provide a photograph to a licensing authority—either an existing photograph, such as a driver's licence, or one taken for the licence—and receive fees as payment for the service.

The arrangements can also authorise a licensing authority to provide identification information to the Roads and Traffic Authority. This is necessary to ensure that the correct photograph is provided. The Director-General of the Department of Commerce acts as an information and service broker, providing secure access to the Roads and Traffic Authority by licensing authorities and linking this to other information technology services for the production and management of licences. In some circumstances it may make good business sense to use private sector service providers—for example, using a commercial data centre to store licence records in much the same way as banks and financial institutions provide for secure services.

The bill makes it clear that the director-general must not enter into arrangements with a service provider unless he or she is satisfied that the arrangements protect privacy. The arrangements must make

appropriate provision for compliance with relevant information protection principles in the Privacy and Personal Information Protection Act 1998. Privacy and security have been key concerns in the development of this bill, and the Privacy Commissioner has been consulted through all stages of its development. The bill prevents a photograph from being stored or used except for the purpose of reproducing the person's likeness on a licence or certificate, helping to identify a person making an application under the licensing legislation, undertaking lawful investigations by the licensing authority or conducting criminal proceedings under the licensing legislation into offences under the Crimes Act for false and misleading information, and performing a function required for the photo-access arrangements, such as verifying a person's identity or printing a licence.

The bill also places restrictions on the release of a photograph. A photograph can be released only to the person shown in the photograph if the release is provided for in another law, for a lawful investigation by the licensing authority or for the conduct of criminal proceedings, or when performing a function required for the photo-access arrangements. The release of a photograph for an investigation or for criminal proceedings must be done in accordance with any protocol approved by the Privacy Commissioner. Sections 14 and 15 of the Privacy and Personal Information Protection Act give a person the right to access and correct personal information held by a public sector agency. The bill makes it clear that this right must be exercised through the Roads and Traffic Authority rather than a licensing authority or the Department of Commerce. This will simplify administration and help to maintain the integrity of the photo database.

Schedule 2 of the bill amends part 5 of the Roads Transport (Driver Licensing) Act. These amendments enable the Roads and Traffic Authority to participate in the photo-access arrangements. Existing privacy and security protections in part 5 of the Road Transport (Driver Licensing) Act will continue to apply to the driver licensing scheme. This bill complements those provisions by establishing protections when a Roads and Traffic Authority photograph is used for another type of licence.

The bill benefits people who provide an identification photograph to a licensing authority. Their privacy is given increased protection. Their identity is protected and they can be assured that their personal information is stored securely. They have the option to reuse an existing photograph for other licences, reducing application times and red tape. The community also benefits. Security features used for photograph licences will make forgery difficult. Fraud prevention will be improved. Licensing authorities will have access to a secure service for managing photographs. Facilities at the Roads and Traffic Authority that are currently available only to NSW Police will become available to other agencies. Compliance with privacy requirements will be simpler to achieve and the administration of licensing will be improved. I commend the bill to the House.

Mr CHRIS HARTCHER (Gosford) [3.37 p.m.]: The Coalition has not had an opportunity to consider the Licensing and Registration (Uniform Procedures) Amendment (Photo ID) Bill. Notice of its introduction was given earlier this week and it is being debated at 3.40 on Friday afternoon. As a consequence, the Coalition reserves the right either to support the bill or to seek to amend it in the Legislative Council. The bill appears to be unexceptional, but we have not had the opportunity to consider it carefully nor to consult any interested parties about it. Photo identification is becoming an increasingly important and complex issue in our society. The idea of standardising such identification, at least at the New South Wales level, certainly has superficial appeal. The safeguards that the Parliamentary Secretary outlined in the second reading speech appear to improve on the existing process.

The New South Wales Government must start developing with the Federal Government protocols for a standardised photo identification system and a standardised photo retention system within a national database. Some years ago the Hawke Government attempted to introduce a national identity card. It was well before the tragic events of September 11 and at the time there was not sufficient community support for the introduction of such a card, which was given the somewhat grandiloquent name of the "Australia card". However, the recent concerns about national security and the introduction of a large amount of legislation dealing with issues such as the regulation of the sale of tobacco products, entry into licensed clubs and obtaining licences, which all require some form of photographic identification, highlight the need for standardisation on a national level. The idea of standardising these processes at a State level is valuable, but there is no reason that they cannot be nationally standardised. The United Kingdom Government is proceeding, following the circulation of a white paper, to establish a national identification scheme.

