

# LEGISLATIVE ASSEMBLY

Wednesday 2 March 2005

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

**Mr Speaker** offered the Prayer.

## AUDIT OFFICE

### Report

**Mr Speaker** tabled, pursuant to section 38E of the Public Finance and Audit Act 1983, the performance audit report of the Auditor-General entitled "Follow-up of Performance Audit—Maintenance of Public Housing".

**Ordered to be printed.**

## NATIONAL PARKS AND WILDLIFE (ADJUSTMENT OF AREAS) BILL

**Bill introduced and read a first time.**

### Second Reading

**Mr BOB DEBUS** (Blue Mountains—Attorney General, and Minister for the Environment) [10.02 a.m.]: I move:

That this bill be now read a second time.

This bill proposes the revocation of small areas of land in three national parks and one nature reserve. The need for such revocations arises from time to time, for example to correct reserve boundary errors or boundary encroachments. To achieve this, and to ensure that conservation outcomes remain a priority, lands reserved under the National Parks and Wildlife Act 1974 may not be revoked, except by an Act of Parliament. Also included in this bill is an amendment to the National Park Estate (Southern Region Reservations Act) 2000 to extend the deadlines for the road provisions in the Act for a period of two years.

The Department of Environment and Conservation carefully considers all alternatives to the revocation of land and their merits before revocation of land from a reserve may be considered. Indeed, an outcome that ensures a conservation benefit for New South Wales has been a key priority in the assessment of the revocation proposals contained in bill. The proposals contained in this bill will result in a net benefit to the natural heritage of this State and an overall increase in the area of lands that are reserved.

Let me outline the proposals. It is proposed that several access roads be revoked from the South East Forest National Park. These revocations are required to correct errors that were made during the gazettal of this national park some years ago. In fact, this national park was reserved as a consequence of the Forestry Revocation and National Park Reservation Act 1996, which included a statutory provision for the identification of access roads that would not be reserved. An oversight in this process resulted in the reservation of three particular access roads, which are required by Forests NSW so that they can continue to legally access the adjoining State forest for commercial logging.

The revocation is required because the primary use of these roads by Forests NSW for commercial logging is not compatible with their inclusion in a national park. Once revoked, the roads will be vested in the Minister for the Environment under part 11 of the National Parks and Wildlife Act 1974 and their future management will be subject to agreement through a memorandum of understanding between the Department of Environment and Conservation and Forests NSW. This arrangement already exists for other roads within the area that are not reserved as part of the national park but are used for access by Forests NSW.

It is proposed to revoke two small parcels of land, totalling 716 square metres, from Botany Bay National Park. This revocation will enable the New South Wales Golf Club to construct a footbridge and to

correct a small boundary error near the fifth tee. The New South Wales Golf Club presently provides public access to the adjoining section of Botany Bay National Park at Cape Banks through its golf course. This access is via a dilapidated footbridge, which leads to a championship tee for the sixth green. To ensure public safety the New South Wales Golf Club cannot rebuild a new footbridge on the current location because it is actually within the range of golfers using the championship tee. I am sure Mr Speaker would agree that the chance of park visitors being hit with golf balls is not an ideal situation.

However, owing to the fact that the golf club's Crown lease area is virtually surrounded by national park, they cannot relocate the footbridge and refurbish the sixth tee without encroaching upon the park. The golf club therefore sought approval to extend its leased area into the national park and a review of environmental factors was prepared. Although the outcome of this process suggested that the activity could be conducted without significant environmental impact, the application was refused on the grounds of being deemed not permissible under the National Parks and Wildlife Act. The only legal mechanism to enable the expansion of the tee and relocation of the footbridge therefore is the revocation of this small section of land from the national park. I would like to stress that the small area of land to be revoked has no natural or cultural heritage values. In fact, it is highly disturbed land and is mostly covered with non-native grasses. The revocation and subsequent construction of a new footbridge on this area will clearly benefit the public by improving both visitor safety and access to the park.

The proposal is to revoke 184 hectares of land from Kosciuszko National Park to remove a number of developments associated with Talbingo Dam. The land includes major structures such as the dam wall, the river inlet tower and outlet tunnel, the spillway and access roads, all of which are managed by Snowy Hydro Ltd. These are facilities for which the Department of Environment and Conservation has no management or legal responsibility. Kosciuszko National Park was gazetted on 1 October 1967, which coincided with the signing of the contract for the construction of the Talbingo Dam. The park boundary, therefore, did not account for the dam and associated infrastructure that was to be built, resulting in its inclusion in the park.

As one may well imagine, the land that is proposed for revocation from the park is highly disturbed, given the fact that it contains a dam and other major infrastructure. Indeed, the land has little natural or cultural heritage value. The revocation of this land from Kosciuszko National Park will result in a number of benefits. It will clarify current legal and management responsibilities for this infrastructure and will enable the realignment of what is currently a very complicated park boundary. It will also enable the Department of Environment and Conservation to divest itself of highly modified land of low conservation value in return for compensatory land of high conservation value.

The final revocation is for a small area of land in Lakes Innes Nature Reserve. The proposed revocation will allow Hastings Council to construct an extension of Ocean Drive, which forms part of the Port Macquarie ring road project. Although the proposed revocation will be of great public benefit by enabling the construction of the Port Macquarie ring road, this proposal has been developed to ensure good conservation outcomes remain a priority.

The final provisions included in the bill do not involve the revocation of land but instead propose an amendment to the National Park Estate (Southern Region Reservations) Act 2000. The amendment is to extend the deadline allowed for public road boundary adjustments and declarations as to the status of other roads and tracks within new national parks and reserves. The extension is for two years or until 31 December 2007. The Government's Regional Forest Agreement initiative aimed to secure a balance of land uses in forest regions, taking into account conservation values and industry needs. As a result, areas of State forest and Crown land have been transferred to the National Parks and Wildlife Service reserve system for the conservation of natural and cultural heritage values. These lands contain anomalous public road reserve boundaries and other roads and tracks that provide access to private property. The extension of the deadline by two years will allow various government agencies and local councils to address any unforeseen difficulties, for example undertaking survey work in rough terrain and extended negotiation time for the transfer of roads to the appropriate roads authority.

I would like to turn to the matter of compensatory land for the revocations that I have mentioned. Compensation is not required for the revocation of access roads from the South East Forest National Park as the revocations from this park are simply intended to correct boundary errors—in other words, to remove lands which were not intended to be reserved in the first place—nor is compensation required for the extension of the deadlines for public road boundary adjustments and declarations that I have just outlined. However, to ensure a net conservation gain, compensatory habitat is required for the other proposals.

In return for the revocation of land from Botany Bay National Park, an area of approximately 1,355 square metres of high conservation value land will be transferred to the Department of Environment and Conservation for reservation as part of the park. This land comprises valuable remnants of eastern suburbs banksia scrub, which is listed as an endangered ecological community under the Threatened Species Conservation Act 1995. In contrast, the area to be revoked is a combination of Hawkesbury sandstone outcrops and introduced grasses. In compensation for the revocation from Kosciuszko National Park, Snowy Hydro Ltd has agreed to transfer 146 hectares of land to the Department of Environment and Conservation for addition into Kosciuszko National Park. In return for the revocation of such highly modified land, the compensatory land is forested with undisturbed and high conservation value vegetation and will be a valuable addition to the park. The revoked lands will not be transferred until compensatory lands are first transferred to the Department of Environment and Conservation.

This proposal involves the revocation of 2.89 hectares, which includes the area needed for the road and a small spur-shaped fragment of land that would consequently be isolated from the rest of the reserve. The 3.98 hectares of compensatory habitat from Hastings Council will be added to the nature reserve. This addition will enhance the conservation value of the reserve as it contains greater conservation value than the land to be revoked. The revocation proposal was prepared in agreement with a working group, which included representatives of the National Parks and Wildlife Service, Hastings Council, the local branch of the National Parks Association of New South Wales and the Koala Preservation Society.

The revocation proposals contained in this bill have been prepared consistent with the requirements of the National Parks and Wildlife Service revocation of land policy. The policy stipulates circumstances where revocation of land may be considered and where consultation with the National Parks and Wildlife Advisory Council and compensation may be required. In accordance with the policy, the advisory council was consulted on the Botany Bay National Park, Kosciuszko National Park and Lake Innes Nature Reserve revocations. Consultation was not required for the South East Forest National Park revocations, as they are simply intended to correct some boundary errors; nor was consultation required for the extension of time for the application of road provisions in the National Park Estate (Southern Region Reservations) Act.

The Department of Environment and Conservation has carefully prepared the revocation proposals contained in the bill. The lands to be revoked are either highly modified, containing little by way of conservation values, or necessary for a public good, as in the case of the Lake Innes Nature Reserve. Indeed, the compensation that will be received ensures that these proposals result in a conservation gain for New South Wales. This is a sensible and necessary bill and I commend it to the House.

**Debate adjourned on motion by Mr Michael Richardson.**

## **CRIMES AMENDMENT (GRIEVOUS BODILY HARM) BILL**

**Bill introduced and read a first time.**

### **Second Reading**

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

That this bill be now read a second time.

The Government is pleased to introduce the Crimes Amendment (Grievous Bodily Harm) Bill 2005. This bill proposes an amendment to the Crimes Act 1900 to ensure that offences under that Act relating to the infliction of grievous bodily harm extend to the destruction by a person of the foetus of a pregnant woman. The very tragic case involving the death of Renee Shields' unborn child, Byron, highlighted a deficiency in the law in relation to the charging of offenders. I commissioned a retired judge, the Hon. Mervyn Finlay, to examine the distressing and difficult issues that are raised when a criminal acts against the mother of an unborn child results in the death of that child. Many people and organisations, including Ms Shields, wrote submissions to the Finlay review. Ms Shields wrote a poignant and articulate submission to the review, which included these words:

Laws are man made and therefore can be changed to correspond with today's day and age. Unborn children should be acknowledged in our society, an amendment to the current legislation might lessen the constant tension someone experiences with this kind of incident and maybe make the incomprehensible a little easier to handle.

In the meantime another tragic case came before the courts, that of Kylie Flick, who lost her unborn child as the result of an assault by Phillip King, the father of her child. The King case proceeded through the courts and resulted in the Court of Criminal Appeal finding, in December 2003, that the close physical connection between a pregnant woman and her unborn child means that the loss of that child can constitute grievous bodily harm to the pregnant woman, even in the absence of other injury to her. It was in some senses a historic finding that ultimately, in December 2004, saw King receive a sentence of 12 years imprisonment with a non-parole period of 8 years. It is clear that the King case has changed the legal landscape with regard to the death of an unborn child that results from a criminal act against a pregnant woman.

As mentioned, the King decision recognises the close physical bond between a pregnant woman and her unborn child. And it is that bond that means the loss of the unborn child can amount to grievous bodily harm to a pregnant woman—even where the woman suffers no other injury. Currently section 4 of the Crimes Act provides a non-exhaustive definition of grievous bodily harm to include any permanent or serious disfiguring of the person. The bill amends this definition to provide that grievous bodily harm can also include the destruction—other than in the course of a medical procedure—of the foetus of a pregnant woman, whether or not the woman suffers any other harm. Accordingly, the amendment codifies the principles enunciated by the Court of Criminal Appeal in the King case, that the definition of grievous bodily harm in the Crimes Act includes the loss of an unborn child.

The amendment is the result of extensive consultations with all stakeholders and careful consideration of their opinions and suggestions. This amendment means that a range of Crimes Act offences, from the malicious infliction of grievous bodily harm with intent, which carries a maximum penalty of 25 years imprisonment, to causing grievous bodily harm by an unlawful or negligent act, which carries a maximum penalty of two years imprisonment, will be covered. Criminal acts involving driving, such as that which claimed the life of Ms Shields' unborn son, will also be covered. It is a significant amendment that allows a range of offences to be charged and a range of penalties applied, according to the subjective elements of each case.

In that respect the amendment recognises that not all cases will involve the same factual scenario or even the same level of criminality but that, nonetheless, all offenders will be held responsible. The amendment codifies the common law of grievous bodily harm without impacting upon or interfering with the law governing other areas. Foremost of these is the law relating to abortion. It has never been and is not now the Government's intention that this amendment should affect the present law with respect to the lawful termination of pregnancy. And this bill does not affect that law.

Nor is it the Government's intention that doctors or nurses, or indeed any medical personnel performing a medical procedure that involves or results in foetal death—whether that procedure be a dilation and curette carried out after a woman has suffered a miscarriage or the removal of a cancerous tumour in the uterus or emergency surgery to save a woman's life—should find themselves open to a criminal charge. For abundant caution, we have therefore exempted medical procedures from the amendment. This bill, which will commence on assent, recognises the grievous harm that young women like Renee Shields and Kylie Flick have suffered; it recognises their unborn children, and it recognises that those who are criminally responsible for the loss of those unborn children should not go unpunished.

While nothing can ever compensate these young women and their families for the great loss they have suffered, and indeed other women who may lose their unborn children as a result of a criminal act, this amendment will, as Renee Shields hoped, make the "incomprehensible a little easier to handle". I know that all honourable members of the House have been moved by the plight of these young women, by their pain and their trauma, and I am sure that this bill will therefore be welcomed. I commend the bill to the House.

**Debate adjourned on motion by Mr Russell Turner.**

## **COURT SECURITY BILL**

### **Second Reading**

**Debate resumed from 23 February.**

**Mr PAUL LYNCH** (Liverpool) [10.21 a.m.]: I support the Court Security Bill. The essence of this legislation is to provide a proper statutory basis for what presently is largely based upon the inherent jurisdiction of the court to control order in and around its precincts. As a matter of principle and legal philosophy, the

codification of what are coercive powers should be seen as progressive reform. The specification of statutory powers also provides greater certainty for all involved and makes misuse of powers less likely. The accountability in the use of such powers is increased. The provisions in this legislation include the following. Court security officers can require offensive implements or restricted items to be deposited with the court or confiscated. Court security officers can issue a direction similar to that contained in the Summary Offences Act, which is aimed at reducing instances of intimidation within the court precincts.

Court security officers can require people entering court premises to be scanned by a metal detection device. Once a reasonable belief is formed that someone possesses a restricted item, the officer may conduct a personal search. Entry may be refused or a person removed if a person does not comply with search requirements. If a court security officer believes on reasonable grounds that a person is carrying a restricted item or offensive implement, or has committed an offence on court premises, he or she may require a person to provide identification details and the reason for their visit. A court security officer may arrest a person in the act of committing an offence under the legislation. Equally, the officer may arrest a person when he or she believes on reasonable grounds that a person has committed an offence.

The bill also makes it an offence to use a recording device to record sound or images, or both, in court premises. This extends to mobile phones as well as cameras and audio recording devices. There are obvious exceptions, such as lawyers using dictaphones or a mobile phone only as a telephone. A judicial officer may order a person to leave court premises or deny entry of persons to court premises if it is necessary to secure order and safety in court premises. Interestingly, the bill also allows court security officers to engage in hot pursuit to pursue a person leaving court premises in an attempt to avoid arrest. I would have thought that goes somewhat beyond current law and practice.

I note the undertakings in the second reading speech concerning the additional training that court security officers will undergo. That seems entirely appropriate, granted that the powers have been codified and in some senses extended. Important issues of principle are involved in this bill. It is important that courts be accessible to the public. The movement away from the star chamber of the Tudors is rightly regarded as one of the more progressive developments in English common law tradition. It is generally regarded that part of that progressive development in the common law has been opening courts to the public, and that is an important principle. Certainly, examples in various parts of what was once the British Empire, where people were prevented from getting into courts, do not fill one with any sense of optimism about the likelihood of that being a useful development.

It would certainly be wholly regrettable if, in attempting to defend the society in which we live, we managed to damage some of the things that we celebrate as worth defending. So it is important that those principles are retained; in that sense it is worth observing that clause 6 of the bill provides the important statement of principle that a person is generally entitled to enter and remain on court premises. So that principle remains in the legislation. Likewise, some other provisions in the legislation can be seen as proper restraints upon the powers that are otherwise given. Court security officers are obliged to hand confiscated items to police, and a refusal to return the item can lead to an appeal to the Local Court. Likewise, if a security officer arrests someone that person must be taken to the police or an authorised officer. Part 5 of the bill expresses the concerns, limitations and safeguards of the exercise of powers by court security officers. I commend the bill to the House.

**Mr BARRY COLLIER** (Miranda) [10.25 a.m.]: I am pleased to speak on the Court Security Bill, which provides for the appointment of security officers for court premises and confers certain functions upon them. It also confirms that members of the public have a right, subject to certain qualifications, to enter and remain in areas of court premises that are open to the public. Presently, the Sheriff's Office relies on the inherent jurisdiction of the court and limited legislative powers in exercising its court security function. By contrast, this bill provides a sound statutory basis for the exercise of court security powers in New South Wales courts. I am pleased to learn that there has been extensive consultation with members of the judiciary and the legal profession in the formulation of this bill.

The bill is an important plank in the Government's plan to ensure that all those who have business with the courts can conduct their matters in a safe and secure environment. The Carr Government is committed to putting more resources into court security and identifying and commissioning the most up-to-date security available. In addition to this legislation, the Government has demonstrated its commitment to enhanced court security through a number of strategies, which are based on the outcome of comprehensive security risk reviews. I shall mention three of them. So far, 16 courts have been equipped with airport-style baggage and

personal screening facilities, with 13 of these fully operational. These courts include the Downing Centre, Central Local Court, Parramatta, Penrith, Lismore, Burwood, Liverpool, Sutherland, Campbelltown, Newcastle Supreme Court, Wollongong, Bidura Children's Court and Cobham Children's Court.

A total of 18 courts will be fitted with airport-style security by June this year. Another nine courts will have these security measures installed in the 2005-06 financial year. Additionally, digital surveillance, access control and intruder alarm system upgrades are scheduled for completion at 25 courts this financial year. It is proposed that similar security enhancements be completed at a further 20 courts by the end of 2005-06. The systems are designed to assist court officers in detecting and responding to security incidents in a timely manner. Four high-security bullet-resistant docks have been installed at Central Local Court. Other courthouses upgraded with high-security docks are Sutherland, Liverpool, Parramatta, Penrith, Burwood and Campbelltown.

As a former legal aid solicitor at Sutherland Local Court, I well remember representing a young man in a complex bail application before the local senior magistrate. While the magistrate was considering the papers I had laid before him, and I had my head in the law books, the young man jumped the dock. I could not believe how quickly he jumped over the dock and attempted to escape from the court. He got only as far as the court doors and was met by a young Corrective Services officer, who was about five feet high, and another larger gentleman. That brought home to me—and it was the only time in my legal practice that it happened—how court security could be undermined if someone was determined to get out the court door.

I welcome these changes and upgrades. Recently I went to Sutherland Local Court to assist Mrs Kim Hall to become a justice of the peace and to support her application. I noted that the dock out of which that young man jumped now had bullet-resistant security screens. The upgrade program will significantly reduce the potential risk of harm to members of the judiciary, court staff, members of the public and other people who use court complexes, and that includes members of the legal profession. This bill is complemented by the Sheriff Bill. The Government appointed additional Sheriff's officers and provided additional funding for video conferencing facilities.

In February 2003 the Government announced a four-year \$7.1 million plan to further upgrade security at the State's courts, including the employment of 41 new Sheriff's officers. By the end of the four-year upgrade program in December 2006 every sitting Local Court in New South Wales will have a Sheriff's officer present. Court users are supportive of the steps that have already been taken and those that are foreshadowed in this bill. While some necessary and minor inconvenience will be associated with the roll-out of enhanced security technology, the bill will not make that worse; rather it will clarify what measures are in place and what powers are available to court security officers. I commend the bill to the House.

**Mr ANDREW TINK** (Epping) [10.31 a.m.]: The Opposition is happy to support the Court Security Bill, which provides a number of measures for improving security at courts. The bill will give court security officers a number of new powers, confirming the right of the public and the media to have access to the courts. The bill will also give them extra powers to deal with the possession of restricted items, to allow search and seizure and, where necessary, to allow arrest without warrant. Regrettably, these procedures and powers are necessary. In recent times there have been examples of people being severely attacked within the precincts of a court. In one case one litigant murdered another litigant in the Family Court.

The worst possible crimes can be committed in the precincts of a court. In a sense courts are high-risk places because their business is to deal with conflicts between people that cannot be solved by other means, whether they be civil conflicts—and some of those can get pretty nasty at times—family-related conflicts, or conflicts involving serious breaches of the criminal law. Whichever way we look at it, it is the business of the courts to deal with these matters. Regrettably, some extremely troubled and dangerous people come before most courts every day of the week and, by definition, there are security risks. I listened carefully to the list of courts that was read out earlier relating to the cascading installation of new security measures. I hope that priority has been given to those courts that have significant domestic violence lists.

Police officers tell me it is a matter of concern that in the area of family and domestic relations some of the most dangerous and unpredicted offences can occur. I hope and trust that the Government, in considering the court priority list, will determine the priorities. Concern has been expressed by some members of the bar relating to closing off the corridor between Wentworth Chambers and the main vestibule to the Supreme Court. Those who hold those concerns have to submit themselves to the higher concerns of the public interest. If it is the considered view of court staff that that type of access presents a problem, that access has to be blocked off or regulated in some way.

I know that might be unsatisfactory to some barristers but the wider duty of care is pretty plain and the personal convenience of individuals has to take second place. It might be regrettable but that is the age in which we live. I talked to Mr Selth, chief executive of the Bar Association, and he is strongly committed to the bill. He understands some of the concerns held by members of the association and by the Law Society but so far as he is concerned the security issues are not negotiable. That is the only sensible approach.

**Mr BOB DEBUS** (Blue Mountains—Attorney General, and Minister for the Environment) [10.35 a.m.], in reply: I thank all honourable members for their support for the bill. It is important that court security officers have the clear power to ensure the safe keeping of the courts and those who use them. The Government believes that the Court Security Bill provides a balanced approach in that respect. There will now be a statutory basis for the exercise of powers by security officers as well as a clear statement of the safeguards that apply during the exercise of these powers. I commend the bill to the House.

**Motion agreed to.**

**Bill read a second time and passed through remaining stages.**

## **SHERIFF BILL**

### **Second Reading**

**Debate resumed from 23 February.**

**Mr ANDREW TINK** (Epping) [10.37 a.m.]: The Opposition supports the Sheriff Bill, which in some ways is a companion bill to the Court Security Bill. It focuses on the role of Sheriff's officers, amongst other things, in relation to the security of courts. When I visited Penrith court recently I noticed that the advanced security system that had been put in place was being manned, at least in part, by Sheriff's officers. That was a demonstration to me of the wider role that Sheriff's officers play in the security of Penrith court. Sheriff's officers are involved in other key areas. They are involved in the enforcement of court orders.

All lawyer members of Parliament would know that it is an extremely difficult and thankless job to go knocking on the doors of people and trying to enforce court orders. If people are being followed up in that fashion quite often the chances are that when they open their doors they will not be receptive to a Sheriff's officer with court papers. We must focus in this bill on the offence of hindering and obstructing Sheriff's officers who are trying to do their job by enforcing the orders of the court. They, like police, should benefit from special protection as they carry out their duties. A court can make all the orders it likes but, at the end of the day, if a litigant ignores them it is up to the Sheriff and the police to go to the sharp end of the judicial system to ensure that the wishes of the court are carried out.

It is appropriate that Sheriff's officers, like police, receive extra recognition because of the difficulties they face in their work. Sheriff's officers also have the enormous responsibility of dealing with juries, and we all know how sensitive that job is. Recently there have been a number of examples relating to juries. The provisions in the bill relate to the offence of impersonating a Sheriff, using Sheriff's insignia, and all that sort of thing. Those issues warrant the special treatment that they are getting in this bill.

We understand that sometimes in especially delicate trials there will be an extreme reluctance on the part of a complainant to give evidence a second time. Regrettably, some people will attempt to use all sorts of illegal means to influence a jury. Hopefully, the bill, by dealing with impersonation and insignia, and so on, will at least lessen the risk of impersonation being used as a way of getting to a jury and causing a mistrial and the enormous problems that can flow from that, as we have seen on occasions. The Opposition is happy to support this bill.

**Mr PAUL LYNCH** (Liverpool) [10.40 a.m.]: I support the Sheriff Bill, which repeals the previous basis for the office of Sheriff—the Sheriff Act 1900 and the 1823 Charter of Justice—and provides that the Sheriff has the functions created by legislation, either by this bill or other Acts. These functions include security of courts, as set out in the court security legislation that was debated only a moment ago, and various roles in relation to juries, primarily as set out in the Jury Act. The Sheriff also has a role in enforcing court judgments. The Sheriff's role in enforcing civil judgments is probably where members of this place have the greatest exposure to the office of Sheriff.

The legislation contains provisions for the delegation of the Sheriff's functions and for the creation of a Sheriff's alternate. It establishes a number of offences. It is an offence to hinder or obstruct the Sheriff or to impersonate the Sheriff. Wearing or possessing a Sheriff's officer's uniform or using sheriff's insignia without being a Sheriff's officer is an offence. Likewise, it is an offence to use the word "Sheriff" in an operating name unless approved or consented to. Two other provisions in the legislation are of interest. One of these relates to the jurisdiction of the Ombudsman. Schedule 1 to the Ombudsman Act contains a list of exemptions to the jurisdiction of the Ombudsman.

In 1997 the Committee on the Office of the Ombudsman conducted a review of the exemptions under schedule 1. In that review, against the then position of the Attorney General's Department, the committee argued for a distinction to be made between judicial and administrative functions within courts and courts administration. The committee's view was that judicial functions can certainly continue to be exempted from the jurisdiction of the Ombudsman, but that there was no good reason at all for non-judicial functions to be exempted from the jurisdiction of the Ombudsman. Recommendation 7 of that committee report read in part:

The Committee recommends that clauses 2 and 3 be consolidated into one clause which specifies that it is the exercise of judicial functions and powers, and the conduct of judicial officers, which are excluded from the Ombudsman's jurisdiction.

That position was strongly supported by the Ombudsman. The committee returned to the issue in 2000 when it did a follow-up of the review of schedule 1. It confirmed the recommendation, noted that it had not been implemented and that the Ombudsman considered it particularly important. In the light of that, I am delighted to see that the logic of the committee's position is contained in this bill. The bill amends schedule 1 to the Ombudsman Act to make it clear that the Sheriff and Sheriff's officers are not included in schedule 1. That is, they are not excluded from the jurisdiction of the Ombudsman. The bill also contains provisions that include the Sheriff and any Sheriff's officer within the exclusions of the Ombudsman's jurisdiction where the conduct concerned flows from the direction of a court or of a judicial officer presiding over proceedings before a court. This is a wholly welcome amendment.

Clause 7 of the bill requires that the Sheriff or Sheriff's officer must take an oath or affirmation of office. The form of the oath or affirmation is to be set out in the regulations, which have not yet been proclaimed because the bill has not been passed. I infer from the second reading speech of the Parliamentary Secretary that it will be largely similar to the oath or affirmation of allegiance to the Head of State—at the moment the Queen. Several points should be made here. One is that it makes sense for an oath or affirmation to be required of the Sheriff and Sheriff's officers. They fulfil—especially after the court security legislation—statutory functions very similar to and in some cases identical with those of police and Corrective Services officers. If police and Corrective Services officers have to take an oath or affirmation of office, so should the Sheriff and Sheriff's officers. The really interesting point concerns the terms in which the oath or affirmation is expressed.

Obviously, I look forward to the day when no-one in this country has to express allegiance to a foreign-born, British, and originally German, monarch. Certainly, the proposed swearing of allegiance to Charles III should give everyone pause—it is hard to know whether to laugh or cry. However, it makes some sense for employees of the Executive arm to swear or affirm allegiance to the titular head of the Executive—whoever or whatever that may be from time to time. Members of this place are in a different category. We are emphatically not employees of the Executive arm—at least not in theory—and therefore we have no such obligation upon us to swear or affirm allegiance to the Head of state—who is presently the Queen and one day will be the President. Our allegiance as members of Parliament should be, rather, to the people who elect us. It is a basic distinction in democratic theory and practice between our position and that of Sheriff's officers and police. I commend the bill to the House.

**Mr BARRY COLLIER** (Miranda) [10.45 a.m.]: The Sheriff Bill deals with the appointment and functions of the office of Sheriff, prohibits conduct that may interfere with the exercise of the Sheriff's functions, and provides for certain conduct of the Sheriff, Sheriff's officers and security officers to be the subject of complaint to the Ombudsman. Currently, the appointment and functions of the Sheriff are covered by the Sheriff Act 1900, a number of other Acts, the Charter of Justice and the common law. This bill repeals the 1900 Act and replaces it with provisions that consolidate and update some of the laws governing the office of Sheriff. The bill is complementary to the Court Security Bill, which has just passed through this House.

This bill will bring the legislation that underpins the old and respected office of Sheriff into modern times. The current Sheriff Act is over 100 years old, and the office was first established in Australia by the Charter of Justice more than 75 years before that. As the House well knows, the functions of the Sheriff have changed over time. This bill recognises the broad and important role the Sheriff plays in the State's justice



system. No longer is the Sheriff the coroner, the gaoler or the executioner. Nevertheless, the modern day duties of the Sheriff are vital to the justice system in this State. The mission of Sheriff's officers is to protect the justice system. The dedication and commitment of current serving officers is without question and is demonstrated every day in courts and in our community.

I remember how helpful the Sheriff's officers were when I worked for the Director of Public Prosecutions and for the defence, as a legal aid solicitor at Campbelltown Local Court and Sutherland Local Court and later at the bar. I thank the Sheriff's officers for their work in the past and for their current work. I know the enormous contribution they make to the community now and will make in the future. By assembling, assisting and protecting New South Wales citizens selected for jury service, the Sheriff's Office helps to honour one of the most important cornerstones of the State's justice system—the right of an accused to be tried by a jury of his or her peers. Sheriff's officers make known the decisions of the courts and tribunals of New South Wales and the Commonwealth by serving summonses, enforcing orders and executing warrants and writs. Many citizens look to the office of the Sheriff to assist them in enforcing civil judgments. These can be very difficult, involving people who are aggressive and who would, and do, try the patience of the Sheriff's officers to the limit. Many Sheriff's officers must have the patience of Job to complete their duties the way they do. The Sheriff's role in court security directly impacts on the community and gives life to the stated mission of the office—to protect the justice system.

Much of this bill provides the legislative base for the machinery that will establish the office of the Sheriff and the appointment of the various statutory officers. Significantly, the bill sets out a number of mechanisms that will protect the integrity of this important office. It provides for offences for impersonating an officer, hindering or obstructing an officer and wearing or possessing a Sheriff's officer's uniform or using the officer's insignia. These matters have already been mentioned. Of particular note is the enhanced security of the office, which will only serve to promote the standing of officers in the eyes of the community. The bill also gives the Ombudsman jurisdiction, for the first time, to investigate complaints about the conduct of Sheriff's officers. I commend the bill to the House.

**Mr BOB DEBUS** (Blue Mountains—Attorney General, and Minister for the Environment) [10.49 a.m.], in reply: I thank the honourable members representing the electorates of Epping, Liverpool and Miranda for their support for the Sheriff Bill. They have described its purpose and structure sufficiently so it remains for me only to acknowledge again the dedication and effectiveness with which the staff of the Sheriff's Office perform their work. As was acknowledged during the debate, there has been significant recruitment of new staff to the office in more recent times as part of the general upgrading of court security and protection arrangements. When I met a group of young recruits fairly recently I was particularly comforted to learn that one, immediately before his recruitment, had played the role of Action Man at Australia's Wonderland. It gave me great confidence that he would be able to deal satisfactorily with those in the precincts of the court when he was on duty. I commend the bill to the House. This bill and that which preceded it represent together a significant reform in existing arrangements for the proper care and good order of our courts.

**Motion agreed to.**

**Bill read a second time and passed through remaining stages.**

## **STANDARD TIME AMENDMENT (CO-ORDINATED UNIVERSAL TIME) BILL**

### **Second Reading**

**Debate resumed from 23 February.**

**Mr ANDREW TINK** (Epping) [10.31 a.m.]: The Standard Time Amendment (Co-ordinated Universal Time) Bill is apparently necessary because the earth wobbles. As a result, Greenwich Mean Time, which is based on the average time that the earth takes to rotate from noon to noon, is less accurate than the Co-ordinated Universal Time standard, which will replace Greenwich Mean Time through this bill. I understand that Co-ordinated Universal Time is based on a network of some 200 atomic clocks around the world. It is an interesting theoretical question—which I am not capable of answering—to ask: If time was measured originally from noon to noon and all those atomic clocks had to be set at some stage is the wobble inherent in their workings? It is a bit of a chicken-and-egg problem: Where do we begin?

The important point is that the Standing Committee of Attorneys-General has endorsed the change to Co-ordinated Universal Time, which is the international standard. With the increasing sophistication of

instruments, machines, computers and such like, it is important to have universality. We must be part of that so this bill is hardly objectionable. However, I think it is worth spending a couple of minutes marking the passing of Greenwich Mean Time. I am indebted to Alex Mitchell for his article in the *Sun Herald* of 20 February, which also appears on the *Sydney Morning Herald* web site. Australia's links with Greenwich Mean Time are historic and highly relevant both to our foundation and to the navigational methods of Captain Cook and other early explorers.

One assumes that navigation calculations based on Greenwich Mean Time are as important to shipping today—the honourable member for Hawkesbury is the naval expert—as they have ever been, with the possible exception that now global satellite links offer a different way of ascertaining one's position. But satellite navigation is only a very recent development and the question of where one is on the planet is tied up with time zones. A good book was published recently about the finessing of latitude and longitude—one took much longer to finesse than the other and I can never remember which—

**Mr Bob Debus:** Longitude.

**Mr ANDREW TINK:** Thank you. This was eventually achieved when clocks became more accurate. These clocks were placed on ships and taken to sea and used to figure out the notional grid network that was placed across the world and allowed mariners to calculate their positions. The very foundation of European settlement of this country was built on these concepts. In his article Alex Mitchell writes:

The change will end a historical link between Australia and Britain's Royal Observatory at Greenwich, downriver from Central London, which has set the time around the world since 1884 when an international conference held in Washington, DC, adopted the GMT global standard.

The next paragraph is more important, and applies to people such as Captain Cook. It states:

The Greenwich Royal Observatory dates back to 1675 in the reign of Charles II. It sits on Longitude Zero, the prime meridian that marks the starting point of every time zone in the world.

GMT represents the average time that the earth takes to rotate, from noon to noon. Visitors to Greenwich can still watch the red time ball drop at 1 p.m. London time every day, as it has ever since 1883, marking the start of the daily rotation.

Although I do not think Captain Cook was ever schooled formally in science—judging from his achievements he was obviously one of the best scientific students and natural scientists ever to have lived on the planet—I am sure that he would have been the first to adopt the latest technology. He demonstrated that approach throughout his career in seeking to chart his position accurately, in searching for answers as to his location, and in trying to keep his crew healthy by dealing with problems such as scurvy. I am sure that if he were here today he would understand the need to move on. That is the most important point. We must remember the significance of Greenwich Mean Time but, in the spirit of Captain Cook, understand that we must move on to the latest development. I commend the bill to the House.

**Mr JOHN BARTLETT** (Port Stephens) [10.57 a.m.]: I support the Standard Time Amendment (Co-ordinated Universal Time) Bill 2005, which seeks to amend the Standard Time Act 1987 to change standard time from Greenwich Mean Time to Co-ordinated Universal Time. The 1987 Act sets the standard time in New South Wales by reference to the mean time at a designated meridian of longitude east of Greenwich in England. This time scale is known as Greenwich Mean Time. The standard time will be changed to Co-ordinated Universal Time, which is described generally as UTC. This change will come into effect in New South Wales on 1 September 2005 as a result of the decision of the New South Wales Attorney General to proceed with this proposal. Greenwich Mean Time is a solar time scale based on the rotation of the earth whereas UTC is a time scale maintained by a network of more than 200 atomic clocks around the world. As a result of the irregularities in the earth's rotation, UTC is a more consistent and accurate time scale.

Port Stephens is a coastal community. For many years fishermen and sailors have left from the port to sail up and down the coast. We obviously featured in the early exploration of Australia. I recently read a book entitled *Longitude*, by Dava Sobel, published by the Fourth Estate, London. I have the 1998 edition. Dava explains how civilisation placed a lot of imaginary lines on the world, such as the Equator, the ecliptic, the Tropic of Cancer, the Tropic of Capricorn, the Arctic Circle and the prime meridian. The prime meridian that we use today is Greenwich Mean Time and our time zone is determined by reference to Greenwich.

However, it was not always so. Ptolemy adopted a prime meridian, which is zero degrees longitude, off the coast of Africa through the Canary Islands. Later, the prime meridian went through the Cape Verdes Islands,

Rome, Copenhagen, Jerusalem, Pisa, Paris and Philadelphia before settling on London as the Greenwich Meridian Time [GMT]. As the world turns, any line from Pole to Pole can serve as the starting point. The placement of the prime meridian is purely a political decision. Finding longitude at sea was a huge problem in the fifteenth, sixteenth and seventeenth centuries. Sailors and navigators relied on dead reckoning, trying to gauge their location east or west of a given point. Sailors gauged latitude, the parallel lines going north and south, by the length of the day, the height of the sun and known guide stars on the horizon. The measurement of longitude, however, is tempered by time. To gauge longitude at sea, one needs to know not only what time it is aboard ship but also in one's home port at the very same moment. Thus, it is called "two clock time".

The Earth rotates 360 degrees every 24 hours. Therefore, one hour equals one twenty-fourth, or 15 degrees. One degree equals four minutes the world over. The 15 degrees also equates to distance travelled. At the Equator, where the earth span is at its greatest, 15 degrees equals 1,000 miles, or one degree equals 68 miles. At the Poles one degree equals zero miles. Precise knowledge of the time at two different places at once, which is easier to gauge today, was a huge problem historically and for many centuries was unattainable. In the past, clocks could gain or lose time because of changes in temperature, the viscosity of lubricating oil, and the expansion and contraction of a clock's metal parts. In the age of exploration most ships from Spain, Portugal, The Netherlands and the United Kingdom, during that nation's great maritime period, constantly got lost.

On 27 October 1707 four British warships ran aground on the Isles of Scilly and 2,000 lives were lost. They had sailed for 12 days in fog and could not gauge the longitude. They had no way of knowing where they were. Following that shipwreck, sailors and ship owners petitioned the British Parliament to find a way to measure longitude. The British Parliament took note of the petition, passed the Longitude Act of 1714, and offered a prize to anyone who came up with a practical and useful means of determining longitude. Today that prize would be worth several million dollars. It is interesting to note that the British Parliament offered a third prize to anyone who could get the measurement within one degree, which on the Equator equals 68 miles. There are a lot of rocks in 68 miles. That shows the difficulty of the task—one degree was good enough. So, it was still a fairly haphazard way to measure longitude.

English clockmaker John Harrison invented a clock that could tell the true time from the home port to any remote corner of the world. He created a friction-free, rust-proof clock that did not need lubrication or cleaning. He deleted the pendulum from the mechanics of the clock. So, regardless of the pitch and toss of the ship, sailors could have a two time clock—the time at the home port and the time on the ship.

I reluctantly support this bill. As a child I spent many years learning by rote the denomination of money in farthings, halfpennies, shillings, sixpences, florins and pounds; weights and measures in ounces, pounds, quarts and pints; and distances in yards, furlongs and miles. We now have changed to decimal currency and metric measures. However, when I worked at the Williamtown RAAF base I had to revert to feet and inches because the Hornet aircraft, one of the major fighter aircraft in the world, is based on imperial measurements as the Americans have not gone down the metric track. Recently when a colleague from the Hunter Area Health Service used the expression "turn on a sixpence" he had to explain what a sixpence was. Before I even finish my working life Greenwich Mean Time has gone into the category of out-of-date language, and it is with some historical regret that I support the bill.

**Mr BARRY COLLIER** (Miranda) [11.05 p.m.]: The Standard Time Amendment (Co-ordinated Universal Time) Bill amends the New South Wales Standard Time Act to replace references to Greenwich Mean Time [GMT] with Co-ordinated Universal Time. Co-ordinated Universal Time has replaced GMT as the international time standard. Time is now measured by satellite and, I am advised, is based on atomic time that is precise to a nanosecond. GMT will no longer play an official role. This change has also been adopted by the English, who in 1882 fought with the French to adopt GMT as the standard reference point for time throughout the world.

Greenwich Mean Time adopts as its reference the mean solar day, which is the average time the Earth takes to rotate on its axis from noon to noon. It is measured from the prime meridian of longitude, which runs through the Royal Observatory in Greenwich, England. Scientists and technologists have recognised the considerable drawbacks of measuring time based on the erratic motion of the Earth—which was referred to by a previous speaker as the wobble—the rate of which fluctuates by a few thousandths of a second every day.

I lament the end of the use of Greenwich Mean Time, or GMT. Anyone who has read the magnificent book, as I have, by Dava Sobel entitled *Longitude*, or has watched the DVD by the same name, would lament its passing. *Longitude* is a story about the quest in the eighteenth century to measure longitude. Whether we want to

admit it or not, until longitude could be measured accurately, sailors throughout the great ages of exploration were literally lost at sea. So great was the problem that the British Parliament offered a reward of £20,000 to anyone who could solve the problem of longitude so that people could forecast with precision where on the Earth's surface they were at any given time, particularly in the ocean.

John Harrison, a Yorkshire clockmaker, developed and perfected a sea clock, which enabled mariners to accurately measure longitude and find out where they were on the globe. However, it took 40 years for him to receive the recognition he richly deserved and be given his £20,000 by the British Parliament. The accuracy of Harrison's clock was vindicated by Lieutenant James Cook in 1775 on his return to England after his second voyage. The log of HMS *Resolution* refers to "our never failing guide, the clock". He was referring to Harrison's clock.

Why do I mention longitude? I do so because time is longitude and longitude is time. The prime meridian, or zero degree longitude, runs through Greenwich, and time zones throughout the world are measured from that point. I was a former high school teacher. When a year 9 student asked, "What time is the FA Cup final on?", I would say, "Let's work it out by measuring the time difference between London and Sydney." If you take 360 degrees, the measurement of a circle, and divide that by 24 you have the number of degrees per hour. So it is 15 degrees every hour east or west, as the Earth rotates. If you move 15 degrees to the east you go forward an hour; if you move 15 degrees to the west you go back an hour.

The students could work out that if Sydney is 151 degrees east longitude we were 10 hours ahead of London, England, which is zero degrees Greenwich Mean Time. They could then work out when the FA Cup final would be televised. It was a very simple technique to teach time. I lament the passing of this method of teaching students how to work out longitude. It was also easy for the kids to figure out the location of the International Date Line, for example—180 degrees east or west. They could work out why Magellan got it wrong. Magellan thought he was coming home on a Thursday when it was in fact Friday. He got it wrong because he did not take into account the International Date Line, because it had not been devised at that stage.

Perhaps I am a bit old-fashioned, but I am really sorry to see the end of Greenwich mean time both as a concept from my teaching days and historically. However, we must move forward. The story of Harrison has been relegated to history. I would encourage honourable members to pick up the book entitled, "Longitude" or to have a look at the DVD to see how important the study of longitude and the accurate measurement of longitude and time was to the great explorers and great navigators, including our own Lieutenant James Cook. It is with a great deal of regret and a measure of reluctance that I support the bill.

**Mr BOB DEBUS** (Blue Mountains—Attorney General, and Minister for the Environment) [11.10 a.m.], in reply: The bill has prompted entirely unusual responses from honourable members who have spoken in the debate. I thank them, especially for the nostalgia at the passing of Greenwich Mean Time, which I confess I share. I acknowledge the past experiences of the honourable member for Miranda as a teacher of geography and those of the honourable member for Port Stephens as a flight lieutenant in the RAAF. We can maintain a particular interest in the history of these matters because it is true that one of the reasons we are all here is that Captain James Cook was sailing about the Southern Hemisphere, testing that famous chronometer, the first navigator to be in that part of the world who was not actually lost almost all of the time. However, I am in danger of falling into the habit of previous speakers. I do not intend to pursue that line of argument any longer, I simply lament the imminent passing of Greenwich Mean Time and commend the bill to the House.

**Motion agreed to.**

**Bill read a second time and passed through remaining stages.**

## **NOXIOUS WEEDS AMENDMENT BILL**

### **Second Reading**

**Debate resumed from 23 February.**

**Mr THOMAS GEORGE** (Lismore) [11.12 a.m.]: I am pleased to speak to the Noxious Weeds Amendment Bill, which, as the Leader of the Nationals said, the Opposition will not oppose. The Leader of the Nationals referred to the fact that the Co-operative Research Centre for Australian Weeds Management has reported that weeds cost Australia in excess of \$4 billion annually, with the cost to New South Wales alone

estimated at \$600 million. The Leader of the Nationals also voiced concerns raised by the Local Government and Shires Association in relation to consultation by the Government on the bill. In that association's view the consultation was somewhat rushed and, to a degree, 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. The Opposition is concerned that some aspects of the bill represent yet another of the Government's cost-shifting exercises.

I want to refer briefly to a number of aspects of the bill. The legislation rationalises the definition and classification of noxious weeds from the existing 13 categories into the following five categories: first, the weeds prohibited at a State level—which are expected to be between six and eight; second, the weeds prohibited at a regional level, that is, those weeds whose spread is limited climatically; third, weeds that are controllable at the regional level, and are not widely distributed within that region; fourth, locally controlled weeds in respect of which decisions can be made at the local level regarding control measures; and fifth, 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. In addition, noxious weeds control orders must be reviewed at the end of every five years to ensure they remain current.

The bill also allows for greater consultation during the formulation of noxious weed control orders, other than emergency weed control orders. In his second reading speech the Minister said that, "a concerted effort is needed from all stakeholders". I point out to the House that the Government is itself a stakeholder, and the contribution of \$20,000 to the Far North Coast Weeds for control of weeds on vacant Crown lands within the Far North Coast Weeds district is totally inadequate and represents a failure of the Government's stakeholder responsibility. Proposed section 7 provides for weed control orders. The term for orders is to be five years, implying a review of all weed control orders for specified plants. I have a number of questions for the Minister that I hope he will respond to in his reply. Who is responsible for the conduct of these reviews and for the cost of them? From what source will the funds be drawn?

Proposed section 8 provides weed control classes. The change of classes appears to broaden the range of weed identification, which will require additional explanation to landowners. As I understand it, the legislation does not appear to clarify the control measures to be used. Although proposed sections 33 and 36 identify control functions, they leave open the control method. The Minister's second reading speech emphasised the inflexibility of existing methods creating a large degree of uncertainty, but made no reference to potentially substantial cost increases. Proposed section 9 provides for public consultation procedures. The concept of broader consultation by the Minister is good, provided increased costs are financed by additional funding and not by a reduction in funds for on-ground works. I would appreciate it if the Minister could also address that aspect in his reply.

Proposed section 17A deals with obligations to control aquatic weeds. Subsection (7) provides for increased control responsibility for local control authorities, which, of course, will require additional funding. In my local area on the Far North Coast we have a horrific problem with water hyacinth, water lettuce and alligator weed. It is certainly going to require additional funding. Proposed section 18A provides for issuing weed control notices. In this regard additional notification, particularly written notification, will result in increased operational costs and control periods. This could result in the expansion of some weeds where seed is set and delivered between the point at which identification is made and actual control, and also through reduction in inspection coverage.

Landowners on the Far North Coast are also concerned about a lack of funding, or inadequate funding, for problems relating to camphor laurel, red lantana, Parramatta grass, and joint rat's tail grass. Every time these issues are raised, landowners approach Far North Coast Weeds, and there continues to be a major problem with funding. As I said, we are concerned that some aspects of the bill represent another example of cost-shifting on the part of the Government.

The bill allows the taking of emergency action to control noxious weeds. The bill provides that local control authorities must collect and record information regarding the presence and extent of noxious weed infestations, and must prepare reports about weed-related matters. I have asked the Minister to elaborate on that matter. As indicated, the Opposition will not oppose the bill, which widens the scope of weeds grants to include education and some types of research. Again I place on record my concern about a continuous lack of funding for the control of weeds, especially in the Far North Coast Weeds area. Another issue that has been raised with me by Far North Coast County Weeds is that often it is well and truly into the financial year before it receives advice of the announcement of weed funding for that year. The concern is that any shortfall in funding could create financial problems or a shortfall for the year.

**Mr GEOFF CORRIGAN** (Camden) [11.22 a.m.]: I am pleased to support the Noxious Weeds Amendment Bill, which represents a significant step forward in noxious weed management in New South Wales. Given the enormous potential cost to the State of new virulent weeds, it is vital that arrangements for rapid responses to noxious weed outbreaks are in place to ensure that weeds do not become established and spread further. Importantly in this regard, the bill makes provision for local control authorities to carry out emergency treatment of new weeds when necessary. This will be achieved via emergency weed control orders. Where an emergency situation exists, local control authorities will be able to issue emergency weed control orders. This will provide local control authorities with certain powers to allow them to take necessary rapid action to control the given weed. Such action may be necessary to deal with weeds that pose a particularly high risk to human or livestock health, or weeds that, if allowed to proliferate, would impose significant control costs on the community.

Procedures will be put in place to ensure that emergency orders are not issued, and to ensure that the power is not abused. The local control authority will be required to issue notice of the emergency weed control order to the owner or occupier of the land where the weed is present. Only where the owner or occupier is in default of the notice will the local control authority be able to enter the property and control the weed.

The bill provides, for the first time, flexibility in noxious weed management methods that can accommodate the special needs of quality assurance programs, such as those dealing with chemical residues and organic producers. During the public consultation phase of making an order, organic producers will be able to propose alternative weed control methods. This means that effective control measures that meet the objects of the legislation and the needs of those participating in quality assurance programs can be included in the order. However, land managers will still be required to fulfil their obligations under the legislation and the orders. The control techniques will need to be both effective and proven, and those seeking to use the techniques will need to be actively involved in the quality assurance programs.

The bill is consistent with the nine core principles of State and Territory weeds legislation as listed by the Australian Weeds Committee. Those principles have been determined as being necessary to ensure a consistent approach to weed management across Australia. The bill also recognises the cautionary principle, in that it provides for declaration of weeds that are not yet in New South Wales. This is a significant change to the principal Act. The bill allows plans to be brought into the scope of the legislation, and recognises restrictions to meet national weed management objectives. It is flexible, and so allows for appropriate orders to be developed to enable the management of weeds. The bill will clearly provide for better management of noxious weeds in New South Wales, and I commend it to the House.

**DARYL MAGUIRE** (Wagga Wagga) [11.25 a.m.]: The cost of controlling weeds for our agricultural industries alone is in excess of \$4 billion each year nationwide, not including the impact on biodiversity, landscapes, tourism, water resources, and other industries. This cost is equivalent to building 1,000 new primary schools, more than 400 district hospitals, or 1,500 new nursing homes every year. At least 23 common weeds present a serious respiratory or toxic risk to humans, especially children. Sixty-five per cent of our environmental weeds originated in parks and home gardens. Just six of our worst invasive weeds have degraded over 20 million hectares of natural ecosystems and grazing lands. Weeds are a major threat to biodiversity in Australia. They have been implicated in the extinction of at least four native plant species and are known to be adding pressure to a further 57 now under threat. Weeds injure and poison animals. Clearly, therefore, weed control relates not only to rural communities but to all communities.

Recently I received a beautifully crafted handbook on noxious weeds that I am happy to lay on the table for members' edification. The handbook, which was presented by the Minister for Primary Industries, was designed specifically for local government. In 1999 or 2000, at about the time I became a member of this place, I launched a weeds control promotion. At that time the funding for weed control in New South Wales was about \$6.2 million. I am advised that the current funding for weed control is about \$7 million.

In 1999-2000 the control of noxious weeds was high on the agenda in rural electorates, as it is today. But the complaint in 1999-2000 was that the funding that was being put forward by the State Government for the control of noxious weeds was by far inadequate, given the size of the problem as demonstrated by the statistics I have referred to. The increase in funding has only kept pace with inflation. Indeed, the amount of funding that the State Government has put forward over the years is seriously deficient.

There are many references in the handbook to councils and public authorities being required to control noxious weeds in their areas. There are several references to the fact that public authorities are responsible for

the control of noxious weeds on land under their control, and there is also reference to private landholders' responsibilities. I agree that we all have a responsibility for the control of noxious weeds, but from my observations in the electorate of Wagga Wagga, clearly the focus has been on private landholders rather than on public administrators. The electorate of Wagga Wagga has a variety of weeds. I rang the local co-operative to ensure that the information I am providing the House today is correct.

I will run through the list for the record: African boxthorn, Bathurst burr, noogoora, black willow, blackberry, blue heliotrope, broomrape, cape tulips, dodder, horehound, Paterson's curse, prickly pear, Scotch thistles, silverleaf nightshade, spiny burrgrass, St Barnaby's thistle, St John's wort and willows. They are only a few of the many weeds that infest not only private landholdings but also public landholdings. The bill makes reference to the obligation of public authorities to control noxious weeds on their land in these terms:

A public authority must provide information as to the name and contact details of an occupier of land owned by the public authority to the relevant control authority, if the land is subject to a weed control order.

I have a problem with this because thousands and thousands of hectares are not under private control; they are under public control. I challenge the Minister for Agriculture or any one of the members of the Government, even the honourable member for Liverpool, who is in the chair, to visit one of those landholdings. They will identify weeds that are regarded as noxious and they will have to question that control has been implemented by the public authority. The bill will certainly encourage me, as the local member, to encourage private landholders to contact the control authority, the local council, to ensure that there is a follow-up by the control authority on the public holdings.

I say that for this reason. Weeds cost vital productive dollars and landholders often manage their weeds under a program, as is suggested in the booklet I have, as they should do in the responsible management of the land that they depend upon to generate income. The land adjoining their properties is often public land such as a Crown road reserve, a rail easement or another easement of some description. I can tell the House from experience that the weeds that proliferate along railway lines and along road reserves are too numerous to mention. Controlling these weeds is like extracting teeth. It is one of the most difficult processes for Mr and Mrs Average, or the average Johnny.

Reserves adjoin my property and I have always received a good response from the control authority. But that is probably because I have got a couple of initials after my name and I am not the average Joe Blow who has to experience the problems created by St John's wort, for example. The seeds of St John's wort are transferred by wind and infestations occur at a great rate. Along the sides of roadsides and in public land that adjoins private landholdings, the problem is of epidemic proportions. The change in the structure of the committee that manages weeds focused on one particular type of weed or several different types, and there is a program in place to eradicate those weeds in the region. Although that is happening, all of the weeds I have mentioned—and others—are still proliferating and creating worse problems.

This legislation is a green light for private landholders to highlight the deficiencies in those who control public landholdings—whether it State Forests, the rail reserve management infrastructure or the local county council. It is a green light to do them in, so to speak, to report them to the control authorities and insist that the weeds be dealt with and brought under reasonable control. Crown road reserves have been highlighted in this place in the past week. The new policy that requires landholders to lease Crown road reserves under exorbitant lease arrangements in a time of drought—it is a tough time generally for those on the land—will not only impact on rural communities, it will also impact on city people who need Crown road reserves to access their properties.

Landholders will be forced to pay increased rates for land that is often unimproved and in a native state. Those landholders have managed the land, they have often fenced it out and they have controlled weeds and vermin. They have been offered the opportunity to pay lease fees, buy the properties or have them surveyed, at an average cost of about \$1,700, and have them fenced out, if the landholder is serious about controlling weeds. In the mountainous terrain of Tumbarumba or Holbrook landholders will say, "Blow this! I have looked after this property, I have managed the weeds, I have controlled the feral animals, I am not going to pay the exorbitant rents you are charging. I will fence off this piece of land and leave it".

Blackberries, feral animals and all of the problems associated with unmanaged land will accumulate, basically in islands. Those islands could be in the middle of several farms or they could be in the middle of the city. Then there is the matter of controllers having to access the property. I understand that is provided for, but will it happen? I do not believe it will. Landholders will be penalised under the new tax implemented by the

Minister or they will be offered the alternative of buying the properties. Often they are only two or three hectares in size, but the values placed on the properties are unrealistic and unaffordable. Often the landholder will take the cheap option: pay the survey fees, fence it out and say, "It's your land, you manage it". That land is now being managed, the weeds are being controlled and sprayed regularly and the environment is being cared for. That will be the outcome, but it will take a number of years; it will not happen tomorrow. [*Extension of time agreed to.*]

The reason I have digressed slightly is to explain why this issue affects all people in New South Wales. As a result of the policy that has been put in this place, islands are being created in the middle of prime agricultural land that has been managed for years and years. The policy is aggressive. It gives landholders a choice, and they will make that choice. Their choice will be to fence it off and say, "Bugger you, Jack, you look after it". Who will do that? Who will make sure all of that happens, because there are thousands and thousands of these reserves.

**Mr John Price:** Unparliamentary!

**Mr DARYL MAGUIRE:** One of the members opposite interjected that the language was unparliamentary. I thought my language was very polite compared with the language that has been used in telephone calls to my office, in faxes and in numerous letters that have been rolling in relating to landholders' concerns about the new tax and the choices they have been given. Ultimately, that will impact on the management of weeds in this State and on feral animals. What about the State forests? The legislation clearly indicates private and public landholders have responsibilities. Whilst I have focused on those public authorities that control land, such as State Rail and the Roads and Traffic Authority, let me turn for a moment to privately owned forests and State forests.

The forestry industry is important to New South Wales and, indeed, the whole of Australia. It is the economic generator of the highlands, Tumbarumba, Holbrook, Tumut and Batlow, which are soon to be included in my electorate. Communities depend on the timber industry and integrated with that is the farming community, which needs good management of feral animals and weeds to survive. It costs thousands of dollars to spray weeds. My property is only a small but on just one weekend the chemicals to control the weeds cost me \$300. For farmers serious about controlling weeds and ensuring their properties are up to the best standards, as many are, the cost is enormous.

What allowance has been made for public authorities to control weeds? What are their budgets to spray rail lines and the new Crown reserves they will inherit, whether they like it or not, because of the false economies that have been imposed by Treasury on landholders through Crown road reserves alone? What provision has been made to ensure that people have the machinery and skills to spray and control these weeds in the new Crown reserves that previously were leased and which landholders will now choose to fence off and return to the Crown? I ask the Minister to address that in reply because many public authorities have control over thousands and thousands of acres of land in this State and slowly but surely they are about to acquire more. What provisions have been made to ensure that this problem does not escalate? I believe it will, through default and this draconian regime, which, in effect, is a backdoor tax and a regressive step, imposed without consultation. There is much more I would like to say but, in summary, I commend the Noxious Weed Handbook to all honourable members. It is informative, although it does not say much about the expectation of public authorities for funding. Nevertheless, it states:

Councils are required to fund and implement their responsibilities under the Noxious Weed Act of 1993.

What are the Government's responsibilities with regards to funding? When will it address the deficiency that has been identified for many years in noxious weed funding so that this bill, which the Opposition does not oppose, will be effective? What funds will be provided to authorities to ensure that Crown road reserves are adequately funded to get the problem under control once and for all? That is a fair and reasonable question. The Government should rise to the challenge of adequately funding the public authorities under its control, in the same way that it expects private landowners to comply with requirements to eradicate weeds. If it does not do so, the bill will be superfluous. I thank the House for its indulgence.

**Mr JOHN PRICE** (Maitland) [11.43 a.m.]: I support the Noxious Weeds Amendment Bill. I agree with many of the comments of the honourable member for Wagga Wagga. As to government action or inaction with respect to financing weed eradication throughout the State, over the years governments of both persuasions have not adequately understood the impact of weeds on our agricultural community and, in some cases, on our normal lifestyle.



**Mr Michael Richardson:** Point of order: The honourable member for Maitland spoke in debate on this bill on 19 November 2004. He spoke at some length about problems in his electorate, and referred to an alligator weed control board.

**Mr ACTING-SPEAKER (Mr Paul Lynch):** I will take advice from the Clerks on this matter.

**Mr John Price:** Point of clarification: I spoke at that time but I understood I was speaking to amendments to the bill. If that is not so, the honourable member for The Hills is quite correct.

**Mr ACTING-SPEAKER (Mr Paul Lynch):** Order! The Clerks have advised me that the honourable member for Maitland should not continue.

**Mr MICHAEL RICHARDSON (The Hills) [11.45 a.m.]:** The Noxious Weeds Amendment Bill is an improvement on the current 1993 Act, which had its genesis in the 1950s, when spraying with chemicals and grubbing out with a hoe were the most common ways of eliminating weeds. I understand that spraying with chemicals and grubbing out with a hoe are still the most common ways to eliminate weeds among cotton. When I was at university in the 1960s I went to Wee Waa during the summer vacation to chip cotton with a hoe. It was a long, hot and backbreaking job, 12 hours a day, seven days a week, but is well paid because of all the hours put in. I understand that cotton chipping still takes place because many weeds cannot be dealt with through chemical means. Weeds had to be eliminated to ensure that they did not compete with the cotton for nutrients. That economic imperative still exists today, more than 35 years later. There is also an environmental imperative, although much of the debate so far has been about farmers.

The bill does not cover merely private land. It also covers public land, where weeds may supplant native species and form virtually the entire understorey, particularly along watercourses. That includes the more than six million hectares of national parks. Weeds pose a real threat to biodiversity, but so too does the inappropriate use of herbicides on both private and public land. I am pleased to say that the bill provides for a greater degree of flexibility, such as biological control and revegetation, which, from an environmental standpoint, is a step in the right direction.

New section 13 reiterates the obligations of public authorities to control noxious weeds. In that regard I wonder about the obligation of the National Park and Wildlife Service and whether it has ever been issued with a weed control notice. Many landowners with properties that abut national parks would like to know exactly what the National Park And Wildlife Service is doing about weed control and whether it faces the same strictures and penalties faced by landowners should the service not comply with the law. I shall quote a speech made by the current Minister for Primary Industries, the Hon. Ian Macdonald, on 20 April 1993 in debate on the predecessor to this bill. He said:

In recent times I visited a number of national parks along the North Coast of New South Wales, as well as State forests and Forestry Commission areas. One of the things that struck me was the proliferation of the number of major noxious weeds in those areas. It disturbs me that some of the most beautiful areas of the Coffs Harbour region leading down to the wild rivers around Dorrigo were covered in lantana and wild tobacco ...

On the South Coast blackberry, fireweed and cotton weed are abundant. They are particularly prevalent on Crown land and in areas controlled by the National Park And Wildlife Service and the Forestry Commission ... it is incumbent upon the Minister to start on a plan of action that will get rid of these noxious weeds and other noxious weeds from some of the most beautiful areas of the State ...

In the long run public authorities will be able to take steps to get rid of noxious weeds only if they have the financial backing and resources to do so...

Where there is proliferation of noxious weeds all the talk in the world and all the legislation and improvement to legislation will mean nothing unless the State is prepared to tell the National Parks and Wildlife Service, the Forestry Commission and other authorities that they must take action. The Government must provide the funds and resources for them to carry out those plans.

The more things change, the more they stay the same. We have heard in this debate, particularly from the honourable member for Wagga Wagga, that these are real issues today, after 10 years of Labor Government. I am delighted to know that the Hon. Ian Macdonald has this real, long-held concern about noxious weeds. I understand that he is a farmer. The evidence I have seen with my own eyes and the information that is coming back to me suggest that the situation has not improved after 10 years of this Government.