The idea of a national scheme has obtained acceptance throughout the world. Australians travelling overseas are required to produce photographic identification and to comply with the requirements of other nations in relation to proof of identity. For the past two months, every traveller entering the United States of America has had to consent to a photograph being taken to be stored in a national database. They must also have

two thumbprints taken that will also be stored on the database. It is a very fast, high-tech procedure. Travellers have their photo taken while they have their thumbprints recorded, and the process does not involve ink. Australia will probably implement a similar process to ensure proper identification, not only using photographs but also palm or fingerprints. That will need to be done on a national basis.

As I said, this legislation standardises procedures and allows for the collection of photographs on a statewide basis rather than on a departmental basis. It is unobjectionable and probably welcome. The next step is a national identification process. I urge the New South Wales Government to collaborate with the Federal Government in the production of a white paper for discussion, as was done in the United Kingdom and as was not done with regard to the Australia card proposal presented by the Hawke Government. After the debate and when a national consensus is reached we will be able to move towards the storage of photographs and other identification information on a national database. That would be a considerable advance. The Opposition does not oppose the bill but, because of the lack of opportunity for proper consideration, it reserves its rights in relation to it.

Motion agreed to.

Bill read a second time and passed through remaining stages.

LOCAL GOVERNMENT AMENDMENT (PUBLIC-PRIVATE PARTNERSHIPS) BILL

Bill introduced and read a first time.

Second Reading

Mr DAVID CAMPBELL (Keira—Minister for Regional Development, Minister for the Illawarra, and Minister for Small Business) [3.45 p.m.]: I move:

That this bill be now read a second time.

The bill will amend the Local Government Act 1993 and provide a regulatory framework within which local government can benefit from public-private partnerships. The Local Government Act 1993 is the core Act for the regulation of local council and county council functions. Public-private partnerships [PPPs] are emerging as a potentially attractive and flexible means for local government to create infrastructure and deliver services. For the purposes of this bill, a PPP is defined as any contracted relationship between a council and the private sector in which a council has an equity interest, shareholding or ongoing obligation or liability. Normal transactions such as sale of community land classified as operational and councils acting as trustees for donations or bequests and tendering will not be affected by these new provisions.

A number of councils already have experience in negotiating public private partnerships. Unfortunately, not all those experiences have been positive. As members will be aware, Liverpool City Council, between 1996 and 2003, entered into various commercial arrangements with the private sector to develop infrastructure on land owned by the council. The Liverpool City Council public inquiry found that the cost to council of the failed redevelopment proposals—ultimately to be borne by ratepayers—is at least \$22 million. The commissioner of the public inquiry, Professor Maurice Daly, found that councils lacked the in-house expertise required to successfully negotiate PPP arrangements. This in turn may impact significantly on the ability of councils throughout the State to make decisions about entering into such arrangements for the benefit of their communities.

Professor Daly also made a series of recommendations about managing local government participation in PPPs. This bill gives effect to those recommendations. Providing a regulatory framework with conditions before councils sign binding contracts has the advantage of allowing flexibility for the financing and provision of council infrastructure and services. At the same time, councils will be required to ensure that the public interest is protected and that any contracts entered into have had risk properly factored into them. The bill proposes an external review process for projects that are worth more than \$50 million, or 25 per cent of council revenue that has not been designated for another purpose. This review committee's function is to ensure that a council has undertaken appropriate probity and due diligence checks before signing binding contracts.

The process will also consider the financial viability of the project, the council's capacity to enter into such a deal and the views of appropriate and independent experts. For all PPP projects, regardless of size, councils will be required to undertake a risk assessment and forward that assessment to the Department of Local

Government for review. Those projects determined to be high risk will be called in for assessment by the project review committee in the same way as a project that meets the size and significance threshold. Under this framework, councils are not being asked to do any more than is prudent and in their own best interests. Ratepayers and residents cannot afford another Oasis project. All councils considering PPPs will now be obliged to test the market by seeking expressions of interest for proposals involving them in equity relationships or commercial arrangements with private companies involving council assets or ongoing obligations. In this way, their communities can be assured that they are getting the best value for money outcome.