As the honourable member for Wagga Wagga said, unless adequate resources are provided to the various authorities, things will not get better, regardless of what legislation we pass in this place. The bill clearly differentiates between land weeds and aquatic weeds, which again is a step in the right direction. They are

different. It is impossible for a landowner to control aquatic weeds on a tidal river or, indeed, on any sort of fast-flowing river. A landowner could spend \$20,000 to clear the weeds from the water outside his property, wake up the next morning, come back and find that the weeds are just as bad the next day. Object (g) of the Act is "to enable occupiers of land to be exempted from obligations under the Principal Act to control aquatic weeds and to confer those obligations on local councils and other bodies that are local control authorities".

Section 17A of the bill essentially maintains the status quo, that is, it obliges occupiers of land adjacent to rivers to clean up aquatic weeds on the river. That is a particular problem with the Hawkesbury River because, as I mentioned before, it has tidal ebb and flow. Also, a substantial volume of water flows down the river. Section 17A (4) also allows a local control authority to exempt the whole or part of a watercourse from the obligation on the occupiers of the land to clean up the river "if in its opinion the depth or width of watercourse is such that it would be unreasonable to apply the provisions concerned". That is certainly reasonable in the case of a large and fast-flowing river, such as the Hunter for example.

Under the legislation, the Director General of Primary Industries can take action in the form of a weed control order if the local control authority does not act. The difficulty is that at the moment those various control authorities recover a considerable amount of the money they need to control aquatic weed infestations from neighbouring landowners. If they cannot get the money from the neighbouring landowner, where do they get the money? It falls back on them to fund the entire operation, perhaps with the benefit of some government grants. What we are talking about is more cost shifting to local councils.

In 2003 the Carr Government provided Hawkesbury River County Council with funding of only \$11,000 to deal with salvinia and \$135,000 for aquatic weeds of all types. The major funding went to alligator weed, which received a bucket of \$89,000, and water hyacinth, which got \$24,000. Each bucket of money provided by the Government can only be used to control a specific type of weed. So there were woefully inadequate resources available to deal with the salvinia infestation, which reached its zenith in the first half of last year, and that was through no fault of the Hawkesbury River County Council.

The Carr Government was warned about the aquatic weed infestation in the Hawkesbury River in March 1999, when it was the size of a tennis court. In fact, the Minister's office was not notified; the Premier's office was notified. Yet last April the Hon. Ian Macdonald claimed on radio that the first he knew of the problem was when it surfaced in the media after I had done a stand-up interview with Channel 9 at Wilberforce Butterfly farm. That is clearly not the case. The Government was notified about this problem in March 1999 and did nothing. And because the Government did nothing, it ended up costing hundreds of thousands of dollars to deal with the problem. Of course, there were severe economic consequences for waterski park operators and caravan park operators along the river.

Interestingly, Mr Macdonald's department has a fully staffed office at Windsor right by the river, but he was not notified of the problem. Were his staff blind? They could not have ignored a 70-kilometre long carpet of green on the Hawkesbury River. Neglect by the Government meant that the original tennis court size outbreak ended up being 70 kilometres long and so thick that one could almost walk across the river. It took a commitment of \$300,000 by the Prime Minister to force the Carr Government to take action, and even then it could not get it right.

The Government leased two harvesters at a combined cost of \$3,600 a day or \$80,000 a week, with the contractors being paid regardless of how much salvinia they cut. The machines were so small that they could not even get across the river and back again before they were full. One of the harvesters had been rejected by Penrith City Council before the Olympics because it was so inefficient—not that that has ever deterred the Government. The smaller harvester was designed for use with water hyacinth—the salvinia weighed more—and the harvester overturned early in the piece, spilling its load back into the river. The Government eventually had to hire another harvester to get the job done.

Hawkesbury River County Council should own its own harvester so that it can tackle these small infestations before they take over the river. That is what is needed on the Hawkesbury. For the rest of the time the harvester can be used to clean up alligator weed and egeria densa, which is an underwater weed. Because of that it has not aroused as much intense media and public interest as salvinia. However, it is a major problem for the Hawkesbury, and the only way to deal with it is to harvest it in some way. The Commonwealth and State governments eventually spent \$1.1 million cleaning up the salvinia infestation. That is way beyond a single county council's resources. However, if Hawkesbury River County Council was given its own harvester—the cost of that could be up to \$800,000—the governments will never need to spend that sort of money again. The

operating costs would also need to be covered in some way by the Government, and that is about \$140,000 a year. That is a modest cost for keeping one of our most important rivers weed free.

The only alternative to this proposal is large-scale spraying, which has environmental consequences. The matter of resources is at the core of the Government's concerns about this bill, as indeed it was in 1993 when the Hon. Ian Macdonald contributed to the debate on the predecessor to it. It is one thing to legislate for weeds to be controlled; it is another to pay for weeds to be controlled. The Government is missing some golden opportunities to do just that and to be pro-active in the area of controlling weeds. For example, Kosciuszko National Park is full of blackberries and serrated tussock. The Carr Government could trial a scheme under which registered horse riders would be allowed to conduct weed patrols in the park. They could pinpoint the location of the weeds for the rangers so the rangers can go in there subsequently and spray them or cut them out.

Both the Snowy Mountains Horse Riders Association and the Bush Users Group are keen to assist. They could be granted a permit to enter areas that are currently off-limits to them and either physically remove the weeds or identify their locations so that rangers can go in later and remove them. Such a trial should not be seen as a stepping stone to opening up the entire park to horse riders. The primary goal would be to help with the conservation of the park, and that is consistent with section 9 of the Wilderness Act. They would be helping to restore the unmodified nature of the wilderness parts of the park. Many local families have been riding the mountains for more than 100 years; they have a knowledge of the high country that is second to none.

Of course, riders participating in such a program would have to abide by a strict code, including sticking to a route approved beforehand by the National Parks and Wildlife Service; no overnight tethering to trees; feeding horses only on approved feed from at least 72 hours before entering the park—that is necessary to ensure that they do not spread weeds through the park; limiting each group to eight horses; making sure that no horses escape; and spreading out in untracked country, rather than riding in single file, to minimise impacts. I encourage the Government to at least trial the suggestion. It has nothing to lose from it and everything to gain.

I note that during his contribution the honourable member for Monaro was silent on the subject of weeds in Kosciuszko National Park, despite the fact that the park makes up a large proportion of his electorate. He spent a lot of time sniping at members on this side of the House. I would like to see him spend more time looking after his own backyard and the real problems that exist in his electorate, rather than taking what I regard as an unhealthy interest in what is happening on this side of the Chamber.

**Mr IAN ARMSTRONG** (Lachlan) [12.00 p.m.]: I support the comments of the honourable member for The Hills about access to the Snowy Mountains, particularly for horses. When the Government cleans up its own problems in the mountains, such as blackberries, briar and Bathurst burr, it can start to talk about horses and the introduction of new weeds. In the meantime, it is not hard to manage weeds or anything else that might pass through a horse. A horse is a herbivorous animal. It has approximately a 15-hour cycle, so if it is yarded for 15 hours, any fodder, including weeds, will pass through the horse and the horse will be clean from then on.

The honourable member for The Hills said that the various amateur riding associations and professional riding schools that operate in the mountains are conversant with the mountains, understand their topography and character, and are aware of the location of natural weeds and vegetation. They would be among the best informed people to identify new or existing infestations of weeds, such as blackberries and briar. One does not have to be smart to identify blackberries in the mountains. Anyone driving east above Tumut will be driving through corridors of blackberries. The challenge to the Government is to look after its own backyard before it starts hurling stones into somebody else's.

I want to talk about some other government land. The Wyangala State Recreation Area is approximately 2,000 hectares. In spring it is golden in colour. As the winds eddy up the hills one can see golden waves wafting across yon hills—it is a sea of St. John's Wort! The seeds no doubt could wash down to the dam and cause infestations that could run the full length of the Lachlan, or particularly the first 50 kilometres or so. Landholders are fighting an unending battle to keep St. John's Wort out of their country because it thrives in a natural nursery owned by the Government, which does nothing of any consequence to eradicate the weed or manage it responsibly. The bill outlines the responsibilities of landholders in general, whether private or public. I hope the Government enforces the provisions of the legislation by cleaning up its own backyard. I look forward next year to the eradication of St. John's Wort in the Wyangala State Recreation Area, which will solve a lot of problems downriver.

In recent years there has been a lot of publicity about the amount of land clearing in Australia and especially in Queensland and New South Wales. When a landholder in the Western Division clears woody

weeds such as turpentine, that activity appears on the satellite imagery as vegetation clearing. It is vegetation clearing, but what is being cleared is a noxious weed which, if not controlled, will take over much of the Western Division. What is needed is a far clearer definition of farmers' responsibilities to contain weeds such as turpentine. That would lessen the oppression felt by farmers, who are landholders and care as much as anyone for the land, where they have invested their capital.

We need greater clarity about land clearing and the proper management of weeds in the Western Division. Weeds in the Western Division must be managed—the law says so. Landholders have to manage weeds, yet if they clear the weeds and the satellite takes a photograph—which it will do regularly, and so it should—it will appear that they have been clearing vegetation, and the amount of vegetation recorded as cleared in the Western division will rise. That is unfair. It is bad management and bad government administration of an endemic problem that was not caused by the current landholders.

**Mr Barry O'Farrell:** The Government closes rail lines and will not maintain them.

**Mr IAN ARMSTRONG:** It certainly does. Yesterday, the Minister for Transport announced a number of upgrades and improvements in the New South Wales rail system, most of which were in the last budget. He failed to recognise the 13 branch lines that operate west of the Newell Highway—branch lines such as from Barmedman to Rankin Springs, from Ungarie to Lake Cargelligo, from Burcher to West Wyalong, and from Grenfell to Greenethorpe. He did not acknowledge those at all and made no mention of how he is going to meet his responsibility to keep the weeds out of those now unused branch lines. If he said that the Government intends to abandon those lines and leave them to adjoining landholders, we would know where we were. He did not say that at all.

**Mr Tony Stewart:** Point of order: We are debating the Noxious Weeds Amendment Bill. It has little to do with State Rail, and I ask that the honourable member return to the substance of the debate.

**Madam ACTING-SPEAKER (Ms Marie Andrews):** Order! I remind the honourable member for Lachlan that the House is debating the Noxious Weeds Amendment Bill.

**Mr IAN ARMSTRONG:** I appreciate the point of order and will address it clearly. There is no doubt that public roads and public rail lines are some of the greatest conveyors of weeds in the State. The Government is one of the largest landholders in the State and therefore has prime responsibility for weed eradication. It is up to the Government to determine how it is going to manage weeds on its lands, and particularly so when it vacates public lands. Branch lines are being abandoned by the State Government. Next spring I am happy to take the honourable member to the line between Cowra and Harden and ask him how he is going to manage his St. John's Wort, or his blackberries, particularly at Crowther, where this year they could have been harvested. The community shares many problems, but the Government has a primary responsibility.

We have been enduring a drought, but after the rainstorms that have occurred in many parts of the State there has been an almost unprecedented eruption of weeds. Two weeks ago up to 100 millimetres fell in the Cowra-Canowindra-Orange region. The eruption of a weed commonly known as cat head has been extraordinary. I have never seen anything like it in that district. In some cases, in a 50-hectare paddock there are 45 hectares of pure cat head. It has a small hard thorn on it that will go through the bottom of tennis shoes. No dogs or soft-footed animals can be put in it, and if it is allowed to seed it is extremely difficult to eradicate. The seed will lie dormant for up to seven years, so the experts tell us.

I seek recognition of unprecedented weed infestations on many lands across the State this year because of the unprecedented harshness of the seasons. The Government should recognise that fact by assisting farmers, as well as local government, to control these new infestations, which no-one could have foreseen a few years ago. I hope it is a one-off phenomenon, but unless it is controlled, unless it is sprayed now—we will probably have to spray three times this year to control it—we will have a major problem that will plague public and private land for many years to come.

**Mr ANDREW FRASER** (Coffs Harbour) [12.09 p.m.]: In speaking to the Noxious Weeds Amendment Bill, I first refer to a comment about weeds and seeds by the honourable member for Lachlan during his contribution. My grandmother used to say, "One year's seeds, seven years' weeds." No more do you see that after a drought.

**Mr Barry O'Farrell:** She could have been a politician.

**Mr ANDREW FRASER:** She would make a very good member of the upper House. They probably would not notice that she has been dead for 15 years. The first growth to spring back after a prolonged drought, especially on the North Coast, is weeds. Not only do the weeds grow very quickly, they come through first and wash down into catchments. The objects of the bill state that the amendments take into account the impact of noxious weeds on the economy, community and environment of the State. I point to the hypocrisy shown by the Government over the past 10 years. It has increased funding of noxious weed eradication from \$5 million to only \$7 million in that 10-year period.

A couple of years ago I showed a photograph in this House taken in Dorrigo National Park, a world heritage listed area. The photograph depicted a sign, which pronounced Dorrigo National Park as a world heritage listed area, ringed with a halo of lantana. That lantana is still there. Dorrigo National Park and most national parks on the North Coast are full of lantana and Parramatta grass. The Government has made a lot of noise about noxious weeds eradication during its term but has done very little to address the problem. Given that the problem of noxious weeds costs the economy of Australia \$4 billion, \$600 million in New South Wales, this legislation is nothing more than passing the responsibility of the eradication of noxious weeds onto other government bodies.

The Local Government and Shires Association indicated that it would have liked far more consultation on the provisions and implementation of this legislation. The consultation the Government has referred to was undertaken in 1998, six years ago. The North Coast has probably one of the worst infestations of Parramatta grass that I have ever seen. Twelve years ago when I bought my property I received a document from the Department of Agriculture, which stated that there was a mild infestation of Parramatta grass on my property. Parramatta grass, which I believe is a South African grass, was introduced to the North Coast as a fodder to feed cattle in dry times. If the Parramatta grass is slashed and kept low, the cattle will pick at it. The cattle can maintain their weight on it but, unfortunately, the seed drop from Parramatta grass is a huge problem.

Every cattle truck or vehicle of any kind that visits a property with Parramatta grass picks up the seed. Up in the fire watchtowers in the middle of the New South Wales Forests and national park areas, there is Parramatta grass six or seven feet high and spreading. Yet the Government has taken no real action to get rid of it. I believe it is probably a lost cause. To try to devolve the responsibility for the eradication of noxious weeds back to local councils is hypocrisy of the greatest extent, particularly when we consider the lack of management and control of weeds by the Government in the national parks and forestry areas. This bill rings alarm bells for county councils and local government.

Twelve months ago I met with representatives of the Upper Macquarie County Council. They were extremely concerned about the maintenance of roadsides within the Bathurst, Evans, Blayney, Lithgow and Oberon Shires. They had received from the Minister for Primary Industries a \$50,000 one-off grant to assist the co-ordination body for weed control in that area. As to the roadside spraying program they said that in 2004, because of funding problems, 50 to 65 per cent of the roads were sprayed. Five years ago 100 per cent of the roads were sprayed. They have lost 35 to 50 per cent of their capacity to undertake their roadside spraying operations because of funding allocations. With the infestation of noxious weeds across the State—as has been mentioned by many members in this House today—and with the problem not being addressed properly because of a decrease in roadside spraying, vehicles pick up the seed and the problem multiplies exponentially. That applies to Parramatta grass or any other noxious grasses, although I do not believe there is a problem of Parramatta grass in that area.

I do not believe the Government has come to grips with the problem in this legislation. I honestly believe that it is nothing more than a cost-shifting exercise. I do not believe catchment management authorities [CMAs] or local councils have sufficient funding or resources to reduce the weeds. We need a co-operative approach by the Government to address this issue. I do not believe this bill fulfils that need. The Government has turned its back on a major problem that is occurring on private property and, as the honourable member for Lachlan said, on public property. As the honourable member for Lismore interjected: What about the Murwillumbah rail line? The line has been closed for only 6 to 12 months, yet the maintenance of weeds on the line is deplorable. The North Coast has had some rain and those tracts of land attract a weed problem. Anyone travelling on the XPT from Sydney to the North Coast will see a large infestation of noxious weeds along the railway lines. I do not believe that StateRail has the money to address the problem and I do not believe this legislation will enable it to do so.

The Government is pushing the problem further down the line. It is pushing it onto CMAs and local government. They do not have the resources to deal with the problem, but they will end up with the blame. They

will have to issue emergency notices to people on private property to eradicate noxious weeds. At the same time, they are unable to address the issue on land under their responsibility because of a lack of funding. The Opposition will not oppose the legislation, but the Government has not addressed the problem of noxious weed eradication during its 10-year term. It has increased funding from \$5 million to only \$7 million during that period. The acknowledged cost within New South Wales of the management of noxious weeds is \$600 million per year. That is laughable. The Government needs to look at its own backyard—the public lands, railway corridors, road corridors, national parks and forests. This year \$20 million of the New South Wales Forests budget has to go back to Treasury. It will have to cut back its noxious weed program yet again.

In the Orara East State forest, which is in my electorate, the lantana was thinned about five years ago. It is now about 20 feet high. I have photographs of Bongil Bongil National Park where the lantana is 45 to 50 feet high up into the trees. Lantana is a bushfire hazard: it burns green as well as it does dry. If a fire goes through that park the park will be devastated and the native animals will be incinerated. With the lantana growing in Bongil Bongil National Park and what was formerly Pine Creek State Forest, koalas will have to find a better habitat.

I suggest within two or three years the koalas who live in the extension of the Pine Creek State Forest, which is the largest koala population on the North Coast, will move onto private property. The noxious weeds problem, especially lantana and blackberry, has not been addressed by this legislation. I draw the Government's attention to the dire need to increase funding and programs, and to do so in a proactive way that will not penalise private landowners. Let us work hand-in-hand with increased funding to ensure that the noxious weeds that create such a massive problem right across regional and rural New South Wales are eventually eradicated.

**Mr TONY STEWART** (Bankstown—Parliamentary Secretary) [12.20 p.m.], in reply: On behalf of the Minister I thank honourable members for their contributions to this important debate. I acknowledge the qualifications of the honourable member for Coffs Harbour in recognising bushfire hazards, as he mentioned. This legislation will help to protect the productive and environmental resources of New South Wales from the degradation caused by noxious weeds. The bill provides a sound basis for making sure that noxious weeds are controlled and managed as effectively as possible while providing for a higher degree of flexibility and public input than is provided by the existing legislation.

I note the concerns that were raised by honourable members for the electorates of Hawkesbury and Oxley regarding aquatic weeds. The provisions in the bill that transfer responsibility for noxious weeds to local control authorities contain appropriate checks and balances. As this will generally occur through a weed control order, public consultation will be required. The authorities concerned will have ample opportunity for input during this process. The bill recognises that effective control in these circumstances can require a properly co-ordinated and resourced mechanism. The bill also gives local control authorities the ability to enter into joint arrangements with other control authorities and agencies to more effectively deal with these problems.

In practice, it is usually the weeds control authorities that have the necessary ability and expertise to co-ordinate these control programs. Those Authorities are also the vehicles through which the Government provides funding for noxious weed control. The Government has also provided a comprehensive training program for weed officers in the areas of vegetation survey, species identification, survey and recording, planning, record keeping and report writing. I can inform the House that the Department of Primary Industries will consult with the Local Government and Shires Associations when finalising the new reporting requirements of local control authorities under this legislation. The provisions for monitoring weed distribution and reporting activities will meet an identified deficiency in the present system and, importantly, ensure a more accountable system.

Monitoring weed distribution and associated activities is essential if weeds are to be managed in a strategic and effective manner. Most local authorities already have systems in place to do this. The Government has been assisting local control authorities in this area of their work for some time. These assistance programs will continue into the foreseeable future. The New South Wales Government allocated \$7.377 million in noxious weed grants to local control authorities in 2004-05. That is a lot of money, as the honourable member for Coffs Harbour would no doubt agree. The total provided to local control authorities in noxious weed grants by the Carr Government since 1996 is in excess of \$50 million. These grants are provided for on-ground control, inspection and survey activities, community education and extension for training of weed officers.

It is reasonable for the New South Wales Government to expect, given the large amount of funding and training provided, that local control authorities keep records and provide reports on their activities and

achievements, and on weed infestation levels. Indeed, such activities are existing functions and responsibilities of local control authorities and their weed officers under the principal Act.

**Mr Andrew Fraser:** Money for eradication, not administration.

**Mr TONY STEWART:** I think the honourable member should stick to his expertise in fire management. What has changed is that local authorities will now be required to report to the Government. Reports are needed both for audit purposes and to assist in the strategic management of weeds on a statewide basis. In 2004-05, only 4.7 per cent of noxious weed grants was allocated to administration, down from 6 per cent in 2003-04. Administration costs of local councils, other than county councils, are specifically excluded in relation to noxious weed grants. The majority of the funds go to the special function of local control authorities, as outlined in section 36 of the current Act. These provisions remain unchanged by the amendments. These funds are in addition to the considerable government resources allocated to weed control through weeds management programs undertaken by government agencies such as the Department of Environment and Conservation.

In this respect, I note the broad concern raised by the honourable member for Lachlan regarding weed control obligations of private and public landholders. The bill places strong obligations on public authorities by requiring them to manage noxious weeds to the level necessary to prevent them from spreading to adjoining lands. It is entirely appropriate that that obligation should be strong but different from that applying to private land managers. In New South Wales there is an extensive system of conservation areas, such as national parks, State forests and other Crown lands. The majority of these areas are managed to protect and conserve a wide variety of native plants and animals and for cultural heritage purposes. The State of New South Wales has a statutory responsibility to manage and protect these reserves for these purposes. The majority of noxious weeds are currently declared under the Noxious Weeds Act 1993 because of their potential affect on agricultural production.

In many cases, noxious weeds have little overall impact on the purpose for which public lands are managed. Both the Noxious Weeds Act and the National Parks and Wildlife Act require weed control programs to be undertaken to mitigate the impacts of weeds. However, the National Parks and Wildlife Act also imposes constraints on the management practices that can be employed in these areas so that the impacts on native plants and animals are minimised. In addition, the nature of the land—commonly very large, heavily vegetated and often rugged areas—can make effective control of some noxious weeds impossible in practical terms. Put simply, requiring public authorities to control all noxious weeds to the same extent as private landholders are required is not necessary to prevent spread to adjoining lands and unrealistically raises public expectations.

I also acknowledge the issues raised by the Hon. Ian Armstrong relating to responsibility for noxious weed control on public land that runs through or adjoins private land. The bill does not seek to alter the obligations or arrangements that currently apply on private land. Private landholders will continue to be responsible for weed control on any unfenced public land holdings on their property, in the same way that they are required to control weeds on any other area of occupied land. Similarly, public land managers will continue to be responsible for meeting their weed control obligations on fenced areas, as will local authorities have continued responsibility in relation to roads. I reiterate that the bill does not alter the weed control obligation on public land managers, and that obligation remains appropriate and commensurate with the management objectives of public land managers and the needs of the community at large.

The critical issue is the need to prevent the spread of weeds to adjoining lands to reduce the impact of weeds on agricultural production. The bill requires public authorities to meet this standard. In practice, public land managers are usually controlling noxious weeds to a higher level than this requirement. I acknowledge the concerns raised by the honourable member for Burrinjuck regarding measures designed specifically to prevent the spread of the most serious weeds. It is critical to prevent the movement of the most serious and invasive weeds, for example parthenium weed or alligator weed, from an infested property to new areas through the transport of contaminated hay.

Already the restriction in section 29 applies to turf and soil. It is proposed to extend that restriction to fodder. The provision refers to the land where the plant occurs, not the whole property. There is also a provision for the issue of a permit to allow for destruction of fodder. The legislation will create an environment in which noxious weeds are declared and managed in a contemporary manner using a declaration process that is transparent. I note that other concerns that were raised by members opposite have been referred to the Minister for Primary Industries and will be addressed in another place. I commend the bill to the House.

**Motion agreed to.**

**Bill read a second time and passed through remaining stages.**

**BUSINESS OF THE HOUSE****Private Members' Statements**

**Leave granted to note up to 12 private members' statements forthwith.**

**PRIVATE MEMBERS' STATEMENTS**

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**KU-RING-GAI ELECTORATE ILLEGAL BROTHELS**

**Mr BARRY O'FARRELL** (Ku-ring-gai—Deputy Leader of the Opposition) [12.30 p.m.]: The problem of illegal brothels continues to preoccupy the concerns of many residents of Ku-ring-gai. I have identified six illegal brothels that are currently operating in the electorate—at Roseville, Lindfield, Gordon, Pymble, Turramurra and Warrawee—and the communities of those suburbs are understandably concerned about such illegal operations. In 1996 the Carr Government decriminalised prostitution, and as a result police cannot act to help communities affected by the operation of illegal brothels. At that time the Government promised that councils would have greater power to determine where brothels were located. That promise has never been delivered. Indeed, the only way in which councils can act to close down illegal brothels is through the Land and Environment Court, a process that is both costly and lengthy. In addition, on many occasions in that court, at the eleventh hour when council is about to finally get a decision against a brothel operator, the brothel operator simply pulls up stumps and moves to another house, and the process starts again.

Residents are concerned about the impact of illegal brothels not only on their area and their families but on other elements in their community. An illegal brothel currently operating—thankfully, an operation in respect of which the Land and Environment Court found in favour of the council last Monday—is across the road from a public school. That is completely and utterly unacceptable. But it is because of the frustration at the lack of police power to act, and the process involved in council having to convince the Land and Environment Court to find that it is an illegal operation and therefore worthy of closure, that residents are now becoming concerned. It is no wonder that some residents are talking about boycotting local estate agents who are renting premises to brothel operators, or are talking about visiting the owners of the properties, who live locally, to raise their concerns.

Residents should not have to resort to such tactics, but I appreciate the frustration that is leading a number of residents to believe it is necessary. I believe that reforms are available to tighten up the situation. I clearly indicate once again that I am not opposed to brothels per se. Personally, I would prefer to see them located in industrial sites. However, I would be happy with a system that allows local communities, through councils, to decide where brothels are located, and enables swift action to be taken by councils when illegal brothels open.

That Community Protection (Closure of Illegal Brothels) Bill would achieve that aim. The bill is the detailed policy response of the Liberal Party to address this problem. The bill has been introduced in this place, and I simply cannot understand Labor's refusal to support it. It would give councils greater power to speedily close down illegal brothels operating in their areas. Personally I would like to see an end to the advertising of illegal brothels in newspapers and telephone directories. I know of no other illegal product that can be legally advertised. It simply does not make sense.

I want to raise a bigger problem that is looming for the Ku-ring-gai community and other communities across the State. I refer to Labor's plans to allow the operation of home brothels without any capacity for councils to object. The Carr Government's Sex Service Premises Planning Advisory Council reports to the Cabinet Office, one of the two agencies directly reporting to Premier Carr. One of the issues under consideration is achieving what the advisory council terms "equality between private worker home occupations relative to other home occupations".

I note that the unemotive term "private worker home occupations" means prostitutes working from home. The advisory council is considering the establishment of a State environmental planning policy [SEPP] to deal with home-based prostitution. As Ku-ring-gai residents now know because of other developments, SEPPs override local government controls. An SEPP on home-based prostitution would remove any council's power to deal with home-based prostitution. The existing rules relating to a council's powers to close down illegal



brothels may be less than satisfactory given the community's efforts to stamp out illegal brothels, but such an SEPP would make the matter dramatically worse.

The problem of illegal brothels is a dog's breakfast. Despite Government promises, communities, including Ku-ring-gai, are being blighted by the spread of illegal brothels. The Government is deaf to local residents' concerns, and it seems that its only response is to actively support a council that reports to the Cabinet Office. It appears that the Government's response is to further loosen local government controls over illegal prostitution. It is a disgrace.

I urge residents to make their views known, perhaps via a petition that is available through my office. I urge residents to press for changes to improve the capacity of councils to close down existing illegal brothels, whether they operate in Ku-ring-gai, Hornsby, Willoughby or other parts of the State. I again indicate that the Opposition's Community Protection (Closure of Illegal Brothels) Bill would, in a very positive and constructive way, overcome the community's concern about what is currently happening. The bill would swiftly enable councils to exercise control over illegal operations, and I simply do not understand why the Government stands in the way of that legislation being passed through this place.

### **GEORGES RIVER ELECTORATE LIONS CLUBS ACTIVITIES**

**Mr KEVIN GREENE** (Georges River) [12.35 p.m.]: Last Friday evening I had the opportunity to attend the Georges River Community Services trivia night, a function organised by Lugarno Lions Club to raise money for that very worthwhile local organisation. Last week in this place I spoke about the contribution to, and support of, the tsunami appeal by Lugarno Lions Club and Oatley Lions Club. I take this opportunity to particularly congratulate John Slack and Reg Walker on their involvement through Lugarno Lions Club in promoting a function attended by more than 200 people that raised well over \$7,000 for Georges River Community Services. Lugarno Lions Club members were strong in their support of the fundraising venture, providing assistance through the collection and marking of answer sheets, and the organisation of raffles and the like.

John Slack, who was the master of ceremonies and quizmaster on the night, and Reg Walker were heavily involved in the fundraising venture, as were many members of Lugarno Lions Club. I also take this opportunity to congratulate Sally Penfold of Georges River Community Services, and Susan Smith, the Director of Georges River Community Services, on their input during the evening. They were extremely complimentary of the work undertaken by Lugarno Lions Club members. The only negative on the night was the fact that the group I organised struggled when it came to answering questions. However, one of the responsibilities of a local member is not to show off. It is important to support such events, and it was certainly a great pleasure to be part of what was a fun night.

I also take this opportunity to congratulate the staff at St George Masonic Club, the venue for the function, on the support they give not only to events such as last Friday's trivia night but generally to community functions. The staff were extremely co-operative, and I am sure their support is appreciated by both Georges River Community Services and Lugarno Lions Club. I note the work that Lugarno Lions Club will be doing this Sunday as part of the Clean Up Australia Day program, assisting Hurstville Council in that project. I understand that the lions club is to put on a lunch at Evatt Park for all the volunteers involved in the Clean Up Australia Day program. Similarly, Oatley Lions Club will run a function on behalf of Kogarah council at Moore Reserve, where the lions club will also offer its assistance in the Clean Up Australia Day program that is to take place at that reserve.

Oatley and Lugarno Lions Clubs are very well known in the Georges River community for the work they do in supporting important community events. The functions I have just referred to are significant examples of the work they do in fundraising and supporting events such as the Clean Up Australia Day program. Oatley Lions Club will also conduct its annual Music in the Park function on Sunday 13 March commencing at 11.00 a.m. The function will be held in the park in the centre of the Oatley shopping centre. Last year the function was very well attended. While commenting on Oatley Lions Club's Music in the Park, I should also put in a plug for the Lugarno Lions Club Music Festival, which will be held at Evatt Park on Sunday 3 April.

By just these few events I think I have clearly demonstrated the work that is undertaken by local Lions Clubs, and that is notwithstanding the efforts of the St George-Hurstville Lions and the newly formed City of Hurstville Lions Club. I attended the charter meeting for the City of Hurstville Lions Club late last year. Whilst speaking of Lions Clubs, it is sad to report the death of Sid Packham, who at 97 years of age passed away on, I

think, 29 December. Sid Packham had been a member of the Lions Club for more than 50 years, and as well as being a very hardworking member of Lions over that period he was a great man for the whole of the Hurstville district. I take this time to congratulate his family on his contribution to our society.

### **MR BRAD PLUMMER TAFE FEES**

**Mr ANDREW FRASER** (Coffs Harbour) [12.40 p.m.]: This afternoon I put before the House an issue on behalf of a young plumber in my electorate, Brad Plummer. Brad is a great young fellow who comes from Taree. He could not get a job or an apprenticeship in Taree so he moved to Coffs Harbour and took up a position with Coffs Harbour Plumbing. He has been an excellent employee with the firm and he is required, as part of his apprenticeship, to attend TAFE for two days every three weeks. The problem that Brad has is that in 2003 the course he is undertaking, Waste Disposal Services II at the North Coast Institute of TAFE, cost \$260 per annum; and this year it has increased to what has been termed by the TAFE as a commercial rate of \$1,990 per annum—an increase of more than 300 per cent.