Certain minimum process and management elements for PPPs will also be required of councils. To assist councils, guidelines will be published by the Director-General of the Department of Local Government under proposed new section 400C of the Local Government Act. The Minister has met with representatives of the Local Government and Shires Associations and asked them for their input on these important guidelines. It is anticipated that these will be available early in 2005. The guidelines will, as recommended by Professor Daly, provide for appropriate governance and administrative arrangements for PPPs that include reporting to councils and local communities. Public access to information about the PPP project that is not confidential will be on the same basis as the public has access to other council information. In this way, the public accountability of councils involved in PPPs will not be unduly diluted.

The project review committee will have a core membership drawn from the Department of Local Government, Infrastructure, Planning and Natural Resources, and from Treasury, the Cabinet Office and the Premier's Department. Depending on the nature of the project proposal and the particular assessment stage, relevant expertise drawn from other agencies or from independent experts from the private sector will be co-opted to the committee. A positive assessment from the committee will be required at three stages for any proposal to advance: initial risk analysis and costing, project plan and contract development.

A council that signs a contract without satisfying the committee that the section 400C guidelines have been fully complied with will be in breach of the Local Government Act 1993. The remedial measures already available under section 672—that is, action in the Land and Environment Court—and section 435—that is, surcharging—as well as the investigative and public inquiry powers provided by sections 430 and 740 will apply. This message will be reinforced in the guidelines referred to above. PPP projects may take the form of a number of different legal entities. Indeed, as this particular market matures and grows, it is likely that arrangements not even thought of now will become commonplace.

Section 358 of the Act currently provides only for ministerial approval where a council seeks to form or participate in the formation of a corporation or acquire a controlling interest in a corporation. This bill seeks to extend this current requirement to other entities and relationships that councils may enter into with a purely commercial rationale. In seeking such an approval, either from the Project Review Committee or from the Minister, as determined by the nature of the project proposal, it is appropriate that councils, as guardians of public trust and funds, should demonstrate that there is a clear public benefit to be gained from the proposed arrangement.

Another matter that goes to issues of transparency and public accountability is the potential use of financial entities or project vehicles to circumvent tendering requirements under the Local Government Act, either wilfully or by mistake. These circumstances arise in only a small number of cases, but their effect on public confidence can be significant. It is important that local government retains the confidence and trust of their communities in this regard. To this end, this bill gives effect to Professor Daly's recommendation that the tendering provisions in section 55 of the Act be strengthened. This means that the community can be assured that councils obtain the best value for money by engaging in market processes and that similar transparency and accountability provisions apply to council-commercial entities as apply to councils.

That means two things: first, in selecting project partners for PPPs, councils undertake an expressions of interest process; and, second, once the assessment and contract process of a PPP is completed and approved, councils and their PPP partners must adhere to the matters specified in the contract. That is, approved projects must not be varied or amended without approval from the Project Review Committee and the Minister. That means that those works or activities that will be conducted by the public-private entity or the council would not need to re-tender for the works or activities to the new project vehicle. However, works or activities outside of the PPP project contract are still required to be put out for tender. Clearly, councils should not use project vehicles created for a specific outcome as a convenient mechanism for other non-related projects or needs.

The bill will ensure that this situation does not occur by making it clear that in such situations the tendering provisions of section 55 of the Act apply where councils are involved in some form of partnership

with the private sector. In that way, council obligations in regard to transparency and accountability will continue to apply and the integrity of PPP project vehicles will be upheld. The bill proposes that this framework apply from 28 June 2004. On that day Parliament was advised that the Government intended to accept the recommendations of the Liverpool City Council public inquiry and would legislate to give effect to those recommendations with regard to the management of public-private partnerships. Councils were informed by means of a Department of Local Government circular to councils on 21 July 2004.

Were the proposed regulatory framework not to apply retrospectively, it is possible that a number of councils, under perceived pressure from potential commercial partners, may fast-track projects to specifically avoid their requirements. Such a headlong rush would not serve the public interest, as it is likely that corners would be cut and attention to detail minimised rather than maximised. It is preferable that councils take a considered approach to the negotiation of PPPs. The condition that most favours that approach is the certainty that projects in development will need to meet the standards required under the revised framework. Anything else invites precipitous actions, hasty judgments and, potentially, poor or less than optimal outcomes for communities. The bill provides for a framework that is no more onerous for councils than they should themselves undertake from the perspectives of prudence, transparency and best practice management of public resources. I commend the bill to the House.

Debate adjourned on motion by Mr Thomas George.

The House adjourned at 3.55 p.m. until Tuesday 7 December 2004 at 2.15 p.m.