Brad's normal wage is \$404, but during the weeks that he attends TAFE that drops to \$242.80. As he has had to move from Taree to Coffs Harbour to gain employment and to be able to access this course at TAFE, Brad is currently paying \$190 a week in rent in addition to his other living expenses. I suggest that on the weeks he is at TAFE, \$242 less \$190 for rent does not leave him much money for a quiet beer after work or his normal living expenses. At the same time, Tamworth TAFE charges just \$766 per annum compared with \$1,990.

Whilst I understand the need for education funds to be recouped the best they can, here is a young man who is willing to get out and work, move away from his home town, gain employment, live away from his parents—they are about 2½ to three hours down the road—to actually make a life for himself in his desired career, and it is absolutely deplorable to impose this sort of increase on this young man, especially when one considers that trying to get tradesmen at the moment is very, very hard. In fact, I think there are probably more doctors around than tradesmen, especially in the plumbing trade.

**Mr Kevin Greene:** A bad example.

**Mr ANDREW FRASER:** I do not think it is necessarily a bad example. Trying to get hold of a plumber or an electrician, or any such tradesperson, at any given time is extremely hard. I think in a few years time we are going to have a problem where there will not be enough tradesmen to meet the basic daily needs of maintenance and repairs, let alone the need for tradesmen to build new homes, et cetera. This young fellow is being forced down to a poverty level just so he can attend TAFE in order to have a career. I have written to the Minister for Education in the other place to request that something be done, and I implore the Premier and the Minister to assist Brad Plummer to undertake his course as a plumber.

As I said, it is a trade that we need badly, not only just on the North Coast but in major metropolitan areas, and to have this young man penalised by increasing his TAFE fees by such an exorbitant amount shows that this Government really does not care about young people who wish to do any apprenticeship course, but especially in the plumbing course at this TAFE. It is incumbent on the Government to ensure that this young fellow is allowed to continue his course in a manner that allows him to actually pay his rent and at least have some degree of social life in the weeks he is at TAFE. Living on an income of \$242 less \$190 for rent is totally unacceptable. I ask the Government to address this issue as a matter of urgency for Brad and to assist not only him but all other tradesmen in New South Wales.

### **SNEDDON PLACE, CAMPBELLTOWN, GROUP HOME RESIDENT**

**Mr GRAHAM WEST** (Campbelltown—Parliamentary Secretary) [12.44 p.m.]: Sneddon Place is a quiet cul-de-sac in Campbelltown. It houses a number of families who have lived there for many years, including families who have been there for decades, as well as families who have moved in with young children. Sneddon Place also has a group home that is run by the Royal Rehabilitation Service. The group home provides accommodation for a number of residents with intellectual disabilities. However, recently it was also home to one resident who suffered from a mild intellectual disability and who had mental health issues.

This resident began engaging in antisocial behaviour in the street and police were called on numerous occasions. As a result of some of this individual's threats against neighbours, including threats to physically harm people, apprehended violence orders were sought and obtained. The police also advised that due to their regular response there, they would treat his behaviour as criminal rather than as a result of mental illness.

Clearly, this situation was not good for either the residents or the person in question. As a result of working with the Department of Ageing, Disability and Home Care [DADAHC] and the Royal Rehabilitation Service, the resident was moved to a new location and Sneddon Place has settled down.

On Australia Day a resident came up to me and said how Sneddon Place was once again a fantastic street and how even the rest of the residents in the group home were much more relaxed now that this person with the antisocial behaviour had been removed. However, the residents intended to continue with their apprehended violence orders, just to be on the safe side, despite being given guarantees by the department that the gentleman would not be returning to Sneddon Place. However, a fortnight ago when these residents fronted a court, they were surprised to find that this person's address is still listed as Sneddon Place Campbelltown. It would appear that this person has been caught in a bureaucratic trap. While everyone acknowledges that to move him back to Sneddon Place is not appropriate either for the residents nor for himself—and, indeed, no-one wants to see a person with mental health issues dealt with for a potentially criminal matter—it would appear that the department has not been able to resolve the matter of his accommodation.

Despite numerous conversations with the department and its director for this area, Lauren Murray, the Royal Rehabilitation Service and I have been unable to secure permanent accommodation for this gentleman. The Royal Rehabilitation Service has been acting appropriately throughout this situation. When the service first became aware of his behaviour it applied to DADAHC for increased funding, but that was declined. The service also sought to engage a behavioural specialist to work with the client but was unable to reach an outcome. It is now the department's responsibility to find a placement that is suitable and safe for both the community and the client. It is certainly not an appropriate situation to put the responsibility back on the Royal Rehabilitation Service.

In hearing the apprehended violence order matters the judge deferred the court hearing until 31 May, hoping that the department can find a long-term solution. The department needs to act quickly on this. The residents are not against the group home; indeed, the residents of the group home themselves have felt much more relaxed since this gentleman was removed. However, to give a guarantee that he will not be moved back to the area but to refuse to give such a guarantee in writing is bizarre, to say the least. I would urge the department, and especially the director, Lauren Murray, to work quickly to find a permanent home for this gentleman that meet his needs and protects the residents of the street. I would appreciate it if the department could work in co-operation with the Royal Rehabilitation Service to ensure that all its clients are protected throughout this process.

### LAND TAX

**Mr DONALD PAGE** (Ballina—Deputy Leader of The Nationals) [12.49 p.m.]: Once again I wish to refer to land tax under this Government and its impact on many of my constituents. I have been inundated with concerns from constituents about changes to land tax and particularly the abolition of the threshold. For the first time many North Coast residents, including pensioners and those on a low income, have been sent land tax assessments for property they own in the area. For these residents this has been a distressing time, where they are being forced to find additional funds to pay their new tax liability or consider selling their property.

These are not rich people. They are ordinary working families who have saved hard for their retirement, invested in property and, in some cases, are now paying more to State Treasury than they receive in rent from their tenants. In many cases they receive no income from their property at all. One such example is Dennis and Ruth Carter of Lennox Head. Not only do Mr and Mrs Carter provide a house for their 37-year-old son, who had a stroke at six months of age and now lives on the disability pension, but they also sacrifice about \$15,000 a year in lost rental income so their son can live independently.

The Carters have never received income from this house, and they have paid a small amount of land tax of approximately \$250 each year over the past few years. With the Labor Government's massive land tax grab they have now been slugged with a massive 600 per cent increase in their land tax bill. In the next two weeks they are expected to find \$1,364 in land tax for their son's house. This family has worked hard to provide for their son, who obviously has great difficulty providing for himself due to his disability. There is no way their son could afford to pay private rent, and without this house, which the Carters have owned for many years, their son would be dependent on government housing. This family is doing the right thing, working hard and saving to help their disabled son, and in return they are slugged with a 600 per cent increase in land tax. Is this one of the groups the Labor Government intended to target with its new land tax regime?

Why should the Carter family pay for the mismanagement and mistakes of the State Government? The State Government's constant argument that it has been short-changed by the Federal Government just does not wash anymore. Not only has the State's revenue increased from \$24 billion to \$38 billion in the time the Carr Government has been in office, New South Wales is also expected to receive \$114 million more revenue in 2004-05 than it would have under the pre-GST tax system, with the windfall rising above \$600 million by 2007-08.

Another constituent couple is being hit three times by land tax. This couple is not wealthy. They have a small business but they do not own their business premises, and they do not own a house. Their landlord recently forwarded them a bill of \$628 for additional land tax on their business premises. Their lease states that the tenants are responsible for all outgoings, of which land tax is one. This is in addition to all the other State Government charges they must pay to run their business. They will also receive a rent increase of around \$10 per week on the home they rent in Ballina because extra land tax is driving up their rent.

These are battlers, people trying the best they can to provide for themselves currently and in their retirement. In a third hit, this couple have borrowed money to purchase a block of land in the Central West of the State, where they hope to retire in the next five to 10 years. They now pay land tax on this non-income producing property. This is scandalous. By removing the threshold, the Labor Government is hurting those who can least afford it—those on low and fixed incomes who are renting and those who are trying to get ahead by investing in property so they are not a burden on the State.

Another pensioner couple in the Ballina electorate have decided to sell their retirement home, which has a large yard, and they have purchased a small unit in Ballina. Because they were unable to sell their home, they obtained bridging finance to purchase the unit. They are elderly and unable to manage in their home any longer. It has been a financial stretch for them to have both the house and the unit while they try desperately to sell the house. Yet they are now being sluggish with an additional land tax, which they have no way of paying from their pension before 16 March.

These are real examples of people being hurt by this Government's unfair land tax regime. The Labor Government should be concerned about the impact its land tax regime is having on residents of New South Wales. It should be concerned that those who have carefully saved for their retirement will be left without a nest egg and will become increasingly reliant on governments of all levels for assistance. I call on the Labor Government to immediately review New South Wales's untenable land tax regime and reinstate the land tax threshold.

### **SUTHERLAND HOSPITAL KIOSK VOLUNTEERS**

**Mr BARRY COLLIER** (Miranda) [12.54 p.m.]: On 22 December last year I had the honour of opening the new garden kiosk at the redeveloped Sutherland Hospital. The new kiosk was established inside the new clinical service building following the closure of the old Kingsway kiosk and as part of the hospital redevelopment. One of the great privileges I have as the local member of Parliament is the opportunity to see, appreciate, and publicly acknowledge the magnificent ongoing contribution to our shire of a group of first-class achievers, the volunteers of the Sutherland Hospital kiosk. These volunteers are from all walks of life, quietly applying their skills and experience to worthy causes, who give freely and unselfishly of their time, energy and, indeed, their personal resources.

As with all Sutherland Hospital volunteers, those at the garden kiosk are quiet, determined men and women of character, with a sense of purpose, and a deep and abiding commitment to the hospital and the welfare of the people of the shire. I saw that commitment, determination, and sense of purpose in the face of Mrs Shirley Chirgwin, kiosk treasurer, when she turned up at the counter of my Miranda electorate office with a letter on 20 December 2002. The letter outlined the work of the kiosk volunteers, the money they had raised and donated to the hospital for medical equipment, and the need to continue the kiosk following the redevelopment of the hospital. The letter sought my assistance with the re-establishment of the new kiosk. One line of that letter stood out as follows:

This matter is vital to the Sutherland shire.

I could not agree more and was pleased to be able to provide assistance and support in the relocation and re-establishment of the new garden kiosk, the new home for our volunteers. I well remember bidding farewell to the old kiosk with the volunteers at a morning tea of Saturday 28 June 2003. It has been a longer haul than we

expected, but it has been a joint effort. I thank the executive, hospital staff and deputy area administrator, Mr Barry Shepherd, for their part in establishing the kiosk's new home in the atrium of our newly redeveloped Sutherland Hospital. However, our thanks must go first and foremost to our quiet achievers, past and present—the volunteers.

The hospital kiosk first opened on 29 April 1960 after 18 hospital fundraising auxiliaries got together and formed what was called the Sutherland Hospital Combined Auxiliary Kiosk. The auxiliary motto was, and remains, "Let us hold high the lamp of service for the welfare of our hospital." In the 44 years since the kiosk opened, volunteers have raised and donated more than \$1.1 million to the hospital for medical equipment. That is an outstanding achievement in anyone's language. But I am told that since 1989 the volunteers have averaged more than \$50,000 each year in donations. I have also been advised that the figure has increased since the new kiosk began operating. The president of the kiosk committee, Mrs Margaret McKerihan, is quoted in the *St George and Sutherland Shire Leader* on 20 January this year as saying:

Business has been so good we are planning to make another donation at the end of the financial year.

By any reckoning our volunteers are going from strength to strength and I have no doubt that our 60 kiosk volunteers are every bit as passionate about their Sutherland Hospital and just as committed to that motto of service and the welfare of our hospital as the original volunteers were 44 years ago. The kiosk volunteers have embraced the new premises as their new home with energy and enthusiasm, and with that unselfish commitment, which ensures the ongoing success of the kiosk and their continued contribution to Sutherland Hospital and the people of the shire.

The success of our volunteers is measured not just in terms of sales or donations; it is measured in terms of the support, convenience, and comfort of patients and their families, it is measured in the additional facilities that make patient care that much easier for our doctors and nurses, and it is measured by the gift of giving itself. In each of those departments our volunteers are simply inspirational. I was truly honoured to open the new kiosk and to thank our magnificent volunteers, past and present, on behalf of our very grateful shire community for their dedicated service and commitment to Sutherland Hospital, old and new. We are all in their debt and I thank them sincerely.

### **CROWN LAND ENCLOSURE PERMIT RENTALS**

**Mr GREG APLIN** (Albury) [12.59 p.m.]: Bureaucracy can be a loathsome beast, particularly when it is fed by the ignorance, arrogance and avarice of the current Government. Landholders in rural and regional areas have been targeted by the Carr Government because they are guardians of Crown lands—road enclosures, permissive occupancies, and the like. And the Government, in its own inimitable fashion, has found a new way to raise additional revenue by imposing increases of up to 700 per cent on these landholders. As so often happens in cases like this, there is a human side that rips apart the blanket of bureaucracy and exposes the unforgiving and dictatorial nature of a public service under this Labor Government.

In the magnificent area of Table Top, which lies adjacent to Lake Hume, north of Albury, Jan and Annelies Willinck live on a property which includes a permissive occupancy of Crown land. This land is not used for grazing or crop production. In fact, the Willincks are exactly the type of people the Government should be encouraging to care for this particular land as they are environmentally conscious and are actively promoting revegetation, reducing erosion and encouraging the return of waterfowl and other native wildlife. As waterfowl naturally prefer to be near water, one may well wonder where exactly this permissive occupancy lies. Let me tell the House. Permissive Occupancy 142017 falls within Lake Hume and is inundated for prolonged periods during a normal year. As Mr and Mrs Willinck told me, the tenured land lies within the confines of Lake Hume, below the 60 per cent capacity level. Hence, it is under water for much of the year, and under normal circumstances would be available for grazing for only three months of the year. Naturally, after the severe drought the lake is nowhere near its normal capacity this year, but that will change.

What we need to change now, however, is the attitude of Minister Kelly's tax collectors and the policy itself, which imposes a fivefold increase in annual rental or the alternative of foregoing the tenureship and erecting a fence between their property and the Crown land. Fencing the area is totally impractical: it is expensive, short-lived and potentially dangerous for recreational water activities and for waterbirds. As the Willincks have pointed out to me, the value of this land lies in its preservation for environmental gains. Regeneration is occurring of existing river red gums, and the landholders have also planted river red gums on their private land. The region provides important wildlife protection, for sacred ibis, darters and egrets which

use the river red gums for nesting sites. Equally important is the protection of the white-bellied sea eagles, which have returned to their nest every year for the past 25 years.

With the ever-growing concern for the water quality of Lake Hume, any form of grazing along the lake shore should be discouraged, and the Government should be pursuing an environmental agenda in this instance, rather than a revenue-based standover approach. The Willincks have objected to the increase in annual rent but are willing to pay the existing rent and continue to care for the area for conservation purposes, as they have for the past 25 years. They carry out a program of spraying and removing noogoora burr, which is brought in by water and is an ongoing problem. Is the Government seriously telling us that it will undertake this responsibility if the land is returned to the State? There is no way that would happen, and the Willinck property would then be infested by noxious weeds from the abandoned Crown land. So what has been the response of the Department of Lands?

In early October the land revenue branch trotted out the Government line that a review had been undertaken after the State election because of "public concerns that rents for Crown land holdings were out of step with community expectations". I was not aware of those concerns. The department acknowledged payment of the normal rental but advised the Willincks that they would have to pay the outstanding amount of the increased rental. They were then advised that the Crown Lands Legislation Amendment (Budget) Bill 2004 commenced on 1 July 2004 and rents would rise to a statutory minimum, with consumer price index adjustments after July 2006. They were given two options: accept the rent increases and continue to use the subject land, or fence the subject land separately from their adjoining property and cease any occupation and usage. The Crown is not bound by the Dividing Fences Act so there would be no Government contribution to this underwater fencing program. So far as safety matters are concerned regarding the submerged fences, this is what the department told Mr and Mrs Willinck:

If this aspect becomes an issue ... it may be necessary to seek advice from either your own Solicitors and/or the Department's Legal Officers.

And to emphasise that "service" is a dirty word for this Government, how about this closing line:

It would now be prudent for you to consider your future usage of this Crown Land and the two options outlined.

So there! It is time for consultation, understanding and a fairer system. I hope that this cash grab policy takes its place with the fence—at the bottom of Lake Hume.

### TRUNDLE SERVICES

**Mrs DAWN FARDELL** (Dubbo) [1.04 p.m.]: Today I detail the fighting spirit of Trundle, a community of 500 people located in the Dubbo electorate. Since being elected, I have been visiting parts of the electorate formerly unfamiliar to me. Getting to know the community of Trundle has been an absolute pleasure. Recently I presented a cheque of \$3,280 to the Trundle Amateur Swimming Club to purchase lane ropes. That is a relatively small sum of money to many, but it is an amount that will make a significant difference for the people of Trundle. The community of Trundle, with a strong volunteer force, raises funds for many other essential needs.

In talking with representatives of the swimming club, I learnt that the milk supplied to the health services in Trundle and Tullamore is no longer supplied by the local milkman. That is a simple example of how rationalist policies damage local businesses. To a health bureaucrat, this decision may have seemed to be a natural progression; to the people of Trundle it is a backward step. There are days when fresh milk is unavailable at the health service and a local business that has just had turnover reduced—does this make sense to anyone? At the cheque presentation for the lane ropes Jenny Umbers said to me, "We choose to live in Trundle and raise our children within the family unit. We work hard and pay taxes. We also expect to receive basic services from our governments, including education."

It would be wrong of me to talk about Trundle and not mention Sally Capel, who runs the Community Technology Centre [CTC] and is one of the drivers of the bush tucker day; Col Grinter, who publishes the *Trundle Star*; or Rene Capel, Karen Grady and Heather Gaunt, who are all staunch advocates of the need for a nurse practitioner and the purchase of a doctor's residence. People such as Donald Wright of the Trundle Show Society simply would not live anywhere else. Recently he told me that he did not know quite what it was but that he loved living in Trundle. He said, "The people are great."

So why would people leave a town such as Trundle? The answer is terribly simple, as everyone here is aware. When small towns lose services they lose people. Trundle is currently without a general practitioner [GP] following the retirement of their GP of 13 years, Dr Mark Gray. Dr Gray is taking time out and enjoying being able to plan time with his family. Trundle needs a GP. As part of the campaign to secure a doctor, funding is being sought for a residence, and a proposal to employ a nurse practitioner has been put forward. That proposal is an attempt to avoid GP burnout by having an alternative to the GP. It is hoped that this will allow the GP more planned family time and to attend social functions. Unfortunately, I am informed that the proposal for a nurse practitioner is outside of the current health care model. The staff of the Minister for Health will brief me this week on the equation that needs to be looked at to take this proposal further.

Last week Trundle Central School was informed that it is to lose one of its three teachers. That is despite the town being in drought for the past three years and several families moving away because of their financial circumstances. I have written to Minister Tebbutt asking that the drought supplementation formula be examined carefully in respect of that decision. Further, it has been brought to my attention that this House requested, in debate on a matter of public importance in November 2002, that a review of the staffing formula for regional schools be carried out. Despite an agreement being reached in November 2002, there has still been no work carried out to date that I am aware of. I have asked the Minister for Education and Training to reject the removal of this teacher until these reviews have been carried out. The Trundle community must be allowed to bring forward its viewpoints and information

Governments at a variety of levels have made serious attempts at redressing the loss of services. It is proper for me to acknowledge that Trundle has benefited from a multipurpose health service and a community technology centre, as well as an amazing multipurpose child care centre that puts larger centres to shame. The community has fought for each of these services, as well as contributing through volunteer work and fundraising efforts. This is not a town that takes anything for granted. I must point out that, although the government has made many positive efforts, unfortunately there is more work to be carried out, particularly in education and the provision of health professionals. The rationalisation of government agencies to Sydney has grown a city-centric culture that attempts a one-size-fits-all approach to the policies that describe our health and educational models.

Drought is a regular part of country life and people tend to move around a little when there is a drought. There is no comparison available in city life; the economic drivers are so diverse in cities that there is never a single event that slows the entire economy down. We need greater recognition that the removal of services due to these periodic population fluctuations effectively robs small communities of a future. People will not return if the school seems understaffed or there is no doctor.

#### **WOY WOY PENINSULA NETBALL ASSOCIATION TWENTY-FIFTH ANNIVERSARY**

**Ms MARIE ANDREWS** (Peats) [1.09 p.m.]: On Saturday 19 February I had the great pleasure of participating in celebrations commemorating the twenty-fifth anniversary of Woy Woy Peninsula Netball Association. A large gathering of former and current players was in attendance. The first part of the celebrations was in the form of a carnival day commencing at 10.00 a.m. at Lemongrove netball courts at Ettalong Beach. Those festivities concluded at 2.00 p.m. Many former players travelled great distances to be in attendance at Saturday's events. The highlight of the carnival for netball enthusiasts was the presence of Megan Anderson, Australian and Sydney Swifts netball player. Megan has never lost sight of the fact that she began her career in netball through Woy Woy Peninsula Netball Association at Lemongrove netball courts. Despite a busy schedule, Megan always endeavours to find time to catch up with mentors and friends in the Woy Woy Peninsula Netball Association. It was delightful to see the very young netball players looking up to Megan as their idol in this popular sport.

Wendy Archer, the President of Netball New South Wales, was in attendance and, during the afternoon, a special presentation of a beautiful vase was made to Margaret Thoms, who has been long associated with the Woy Woy Peninsula Netball Association and is the current treasurer. The evening celebrations were held in the new function room of the Everglades Country Club. This was an informal occasion with those in attendance taking the opportunity to catch up with old friends from days gone by. A cake commemorating the twenty-fifth anniversary was cut by Doreen Woods, and a number of other people who have had a long association with the netball association assisted Doreen in that task. Doreen Woods was extremely active in the 1960s and 1970s in ensuring that Woy Woy peninsula achieved its own netball association. I gather from conversations during the day that it took a long time, as is often the case, and a concerted campaign to achieve that goal.

The acquisition of Lemongrove Reserve and having the area converted into netball courts took a lot of time and effort by a small but determined band of persons, mainly women, who knew it could only be a good

thing for the area. At long last, Gosford City Council came to the party and acceded to the request that Lemongrove Reserve be used as the base for netball activities on the Woy Woy peninsula. What a great move that has been. Over the years, literally hundreds of youngsters have learned the skills of netball at the hands of dedicated and seasoned players. That tradition is as strong today as it was 25 years ago.

It was not easy to get Gosford City Council to come on board and have the netball courts located at Lemongrove Reserve. In the latter years there has been a move by proponents of a fast ferry service from Ettalong to Sydney to use the now-bituminised netball courts as a parking area for patrons of the ferry. That move was strongly resisted by the executive and supporters of the Woy Woy Peninsula Netball Association and a large number of local residents. After trawling through the archives of Gosford City Council, it was established that the land in question was donated to council with the provision that it be used for recreational purposes. As a former netball player myself and a resident of the Woy Woy peninsula, I am pleased to know that the future of the netball courts is secure, while the fast ferry proposal is still awaiting investment by private financiers.

Doreen Woods, who travelled from Gerringong to be at the celebrations, informed me that the first Labor member for the newly established seat of Peats, Keith O'Connell, had been very helpful in lobbying for funding of more than \$60,000 under the Regional Employment Development [RED] scheme for the construction of an amenities block, which was erected in the reserve for use by the netball association. Honourable members will be aware that the RED scheme, set up by the Whitlam Labor Government, funded numerous much-needed sporting and community facilities across the nation. I pay tribute to all those who were instrumental in setting up the Woy Woy Peninsula Netball Association. I congratulate them on Saturday's festivities. I make special mention of the president, Sharon Bailey, the secretary, Joanne King, and Margaret Thoms, the treasurer.

#### **ST GREGORY'S CATHOLIC CHURCH, KURRAJONG, CENTENARY**

**Mr STEVEN PRINGLE** (Hawkesbury) [1.14 p.m.]: Late last year the Hawkesbury community celebrated the centenary of one of the famous churches in our region, St Gregory's Catholic Church at Kurrajong. The original church was built in 1840 and was replaced by the current church in 1904. It is a significant milestone for the Catholic community in the Hawkesbury region and for the wider Hawkesbury Christian community as well. The block of land on which the current church sits was owned by Mr Richard Fitzgerald of Windsor, who was a most generous donor to his own church, the Church of England, and to the Roman Catholic Church. Indeed, he was a true ecumenical. He donated one acre for the building of a church and a schoolhouse. A planning meeting in 1839 thanked him and his other Protestant neighbours, who kindly subscribed their names and promised every co-operation with the work. That was duly recognised as genuine Christianity. The local *Windsor and Richmond Gazette*, now the *Hawkesbury Gazette*, was involved in the proceedings as well and reported:

The parishioners have for years been working hard to augment the building fund, and it must be gratifying for them to see that their efforts have been successful. The thanks of the Catholic portion of the district should go out to their Protestant friends, who have deliberately assisted them in this matter.

During 1904 a concert, a dance and a bazaar to assist with fundraising were held in the new church building. Those functions were attended by a range of Kurrajong residents. Professional musicians and comics attended from Sydney—it was a long way in those days—and donated their services. Many current parishioners ask whether those concerts and dances in the church are simply re-enactments of the marketplace in the temple scene in the New Testament. Indeed, would Jesus have brandished a whip if he had been in Kurrajong on the day? That is not the case, as the *Windsor and Richmond Gazette* reported:

It may not be generally understood by those outside the Catholic Faith that the building is not a church until the altar has been erected and the building consecrated. Any kind of entertainment can therefore be held until the building has been made a church.

After five years of planning, which included two years of building, the church was opened by Archbishop Kelly, on behalf of Cardinal Moran, on Sunday 11 December 1904. The total cost of the project was £705. Fundraising contributed some £468. The *Windsor and Richmond Gazette* said that Father O'Brien, the parish priest:

... appreciated the loyal and generous spirit of the people in raising so much money. The Catholics were only a handful, but they had subscribed liberally, and had been helped in a most handsome way by generous-hearted, kind and cordial neighbours.

That is a spirit that well and truly exists to this day in the Kurrajong community.

**Mr Robert Oakeshott:** And in this House.



**Mr STEVEN PRINGLE:** Exactly, and in the House. There had been a history of co-operation between the various Christian denominations in the Kurrajong area, especially those associated with the building of St Gregory's by way of financial contributions and voluntary labour. The celebrations at the end of last year included a number of activities, including historic graveyard tours. The church is a focal point of the community. It preserves its history and is important for family history as well. The activities included a major photographic and artistic display showing relics and artefacts from our region.

There were a couple of ecumenical services as well, but the highlight of the activities had to be the presentation of lithographs that had been hanging in the original church building in the 1840s. They had been passed down through several generations of the McMahon family and, after some 150-odd years, they were presented back to the church by Maria Williams of Bathurst. That was much appreciated by everyone. I congratulate all those involved in the activities, particularly Steven King and his team from the parish council, Father John, who looks after a number of Catholic churches in the region, the Kurrajong-Comleroy Historical Society and Kathie McMahon and Joy Shepherd. May St Gregory's continue to minister to the Hawkesbury region and may it be around for another century.

### LIVERPOOL ELECTORATE SERBIAN COMMUNITY

**Mr PAUL LYNCH** (Liverpool) [1.19 p.m.]: Today I inform the House of issues involving the Serbian community within my electorate. The Serbian community is one of many communities that make up the extraordinarily multicultural society at Liverpool. They have made a very positive contribution to Liverpool and to south-west Sydney generally since settling in the area. In particular, I refer to the launch on 5 February of an exhibition called Niti: Serbian Textile Traditions. The exhibition was held in the Liverpool Regional Museum, which has not yet been knocked down by Liverpool City Council although it is trying to do so as quickly as it can. The exhibition was presented in association with St Sava College and the Serbian Orthodox Church in Australia and officially launched by the Consul of Serbia and Montenegro. Father Rade Radan from the Serbian Orthodox Church of Australia and the collection curator, Milica Radan, also spoke at the launch. The program manager was Anna Bazzi Backhouse. The exhibition displayed Serbian cultural heritage as seen in the traditional textiles and costumes. In the catalogue that accompanied the exhibition Father Rade wrote:

Niti: Serbian textile traditions is as much an exhibition of visually stunning pieces from the complex fine traditions of its Balkan authors, as it is a window into the social, economic, historical and spiritual heritage of this burgeoning Liverpool ethnic community. Niti, a Serbian word meaning "threads", is symbolic of a metaphor of a "thread of life" representing the passage of life through birth, marriage, death and life regeneration in the textiles crafted for those integral "rites of passage". Much of the content of this exhibition reflects the origins of Serbs who migrated to Australia from all over the Balkan peninsula. In a world of rapid industrial and political change, many of the customary textile traditions have not been maintained. In the recent displacement of people during the break-up of the former Yugoslavia, whole regions were emptied of their traditional inhabitants, many fleeing their ancestral homes and abandoning entire treasures of traditional textiles. This collection, which does not pretend to be representative of Serbia's diverse textile traditions, will, however, provide the broader community with an invaluable window into the surviving material traditions of this small Balkan nation.

The objects for the exhibition came largely from the private collections of Sofia Trifkovic, Ruza Danilo, Olga Lukic, Zorka Zdjelar and Milica Radan. They included waistcoats, aprons, belts, socks, shoes, belt buckles, jewellery and bridal caps. Weaving tools and cloths were also exhibited. Those objects have an interesting and instructive past. After the Second World War Serbia experienced urbanisation and industrialisation. Traditional materials were much less easily accessible and it was harder to produce traditional items. They also seemed less useful and perhaps less desirable. Obviously, the migrant experience made it even harder to produce such items. The type of material also said something as to geography. The closer to mountain areas and further from the cities, the more common was the use of wool. In less mountainous areas cotton and hemp would more likely be used. It was a very interesting exhibition that spoke significantly to the Serbian tradition, particularly the Serbian community in Liverpool and south-west Sydney.

Another aspect of the Serbian community I would like to refer to involves the Serbian Cultural Club, a community club whose premises are located on Cowpasture Road, Hoxton Park. I have spoken previously in the House about the difficulties the club has had to face as a result of the development of the western Sydney orbital. I would like to place on record some comments from Zoran Dragojevic, General Manager of the club. Mr Dragojevic said:

Just as the club was beginning to show signs of having a profitable future the development of the western Sydney orbital [WSO] was implemented, thus having a dramatic effect on the club. This I believe is clearly shown in the downturn of the club's trading figures. Had the WSO never been implemented the club's future would have been sound and profitable, which would have led to expansion and a greater involvement in the local community. All the dreams and aspirations of the members, staff and the board of the club were shattered and continue to the same effect. We have spent the last few years with no direction and continue in a

like manner due to the lengthy court case against the RTA which truly seems to have no end. It is difficult and tiring at times when being asked by members of the club the same ongoing question, "What's going on with the RTA situation?" Sadly, my answer has become somewhat of a rhetorical one.

The club never asked to be put in this situation. Under the adverse circumstances we are dealing with the situation as best as possible, merely trying to keep our doors from being closed. The club still holds the same view as it did on the day of resumption by the RTA, that we do not wish to stand in the way of progress but simply ask that we be justly compensated for the tragic situation the RTA has placed us in.

The purpose of raising this issue is to request once again that the Minister for Roads look at the matter. Whilst I do not suggest anything inappropriate in terms of intervention in any court proceedings, it seems to me that it would be useful for the Roads and Traffic Authority to try to expedite the matter to get a proper result for everyone's benefit and to allow this useful community club to continue its function.

### **MID NORTH COAST TOURISM**

**Mr ROBERT OAKESHOTT** (Port Macquarie) [1.24 p.m.]: Today I want to talk about tourism and tourism strategies on the mid North Coast, a subject that has been and always will be a hot topic in our region. When tourism figures around the country are generally down, this hot topic becomes even hotter amongst those with an interest in the tourism industry and those who are involved in planning tourism strategies. There are many positive stories in our local area. I want to outline some of those positives as we lead into 2005.

Only this morning I had a productive meeting with the Minister for Tourism and Sport and Recreation, Sandra Nori, and the head of Tourism New South Wales, John O'Neill, about one of the key strategies for the mid North Coast and North Coast, that is, the need to continue to work on marrying State and local strategies to get better outcomes. I am pleased that the North Coast Regional Tourism Organisation [RTO] has released its three-year tourism plan. The North Coast RTO was established in July 2001, following the amalgamation of the Holiday Coast RTO, the Mid North Coast RTO and the RTO from the Port Stephens area. Prior to July 2001 the Mid North Coast RTO and the Holiday Coast RTO together were responsible for the region recognised as Australia's holiday coast. The new North Coast RTO region comprises eight local government areas: Port Stephens, Great Lakes, Greater Taree, Hastings, Kempsey, Nambucca, Bellingen and Coffs Harbour. Obviously, this region of 420 kilometres of New South Wales coastline has a valuable commodity to sell.

Tourism is one of the principal industry sectors in our area. For the year ended December 2002 the region attracted approximately 5,100,000 visitors, which is about 6 per cent of the State's visitation, comprising 2.9 million domestic tourists, 126,000 international tourists and more than two million day trippers from outside the region. Domestic tourism accounts for the lion's share—96 per cent—of overnight visitation to the region, with international tourism comprising the remaining 4 per cent, which is far lower than the State average of 9 per cent. The regional tourism plan puts in place a basic principle. In the past individual local tourism plans have emanated from local government areas. It is well and truly time to take a unified approach to a broader strategy of trying to sell both the mid North Coast and North Coast regions so that all our areas get better bang for our buck.

I want to highlight some important aspects of the regional tourism plan. The plan recognises the changing paradigms of tourism and the changing needs in tourism planning. One change, in particular, is the need to consider infrastructure planning—such as transport and service infrastructure, training and investment incentives, and general local planning at a local level—as part of tourism planning. Local infrastructure planning at a local level has a significant part to play in tourism planning. I refer to the old cliché: If you build it they will come. The North Coast has undergone significant population growth in a relatively short period. It is our greatest challenge to satisfy a range of infrastructure needs in a relatively short time frame. That is no different in a tourism sense to any other sector.

Another point I want to make is that whilst the State has been good at delivering for the North Coast RTO with funding of \$1 million in the past five years—more funding than for any other RTO in the State—there are further opportunities for the State to contribute to the RTO through the grants process. I also highlight the fact that we have not been able to get one single dollar out of the Federal bodies and grants programs. That is disappointing, particularly when one bears in mind the assistance given to our northern neighbours in the Northern Rivers RTO through the Australian Tourism Development Program. We have been unsuccessful in our applications for grants. I hope the Federal members of Parliament in our region realise that we need assistance, and it is to be hoped that we will be granted some of that much-needed funding to contribute to our tourism strategy in the new round of funding coming out shortly through the Australian Tourism Development Program.

### NEW ENGLAND HIGHWAY FUNDING

**Mr JOHN PRICE** (Maitland) [1.29 p.m.]: Before I speak about tourism and access to tourist activities, I congratulate Maitland City Council and its Steamfest Committee under the chairmanship of Councillor Garnham on its success in the tourism awards. Steamfest took out first place in its category at the New South Wales Tourism Awards in Sydney in 2004 and qualified for the national awards for the second consecutive year. Although it did not get the national award this year, it was ranked as one of the eight best events in Australia at the national tourism awards held in Alice Springs earlier this year.

The award recognises that Steamfest is a major tourist icon in the State. Last year saw the completion of the third year of the flagship funding through the Department of Tourism in New South Wales, and we look forward to the staging of the event this year. It will be officially opened at Maitland on 13 April and an exciting program of activities is planned to commence on 15 April and continue until 17 April. It will be a top event for every steam buff, regardless of whether their preference is for steam trains, steam engines or steamrollers! They all arrive in town and there is literally no room to move. The population increases to about 70, 000 during the festivities. Half the town is sealed off, which infuriates motorists, and there is inadequate parking.

This brings me to the question of access to major tourist events. We still have problems with the New England Highway between Beresfield and Maitland. That section of the highway is currently leased or operated by the Federal Government as the temporary Highway 1 and several problems are associated with that. One problem relates to the access at Beresfield from Weakleys Drive, which has been the subject of long-running interchange between State and Federal administrations in regard to a flyover. The Federal funding that was promised has not been forthcoming to enable the preferred option to proceed. That is in spite of the State Government having already advanced some of that work by providing \$7 million two years ago to establish a link road between Thornton and Beresfield that would ultimately link up with Weakleys Drive by way of an overpass or interchange.

The problem has been compounded by the speed zoning further along from the traffic lights at Thornton, where a 90-kilometre zone is in place up to the Four Mile Creek, where it drops back to 80 kilometres. The speed limit was lowered as a result of a fatality at the junction of Seven Seas Drive as motorists approach East Maitland, at the end of Ashtonfield. The Roads and Traffic Authority is currently investigating the speed zoning from Metford TAFE on the highway right through to East Maitland. A number of intersections, unless approached carefully, can be quite dangerous. Although several changes to the speed limit and the approaches to those intersections have been made, tremendous risks are still involved on that stretch of the New England Highway.

Federal funding is required because of the safety issue. It is important that the issue is resolved as soon as possible—that is, the Weakleys Drive interchange and its connection to the link road between Beresfield and Thornton, and also the speed zoning from Four Mile Creek right through to Maitland City. It is a major problem and lives have been lost at that location. There will be even greater loss of life unless action is taken. We need to get off the political bandwagon and tackle the road safety issue. We need funding to improve this bottleneck so that motorists feel comfortable and safe in the knowledge that they are in the safest possible circumstances for driving in the electorate of Maitland and beyond. This important issue impacts on local tourist activities as well as the daily lives of members of the community. The problem must be addressed as a matter of urgency and I appeal to the Minister to do everything he can to liaise with his Federal counterpart to make sure that something happens soon.

### WOLLONGONG TOURISM

**Ms NOREEN HAY** (Wollongong) [1.34 p.m.], by leave: I congratulate the New South Wales Government and the Minister for Tourism on the new tourism advertisements promoting the South Coast, which have given Wollongong tourist operators a solid platform on which to further build tourism numbers. It will help to attract the very competitive tourism dollar, which we hope will in turn improve our economic structure and lead to the creation of employment opportunities. Honourable members will appreciate that, in an area such as Wollongong, we welcome and embrace every opportunity for job creation. Television advertisements, which commenced in mid-February, have reached an audience of 1.6 million Sydneysiders and we understand that that will continue until about April.

The New South Wales Government has targeted the Sydney market because it is the biggest and most lucrative in Australia. This advertising campaign, however, is but one part of a very strong and detailed plan for

tourism across the board. As the member for the electorate of Wollongong I am keen to represent my community and to ensure that we get as large a piece of that cake as we can. I am also aware that the Minister has played a very hands-on role in ensuring that this campaign has been run across the board. For the first time a State-based television commercial is promoting the South Coast from Wollongong to the Victorian border.

The South Coast boasts quality attractions and experiences, magnificent beaches, coastal views, food and wine, and friendly smiles from the locals. The area boasts award-winning restaurants and a beautiful harbour, which is a popular attraction. Wollongong is hidden down on the South Coast but it is a jewel in the State's crown. In the past couple of years since I was elected to this House a number of members who had not been to the Wollongong area have visited us and have been amazed that a city only one hour's drive from Sydney could be so magnificent—a countrified city, if you will, with beaches surrounding it that are second to none.

I am proud to say that last year Port Kembla Beach won the Australia's Family Friendliest Beach Award. The advertisements provide an opportunity for tourism operators and other businesses to take advantage of the promotion and to welcome more tourists to the region, and I encourage that as much as I can. The campaign also targets people from regional New South Wales, Canberra, Melbourne and regional Victoria. The campaign includes television and cinema commercials, print advertising, web activity and publicity.

The South Coast also featured in last month's regional campaign, reaching an estimated audience of 3.5 million people during a three-week initial run. The *Illawarra Mercury* today reported that Wollongong has won the right to host the Tourism Industry Council of New South Wales Annual Conference in September, which is expected to attract more than 200 tourism leaders. The Tourism Industry Council is a new industry lobby group, and it held its first conference in the Hunter Valley last year. The decision to host this year's conference in Wollongong is a clear indication of that city's reputation as a tourist destination, and is an opportunity to showcase a city that has worked hard to reposition itself through the local council's Wollongong Image Campaign.

Other reasons for Wollongong's selection as the preferred choice of venue for this year's conference are the very visible examples of beach, city, cultural development and diversity, and the region's success in attracting emerging tourism markets. I extend my congratulations to all those involved for their hard work and dedication. I welcome the comments by Greg Binskin, Wollongong Tourism Manager, who stated that the industry is now embracing the city's hard work to attract tourists.

**Private members' statements noted.**

*[Madam Acting-Speaker (Ms Marie Andrews) left the chair at 1.39 p.m. The House resumed at 2.15 p.m.]*

**ABORIGINAL REMAINS REPATRIATION**

**Ministerial Statement**

**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.]: Tomorrow an historic ceremony will take place in Sydney Harbour National Park. The remains of 13 Aboriginal people will be laid to rest at North Head. Some have been in museums while others have been found on construction sites. The bodies of the Aboriginal people were originally from the Manly area. The ceremony will be part of the largest ever repatriation of Aboriginal remains from Australian museums for the metropolitan Aboriginal community. This latest repatriation has been co-ordinated by the Metropolitan Aboriginal Land Council in conjunction with the Australian Museum, the National Museum of Australia and the New South Wales Department of Environment and Conservation.

The remains are being returned as part of the State Government's policy of returning Aboriginal remains to their people when found in State collections. Since 2002 more than 40 sets of ancestral remains have been returned to Aboriginal communities across the State. They include the return and burial in May 2002 of the remains of 21 individuals brought home to the La Perouse community; the reburial of the remains—now 1,200 years old—of two Aboriginal people in Kosciuszko National Park in May 2003; and the return of the remains of a 12-year-old girl who died 150 years ago to the Gamilaroi in the Northern Tablelands.

This Government believes that the remains of Aboriginal people should be buried in their ancestral soil and not left on the shelves of museums. It is clear that they deserve to be buried with dignity by their own

people. It is important for the remains to be reunited with their country rather than be in museums. It demonstrates that the New South Wales Government recognises the importance of the repatriation process for many Aboriginal communities. It has been working with Aborigines across the State to return remains. We are also urging other government agencies and research institutions to follow this example.

The New South Wales Department of Environment and Conservation is still the only land management agency in Australia that has an Aboriginal repatriation program. There are still many more sets of remains in museums and places of study in Australia and overseas. Their descendants deserve access to the remains. Aboriginal groups estimate that more than 8,000 sets of remains are still held in Europe. I commend this statement to the House.

## **ALCOHOL SALES TO MINORS**

### **Ministerial Statement**

**Mr GRANT McBRIDE** (The Entrance—Minister for Gaming and Racing, and Minister for the Central Coast) [2.23 p.m.]: I shall detail a promotion that ran in a popular lifestyle magazine.

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

**Mr GRANT McBRIDE:** The promotion involved sending packs of alcohol to letter writers and, I believe, targeted young drinkers. *FHM* magazine has been offering six-packs of beer or four-packs of bourbon and cola to anyone who has a letter published in the magazine. The message seems to be that, whatever age people may be, they can write in and get a free six-pack of beer. This magazine obviously targets young men, in particular. Young men aged 14, 15 or 16 can buy the magazine, write a couple of sentences and then wait by the mailbox for their free alcohol—their six-pack of full-strength beer or their four-pack of bourbon and cola—to arrive.

The magazine did not make the proper checks and balances and was in breach of the Liquor Act. Section 114 (1) of that Act says that alcohol cannot be provided to people under 18 years of age. The Department of Gaming and Racing recently contacted the magazine involved and *FHM* agreed to withdraw the promotion. I congratulate the magazine on that good decision. Late last year I moved in the House to ban a record store campaign that linked CD sales to alcohol vouchers. I also announced a crackdown on alcohol being sold to minors over the telephone or via the Internet. Fines for these offences range from \$5,500 to \$22,000. The message is simple: The Carr Government will not tolerate promotional campaigns that appear to be aimed at encouraging young people to drink. It is as simple as that.

## **PUBLIC ACCOUNTS COMMITTEE**

### **Government Response to Report**

**Dr Andrew Refshauge**, by leave, tabled the Government's response to report No. 5/53 entitled "Review of Fire Services Funding", tabled on 2 September 2004.

## **PETITIONS**

### **Alstonville Bypass**

Petition requesting that the Alstonville Bypass be completed by the end of 2006, received from **Mr Donald Page**.

### **Gaming Machine Tax**

Petitions opposing the decision to increase poker machine tax, received from **Mr Malcolm Kerr** and **Mr Andrew Tink**.

### **Kurnell Sandmining**

Petitions opposing sandmining on the Kurnell Peninsula, received from **Mr Barry Collier** and **Mr Malcolm Kerr**.

### **Crime Sentencing**

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

### **Lake Wollumboola Recreational Use**

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

### **Jervis Bay Marine Park Fishing Competitions**

Petition requesting a zoning policy amendment to preclude fishing competitions, by both spear and line, in the Jervis Bay Marine Park, received from **Mrs Shelley Hancock**.

### **Cremorne Community Mental Health Centre**

Petition requesting the retention of the Cremorne Community Mental Health Centre, and the upgrading of the facilities at Chatswood, received from **Mrs Jillian Skinner**.

### **Nowra Bypass**

Petition requesting an appropriate bypass for Nowra, after community consultation, received from **Mrs Shelley Hancock**.

### **Oxford Street Clearway**

Petition requesting removal of the Oxford Street clearway and imposition of a 40 kilometres-per-hour speed limit in Oxford Street, received from **Ms Clover Moore**.

### **Old Northern and New Line Roads Strategic Route Development Study**

Petition requesting funding for implementation of the Old Northern and New Line roads strategic route development study, received from **Mr Steven Pringle**.

### **Forster-Tuncurry Cycleways**

Petition requesting the building of cycleways in the Forster-Tuncurry area, received from **Mr John Turner**.

### **South Coast Rail Services**

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

### **Southern Tablelands Rail Services**

Petition opposing any reduction in rail services on the Southern Tablelands line, received from **Ms Katrina Hodgkinson**.

### **Newcastle Rail Services**

Petitions requesting the retention and improvement of Newcastle rail services, received from **Mr Jeff Hunter** and **Mr John Mills**.

### **Pets on Public Transport**

Petition requesting that pets be allowed on public transport, received from **Ms Clover Moore**.

### **Murwillumbah to Casino Rail Service**

Petitions requesting the retention of all CountryLink rail services from Murwillumbah to Casino, received from **Mr Neville Newell** and **Mr Donald Page**.

**CountryLink Rail Services**

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

**Narellan Public School Hall**

Petition requesting funding to build a hall for Narellan Public School, received from **Mr Geoff Corrigan**.

**Milton-Ulladulla Public School Infrastructure**

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

**Autism Spectrum Disorder**

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

**Wagga Wagga Electorate Schools Airconditioning**

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

**Skilled Migrant Placement Program**

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

**Mature Workers Program**

Petition requesting that the Mature Workers Program be restored, received from **Ms Clover Moore**.

**Colo High School Airconditioning**

Petition requesting the installation of airconditioning in all classrooms and the library of Colo High School, received from **Mr Steven Pringle**.

**Shoalhaven River Water Extraction**

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

**Water Carting Restrictions**

Petition opposing the decision by Sydney Water Corporation to restrict the operating times for water carters and not allow Sunday cartage, received from **Mr Steven Pringle**.

**Hawkesbury Electorate Sewerage**

Petition praying that funding be provided to construct a reticulated sewerage system for Glossodia, Freemans Reach and Wilberforce, received from **Mr Steven Pringle**.

**Glenorie and Galston Sewerage**

Petition requesting the delivery of sewerage services to the Glenorie and Galston districts, received from **Mr Steven Pringle**.

**Wisemans Ferry Electricity Requirements**

Petition requesting an assessment of the electricity requirements of the Wisemans Ferry district, received from **Mr Steven Pringle**.

**Isolated Patients Travel and Accommodation Assistance Scheme**

Petition objecting to the criteria for country cancer patients to qualify for the Isolated Patients Travel and Accommodation Assistance Scheme, received from **Mr Andrew Stoner**.

**Collector Bushrangers Reserve Motorcycle Track**

Petition requesting approval for the construction of a motorcycle track at Collector Bushrangers Reserve, received from **Ms Katrina Hodgkinson**.

**Sullage Removal Subsidy**

Petition requesting that the subsidy for sullage removal be extended to residents in the Hawkesbury local government area, received from **Mr Steven Pringle**.

**BUSINESS OF THE HOUSE****Withdrawal of Business**

**General Business Notice of Motion (General Notice) No. 8 withdrawn by Mr Stoner.**

**BUSINESS OF THE HOUSE****Reordering of General Business**

**Ms GLADYS BEREJIKLIAN** (Willoughby) [2.35 p.m.]: I move:

That the General Business Notice of Motion (General Notice) of which I gave notice today [Mental Health Services Funding] have precedence on Thursday 3 March 2005.

This motion should be debated tomorrow because while this House sits today patients are being turned away from community-based mental health centres. Hospital emergency wards are unable to admit mental health patients due to a lack of beds, and community organisations are struggling to meet the increasing demand for mental health services without adequate support from the State Government.

This year one in five New South Wales residents will experience a form of mental illness, and 40 per cent of us will suffer a mental illness at some stage in our lives. Notwithstanding these overwhelming statistics, there is a crisis in the provision of mental health services in New South Wales. According to a 2005 Productivity Commission report, New South Wales spends \$96 per annum per person, in real terms, on mental health—much less than Western Australia, Victoria, South Australia and the Australian Capital Territory.

New South Wales has 14.3 mental health beds in public hospitals per 100,000 people, the worst ratio of any Australian State or Territory bar one. New South Wales has only 81 full-time equivalent direct care staff employed in specialised mental health services per 100,000 people, the worst ratio of all the mainland States. Funding to non-government organisations as a percentage of mental health services is only 2.4 per cent in New South Wales, the second lowest of all the States and Territories and well below the national average.

The Carr Government is also in the process of ripping out many community-based mental health facilities, contrary to the advice of leading clinicians. At a time when patients, their carers, their families, and health care professionals are crying out for help, the Carr Government is letting them down. Rehashing old announcements and paying lip-service to this critical and complex policy area is not an adequate response. I urge members to support this motion gaining precedence for tomorrow.

**Mr CARL SCULLY** (Smithfield—Minister for Police) [2.37 p.m.]: The Government welcomes debate on this issue. In fact, the honourable member for Gosford, who is not even in the Chamber, told a porky yesterday. He said that we had not opened a 50-bed mental health unit in Wyong; in fact, we had opened one



with 70 beds. We welcome the debate. During that debate, I know the Minister for Health will want the Coalition to be honest about this. We have spent more than \$700 million per annum on mental health. We have a great story to tell, and we will be telling it in this debate—sooner than members opposite realise.

**Motion agreed to.**

## QUESTIONS WITHOUT NOTICE

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### MACQUARIE FIELDS RIOTS

**Mr JOHN BROGDEN:** My question without notice is directed to the Premier. Can the Premier confirm that a police listening device recorded Jesse Kelly identifying himself as the driver of the stolen vehicle several hours before presenting to Macquarie Fields police station and being allowed to walk free?

**Mr BOB CARR:** The Leader of the Opposition is absolutely reckless. If the police had a listening device in the home of a criminal, how dare the Leader of the Opposition get up in this House and give the game away! Never, ever has an Opposition leader behaved like that. That is disgraceful. How dare the Leader of the Opposition undermine a police operation!

**Mr SPEAKER:** Order! The Leader of the Opposition will cease interjecting. I call the honourable member for Strathfield to order. I call the honourable member for Willoughby to order.

**Mr Barry O'Farrell:** Point of order: My point of order relates to relevance. If the Premier were awake this morning, he would have heard that matter on public radio; commercial radio reported it six hours ago. Where is the problem? The Premier should listen to commercial radio before he attacks others.

**Mr SPEAKER:** Order! There is no point of order. I call the Deputy Leader of the Opposition to order.

**Mr BOB CARR:** Whatever might be said in the media, it is another thing for any responsible officeholder in this Parliament to get up and start giving away police operations. That is a disgrace! That is reckless! That is irresponsible and quite possibly an offence under the legislation.

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

**Mr BOB CARR:** Furthermore, that potentially puts at risk police officers—not just the operation but also the police officers.

**Mr John Brogden:** Point of order: That is the man they are looking for. Why can't you find him? He is loose on the streets of Sydney and you can't find him.

**Mr SPEAKER:** Order! The behaviour today from both sides of the House is outrageous. I urge both Government members and Opposition members to observe the standing orders of the House and allow the Premier to be heard in silence.

**Mr BOB CARR:** The Opposition leader, due to his inexperience, has put at risk a police operation. I have an alternative approach to recommend, and that is that this House back the police and support them in their work.

### SCHOOL BUS SAFETY

**Mr JOHN BARTLETT:** My question without notice is addressed to the Minister for Transport. What is the latest information on school bus safety and related matters?

**Mr JOHN WATKINS:** I am pleased to inform the House of the public release of the final report of the School Bus Safety Working Group set up by my predecessor to look at issues such as identifying concerns regarding school bus travel, examining potential and practical solutions, and providing a report to me for consideration. The School Bus Safety Working Group includes the Ministry for Transport, the Bus and Coach Association, the NSW Parent Council, the Council of Catholic School Parents, the Roads and Traffic Authority,

and other dedicated safety groups. Their work has been completed, and I commend the members of the working group for their hard work and the advice they have provided. There is little more important to all of us than the safety of our children, especially when they are travelling on public transport.

The working group focused on three main issues, which were identified as the main concerns of parents and community organisations. They were: whether seat belts should be fitted to school buses; whether standing should be prohibited on school buses; and whether the three-to-a-seat rule should be eliminated on school buses. That three-to-a-seat rule allows three children under the age of 12 to occupy a seat built for two adults. Fitting seat belts in buses and not permitting students to stand were both considered, with an emphasis on roads with higher speed limits and country roads. Hence the great interest in this issue from country members of the House.

The report makes a number of findings and recommendations. It finds that buses are amongst the safest form of school transport in New South Wales. Of all fatalities connected to school travel in the past decade 8 per cent were linked to buses. I am advised that pedestrians accounted for 47 per cent of those fatalities, and students travelling in private cars accounted for 32 per cent of the fatalities. The working group also found that of the six fatalities involved with school bus transport that occurred on school buses in the 10 years between 1993 and 2002, one fatality may have been prevented by the victim wearing a seat belt on that bus. Half of these tragic bus fatalities occurred when children were entering or leaving the bus, leaning out of the window, or when a child was struck by a load from another vehicle.

The recommendations of the working group are that the matter of fitting seat belts to school buses should be referred to the Australian Transport Council to progress the issue through the Australian Design Rule [ADR] process, and that priority in the national Australian Design Rule development process should be given to smaller buses. The report finds that retrofitting existing school buses with seat belts is not considered to be an appropriate option. That has been an issue of concern to the parents groups and also to the Bus and Coach Association.

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

**Mr JOHN WATKINS:** The report also finds that, where appropriate, further discussions should be held about safe luggage storage, childproofing of emergency mechanisms, safer pick-up and drop-off points, and standards for security and supervision in the transport hubs, particularly in interchanges. The Government accepts the recommendations of the working group and will progress the issue of seat belts on school buses on meeting with the Australian Transport Council in June. It is entirely appropriate that the Australian Design Rule process be followed in this matter. ADRs are mandatory national design and construction standards that apply to the manufacture of new road vehicles, including buses, prior to entering the market. They set the standards for vehicle safety emissions and antitheft design.

Today I asked the Ministry for Transport to report to me on those other issues of safe storage of luggage, childproofing of emergency mechanisms, safer pick-up and drop-off points, and standards for safety and security in transit hubs. I will also be meeting members of the working group to discuss this report and to thank them for the work they have put in over the months. The report is available at the Independent Transport Safety and Reliability Regulator's web site. I advise anyone who is interested in the detail to access that report on the web site.

#### **ORANA JUVENILE JUSTICE CENTRE STAFF AND INMATE BEHAVIOUR**

**Mr ANDREW STONER:** My question is directed to the Minister for Juvenile Justice.

**Mr SPEAKER:** Order! I call the honourable member for Swansea to order. The honourable member for Bathurst will come to order

**Mr ANDREW STONER:** Now that the Minister has finally acknowledged that two Dubbo police officers witnessed the high-fives given by an Orana detention centre staff member to Brendan Saul's killer, has the staff member involved been suspended, and when will the investigation be completed?

**Ms DIANE BEAMER:** I called immediately for these allegations to be fully investigated as soon as they came to my attention. Initial inquiries added to the seriousness of the matter and have led to the appointment of an independent investigator, independent of the department and independent of the public sector—an appropriate response. The investigator will report to both me and the department's employee relations and professional conduct unit.

**Mr SPEAKER:** Order! I call the honourable member for Coffs Harbour to order. I call the honourable member for Vacluse to order.

**Ms DIANE BEAMER:** I can confirm that the investigator has already consulted with police at Dubbo as part of that investigation. At no time have the department or I either confirmed or denied the veracity of these allegations but, rather, have emphasised the seriousness of them and the need to have them fully investigated.

### INTEREST RATES

**Mrs BARBARA PERRY:** My question without notice is to the Premier. What is the Government's response to community concerns about the rise in interest rates and its impact on New South Wales?

**Mr BOB CARR:** Remember September and October; remember all the advertisements, culminating in the Federal campaign; remember the opening shots of that campaign and the Prime Minister's eloquence when he said, "This election is about trust. Who do you trust to keep interest rates low?"

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

**Mr BOB CARR:** There it was, in all the posters on election day and all the advertisements throughout the campaign. But today's rise means that a family paying off a \$300,000 mortgage will be slugged an extra \$48 a month, or \$576 a year.

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

[*Interruption*]

**Mr BOB CARR:** The honourable member says that not many are paying \$400,000 mortgages. In Sydney, where a mortgage is \$500,000, the rise is \$80 a month, or \$960 a year. Worse still, the Reserve Bank Governor's comments imply another rise will follow, which could see many Sydney families paying close to \$2,000 extra a year.

**Mr Andrew Tink:** Point of order: My point of order is that New Zealand interest rates are still a full percentage point higher and he is still not going to invest in New South Wales because of all the property taxes that he put on in this State. He is still prepared to cop an extra percentage point in interest rates in New Zealand because he will not pay his land tax and vendor stamp duty in New South Wales.

**Mr SPEAKER:** Order! The honourable member for Epping will not repeat that behaviour. I place him on three calls to order.

**Mr BOB CARR:** It reminds me of the advertisements on the Discovery Channel for a documentary on *The Exorcist*—you feel a priest ought to be sent in there with incense and incantation. Take some deep breaths, Andrew, and calm down. The news from the Reserve Bank today is that more is to follow and families will get another hit, thanks to the Liberals. Then there is Peter Costello's arrogance when he said any interest rate figure up to 10 per cent should be considered low. He said, "If you see a single-digit in front of your interest rate, that's low." You would have to go a long way to find such hypocrisy! It is a reminder that while our official cash rate of 5.5 per cent is considered low by Australian standards, most of the OECD has official cash rates of under 3 per cent.

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

**Mr BOB CARR:** This is sad news for families in New South Wales—850,000 families, no less, battling to pay off a mortgage, all being kicked in the guts by the Coalition's friends in Canberra, despite their election promises. The Leader of the Opposition thinks that is a joke. But if he is found to have compromised a police operation he ought to resign his office, because no Opposition leader in this Chamber has ever done that before—compromised a police investigation; serious criminality, according to the police, compromised by juvenile recklessness.

### DEPARTMENT OF COMMUNITY SERVICES CHILD NEGLECT ALLEGATION

**Mr JOHN BROGDEN:** My question without notice is directed to the Minister for Community Services. How does the Minister explain the repeated failure of the Department of Community Services to protect a three-year-old boy who was raped and murdered just four months after the department received the last

of six warnings that the child was at risk of chronic neglect and physical and sexual abuse, and whose file was closed the day before he was murdered?

**Ms REBA MEAGHER:** The Ombudsman has fully investigated this matter and made a report, which was tabled in Parliament on 9 December 2004. The Ombudsman's report noted that shortly before the child died, the mother left her children in the care of two men she met at the local railway station. The Department of Community Services was not aware of her decision to place her children in the hands of these two men. Police have today issued a statement confirming they have now charged a 33-year-old man with sexual assault and murder in relation to the tragic death of this three-year-old boy in 2003. I understand the man will appear in Goulburn Local Court this afternoon. The details of this case are tragic and deeply disturbing. It is heartbreaking that any child would suffer in this way at the hands of adults.

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

### FEDERAL GOVERNMENT INDUSTRIAL RELATIONS POLICY

**Mrs KARYN PALUZZANO:** My question without notice is directed to the Premier. What is the Government's response to community concerns about Federal Government plans to take over control of industrial relations?

**Mr BOB CARR:** That is a very good, very timely and very relevant question, relevant to hundreds of thousands of workers in this State.

*[Interruption]*

Some idiot over there said it was nothing new. The announcement came from the Federal Government on Friday—members opposite should read the newspapers—and it deserves to be responded to on behalf of the hundreds of thousands of workers in this State. Last Friday the Federal workplace relations Minister outlined the Howard Government's industrial relations reforms using Commonwealth constitutional powers to take over large slabs of industrial relations from the States, cutting the minimum wage—"Hear! Hear!" from the Opposition—further rescuing the powers of the Australian Industrial Relations Commission and cutting back awards to 16 allowable matters.

A Federal power grab could, at its fullest extent, have the potential to rope into the Federal system all but the most senior State public servants. Only chief executives, senior executives and judges would be left under the State. But that would see nurses, teachers, power workers and clerks being shoe-horned into the Federal system. In turn, that means that all but a handful of entitlements would be stripped from their old awards. Let me take the Nurses Award as one example. It has a provision for reasonable workloads, a protection against any government running down nurse numbers and overloading staff. Similarly, the New South Wales Teachers Award sets out limits on the amount of time teachers spend in front of a classroom, balancing that with time for lesson preparation. They are both sound, practical measures, but both would be stripped away because they would fall outside the Commonwealth's 16 so-called allowable matters.

As the employer, the New South Wales State Government could still choose to retain those conditions, and this Government, a Labor Government, of course would choose to retain those conditions. But a future State Coalition Government would very clearly drop them, because under a Federal takeover those conditions would no longer be entitlements. They would remain in place only as long as future State governments voluntarily opted to keep them there. Without that, they would go; they would be surrendered.

Employers First in New South Wales is taking its cue from Canberra, proposing in an application currently before the New South Wales Industrial Relations Commission to reduce weekend and evening penalty rates for clerical employees in this State. That award covers mostly women, many balancing work and family responsibilities. It is interesting to see the Leader of the Opposition ducking the debate. Yesterday he refused a direct challenge from the honourable member for Drummoyne to debate the issue and state his position. Can Government members believe that any political leader, when asked, "Do you support the employers' bid to remove penalty rates from families", would actually say, "I haven't got a view"? The leader of a State political party should have a view on whether penalty rates stay for workers covered in State awards.

We have a view: we think that workers should be able to retain those conditions. Does the Leader of the Opposition support the employers' bid to cut the conditions, or does he stand with those families? The

Liberals should be embarrassed by the Canberra bid to cut the minimum wage, replacing the independent umpire with a panel of Reserve Bank and Treasury officials to determine increases for our lowest paid workers. That would mean much smaller rises than even the modest increases granted in recent years.

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

**Mr BOB CARR:** For example, last year the Federal Government supported a wage increase of only \$10. What did the commission award? It awarded \$19, yet the Commonwealth wanted to grant only \$10. That is the way the independent umpire works in the Australian system of conciliation and arbitration crafted in the 1890s and the early 1900s. Recently Mr Andrews observed that the minimum wage has been raised by \$70 more than what it should have been over the life of the Howard Government. As if the 1.3 million workers in New South Wales who depend on that minimum wage are not doing it tough enough already!

[*Interruption*]

What about the interest rate rise, which will devastate families? That is about \$2,000 extra a year torn out of family incomes by Costello. I suppose members opposite will say they neither support nor oppose increased interest rates. That is their position. No policies, no ideas, no plans! However, I must revise that view. Few Liberals in this State are more respected than that great towering figure of New South Wales Liberalism, John Valder. In a letter to the editor in today's *Sydney Morning Herald* he proposes, I guess on behalf of the Liberal Party, a canal from northern New South Wales to Sydney. It would only have to cross 12 major rivers, a dozen minor ones—

[*Interruption*]

John Valder is not dead. He wrote the letter today. The editor of the *Sydney Morning Herald* would not print a letter from a dead person. If he is dead I hope he did not vote in the October election. That is a terrible practice. I am advised that from an engineering perspective the off-take point for water extraction would have to be far enough down the catchment so as to catch enough water.

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

**Mr BOB CARR:** That means that it would have to be pumped over the mountains to begin its journey to Sydney. But the Coalition has a policy at last. Given all the interest it got in the Western Australian election, Valder is pretty bright and he felt that, in the absence of policies from shadow Ministers, he was liberated enough to write a letter to the *Sydney Morning Herald* proposing a beauty.

[*Interruption*]

The Leader of The Nationals has just endorsed it. He wants a canal. He has signed up to the canal proposal. Let me say again that Victoria, which adopted the Federal system, accounts for 84 per cent of the nation's days lost in disputes lasting five days or more. That is how the Federal system works. The New South Wales system is better for good industrial relations.

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

**Mr BOB CARR:** It is interesting that members opposite do not have a view on interest rates and penalty rates. They simply say that they do not support the rise or the employers' policy; nor do they condemn it. They have nothing to say. They have no plans, ideas or policies. No wonder Ray Hadley on his radio program recently said, "I don't refuse to have John Brogden on the show. It's just that he's got nothing to say." He said, "He's like an ashtray on a motorbike—useless!"

#### **CROWN LAND ENCLOSURE PERMIT RENTALS**

**Mr ADRIAN PICCOLI:** My question is directed to the Premier. Given that the Government increased the minimum rent on Crown land road permits to \$350 to "ensure administration and managements costs of those leases are recovered", is the Premier seriously asking the State's farmers to believe that it costs \$15.75 million a year to administer these leases? Or will he now admit that it is a blatant new Labor tax on farmers?

**Mr BOB CARR:** No, but the purchase price will be assessed using a number of factors, including the most recent land valuation. Land value does not include the value of structural improvements such as a

dwelling. The department will apply appropriate discounts and where landholders object to a price assessed by the department they may engage their own registered valuer.

**Mr ADRIAN PICCOLI:** I ask a supplementary question. Further to the Premier's answer, will the land valuations be market value, or will they be assessed on the Valuer-General's evaluation?

**Mr BOB CARR:** I refer the honourable member to my previous answer.

### MIDWIFERY SERVICES

**Mr KEVIN GREENE:** My question without notice is directed to the Minister for Health. What is the latest information on midwifery services in New South Wales?

**Mr MORRIS IEMMA:** I thank the honourable member for Georges River for his question and for his interest in midwifery services in his local community. I am pleased to advise the honourable member that the birthing service at St George Hospital will soon begin offering homebirths as an option for mothers in the St George area. This is the first time that publicly funded homebirths have been available in New South Wales. Research in Australia and overseas demonstrates that for some carefully selected women a planned homebirth can be as safe as a hospital birth. It provides safe outcomes for mothers and babies, high levels of satisfaction for mothers and midwives and a range of options for expectant mothers.

Home birth models are already operating in Western Australia, South Australia, New Zealand, the Netherlands and the United Kingdom. The withdrawal of professional indemnity insurance for private midwives in 2001 has led to some women giving birth at home without midwife support or medical assistance, potentially putting themselves and their baby at risk. In 2003 there were 99 reported births at homes in New South Wales, with either private midwife support or the support of a general practitioner. The number of women choosing to birth at home without professional assistance is unknown. What we do know is that the cost of private midwifery services for a homebirth is between \$2,000 and \$5,000. This is with no medical indemnity insurance, as insurance companies will not insure private homebirthing services. That is why the Government is determined to ensure that a public service which supports women to give birth at home is available within our public health care system. That forms the basis of our plan to provide just such a service to women in this State.

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

**Mr MORRIS IEMMA:** This service will help address the problem of women choosing to give birth without professional assistance and will improve equity of access to homebirth assistance. The model for homebirth services to be offered by St George Hospital and the clinical protocols that support it have been developed in consultation with senior obstetricians, midwives, general practitioners and paediatricians. Consumers from St George Hospital, Sutherland hospital and the Royal Hospital for Women have also been involved in the development of the model.

*[Interruption]*

The honourable member might not be interested in choice for women, but we are. An important breakthrough and a key plank of this policy is that these public homebirthing services will be fully supported and fully indemnified through the Treasury managed fund. This will give security and certainty to the women involved in the birthing process as well as the midwives who will be supporting them. Although the demonstration process will initially only be offered at St George Hospital, it is expected that it will be extended to the Royal Hospital for Women and Sutherland hospital if it proves as safe as expected and if there is sufficient demand.

Evaluation of the demonstration project will measure maternal and neonatal clinical outcomes. These outcomes for women and their babies booked for homebirth will be evaluated as part of the demonstration process. The published evidence supports homebirth as a safe option for women who are at low risk of complications and who received care from qualified practitioners with adequate support, advice, referral and transfer mechanisms. This is just one part of the Government's plan to give women as wide as possible choice when it comes to birthing.

In 2003, when Ryde hospital was left without obstetric anaesthetist coverage the future of birthing services at Ryde hospital looked questionable. The loss of obstetric anaesthetist services at Ryde drew a great

deal of criticism, and scepticism that they could be replaced by a midwifery model of care. I am pleased to inform the honourable member for Georges River and my colleague the Minister for Transport that the midwifery-led model of birthing at Ryde today celebrates its first birthday. It is one year since this new model of birthing was developed at Ryde, and I am proud to report that the professionalism and the quality of the midwives and the staff at Ryde hospital, and the commitment and faith of families of the Ryde area in that service and in that hospital, have seen 227 babies born at Ryde over the past 12 months as part of the midwifery-led model of birthing.

The success of the service known as the Ryde Midwifery Group Practice is a testament to the professionalism, training, skill and dedication of the staff involved in that service and to the faith of the families of Ryde in their local hospital and their local midwifery service. There have been 227 births without any adverse incident. The support of obstetricians and the support of the medical staff at that hospital has been critical to the development of the service and its success.

**Ms Sandra Nori:** And the hardworking mothers.

**Mr MORRIS IEMMA:** And the hardworking mothers, that is correct. So successful has the Ryde model been that it is now regarded as a benchmark for midwifery birthing throughout the country. It is no surprise that, in a celebration of its first birthday, visitors from Victoria were inspecting the service with a view to seeing where it could be applied in Victoria. The Government stands committed to support midwifery-led birthing like the service at Ryde. That is the model of care that we are committed to implementing in other hospitals across the State, in particular given recent events at hospitals such as Camden. The shortage of specialist medical professionals, particularly obstetrics, is putting severe pressure on maternity services, and the Commonwealth's failure to address these national work force issues is posing key challenges for us. We have detailed plans to provide women with extensive choice when it comes to birthing.

#### NAMBUCCA EMPLOYMENT AND INVESTMENT

**Mr NEVILLE NEWELL:** My question without notice is directed to the Minister for Regional Development. What is the latest information on government efforts to create jobs and investment in Nambucca?

**Mr DAVID CAMPBELL:** I acknowledge the honourable member's interest, as a Country Labor member, in regional development issues and jobs growth throughout the region. He and his Country Labor colleagues are very active about these issues. On a recent visit to the Tweed electorate we talked to Boral about its investment at Murwillumbah, which is very positive for the local community, positive for the timber industry and positive for jobs in Murwillumbah. The New South Wales Government is working with the Nambucca community to encourage local jobs. It is part of the Carr Government's strong and detailed plan to encourage investment in regional areas. Healthy, thriving regional communities with growing businesses benefit everyone in New South Wales.

The New South Wales Government has helped develop Nambucca as a national centre of excellence for vehicle body manufacturing. The results are extremely positive. Since 2000, the Carr Government has helped 26 business projects in the Nambucca area. This has created nearly \$12 million of new business investment in Nambucca. That has helped create and retain 324 local jobs. It is an outstanding result for this important partnership between a regional community and the New South Wales Government. Our Regional Economic Transition Scheme continues to help support the Nambucca vehicle body manufacturing cluster.

Members will be interested to know that one of the key companies involved in clustering is Kara Kar Trailers. Four years ago, this Australian manufacturer of horse floats and trailers relocated from Sydney to Nambucca, with New South Wales Government support. There is a strong policy of encouraging footloose Sydney industries to relocate to regional areas, and there are many examples of it. Kara Kar Trailers is one such example. I know my colleague the honourable member for Wollongong is proud that Herd Bars & Bodies has relocated from Sydney to the Kemblawarra area in her electorate. Members on the Central Coast will be pleased to know of the investment by Kellogg's in relocating part of its snack bar food business from Queensland to the Central Coast. That is another example of the strong and detailed plans we have.

Kara Kar Trailers, which relocated from Sydney to Nambucca, plans to expand its regional operations and create up to 25 new jobs in the Nambucca area. Once again, the New South Wales Government is working with the company to encourage this growth. We have also helped Comet Windmills, an Australian icon, to relocate from Sydney to Macksville. This company's relocation to the Nambucca shire means lower business

operating costs and the creation of 13 new local jobs, with more to come as operations expand. We have also supported Express Coach Builders of Macksville to expand its manufacturing operations, creating 84 jobs.

**Mr SPEAKER:** Order! I call the Minister for Police to order.

**Mr DAVID CAMPBELL:** Other companies that have also benefited from Carr Government support include Mainstar Australia, which in 2003 relocated and expanded its operations, creating new local jobs. It is now an important member of the Nambucca vehicle body manufacturing cluster. In 2003 the New South Wales Government, through its strong and detailed plans, helped PCF Industries to relocate to the region, creating 16 local jobs. The expansion of business in Nambucca and the community's success is no accident. It is by the design and hard work of the local community, supported strongly by the Carr Government. It is a result of the Government's determination to work with local communities to encourage jobs growth and business opportunities in our regions. By providing funds through the New South Wales Government's Regional Economic Transition Scheme, we have helped develop new businesses in Nambucca.

Last financial year the cluster recorded group sales of nearly \$17 million. Of this figure, 98 per cent was generated outside the Nambucca region. The record sales highlight the cluster's importance as a major income earner for the broader Nambucca economy and for the workers and their families. I suggest that these companies do not pay minimum wages. They are sophisticated companies that would have strong industrial relations policies and would be prepared to work with their employees to ensure a strong and positive industrial relations climate at their work sites. Industry clusters are a great way to do business and encourage regional investment.

The honourable member for Illawarra will be particularly pleased with the progress of the engineering cluster in her electorate, i3net. In one sense, the local engineering businesses in the cluster are competitors. In another sense, they work together and share leading technology and best practice in the engineering field to attract major contracts and benefit from the opportunities that come from positive growth. Industry clusters are a great way to do business and encourage regional investment. Nambucca is showing the rest of the nation that regional clusters encourage regional investment and that industry clusters encourage jobs and regional economic growth, and lead to opportunities in exports and secure employment for local families. The New South Wales Government has provided \$168,000 to support projects generated by the Nambucca community's economic plan. It is an important part of the work of the Government's strong and detailed plans for regional development to encourage community involvement in economic planning and development and in local jobs growth.

**Mr Ian Armstrong:** Point of order: Mr Speaker, I draw your attention to the state of the House, particularly the Government benches. A Minister and a Government member have been walking backwards and forward, and another Minister has his back to you. That is not in the spirit of this House. I ask you to call Government members to order.

**Mr SPEAKER:** Order! As always, the honourable member for Lachlan is very perceptive. I call the Minister for Energy and Utilities to order for standing in the Chamber.

**Mr DAVID CAMPBELL:** As I said, the New South Wales Government has provided \$168,000 to support projects generated by the Nambucca community's economic plan. These projects include economic profiling and the development of an industrial land strategy, an investment marketing strategy and a business survey.

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

**Mr DAVID CAMPBELL:** I congratulate all the businesses that have contributed to this community effort. They have given greater security to local families through their investment and hard work and their joint efforts in their cluster group. I commend the Nambucca community for its ongoing efforts to plan for a sustainable future.

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

**Mr DAVID CAMPBELL:** The interjections from the Opposition demonstrate that they have no ideas, no policies and no plans. They are embarrassed that Country Labor and the Government have strong and detailed plans for jobs growth in the regions. The Carr Government, with strong input from Country Labor, will continue to work with the Nambucca community to develop and diversify its economic base by using the same strong and detailed plans that we use statewide, which cause the Opposition so much embarrassment.

**Questions without notice concluded.**



## CONSIDERATION OF URGENT MOTIONS

### Interest Rates

**Mr JOSEPH TRIPODI** (Fairfield—Minister for Housing) [3.26 p.m.]: Peter Costello has broken his promise to the people of Australia, and the Prime Minister has lied. This motion is urgent because today's interest rate rise of 0.25 per cent will increase the mortgage repayments of home owners across the State. It is urgent because first home buyers will now find their borrowing capacity cut dramatically, so that their dream home is now out of reach. The Opposition's motion on property tax offers nothing new. A debate on property tax is a debate not worth having. There is nothing new in what the Opposition offers. There is nothing new in what they say or propose. Unfortunately, the Opposition holds the same position it always has: no policies, no ideas and no plans.

It is important to debate today the extra \$48 per month that every \$300,000 mortgage holder will have to come up with. In September and October last year the Federal Government promised that interest rates would not increase. It promised it would deliver competence in managing our economy. It has failed. Peter Costello is the highest-taxing Treasurer in the history of the Commonwealth. The Commonwealth Government has been taking more money out of the pockets of workers than any other government in the history of this country, and now it has precipitated an increase in interest rates that will take more money out of people's pockets—\$48 per month from the average mortgage holder. It is an utter disgrace. It has now been proved that the Federal Coalition won the last Federal election by deceit and we will all be paying for it from today onwards.

### Land Tax

**Mr DONALD PAGE** (Ballina—Deputy Leader of The Nationals) [3.30 p.m.]: The Minister for Housing said the Opposition had nothing new to offer. Let me remind him that the motion he moved is identical to the motion he moved last week. The Government has nothing new, but the Opposition has something new. The Opposition has a new policy—the reinstatement of the threshold on land tax, which will make a big difference to hundreds of thousands of land taxpayers in this State. This matter is urgent because, as we speak, thousands of Labor's land tax bills are being dropped into letterboxes across New South Wales. These bills are hitting pensioners, self-funded retirees and mum and dad investors, all of whom have worked hard, saved and invested to provide for themselves.

Of the 510,000 citizens who pay land tax in this State, 400,000 are now receiving their first land tax invoice courtesy of the Premier and his Labor mates. This matter is urgent because every day people are frustrated, angry and bewildered by these bills. They come into our electorate offices to complain about it. I know that members opposite are also receiving a lot of complaints about land tax bills. The honourable member for Swansea was reported in the *Newcastle Herald* of 10 February as having said that land tax was, "hurting many pensioners who live in my electorate". The honourable member for Wallsend said, "There are issues that people in the Hunter are not happy with Labor about. One is tax, land tax." The honourable member for Lake Macquarie said, through a spokeswoman, that his office was "getting lots of complaints about land tax".

This is an urgent issue. It is a matter that goes to the heart of administration in this State and it concerns Labor, Liberal, National and Independent electorates. There is no bigger issue in this State at the moment than land tax and this House is entitled to have a full debate on it. The matter is urgent because people are becoming very distressed about the fact that they have these new land tax bills to pay. We are all aware that our constituents have approached our electorate offices complaining that they have a huge land tax bill and that they do not know how they are going to manage to pay it. Some have to pay by 15 March.

Mr and Mrs Carter, constituents of mine in Ballina, are a particularly sad case. They have a son who suffered a stroke when he was only six months old. He is now aged 37 and currently in receipt of a disability pension. What was formerly the Carter's family home is being utilised so he can be independent and not have to go into public housing. The Carters do not receive any rent from that property. In fact, they subsidise it by the \$15,000 in potential rental income they would receive if they rented it. The Carters have to pay land tax and their bill has increased from \$230-odd last year to \$1,356 this year. This family is not receiving any rental income but is providing accommodation for their disabled son, thereby saving the Government a lot of money.

I have constituents who rent business premises on a lease arrangement whereby they have to pay the outgoings on the lease, so they have to pay land tax. They received a bill from the landlord the other day for \$648 additional land tax, which they have to pay. This is on top of all the other State taxes they have to pay for

running a business. They also rent the premises they live in and have been advised that this rent is going up because of land tax. They own a block of land out in the Central West where they would like to retire in five or 10 years time. Guess what? They are paying land tax because of the lease arrangements they have with the landlord, they are paying increased rent because of land tax, and they are also paying land tax on a vacant block of land from which they receive no income. They are getting hit three times by land tax.

It is an absolute disgrace and the sooner the Government realises it is penalising ordinary people the better. We have a baby boomer population in this country, an increasingly ageing population, and we need to make sure that as many as possible of those people are self-sufficient. We have a reducing tax base of those who will pay tax in the future. Our generation, the baby boomers, need to be self-sufficient but this Government is providing absolutely no incentive for people to invest their hard-earned dollars in a property somewhere so they can be self-sufficient in their old age. The introduction of this land tax with no threshold is totally against the national interest. The Coalition will reintroduce the threshold and I believe that all members of this House should support my motion.

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

**The House divided.**

**Ayes, 48**

Mr Amery	Mr Hunter	Mr Price
Ms Andrews	Mr Iemma	Dr Refshauge
Mr Bartlett	Ms Judge	Ms Saliba
Ms Beamer	Ms Keneally	Mr Sartor
Mr Black	Mr Knowles	Mr Scully
Ms Burney	Mr Lynch	Mr Shearan
Miss Burton	Mr McBride	Mr Stewart
Mr Campbell	Mr McLeay	Mr Tripodi
Mr Collier	Ms Meagher	Mr Watkins
Mr Corrigan	Ms Megarrity	Mr West
Mr Crittenden	Mr Mills	Mr Whan
Ms D'Amore	Mr Morris	Mr Yeadon
Mr Debus	Mr Newell	
Mr Gaudry	Ms Nori	
Mr Greene	Mr Orkopoulos	<i>Tellers,</i>
Ms Hay	Mrs Paluzzano	Mr Ashton
Mr Hickey	Mrs Perry	Mr Martin

**Noes, 34**

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

**Pairs**

Ms Gadiel	Mr Brogden
Mr Gibson	Mr Merton

**Question resolved in the affirmative.**

## INTEREST RATES

### Urgent Motion

**Mr JOSEPH TRIPODI** (Fairfield—Minister for Housing) [3.44 p.m.]: I move:

That this House:

- (1) notes this morning's decision by the Reserve Bank of Australia to lift interest rates by a quarter of a percentage point to 5.5 per cent;
- (2) expresses its concerns that New South Wales families with a \$300,000 mortgage will now be forced to pay an extra \$48 a month; and
- (3) condemns the Prime Minister for his failure to honour his 2004 election promise on interest rates.

It is all covered on the front page of today's *Sydney Morning Herald*, which carries the headline, "Worst deficit in 50 years spells banana drama". The opening paragraph says it all:

The current account deficit has grown to more than 7 per cent of the economy for the first time in half a century, as the nation racks up foreign debt to pay for consumers' hunger for imports.

What this says is that the Federal Government has failed on economic policy. What it says is that the Federal Government has bludged for the past nine years, and as a consequence our current account deficit is going deeper and deeper into the red, our economy is contracting, and interest rates are increasing. On top of that, the Federal Government wants to rip into the wages of workers in this State. It is an absolute disgrace. We will have to pay more with less. With its industrial relations reforms coming down on the States, the Federal Government is asking people to pay more with less income. It is an absolute and utter disgrace, and that is why this matter must receive the attention of the House.

Today interest rates have risen by a quarter of a per cent. It may not seem like a huge jump, but for many people this increase will have a huge impact—the families that are struggling, young people who are starting out and trying to buy a first home, and ordinary Australians with higher personal debt levels than ever before. It is important to realise that a quarter of a per cent increase has a much bigger impact on repayments today than it would have had 10 years ago. It will take a bigger chunk of people's income to pay off what may appear to be a small increase. It is in fact a large increase.

In Sydney the scale of household debt has reached mammoth proportions. The most significant debt continues to be the mortgage on the family home. It is the families who are going to pay for the lies and deceit the Federal Coalition Government peddled last September and October. The hard work of the New South Wales Government in encouraging first home buyers into the market means that more than 32,000 first home buyers have been assisted in purchasing a home since April last year. They have been able to take that first and most important step towards being financially secure, assisted by the New South Wales Government but harmed by the Federal Government. We helped these people get into their first home but, as a consequence of the Federal Government's economic mismanagement, its high-taxing regime and, most importantly, its spending regime in which spending is out of control and wasted on regional rorts, the Reserve Bank has had to increase interest rates.

This interest rate increase will punish average families, who, in the lead-up to the last Federal election, were deceived by the Federal Government into supporting it. Federal Coalition members ran around with graphs and advertisements telling people, "This is how much more you will pay under a Labor government." The situation can now be reversed. Those advertisements can now be applied to the Federal Coalition Government. Those advertisements said that an extra \$83 would be paid if interest rates go up by half a per cent. Interest rates will go up by half a per cent.

The Reserve Bank has no choice but to rein in the current account deficit. Why? It is because for nine years the Federal Government has run away from structural reform. For nine years it has failed to bite the bullet. The golden days of riding on the back of the Hawke and Keating governments, and all the tough reforms that we implemented back then, are over. As a consequence of the Federal Government's failure, and its bludging for nine years, we have hit bottom capacity. The opportunities are drying up and interest rates are going up.

In Fairfield, where I come from, the median house price is \$392,000, and the opportunity for a young couple with an average income to buy a home has just been significantly reduced. The average household

income in Fairfield is \$750 per week. A family with this income would have been able to borrow \$272,000 to buy their home. With a 10 per cent deposit, they were able to borrow \$302,000, which was enough to buy a reasonable property in the area of their choice. But now the same family will only be able to borrow \$265,000, and even with their initial 10 per cent deposit they will only be able to purchase a home worth \$295,000. So the quality of housing for those families starts to deteriorate. It all comes home to roost: the lies that John Howard peddled in the last Federal election mean that families now have diminishing opportunities. That restricts the choices of first home buyers.

[*Quorum formed.*]

Back to the battlers from Fairfield! When added costs are taken into account, such as lenders' mortgage insurance, legal fees, and building and pest inspections, those families may well lose the opportunity to buy their dream homes. Mortgages represent the largest proportion of household debt for New South Wales with 850,000 families and individuals having a mortgage. All of them now have to pay more as a consequence of the Federal Government's failure to manage the economy. That is 850,000 families who will be bearing the brunt of this interest rate hike. As we all know, it is not only high-income earners who take out large mortgages; regular mums and dads take out mortgages for huge amounts in Sydney.

The reality is that Sydneysiders' huge mortgages are a necessary part of life and the failure of the Federal Government to manage the economy well has meant that those people will be severely affected as a consequence of the interest rate rise. The Prime Minister has no problem with telling the nation one thing and then doing another. As a consequence of those lies, the Federal Government won the last Federal election and as a consequence of those lies each family in this State will now be paying more. The Federal Government has just presided over the worst-ever quarterly current account deficit. That giant deficit is a statement about the inadequacy of the Federal Government's management of the economy. It is a disgrace. The economy is contracting, debt is rising, interest rates are rising and the current account deficit needs to be pulled back.

That is a poor showing from a government that ran a campaign on economic management and was re-elected through deceit. How can Peter Costello claim to have any economic credibility after misleading the public so outrageously? Today the *Australian Financial Review* reported that the rate rise could increase the cost of home mortgages. However, it has been noted by economists that the housing sector has, indeed, been slowing down on its own, and evidence from the industry supports that. The Real Estate Institute of Australia said today that the rate hike was "not good for home buyers", and "punished those who were trying to get ahead". The reality is that with falling property prices some people in Sydney will have negative equity in their homes and rising interest obligations. The Federal Government is stealing from home owners in this State. It is an absolute, utter disgrace and we expect a lot better from a government that claims to have economic credentials. [*Time expired.*]

**Mr DONALD PAGE** (Ballina—Deputy Leader of The Nationals) [3.54 p.m.]: What a shameful day it is when the Government uses its numbers in this place to vote down debate on a serious motion in relation to the most pressing issue in this State, namely, land tax, in favour of debating a matter that does not even come within the purview of this Parliament. Interest rates are a Federal issue and we debated the matter last week. I was prepared to give the Minister for Housing, a new Minister, the benefit of the doubt, but he has held the portfolio for two weeks and he has twice raised in the House the Federal matter of interest rates. At the same time, the Minister has myriad problems in his own portfolio—and I am happy to talk to him about them—to which he should give some priority and which this House should be debating. Not the least of those is land tax, but there is also a raft of other issues, including the Auditor-General's report on public housing that was tabled today. I will have more to say about that in a moment.

The Minister has many issues to deal with concerning New South Wales and yet he is wasting the time of this House talking about interest rates, which is a Federal issue. Let us dispose of the thrust of his argument at the outset. The Minister's argument essentially is that the Coalition Government has misled the people and that interest rates are creating a huge burden on housing affordability. First, the promise made by the Prime Minister was simply that interest rates would always be lower under a Coalition government than they would be under a Labor government. Frankly, that has been the case for at least the past 20 years.

In case Government members doubt me, let me remind the House of the figures from the Australian Bureau of Statistics. When interest rates under Federal Labor were at their peak, people with an average mortgage of \$212,000 were paying \$36,074 a year. That is when interest rates were 17 per cent. Now, under the Coalition Government, those people are paying 7.05 per cent and, as of today, another 0.25 per cent more.

Nevertheless, under the old interest rate they paid \$14,960 a year, a substantial reduction. When Labor was in power the interest rate average was 12.75 per cent and the person with an average mortgage paid \$27,049 a year. Under the Coalition Government the average interest rate was 7.13 per cent and the person with an average mortgage paid \$15,126 annually. That means that the person with an average mortgage paid \$12,000 a year less—that is \$1,000 a month—under a Coalition government than they paid under a Labor government.

Let us dispose of that ridiculous argument. Members on the other side of the House are so hypocritical it is unbelievable. They do not realise that one of the reasons the Howard Government was returned in such a big way was because of its economic credibility, something Labor does not have. Labor does not have economic credibility at a Federal or State level. The State Government has had record revenue from the property boom, and it has the Howard Government to thank for that. Because interest rates have been low there has been a strong housing market. What has the State Government done with the money? It has wasted it. It has not used the money intelligently by investing in infrastructure. We have a transport system that does not work, a health system that does not work and a lack of investment in infrastructure. Members on the other side of the House should be the last people to talk about economic management.

Let us have a look at how the Minister for Housing might have spent his time in the House today talking about some of the matters that are relevant to the housing market. He could have allowed the debate on land tax. I have already mentioned what is happening with land tax. Thanks to the Government's abolition of the threshold 400,000 additional people out of a total of 510,000 are now paying land tax. That means that there is less incentive for people to become involved in the property market. Why would anyone become involved in investing or stay in the property market when these high land tax bills have to be paid? It is important for both public and private housing because we need those people in the marketplace with the confidence to invest, particularly in rental accommodation.

The taxes imposed by the Government have led to a crisis in the availability of affordable housing. Land tax and vendor duty in New South Wales are forcing up the price of property and driving investors to Queensland. I live on the border and I know that many people will not invest in New South Wales. They are investing in Queensland because land tax is lower and Queensland does not have vendor duty. It is as simple as that. I am staggered that Government members have not worked that out. The vendor tax was supposed to raise \$690 million, but has raised only approximately \$125 million. Driving property investment out of New South Wales will result in the State Government receiving less revenue from stamp duty in the foreseeable future. That will place further pressure on the Government's ability to provide appropriate health, infrastructure and other services. That is a no-brainer.

**Mr ACTING-SPEAKER (Mr John Mills):** Order! There is too much interjection. The honourable member for Ballina has the call. The Minister will have an opportunity to speak in reply.

**Mr DONALD PAGE:** I thought the Minister knew something about economics. Clearly he does not. If he did, he would take more seriously the impact of property taxes on the availability of housing and the attractiveness of housing as an investment in this State. Interest rates are the responsibility of the Federal Government, although they are the strong suit of the Coalition. We have a record of economic stability and economic prosperity under the Federal Coalition Government and for Labor to pretend otherwise is to avoid the truth. The Auditor-General's report on public housing was tabled in the House today. The report identified the fact that 65 per cent of public housing stock in New South Wales is not adequately maintained. That is something the Minister should concentrate on. In addition, 30 per cent of tenants in public housing are unhappy with the standard of accommodation and lack of maintenance. The Auditor-General's Report also identified the fact that the general upgrade program, which was set in place about seven years ago, is about four years behind schedule.

**Mr Joseph Tripodi:** Point of order: I know that the shadow Minister wants to draw to the attention of the House the excellent Auditor-General's report that was tabled today, which endorses the Government's initiatives. However, I ask him confine his remarks to interest rates, the subject of the motion.

**Mr ACTING-SPEAKER (Mr John Mills):** Order! I have the gist of the point of order. The honourable member for Ballina is experienced enough to know that he needs to stay within the leave of the motion.

**Mr DONALD PAGE:** Indeed. I am grateful for your guidance. The motion seeks the agreement of the House in the claim, in essence, that the increase in interest rates will adversely affect housing affordability. I

seek to identify other issues in relation to housing affordability, accepting that interest rates will be one factor. There will always be minor variations in interest rates and 0.25 per cent is a relatively small movement compared with 17 per cent under the Keating Government. The Minister is an economist and should know that monetary policy works through the instrument of interest rates. He should also know that the trade deficit is a factor in money supply and has an impact on interest rates. In Australia our trade deficit is the result of exports dropping and imports increasing.

One reason for decreasing exports is that the State has provided neither the necessary infrastructure nor implemented port efficiencies. If the Government wants to have serious debate about economics and factors that impact on interest rates, I am happy to have that debate. However, New South Wales has so many problems with property tax, land tax, vendor duty and public housing that it is ridiculous for the Minister to waste the time of this Parliament debating a Federal matter on which the Government has no influence. It is a disgraceful waste of the time of this House. The Minister would do better to concentrate on matters within his portfolio.

**Mr STEVE WHAN** (Monaro) [4.04 p.m.]: I commend the Minister for Housing for moving this motion, which is important for rural as well as city residents. It is great to have a Labor Minister who understands that affordable housing means more than just the number of available public housing properties; it is about how people can enter the housing market. John Howard's broken promise is costing people in Monaro and the rest of rural New South Wales. Only a few days before the election, the Federal Liberal member for Eden-Monaro, Gary Nairn, stated:

All the election promises of the last five weeks mean nothing if the economy falters, and interest rates rise.

If interest rates rise just 2 or 3 per cent, the benefits of tax cuts or Government spending will be totally lost. Tens of thousands of Eden-Monaro residents and small businesses will face hundreds of dollars a month extra in paying off a mortgage.

John Howard's promise of low interest rates has been broken and residents in Monaro will now pay more. Housing affordability has declined because people are further in debt. The policies of the Howard Government have resulted in burgeoning personal debt and burgeoning national debt. In 1996 the average first home buyer in New South Wales borrowed a little over \$94,000, but that figure rose in 2003 to \$203,000. It is now even higher. Many people around my age with young families have borrowed much more than that to buy their first home. The owners of a house in Dilwynia Crescent, Jerrabomberra, paid \$465,000 and will pay an extra \$64 a month because of today's Reserve Bank interest rate rise. A four-bedroom house in North Terrace is now valued at \$425,000 while a home in She Oak Place, Jerrabomberra, is valued at \$599,000. Those owners will pay at least \$64 more a month because of today's interest rate rise.

Those same people attended the Jerrabomberra polling booth on election day, only to be confronted with a large poster which warned of interest rate rises. Those people were conned. I handed out how-to-vote cards at that polling booth and saw young mums concerned about high mortgage payments. Their fear is now a reality. People buying their first homes will now pay more on their mortgage. The Liberals, Federal and State, will say anything to get elected. The honourable member for Ballina referred to stamp duty. New home buyers have benefited from the Government's policies for affordable first homes, such as the stamp duty exemption for first home buyers. As a result, 42 first home buyers in Jerrabomberra have received, on average, stamp duty concessions of \$11,180. The Government is helping young people to buy their own homes.

We know the tactic of the Federal Government: it is about squeezing the States so it can claim good economic management. The Federal Government has built surpluses by squeezing the States and providing insufficient funding for service delivery or the building of new infrastructure. The Federal Government's economic management is a farce. Indeed, there has been no economic reform since the Keating Government. The Coalition's economic reform consists of slugging Australians with higher taxes. This year the Federal Government will collect \$250 billion in taxes from the Australian people; it is the highest-taxing Government ever. Before he was elected John Howard said:

I can promise you that we will follow policies which will, over a period of time, bring down the foreign debt.

What has happened to that policy? When the Coalition came to office the foreign debt was \$194 billion; it is now \$421 billion.

**Mr Donald Page:** Rubbish!

**Mr STEVE WHAN:** It is not rubbish. It is in the figures provided by the Australian Bureau of Statistics. John Howard said that his first economic priority in government would be to tackle the current

account deficit. Today it is at a record high level; it is the worst deficit in 50 years. That is the stuff of banana republics. Do members opposite care? The Howard Government and the State Opposition do not care. Coalition members are only interested in saying whatever it takes to get elected. We know it will be no better from members opposite. All they have in their policies is a \$9 billion black hole, which they will inevitably make up in the same way as the Howard Government—with more taxes.

**Mr ADRIAN PICCOLI** (Murrumbidgee) [4.09 p.m.]: No-one likes to pay interest, and no-one likes it when interest rates go up. It is hypocritical for the State Labor Party to accuse John Howard and the Federal Coalition of making false promises and then crying crocodile tears that Coalition members made a false promise before the last Federal election.

**Mr Milton Orkopoulos:** So you admit they were false promises!

**Mr ADRIAN PICCOLI:** I think John Howard said, "Interest rates will always be lower under the Coalition." I do not know whether he ever promised that interest rates would not increase. History will show under which government in the past 20 years interest rates were significantly lower. I was only young at the time but I remember many farmers being sold out by their banks because of the 20 per cent plus interest rates foisted on them by the Federal Labor Government. We lost many of our best farmers because of the mismanagement of the Australian economy by the Hawke and Keating governments. If we are talking about pre-election promises we need only go back to 1995. What did the Premier say in 1995? He said that he would halve waiting lists or resign. It is written in blood. Clearly, his blood is not worth much because the waiting lists doubled.

There was also that famous pledge to get rid of the tolls on the M4, the M5 and other highways. Last time I drove on the M4 and the M5 I had to pay a toll. The Labor Government has not abolished the tolls. Indeed, the amount of the tolls has increased. That was a great promise to the true believers in the western suburbs. And we know what the Premier did to the true believers in the western suburbs! Members opposite should not complain about a pre-election promise that has been broken. The Minister for Housing told us that he has an economics degree. Therefore, he would understand that the Reserve Bank operates its monetary policy independently, with no influence from the Government—and rightly so!

The Coalition and John Anderson are sensitive to the impact of higher interest rates on farmers. At times politicians may be tempted to interfere in interest rate rises. That is why the Reserve Bank has been separated from politics. If the Australian economy is to be managed properly, at times interest rates must rise. Let us hope that they rise only a little, and that the rise has the intended impact, which is to reduce the current account deficit. Why is the current account deficit so high? It is because the economy is strong and the unemployment rate is at a record low. We have a high current account deficit because we are importing much more than we are exporting. Under the Federal Labor Government, the unemployment rate was 10 per cent. We now have an unemployment rate of 5 per cent.

People in Western Sydney and Newcastle, people in Labor electorates and the battlers have never seen such prosperity. They can afford to buy new cars from Japan. A few Labor members have bought new cars, such as a BMW or a Mercedes-Benz, from Germany. They like their German cars. That all adds to the current account deficit. If people can afford to buy nice things, that is great. Members opposite should thank the Federal Government for the prosperity we are now seeing in Australia. The Minister for Housing, who has an economics degree—admittedly it is from the University of Sydney; it is not as good as an economics degree from the Australian National University—would know that at times the monetary policy levers must be pulled to ensure that the economy remains strong for a longer period. We do not want a big spike this year or next year, and then have to go through 10 years of recession. That is what these interest rate rises are all about. We do not like them but they are good for the economy.

**Mrs BARBARA PERRY** (Auburn) [4.14 p.m.]: Today's interest rate rise will increase the burden on families in my electorate of Auburn and make it increasingly difficult for young people to buy a first home in the area. I commend the Minister for bringing this matter before the House today in light of the interest rate rise, because it gives me an opportunity to talk about the impact in my local area. We all know that Sydney has the highest house prices in the country, and even in traditionally affordable areas such as Auburn young people are finding it hard to secure financing to purchase a first home. The New South Wales Government has achieved a great deal in helping first home buyers into the market. However, today's interest rate rises will significantly reduce the benefits that these first home buyers have been able to achieve under our policies.

To date, more than 32,000 first home buyers have been assisted into the housing market through the State Government's stamp duty exemption scheme. In the Auburn local government area it is important to note that to date 530 first home buyers have benefited from the Government's first home buyer scheme. These local people have saved a total of \$5.9 million in stamp duty concessions since April 2004. That is 530 local people who are taking that all-important step for their families of buying a home. They have been helped by the State Government to purchase a home in the local area, where prices have become very high recently.

In this area, getting together a 5 per cent or 10 per cent deposit is becoming difficult as prices increase. That is why the Government's stamp duty concessions play such an important role. Without this program, the costs associated with buying a first home are simply too high. My electorate also covers parts of the Bankstown local government area. Although I do not have specific statistics for those parts, I can say that the story is similar in the Bankstown area. Some 1,365 first home buyers have taken advantage of the Government's generous concessions. All up, that is a total saving of more than \$16.7 million in stamp duty for the area.

No doubt first home buyers know who they can trust when it comes to buying that first home. From the New South Wales Government they get real assistance and a real commitment to helping them achieve their goals. Unfortunately, what we have seen today from the Federal Government is a broken promise—call it what you like. The honourable member for Ballina spoke at length about the fact that the Federal Government, in its election campaign, said that interest rates would always be lower under the Coalition. Let us look at that in detail. That is incorrect. Interest rates in this country are not lower under the Coalition. Compared to other countries, Australia's interest rates are already higher than those in other OECD countries, where the real rate is 3 per cent.

**Mr Donald Page:** They are lower under the Coalition.

**Mrs BARBARA PERRY:** Let us be honest about it. With the current global economy and Australian economy, which members opposite say is booming, why are interest rates in Australia higher than those in other OECD countries? One must ask that question, and the Federal Government must answer it. Another issue is that at election time there was a perception in the communities in Federal electorates that interest rates would not increase. It is clever how the Federal Government, at the time it was standing for re-election, played on the politics of perception and the community's perception. That was a sad state of affairs. People were influenced by the clever Coalition advertising during the campaign. I find it very sad for people in Western Sydney, in particular, who voted for the Coalition thinking that interest rates would not increase.

**Ms Virginia Judge:** They were hoodwinked.

**Mrs BARBARA PERRY:** That is true. Today, many people in Western Sydney and the Auburn area will not be able to afford these rises. In the last census, Auburn had the lowest use of home computers. We are talking about people who cannot afford to buy computers for their children. We are not talking about affluent areas. [*Time expired.*]

**Mr JOSEPH TRIPODI** (Fairfield—Minister for Housing) [4.19 p.m.], in reply: I am not surprised at the disappointing response we have received from members of the Opposition. They do not care about people suffering with higher mortgage rates. They do not care that this will cut into their incomes and reduce the quality of life they are currently experiencing. The *Sydney Morning Herald* stated:

Yesterday's figures also showed that foreign debt grew by \$83.4 billion to \$691 billion, or more than 2½ times the level at March 1996.

Honourable members may remember the debt truck. Now it is a semitrailer or, more probably, a train. It is choking all those home owners because the Federal Government has failed to implement the economic reforms necessary to keep the economy going. The Federal Treasurer admitted that. He said:

But I don't underestimate the significance of these figures—we need to lift exports.

At last he has come to terms with the fact that he has not addressed the supply side. He has not implemented any of the structural reforms necessary to get out of the capacity constraints. What he has done, as the honourable member for Monaro pointed out, is to starve the States. Why do capacity constraints exist? Because the Federal



Treasurer has done nothing other than starve the States. We have had to balance the books in those circumstances. In the last Commonwealth-State Housing Agreement, the Federal Government cut \$210 million in social housing from this State—out of the pockets of the neediest people in the State. It was a disgraceful economic decision, a decision that hits the absolute poorest and indicates what kind of people are in power in the Federal Government. They do not care about home ownership or what the burden is on the pockets of these people.

The Federal Government spends like a drunken sailor. It says and does anything to get itself elected but is not willing to take the consequences. The Federal Government promises one thing and delivers the opposite. They are do-nothing conservatives in Canberra and that is why we are paying the price today. The Federal Government promised families low interest rates but went ahead with a spending program that has left the economy vulnerable to adjustments like this one. The Treasurer promised home owners that if his Government was elected they would not have to worry about an increasing burden on their mortgages. They got exactly the opposite. He told the Australian people that only his party would keep interest rates down and the lies have come home to roost. By giving our economy the worst ever current account deficit in the first six months of this term of government he has betrayed the Australian people.

What shocked me the most was the Treasurer's recent statement that anything less than a 10 per cent interest rate is acceptable. He is saying he could double the interest rate and that is acceptable. That is the kind of arrogant, out-of-touch Government that is in Canberra. That is an absolute disgrace, and makes a complete mockery of this ad, which says that plus 5.7 per cent is an extra \$950 for the average person. That is what the ad says and the Government is living up to it. The Federal Coalition said Labor was going to do that, but it is doing it. Today the Treasurer said an extra 5 per cent interest-rate is acceptable. That is an absolute disgrace. It shows a Government that lacks sympathy and is grossly out of touch.

The Treasurer said today that interest rates are still low by international standards. It should tell that to the families who will now be paying more than \$100 per month extra on their mortgages each month. He should tell that to the first home buyers who will be told by the banks that they can no longer afford to buy the dream homes that they were looking at, that they will have to come up with bigger deposits if they wish to go ahead with their plans. Since yesterday thousands of people have had to review their plans about the dream homes they wanted to buy. I would like to demonstrate to the Federal Treasurer that these home buyers are suffering. I hope he is listening and getting the message from the Government of New South Wales. [*Time expired.*]

**Question—That the motion be agreed to—put.**

**The House divided.**

**Ayes, 52**

Mr Amery	Ms Hay	Mrs Paluzzano
Ms Andrews	Mr Hickey	Mrs Perry
Mr Barr	Mr Hunter	Mr Price
Mr Bartlett	Ms Judge	Dr Refshauge
Ms Beamer	Ms Keneally	Ms Saliba
Mr Black	Mr Knowles	Mr Sartor
Ms Burney	Mr Lynch	Mr Shearan
Miss Burton	Mr McBride	Mr Stewart
Mr Campbell	Mr McLeay	Mr Torbay
Mr Collier	Ms Meagher	Mr Tripodi
Mr Corrigan	Ms Megarrity	Mr Watkins
Mr Crittenden	Mr Mills	Mr West
Ms D'Amore	Ms Moore	Mr Whan
Mr Debus	Mr Morris	Mr Yeadon
Mr Draper	Mr Newell	
Mrs Fardell	Ms Nori	<i>Tellers,</i>
Mr Gaudry	Mr Oakeshott	Mr Ashton
Mr Greene	Mr Orkopoulos	Mr Martin

**Noes, 29**

Mr Aplin	Mrs Hopwood	Mrs Skinner
Mr Armstrong	Mr Humpherson	Mr Slack-Smith
Ms Berejikian	Mr Kerr	Mr Souris
Mr Cansdell	Mr O'Farrell	Mr Stoner
Mr Constance	Mr Page	Mr Tink
Mr Debnam	Mr Piccoli	Mr J. H. Turner
Mr Fraser	Mr Pringle	Mr R. W. Turner
Mrs Hancock	Mr Richardson	<i>Tellers,</i>
Mr Hartcher	Mr Roberts	Mr George
Ms Hodgkinson	Ms Seaton	Mr Maguire

**Pairs**

Ms Gadiel	Mr Hazzard
Mr Gibson	Mr Merton

**Question resolved in the affirmative.**

**Motion agreed to.**

**BIOFUELS****Matter of Public Importance**

**Mr ANDREW STONER** (Oxley—Leader of The Nationals) [4.36 p.m.]: The Nationals in New South Wales believe that biofuels have a major role to play in meeting the growing energy needs of this State and, indeed, the nation. There are major economic, environmental and public health benefits to be had by encouraging the use of biofuels in New South Wales. I refer in particular to biodiesel and ethanol. The time is overdue for a debate on this extremely important topic in the New South Wales Parliament. The total Australian petrol market is about 20 billion litres per year, while the motor diesel market is approximately 14.5 billion litres per year. This is a massive market of which biofuels, such as ethanol and biodiesel, make up only a very small percentage. In fact, Australia sells 30 million litres of fuel ethanol per year whereas, for example, Brazil sells 41 million litres of fuel ethanol per day.

There are many benefits from increasing ethanol production, including the revitalisation of stressed non-metropolitan communities, increased investment and jobs in country areas and more stable regional employment. It would also increase value adding to our agricultural crops and provide crop diversification for farmers. It would leave farmers less exposed to global commodity price fluctuations and other shocks. Further, it would provide an alternative and stable income for growers through fixed supply agreements, which would give a guaranteed market and price for a set volume of product. We would also achieve a more diverse regional industry base and our regional infrastructure would be enhanced. The proposed ethanol plant at Gunnedah is just an example of what ethanol can do for a regional economy.

Production of ethanol from agricultural crops is renewable, unlike production of refined petroleum products from crude oil, which is a finite resource and is linked to the global marketplace for petroleum products. Dealing in the global marketplace involves a dependency on foreign economies and foreign oil producers, including the Organisation of Petroleum Exporting Countries [OPEC] group of nations. Increased ethanol production could extend and supplement Australia's declining crude oil reserves. The Centre for Agricultural and Regional Economics has performed several studies on the potential regional impact of ethanol production. A 1996 study investigated the potential regional impact of ethanol production in regional New South Wales. On the basis of this report the Centre for Agricultural and Regional Economics concluded that:

... any region where there is ready availability of residues could establish an ethanol plant and gain economic benefits. Potentially, some 30 plants could be established in regional areas of New South Wales.

Using ethanol-blended petrol reduces vehicular tailpipe emissions of carbon monoxide, total hydrocarbons, 1-3 butadiene, benzene, toluene, and xylenes, and in some cases nitrogen oxides. Associate Professor Ray Kearney from the University of Sydney in a 2003 paper stated that long-term particulate matter exposure is documented to have an association with respiratory and cardiovascular disease as well as one-fifth of lung cancer cases. That

is an enormous public health impact, to think that we can achieve a 30 per cent reduction in these cancer-causing particulates known as polycyclic aromatic hydrocarbons, through a 10 per cent blend of ethanol and petrol.

Professor Kearney has developed some images of city versus country lungs in non-smokers and it really is quite startling to see the difference in a normal lung from a healthy rural resident compared with the lung of a Sydney city resident, which, of course, is exposed to those pollutants from motor vehicles. If we can reduce those pollutants by 30 per cent, imagine the savings to our public health system and the diminishing of suffering in people with lung cancer and other lung diseases.

Particulate matter arises mainly as a result of fuel combustion from motor vehicles and ethanol added to petrol enables those particulates to be completely burned, because it assists the combustion process and substantially reduces those particles in the emissions from motor vehicles. Professor Kearney stated that widespread exposure to vehicular pollutants significantly affects public health. He stated that government agencies around the world are taking action to reduce those particle emissions from fossil fuels, especially from motor vehicles, and that progress in this direction will be enhanced by introducing alcohol or ethanol into fossil fuels.

Foreign car manufacturers are now producing motor vehicles that can be automatically computed to run efficiently on alcohol fuel with a blend as high as 85 per cent ethanol. The Commonwealth Government has a policy objective of increasing output of biofuels, including ethanol, to 350 million litres by 2010. In Australia it is generally accepted that 10 per cent is the most acceptable ethanol blend, requiring no vehicle modification.

In December 2003, BP Australia commenced the retail marketing of regular unleaded petrol with a 10 per cent ethanol blend [E10 blend] on a limited basis in selected regional Queensland markets. The Queensland Government's fuel purchasing authority, Q-Fleet, agreed to purchase E10 blend for use by the Government fleet out of Q-Fleet's depot. I also note that the New South Wales Government's car fleet is 24,000 cars strong. There would seem to me to be much potential here. I further note that on WIN News on 20 January the honourable member for Kiama called for all government vehicles to use ethanol-blended fuels. Now, there is a commonsense call. That is great, but what action has he taken to make this happen within his own Government?

I ask: What is the New South Wales Government doing in respect of biofuels? I have seen no action whatsoever, despite the Premier constantly talking up his green credentials. The Premier talks about cutting V8 vehicles from the government fleet, and he is full of rhetoric regarding the reduction of greenhouse gases, but when it comes to a practical way of addressing pollution and helping our regional economies, the environment and public health, he is nowhere to be seen. In June 2004 the Queensland Government released a blueprint for the development of a sustainable Queensland ethanol industry. Once again, the Premier has been AWOL on this issue.

Recently, president Bush endorsed ethanol as a viable renewable energy resource in his State of the Union address. The United States of America is the world's largest consumer of oil and the fact that it is prepared to actively work to increase ethanol usage is a sign of the times. There has been much debate on mandating a certain ethanol content in fuel. In the view of The Nationals this may be required if the resistance from oil companies is maintained. I note that the same oil companies that have stickers on the bowsers in Australia stating "no ethanol" are actively marketing ethanol and blends of ethanol and petrol in other countries, for example, the United States of America.

I note also that Queensland Premier Beattie has called for a mandated level of ethanol in petrol. Australia, and New South Wales in particular, has the capacity to produce a renewable clean energy source that will improve our energy independence, protect the health of our citizens and improve environmental outcomes. No good reason can be put forward as to why this State should not invest, whether in a financial sense or in a policy and legislative sense, in encouraging the development of the biofuels industry in New South Wales.

I have spoken about what really is a triple bottom line for the State. There are social benefits to be had. If we are talking public health outcomes we are talking about potentially a massive decrease in lung cancers, particularly in metropolitan areas. The economic benefits, particularly to regional areas, are immense, not to mention the result of less dependence on foreign countries for petroleum products. Lastly, the environmental benefits speak for themselves. Ethanol burns cleanly, it produces water, it is an alcohol product as opposed to a petroleum product, and 30 per cent fewer pollutants will result from a 10 per cent blend. There is no reason why this Government should not take the step of requiring the government car fleet to use a 10 per cent ethanol blend. That would force the fuel companies to provide that blend in the market.

**Mr IAN ARMSTRONG** (Lachlan) [4.46 p.m.]: Today there has been considerable comment by Government members, both publicly and in this House, about the report on Australia's balance of payments that was released in the last 24 hours. It is, indeed, the worst quarter that we have seen for some years. That is because our imports have increased drastically, compared with our exports. There are many reasons for that but one of our major imports has been and continues to be petroleum oil. If ethanol or biofuel is introduced into our fuel systems, and thus saves even 5 per cent, it would mean 19 instead of 20 tankers coming into Port Botany and our balance of payments would be improved.

If for no other reason than to address Australia's balance of payments, we should be considering an alternative to importing refined or unrefined oil. We have the opportunity to do that by introducing legislation that would encourage or mandate the use of biofuels, particularly ethanol, as part of fuel sold throughout this nation. The Leader of the Nationals has articulated an argument related to the health benefits of using biofuels, and Professor Ray Kearney, who addressed a symposium I arranged in Cootamundra some two years ago that received nationwide publicity, explained the situation very clearly.

Professor Kearney is a leading world expert on lung disease. He said that if introduction of ethanol and reduction of vehicle emissions would save lives and reduce the enormous national cost of treating lung cancer and various respiratory system diseases. Why do we not have biofuel in bowsers today? The reason is simple: the ethanol argument was absolutely nobbled by the vested interests of the oil companies in Australia—not the oil companies in the world. A press release issued by the Renewable Fuels Association on 8 February this year reads:

**Royal Dutch/Shell Touts Ethanol's Role in Achieving "Sustainable Mobility" at National Ethanol Conference**

Scottsdale, AZ—during his marketing keynote address before approximately 1,000 attendees at the 10<sup>th</sup> Annual National Ethanol Conference, Royal Dutch/Shell Executive Director Downstream Rob Routs predicted "a period of unprecedented innovation and experimentation in the provision of transport fuel" and highlighted the opportunities it provided for renewable fuels like ethanol.

I challenge the Shell Oil Company to tell us why, in Australia, it lobbied and connived to keep ethanol out of fuel, yet in the United States it goes to conferences attended by 1,000 people and supports ethanol.

**Mr Peter Draper:** Money!

**Mr IAN ARMSTRONG:** Money, indeed. The Independent member for Tamworth is spot-on; that is what it is all about. The economy of Australia is the poorer because of Shell's successful lobbying. If one goes to the fourth, third and second floor of this Parliament, particularly the fourth floor, one sees the fleet of government cars that are driven by the Ministers, office holders and Clerks of this Parliament. From what I observed, about seven out of 10 of those cars are General Motors Holden [GMH] products. They are Caprices, Statesmans, and other Holden models. If those cars were being driven in one of the 30-odd States of America, they would be running on a 20 per cent ethanol blend. They have Chevrolet engines in them, particularly the V8s. The conversion could be carried out by simply making a slight computer adjustment to the jet size, which can be done with a screwdriver and a very small spanner, and a knowledge of the computers in those cars.

Why is it that we are driving government cars on petrol that does not contain ethanol, when the same cars in America run on an ethanol blend? The argument put up last year by a number of the engineering operators in this nation, at the behest of the oil companies, that ethanol would affect our cars, is totally flawed. I have no doubt that it was backed by the oil companies. The fact is that if engines identical to those in government cars that members of this place will drive home tonight were driven in America they would run on a 20 per cent ethanol blend. If they were driven in Brazil, they would run on a 90 per cent ethanol blend. General Motors Holden is the largest producer of petrol-driven engines in the world today, and I would like to share with the House a paper presented by Thomas G. Stephens, the Group Vice-President of General Motors Powertrain, to the Renewable Fuels Association Annual Conference on Policy and Marketing on 8 February 2005. It reads:

At GM, we believe in ethanol. Over the past 20 years, we've probably done more to encourage ethanol than any other manufacturer. And we plan to do more.

So everyone who drives a GMH vehicle—even a Saab in Europe—will be encouraged to use an ethanol blend. The paper continues:

One example came earlier today. We announced the placement of up to 28 new E85 flex fuel Chevrolet Avalanches around the US to promote ethanol use in the coming year.

As I said earlier, the engines in the cars that the Ministers and officeholders of this Parliament drive are Chevrolet engines. The paper goes on:

We're the world's largest powertrain organisation, with 91 facilities in 14 countries ... building over 40,000 engines and 42,000 transmissions *a day*. And a lot of those are designed to run on ethanol already.

Here in Australia we have been conned by the oil companies. We are the mugs; we have been conned. America, Europe and South America are using ethanol, but we have been silly enough to be fooled by the corporate might of the oil companies persuading governments not to go down the ethanol path. The use of ethanol would enable us to save the cost of imports, ensure better efficiencies within our vehicle industry, and assist in arresting the enormous increase in lung disease and cancer in this nation.

Ethanol would also allow us to take advantage of our vast agricultural sector, because ethanol can be manufactured from plants, particularly those in the Brassica family, of which canola is the best known. Indeed, ethanol can be produced from a number of plants. We know that for many years our sugar industry has had difficulty remaining viable. In the last few days we heard that South Australia is developing a small plant from wheat stubble, oat stubble and barley stubble from which ethanol will be produced. I do not know how that is done.

Last week the New South Wales Farmers Association announced it will encourage farmers to produce their own ethanol on their farms. So the energy and the desire are here. We know why we should have alternative fuels. We have a major producer in Manildra Mills, which is one of the world's largest flour millers. The company, which is located at Nowra on the South Coast, has enormous technologies, employing about 900 people. The only thing stopping us using ethanol is that we have been nobbled by the oil companies and the public has been led to believe that ethanol will affect their car engines. If ethanol is good enough for General Motors Holden around the world, producing 42,000 engines a day, who is right? A few journalists who have fallen for the sucker trip of the oil companies, or GMH, the world's largest producer of combustion engines?

State governments and the Federal Government should move to mandate a percentage of ethanol. Let us start with 2 per cent and work up to, say, 5 per cent within five years. That would ensure that we will not have to import ethanol. Hopefully, we will get up to, say, 15 per cent in around 10 years. We will then save lives, and reduce the incidence of cancer and lung disease. We will also save the hard-earned capital of this country because we will be able to reduce oil imports, and the users of petroleum and motor spirit will be given a better deal at the bowser because there will be real competition in fuel prices. We will line up with the rest of the world—

**Ms Virginia Judge:** And the environment.

**Mr IAN ARMSTRONG:** The honourable member for Strathfield makes a very good point. The environment will also benefit. We speak about Kyoto agreements. For the sake of people's health and the environment, the Labor Party should support the motion. I call upon members to support the motion moved by the Leader of The Nationals.

**Mr PETER DRAPER** (Tamworth) [4.56 p.m.]: I support the comments of the Leader of The Nationals and the honourable member for Lachlan, and I thank Gunnedah general manager Max Kershaw for providing his briefing notes to the Leader of The Nationals to assist him develop his argument. The production of biofuel, particularly ethanol, is of great importance to the Tamworth electorate, namely Gunnedah, where the first sod of a \$100 million ethanol plant is expected to be turned at some time in the future.

It has been a long roller-coaster ride for Currabubula farmer and engineer Matthew Kelly, who, as the managing director of Primary Energy Pty Ltd, has devoted the past five years to establishing Australia's first grain-fed dry milling ethanol plant. The project has enjoyed strong support from Gunnedah Shire Council and the Federal Government, which provided a grant of \$1.1 million to enable Matthew Kelly to get the project to construction phase by helping with detailed engineering design, legal costs, environmental impact assessments, and planning fees. I have assisted a little in the promotion of ethanol as an alternative fuel by organising a meeting between Matthew Kelly and the decision makers in the New South Wales bureaucracy, with a view to getting the Government to convert its fleet to using ethanol blends, as the honourable member for Lachlan also pointed out.

Gunnedah, as a small rural community, is set to enjoy enormous benefits from this project to produce one of the world's greenest fuels on its doorstep. In the first 12 months of operation the plant is predicted to

inject \$516 million into the regional economy, and \$1 billion over five years. It will provide employment for 50 permanent employees, 350 indirect jobs in transport and marketing, and 500 jobs in construction. One of the project's biggest spin-offs is that it will provide north-west New South Wales primary producers with a reliable market for their crops by consuming around 300,000 tonnes of grain, primarily wheat and sorghum, per year. It will use 400 megalitres of water, including industry wastewater and town grey water, and 1.6 petajoules of natural gas. The plant will produce 120 million litres of fuel grade ethanol, which is mixed at 10 per cent to produce E10 fuel. That is a major step towards reducing our reliance on fossil fuels.

E10 fuel can also reduce vehicle gas emissions by 30 per cent as this renewable fuel produces less fossil carbon dioxide than conventional fuels. An added bonus is that every year the plant will churn out about 90,000 tonnes of a high-protein meal that can be used for intensive livestock industries. Carbon dioxide will also be able to be harvested for beverages. The project's capital expenditure is estimated at around \$80 million. The normal multiplier effect indicates that that will deliver around \$200 million in benefits to the local economy. The plant is going to be a catalyst and a base load customer for the Central Ranges Natural Gas pipeline from Dubbo to Gunnedah and across to Tamworth.

The project also has significant environmental benefits due to the processing technique, which replaces outdated technology that is highly energy intensive, releases more emissions, and uses carcinogens. The plant is environmentally positive as it creates more energy than it requires to grow the grain through to the final product. As mentioned previously, biofuel provides huge metropolitan area health benefits through lower tailpipe emissions. Also, air toxic levels are lower than conventional fuels. If the proposed production is blended as E10, the resulting emission reduction from this one plant would equate to removing 65,000 cars from Sydney's roads every year, or a reduction of 300,000 tonnes of carbon dioxide a year.

A planning focus meeting was held in Gunnedah some months ago and the proponents are following up various requests to satisfy the relevant departments. As this is a development of State significance, the next step is a development application to the Department of Infrastructure, Planning and Natural Resources [DIPNR]. It is critically important for the Government to throw its support behind the project not only for the future of a regional community but also for the sake of reducing our reliance on fossil fuels. The Government needs to lead the way in accepting ethanol as a viable, harmless alternative to traditional fuels. Gunnedah Shire Council has been extremely proactive. It has 38 vehicles in its fleet, including light trucks, cars, plant equipment and stationary engines, all operating on E10. The new fuel has been available in Gunnedah since last November and the council has two bowsers in town, one holding E10 and the other one unleaded petrol.

The council is proactively trying to get people to use the new fuel. It has also convinced the New South Wales Shires Association to come on side and encourage councils right across the State to use it. I want the Government to be as proactive as Gunnedah Shire Council, and I call on the Government to follow that example and very strongly consider converting the whole government fleet to ethanol use.

**Mr ANDREW STONER** (Oxley—Leader of The Nationals) [5.01 p.m.], in reply: I thank the honourable member for Lachlan, who for many years has been a great champion of the bush and who is certainly a champion of this cause of encouraging greater use of biofuels in New South Wales. I also thank the honourable member for Tamworth, who gave some very interesting statistics on the reduction in pollution associated with the use of ethanol blends in petrol and the lead taken by Gunnedah Shire Council in the use of E10 in shire vehicles. It was somewhat disappointing that no Government member spoke on this matter of public importance, although I saw from interjections and nodding by Government members that there was general support from those backbench members present for this notion of pursuing the use of biofuels in New South Wales. So it seems there is bipartisan support for their use.

We have a number of problems in this State, and indeed in the nation. We have issues with pollution; we have issues with cancer and other pollution related to disease, particularly lung disease; we have stagnant rural economies with excessively high unemployment and disadvantage in many rural areas; we have poor commodities prices; we have a dependency on foreign oil produces; and we have associated balance of payments problems. We need a solution that is going to address all of those problems, and we need not look past the greater use of biofuels. We have the agricultural capacity to produce this renewable fuel, whether through wheat, through grains, through corn or through sugar; even plantation timber can be used in the production.

**Mr Peter Draper:** And sorghum.

**Mr ANDREW STONER:** Yes, sorghum can be used in the production of ethanol. During this debate we have heard about the plant to be established in Gunnedah and the very good work done by Matthew Kelly,

the managing director of Primary Energy Pty Limited, supported by the Federal Government with grants to assist the development of this project, and of course supported by Gunnedah Shire Council. I know there is no greater champion for the ethanol industry than Gae Swain, the Mayor of Gunnedah.

Over recent years we have heard the suggestion that engines can be damaged in some way by an ethanol blend. A very good article in the *Sydney Morning Herald* by Paul Sheehan in, I think, 2003 proved conclusively that that was a con put forward by the oil companies to scare people away from ethanol. Soon thereafter followed the "No Ethanol" stickers on bowsers. There is no suggestion whatsoever of damage to modern engines from a 10 per cent ethanol blend. Indeed, overseas oil companies are actively promoting the blend in substantially the same engines. In Europe, the United States of America, and particularly Brazil, there are blends of up to 85 per cent ethanol. Vehicles can be modified to take 100 per cent ethanol. Yet, here in New South Wales it just seems to be too hard for the New South Wales Government, and we are only talking about a 10 per cent blend.

It is simple: if we want cleaner air, if we want jobs in regional areas, if we want better balance of payments figures, if we want less cancer and a reduced burden on the public health system, we ought to pursue this issue. There are few matters of greater public importance, in my view, than this very issue of the use of biofuels. I would like to see some leadership from the State Government.

I talked about support from backbench members. In an interview on 20 January the honourable member for Kiama called for all government vehicles to use ethanol-blended fuel. I believe there is bipartisan support for this issue, so let us have some action. First, the New South Wales Government fleet of 24,000 vehicles could convert to a 10 per cent ethanol blend—the product is available. We have talked about BP and the E10 blend; the other fuel companies would follow suit if there were a very significant customer in the market that demanded a 10 per cent blend. Let us have some action such as we have seen in Queensland.

Second, as Gunnedah Shire Council has done, local government fleets use the new fuel. Tens of thousands of local government vehicles could use a 10 per cent ethanol blend as well and, for that matter, trucks could use biodiesel. Third, we should legislate. Why do we not have a debate about mandating? The honourable member for Lachlan talked about a gradual phasing-in of ethanol to enable the industry to build capacity: start at 1 per cent and work up from there. I look forward to support from members of the Government on this matter.

#### **Discussion concluded.**

**Mr DEPUTY-SPEAKER:** Order! It being shortly before 5.15 p.m., with the leave of the House I propose to proceed to the taking of private members' statements.

### **PRIVATE MEMBERS' STATEMENTS**

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#### **TAMIL COMMUNITY AUSTRALIA DAY CELEBRATIONS**

**Ms VIRGINIA JUDGE** (Strathfield) [5.07 p.m.]: It is with great pride that I relate to the House my celebration with Sydney's Tamil community this past Australia Day at Binnalong Park, Toongabbie. Thamilar Thiru Naal 2005, or New South Wales Tamils Celebrating Australia Day, was hosted by the Consortium of Tamil Associations. The day comprised a celebration and a remembrance ceremony. It included sporting events, a fundraiser, and meditation on what it means not just to be Australian but to be part of our great global community.

Like all Australians, Australian Tamils living in New South Wales have traditionally celebrated Australia Day at Binnalong Park, Toongabbie, with sports events, dominated, of course, by cricket. At the same time, cultural activities, exhibitions and displays with information booths have increasingly become part of the celebration. There was a huge variety of stalls and one stall in particular had some very interesting books and literature not only about Sri Lanka but also about its rich cultural history, focusing on the great language that is part of that culture.

There was a cricket match for the blind, a drawing competition for the victims of the Boxing Day tsunami, and speeches by prominent members of the community, including Federal members Laurie Ferguson and Louise Markus, and of course our very hardworking new member of Federal Parliament, Julie Owens. A

particular thank you to Dr Victor Rajakulendran, who introduced the special guests—an amazing group of men and women—returning volunteers who had worked in immediate relief work soon after the tsunami tragedy struck, particularly as it affected those in the north-eastern part of Sri Lanka.

The consortium is a forum of all the Tamil organisations in Sydney, New South Wales. They meet on the first Sunday of every month to discuss issues that are important to their local communities. More recently, the Consortium of Tamil Associations has been working to raise funds for the Tamil Rehabilitation Organisation [TRO] in Sri Lanka. The aim of the TRO is to purchase goods and services in Sri Lanka for the Tamil people there. The organisation aims to channel not only funds but also vital expertise and ideas to the Tamil communities in Sri Lanka to help people there have a fair go, a chance to survive, so that they, their children and their grandchildren can aim higher and participate more thoroughly in this wonderful world of ours.

The TRO directs its attention towards caring for those who have suffered in the long civil war that, sadly, has been going on there for 15 to 20 years. It also provides vocational training in computing, radio communications, mechanical skills, masonry, carpentry and electronics. The Consortium of Tamil Associations liaises also with the local media in an effort to turn our attention and focus towards the suffering of our wonderful near neighbours. The consortium's focus is not limited to the local media; it also applies itself to bringing individual tales of triumph and tragedy to the eyes and ears of all. It wants to extend these services to broader media outlets, such as television stations.

On this day a marquee was set up with video recordings of the devastation in Sri Lanka and maps depicting where relief projects were taking place, all designed to assist guests and visitors to truly understand the depth and breadth of the terrible devastation that the tsunami wreaked on the nation of Sri Lanka. I would like to particularly thank Reverend James Jeagsothy, who spoke movingly about the significance of the day, and Mr Sanchayan, who raised the Australian and Tamileelam flags together. Sri Lanka and Australia share a common past; we were once British colonies. We share common interests, namely, our wonderful love of cricket, we share a common future, and our communities welcomed each other in the spirit of Australia Day. It was a fantastic occasion.

In closing, I would like to thank a young man, Eoin Blackwall, who lives in the Ashfield area, who has been doing fantastic volunteer work in my office. He asked if he could help me prepare this private member's statement. I thank Eoin for his research; I take no credit for it. I am sure the experience will enable him to have an ongoing interest in the wonderful, hardworking Sri Lankan community.

### **P-PLATE DRIVERS**

**Mr STEVE CANSDELL** (Clarence) [5.12 p.m.]: "P-plate driver crash toll grows" and "Two more young lives lost". These headlines tear at the heart of every person in New South Wales. With the ongoing carnage on our roads and the needless loss of life or serious injury to young people from car accidents, we, as leaders, must be prepared to look at all available options to try to curb these tragedies, which have a major impost on many families. Our worst nightmare would be to have a knock on the door at 2.00 a.m. and a police officer say, "I'm sorry. Your daughter has been involved in a fatal accident." This happens far too often. In 2004, 126 young people aged between 17 years and 25 years were killed needlessly on our roads, and literally thousands were injured, many with permanent disabilities.

Young people are more mobile than at any time in the past. More young people own or drive motor vehicles. This has brought opportunities and more freedom, but it brings much more risk. Over the past 25 years the New South Wales road toll has been reduced: from 1,300 in 1978 to 539 in 2003. Despite this reduction, young people continue to be overrepresented in crash statistics. There is broad agreement amongst governments, licensing authorities and young people themselves that more needs to be done to reduce loss of life and injury to young people on the roads.

The State Government, the NRMA, the Roads and Traffic Authority, the Motor Accidents Authority, the Staysafe committee and even the media have called for various options. They include curfews for P-plate drivers, restrictions on engine capacity of vehicles driven by P-plate drivers, limits on the numbers of passengers, advanced driving courses, extension of provisional licences, and so on. There is merit in part in all these options, but other options are available too. A local information technology company at Grafton, Fleet Logistics Pty Ltd, develops and installs GPS tracking systems in heavy vehicles because it has seen the need to extend the technology. The managing director, Ric Firth, has children of his own and has adapted the best system for a motor vehicle tracking device to help reduce accidents and deaths involving young people.



Put simply, once installed in the vehicle, the GPS tracking system allows parents to view reports on the Internet. Reports cover all aspects of vehicle use, including an accurate speeding report. Parents can fit the device to cars that their sons or daughters drive. Young drivers, knowing their parents can recap the complete trip and view data on speeding, heavy braking and poor turning manoeuvres, will more than likely do the right thing and drive in a safe manner for fear of being grounded. Ultimately, this will lead to fewer accidents.

The owner of the vehicle also has the added benefit of tracking, disabling and recovering the vehicle should it be stolen. The system is affordable and will give parents the opportunity to help ensure that their children return home safely. Restricting the types of vehicles, extending provisional licence terms, limiting the numbers of passengers, and instituting curfews all have benefits but are difficult to police. By contrast, if young drivers know that their driving is being monitored, they will drive more responsibly. I accept that not all parents have access to the Internet but those who do should have the opportunity to try to ensure the safety of their children.

In closing, I refer to Sergeant Peter Jenkins of the police crash investigation unit, whose job is to sift through wreckage in fatal accidents and find out what happened and who is to blame. As he says, an accident may be the result of speeding in harsh conditions, risk taking or momentary distraction, but in 99.9 per cent of cases someone is to blame. We must do everything possible to ensure that young drivers refrain from behaving stupidly and taking risks.

### **AUBURN ELECTORATE CHINESE COMMUNITY**

**Mrs BARBARA PERRY** (Auburn) [5.17 p.m.]: I wish to pay tribute to the Chinese community of Auburn and highlight the growing value and importance of Australia-China relations. I feel some hint of regret at not having delivered this speech earlier and although I do not intend this to be an excuse, I suspect that it has something to do with the fact that Chinese people in general are such silent achievers. Immigrants from China have played an undeniably crucial role in the development of our country since they first started arriving in the late 1880s and possibly earlier. As workers, business people and professionals they have set the benchmark by virtue of incredibly hard work, entrepreneurial spirit, and intense devotion to their chosen fields.

In my electorate I have observed many small business people, tradesmen and workers of Chinese descent conscientiously going about their daily activities in a manner never less than wholehearted and never lacking in due respect and effort. I have noted also with great admiration the lengths to which they go to seek employment and create opportunities to better their lives, their families and, in turn, our wider community. This valuable work ethic is unmistakably present in the lives of young Chinese-Australian students, who have established themselves beyond dispute as excellent achievers. Even a cursory glance at the schools in my electorate shows that they are very well represented in the highest academic grades and scores.

This scholastic excellence is to be applauded, but, just as important, I wish to commend the trademark manners and respect for teachers and other students that are characteristic of their overall conduct. We should recognise not only the students but also the parents and extended families, who play a leading role in shaping such fine young people. As honourable members may be aware, Auburn is an electorate of notable diversity. I can say proudly that as a community we live together remarkably well and have found a way to appreciate and build meaningful and secure friendships with one another. Auburn council's motto, "Many Cultures One Community", has indeed become our reality. But this does not happen of its own accord. It takes people to step outside themselves and the familiarity of their own immediate community in a genuine attempt to share what they have and who they are with others. The Chinese community has been doing just that for many years now.

In my electorate the Chinese New Year, the Year of the Rooster, was welcomed as usual with the exotic dragon dances, concerts, fireworks and opera performances that we have come to anticipate and enjoy. One event was held in Auburn Town Hall, and those who attended had a fantastic time. The show was organised by the Auburn Asia Welfare Centre's Director, Arthur Lee, who then went on to stage a similar performance in the St George region at the request of Kogarah Council. At Paddy's Markets, Flemington, which is a little outside my electorate, shoppers and vendors alike were treated to a spectacular dragon dance as it weaved and snaked its way throughout the giant food hall. I thank and commend all the performers for their splendid artistry and efforts.

I also use this occasion to honour Arthur Lee and Sophie Wong of the Auburn Asian Welfare Centre for their commitment to the people of Auburn. Not only do they make themselves available to Mandarin and Cantonese speakers, they have also made great strides in reaching all those in need in the wider Auburn

community. In particular, the centre runs a fantastic gambling counselling service, to which my office refers constituents. Sophie also provides one-on-one counselling and general life classes that are open for all to attend. This year I anticipate building even closer relations with the Chinese community in my electorate, and I was pleased when the Premier announced his Kingold Chinese Bridge Language Teacher Scholarship.

This new provision will enable New South Wales Chinese language teachers to take a five-week trip to China for the purposes of keeping up with changes in the language and broadening professional skills and experience. I am sure that it will also serve to renew the atmosphere of infectious enthusiasm that they bring to their classrooms. I am pleased that there is a growing interest in the Chinese language, which is no longer confined purely to those of Chinese descent. Students from a diverse range of backgrounds are now opting to study Mandarin and Cantonese. Last year bilateral trade between New South Wales and China reached a record \$8.6 billion, which represents an astounding increase of 36 per cent over the past two years. We have a lot to look forward to as a community and as a nation in building our relationships with the Chinese community here and overseas.

### **BEFORE COMMON ERA DATE REFERENCE**

**Mrs JILLIAN SKINNER** (North Shore) [5.22 p.m.]: The honourable member for Auburn talked about initiatives in her electorate relating to the Chinese community. I extend my congratulations to those in my community who have been involved in initiatives and activities in recent months and weeks to celebrate the Chinese New Year. The honourable member referred to the "infectious enthusiasm" brought to classrooms. I like that phrase. I suggest that that has been the pattern of my day today; I have been contacted by parents and teachers in my electorate, as well as people from other electorates, who are concerned about what they found yesterday in an English language and literacy assessment [ELLA] paper which was handed to more than 150,000 year 7 and 8 students. The paper referred to the year "590 BCE", with a notation that BCE stands for "Before Common Era". There is no reference to "Before Christ".

A number of parents and teachers have raised this matter with me. They think it is political correctness gone mad, that it is not about not wanting to offend people from different religious backgrounds. "BC" has been in common use for centuries. I assure honourable members that people of non-Christian beliefs have told me that they are not offended by the terminology, but they think it has gone too far. It is not only the ELLA test paper. Honourable members may not have seen the document entitled "The Surveyor's Problem", which quotes a story. The second paragraph states:

The year was 590 BCE\* and the place was northern Egypt.

A notation at the bottom of the page states:

\*BCE = Before Common Era (also known as BC)

That is not the only reference to "BCE". After this was drawn to my attention I looked at the Department of Education and Training and the Board of Studies web sites. It was not the only reference, by any means. The Board of Studies history syllabus for years 7 to 10 states:

#### **Students learn about:**

- the terminology and concepts of historical time, including year, decade, generation, century, age, BC/AD, BCE/CE

It is madness. The Department of Education and Training web site has a document with the subheading "Support material for K-6 Human Society and Its Environment Syllabus". There are references to the term "BCE" throughout the document, but there is no reference to "BC". As I said, BC is common terminology that has been used for centuries. I am afraid the angry reaction to the lack of Christmas decorations and trees will be nothing compared to the anger that will be generated by this kind of political correctness. As others learn about this I expect the angry reaction to be widespread. I call on the Government to reverse its ridiculous decision to teach our children that we do not have 590 BC but 590 BCE.

It is doubly offensive because it involves instructing students who may not understand that this was introduced only recently. Indeed, the terminology has been changed to suit the Government's current view. Today it was put to me that the Carr Government's politically correct view could be one reason that parents are enrolling their children in non-government schools. It is possible that it is this kind of over-the-top politically correct terminology that sends the wrong message to parents and the broader community. As I said, people are fed up with religious traditions being tampered with once again. They point out that the term "Before Christ" has

been accepted by people of many different religious beliefs for years. They are not offended by it but people are offended by the Government's new politically correct terminology.

### **BANGOR BYPASS**

**Ms ALISON MEGARRITY** (Menai—Parliamentary Secretary) [5.27 p.m.]: Honourable members would be well aware of a road construction project in my electorate called the Bangor bypass. I have spoken about many different aspects of the design and construction of this road and its importance to the residents of the greater Menai area. Therefore, it is with great delight that I formally advise the House of the official opening of the major section of the bypass, known as stage one, on Sunday 6 February. From my first moment as the candidate for the new seat of Menai I have been well aware of the community's desire and expectations in relation to the bypass. It is fair to say, however, that prior to the start of construction there was a degree of cynicism about the bypass due to the fact that candidates in previous elections had not delivered on their campaign promises to provide the road.

I certainly did not doubt the undertaking given to me by the Premier and the then Minister for Roads on this point. However, in light of my subsequent experience of the complexities associated with the project's design and public consultation processes, I now have some appreciation of the impediments that probably confronted others in my position. Despite significant obstacles along the way, however, this is a situation about which I am pleased to advise that the Carr Government has been able to exceed our initial commitment. The design originally proposed for the bypass was a road running from east to west, at an estimated cost of \$36 million. As honourable members would be well aware, my community strongly rejected many aspects of the design of the east-west link and significant modifications were made to the design. Of course, that also significantly increased the projected cost.

In addition, the community felt that the road needed to have a north-south link, and that a north-south link should be included in the environmental impact statement for the project. I take this opportunity once again to acknowledge the former Minister for Roads, the Hon. Carl Scully, for listening to my representations on so many aspects of this project. I appreciate that all these modifications had a significant impact upon the budget for his portfolio. The Minister also embraced the opportunity to advance the construction of the northern section of the north-south link to coincide with the completion of the east-west link.

As I mentioned earlier, the official opening was on Sunday 6 February. It was a big day for my community. It was a fitting culmination of years of hard work by many people, including the Roads and Traffic Authority [RTA] and Abigroup, the contractors. However, the dedication of the resident members of the project's community liaison group and residents who live alongside the route of the bypass and, therefore, patiently endured everyday life in a construction zone should also be acknowledged.

The celebration was organised by the RTA, and invaluable assistance was provided by Menai Lions. I particularly acknowledge Michael Stevens. He is a tireless worker for his community. In the lead-up to the opening of the bypass he compacted his working week so that he could devote his efforts to the event in a full-time capacity. On the day, a large amount of funds, I believe in excess of \$12,000, was raised for the local Rural Fire Service. Honourable members can appreciate the critical role of these people in the Menai electorate.

It is true, as predicted by RTA engineers, that there have been some teething problems in the weeks since the opening of the bypass. Traffic on Menai Road can still be hectic, especially in peak hour. The school drop-off and pick-up times are worthy of note. There are a number of schools in the vicinity of Menai Road, and it is my fervent hope that our community might come to some arrangement about staggering the hours of operation of one or more of those schools. More consultation is needed on that point.

Not every person or community group was entirely happy about every aspect of the final design of the bypass. More work still has to be done. Post-opening noise monitoring will be undertaken and some noise walls are still to be completed. The southern section of the north-south link of the bypass, known as stage two, will have ongoing design work and consultation. The Carr Government will deliver on its commitment to provide the whole bypass. Members of the community will be anxious to have this work completed along with the work already opened.

There is always more work to be done. I have seen the design for the duplication of the Alford's Point Bridge, and my community looks forward to having that work done. The Carr Government is committed to starting construction work on the duplication of the bridge within this term, and I hope the work proceeds as quickly as possible so that the improvements my community have already experienced will continue. My

community has suffered from a backlog of these works, and I am proud to say that the Carr Government is delivering, and will continue to deliver, on the commitments made to the people of the Menai community.

### **DISCOUNTED AIR TICKETS FRAUD ALLEGATIONS**

**Mr BRAD HAZZARD** (Wakehurst) [5.32 pm.]: I express my concern about reports in the media of an alleged fraud affecting many people living on the northern beaches, and much further across Sydney, involving travel tickets. Those people thought they were getting cheap air tickets but they have found that sometimes things that appear to be very cheap turn out to be very expensive. The allegation is that a 39-year-old woman has taken as much as \$2 million from a variety of people trying to acquire air tickets from her. I will not name her, because she is still under investigation by the police. I am particularly concerned because many of these people lodged their fraud assessment sheets with the Dee Why police, Northern Beaches Local Area Command, up to eight weeks ago. Some were lodged in the early part of February and some were lodged earlier.

It appears that the local police do not have the resources to properly investigate this matter. The great majority of people who lodged fraud assessment sheets have still not been interviewed by the local police at Dee Why regarding the details of their payments to this woman. This is a complicated fraud. Some people are alleged to have lost in the order of \$100,000, and the combined fraud involved so many people that the funds may tally up to something in the order of \$2 million. It is time the Minister for Police made sure that this investigation was given additional support. The police at Dee Why are doing the best they can, but investigation should be transferred to a specialist fraud squad or the fraud squad should be brought to the local area command to ensure that an urgent investigation is undertaken with alacrity.

The allegations are that a 39-year-old woman may have taken up to \$2 million in funds for the purchase of discounted air tickets. It is also asserted that a company at Kogarah, Swan Travel, may also have been involved. Whether or not Swan Travel was involved is pivotal. It is a licensed travel agent and other individuals are buying air tickets from the agency. If that company was involved in this alleged fraud, members of the community are clearly entitled to know that they should exercise a great deal of caution in dealing with the company. Alternatively, if the company is not involved, it should not have a black cloud hanging over it. The individuals who are buying tickets from the company should be given some sort of clear direction by the fraud squad that they are dealing with a trustworthy licensed company.

As I said, I will not name the woman. The travel agent has already been named in the press and for that reason I have named it. But I repeat to the Minister for Police that we need additional police on the job fast. I have received information from a host of different individuals, particularly Jo Ingleson and Peter Ingleson. They have lost a minimum of something in the order of \$65,000. Their potential loss is greater because of money that would have come to them if they had received those tickets. I also call on the Minister for Fair Trading to investigate this and to make sure that everything that can be done is being done to ensure that those who are dealing with Swan Travel are being looked after. I warn members of the community that if something looks too good to be true, it probably is, so they should be cautious until the police do their job and get results.

### **ACT-EDEN MONARO CANCER SUPPORT GROUP**

**Mr STEVE WHAN** (Monaro) [5.37 p.m.]: Today I want to talk about the great work of the ACT-Eden Monaro Cancer Support Group, an organisation that was formed in Queanbeyan some years ago to provide funds, counselling and other support to cancer sufferers and their families, many of whom have an extremely tough time both financially and in accessing treatment from remote locations. Recently I participated in the ACT-Monaro Cancer Support Group's convoy for kids with cancer. This terrific event is held every year and involves several hundred trucks and buses in a convoy from near Exhibition Park in Canberra through to the Queanbeyan Showground. It has received a great deal of support and enthusiasm from the communities in Canberra and Queanbeyan and raises quite a deal of money.

This year the group managed to raise \$29,000 from the convoy for kids with cancer. It managed to do that because of the overwhelming support it receives from businesses and volunteers in the region who helped out with this event. A number of organisations deserve to be congratulated for their efforts. First, of course, are the members of ACT Eden-Monaro Cancer Support, Westpac bank staff and Capital Chemist staff, who volunteered their time to officiate in the convoy and to assist with the organisation and running of the event.

The convoy leaves from Canberra and ends up at Queanbeyan showground, where a festival is held and entertainment provided during the afternoon. The Australian Capital Territory police and Queanbeyan police

joined forces to control the more than 300 trucks rumbling through our streets, with the assistance of the Australian Capital Territory urban services. The Queanbeyan State Emergency Service and New South Wales Fire Brigades assisted with the parking of the trucks at Queanbeyan showground and the directing of traffic and people. I particularly want to congratulate Dale and Hitchcock, a civil engineering and commercial landscaping firm based in the local area that paid \$5,000 to have the honour of leading the convoy all the way across Queanbeyan. With that type of commitment to local charities, it is a valuable part of our business community.

I had the honour of travelling in the convoy on the bus with the children who suffer from cancer, their families and carers. It was a particularly moving experience. I spoke to one young girl named Madison, who was seven years old. Although she was very sick with cancer, she had a bright and bubbly personality. I said to her, "How come you are on the bus today?" She said, "I don't know. I'm just lucky, I guess." Although her situation was very sad, I was moved by the attitude of that small child towards the challenge she is facing and by her ability to enjoy the activities provided by others to help her cope with the disease. The bus was the heart of the convoy and many of the families who benefit from the group's work were travelling on it.

Many other groups participated in the convoy, including representatives from major trucking companies from around Canberra and Queanbeyan, bus companies and many large firms that use trucks in their business, such as concrete and earthmoving companies. Deanes Buslines from Queanbeyan had almost its entire fleet in the cancer convoy. The drivers from Deanes and their families make the annual event a great day out, bringing food, tables and chairs to have a picnic beside their buses while they wait for the convoy to get under way.

This event, which was started a number of years ago, has turned into a major fundraising event for people in the region to show their support for the work of the ACT Eden Monaro Cancer support group. The group was established by Yvonne Cuschieri. This fundraiser is just one of the ways the group helps families in our region. The group provides an important service over a massive area from the entire electorate of Monaro, Bega, up into Burrinjuck and a number of other electorates and around the Australian Capital Territory region. They deserve a great deal of support from the whole community. I congratulate all of them on their fundraising efforts and their assistance to families in difficult times.

#### **MR BRADLEY MURRELL ADULT TRAINING, LEARNING AND SUPPORT PROGRAM FUNDING**

**Mr JOHN TURNER** (Myall Lakes) [5.42 p.m.]: I speak tonight on behalf of Mrs Joy Wright, a 56-year-old single mother, and her 23-year-old son, Bradley Murrell, who is disabled. Mrs Wright has attempted to obtain answers from the Department of Ageing, Disability and Home Care [DADHC] as to why the Samaritans, Bradley's service provider, has not received funding for Bradley to continue with the Adult Training, Learning and Support program [ATLAS], a program he has been involved in since leaving school in 1999. Bradley had attended the special education unit at the local high school. In about October or November 2003 the department confirmed that Bradley's funding would continue under the program. However, upon making inquiries directly with DADHC Mrs Wright was advised that the letter had been sent by mistake and that because Bradley had worked three hours per week at McDonald's he was deemed ineligible to continue in the program.

As I said, he worked only three hours per week and, I add, had a carer with him whilst he was working. He was not allowed to work during school holidays because the additional customer load was too much for him to bear. Obviously, DADHC did not give any consideration to those particulars and it became a mantra throughout the correspondence, which I will outline as quickly as I can bearing in mind the time available to me, that because Bradley worked three hours per week at McDonald's he was deemed to be in employment and, therefore, ineligible for ATLAS funding.

In February 2004 Mrs Wright received a letter from the then Minister for Ageing, Disability and Home Care in which she apologised for the letter confirming the continuation of Bradley in the ATLAS program and blamed the error on a technical hitch. The Minister stated that Bradley was now ready for transition to employment as he had worked at McDonald's for three years. But she did not mention in the letter that he had worked only three hours per week. I am concerned that the department may not have fully informed the Minister of Bradley's working program. As I said, no consideration was given to the fact that he worked only a short period of time. I understand the officer who made the recommendation was Ms Norris. Despite repeated requests from Mrs Wright that Ms Norris meet Bradley so that she could better understand the situation, such a meeting did not take place.

On 5 February 2004 I sent a letter to the Minister on behalf of Mrs Wright pointing out that Bradley worked only three hours per week when the restaurant was not busy. When Bradley returned to work after long

breaks, particularly after Christmas, he forgot what he had to do and had to be retrained. I commend McDonald's for its participation in these types of programs. It is an outstanding effort. On 22 March 2004 the Minister sent a reply letter in which she said:

Based on the unique circumstances, with Mr Murrell's support the Department has agreed to continue Mr Murrell's support in the ATLAS program through partial funding from 1 April 2004 until 31 December 2004.

The Samaritans agreed to be the service provider and Bradley, after several months of anguish for him and his mother, returned to his familiar routine. His mother, who, as I said, is a 56-year-old single woman, commented in various conversations with me that the change in routine and uncertainty had caused intolerable mood swings in Bradley. The change in his behaviour had taken a toll on her health. On 24 November Mrs Wright again contacted my office because she had heard that Bradley's peers had received advice of their continuation in the ATLAS program but Bradley had not. We made further enquiries and were told that as he had worked three hours per week for less than a year he was to be taken off the ATLAS program and placed in a community participation program. That again caused stress for both Mrs Wright and Bradley and she felt that they had been victimised. Again she asked Ms Norris, the officer behind the desk at DADHC, to take the time to meet Bradley so that she would see firsthand he was not ready to move to employment.

On 16 January 2005 DADHC sent a letter, followed by a letter from the Minister on 20 January 2005, stating that Bradley was deemed eligible for transition to work or assisted employment as he had worked at McDonald's, again for three hours per week. I do not believe the Minister was fully informed of the type of work he performed or the hours of his employment. Mrs Wright was distressed about this situation, as obviously Bradley was not going to be allowed to continue in the ATLAS program. I have sent Mrs Wright information about the changes to the post-school programs for young adults with a disability. In sheer frustration Mrs Wright has made a complaint on behalf of Bradley to the Human Rights and Equal Opportunity Commission claiming discrimination. This is a very sad case, and I call on the Minister to reinstate Bradley's ATLAS funding so that he can resume a life that he understands and accepts.

#### **VICTORIA PARK RESIDENTIAL PARKING PERMITS**

**Ms KRISTINA KENEALLY** (Heffron) [5.47 p.m.]: Tonight I wish to speak about an issue which I have spoken about previously in the House, that is, residential parking in Victoria Park, Zetland. On 21 April 2004 I held a community meeting to discuss the council's decision to enforce parking restrictions in Victoria Park. Approximately 40 residents attended the meeting. Also in attendance were the Deputy Mayor, John McNerney, Mr Richard Campbell, the City of Sydney Manager of Transport Management, and Mr Peter Donnelly. At the meeting residents asked for parking permits. Councillor McNerney agreed to investigate a resident parking permit scheme and indicated it would take approximately one month to do so. He also agreed that the City of Sydney would stop issuing parking infringements until a decision had been reached on parking permits.

However, at a City of Sydney Planning, Development and Transport Committee meeting on 21 June 2004 the council's traffic engineers clarified that no such amnesty was in place. On 12 August 2004 the residents were caught off guard by the council's sudden enforcement of parking restrictions. I believe that the City of Sydney is largely to blame for the confusing situation about whether it is enforcing parking restrictions in Victoria Park. I believe it is unfair and inappropriate for the council to issue such infringements without giving residents fair warning. On 5 October 2004 and again on 29 October 2004 I wrote to the Lord Mayor of Sydney, who is also the member for Bligh in this place, requesting a one-off waiver for those residents in Victoria Park who were caught off guard by this sudden enforcement of parking restrictions. The Lord Mayor replied to my letter on 5 November 2004 as follows:

I understand from Councillor McNerney that at no time did he give assurances to residents that an amnesty would be in place. This was confirmed in the Planning, Development and Transport Committee meeting on 21<sup>st</sup> June 2004. Given these circumstances Council will not be reviewing the fines issued to the residents you have listed.

With all due respect to Councillor McNerney, this is not correct. At the community meeting I held on 21 April in Victoria Park Councillor McNerney did indeed give an undertaking to residents that the City of Sydney would stop issuing parking infringements until it had reached a decision about residential parking permits. At the conclusion of that meeting, and in front of the 40 residents in attendance, I clarified with Councillor McNerney his commitment that infringements would not be issued. I also asked him if he would object if I letterboxed this information to residents in Victoria Park. Councillor McNerney agreed that an amnesty on parking infringements would be in place and he had no objection to my proposal to publicise this information.

If the Lord Mayor requires it I can provide her with a list of residents who attended this meeting and witnessed Councillor McNerney give this commitment. In light of this information I respectfully ask that the request I made in my letters to the Lord Mayor of 5 and 29 October be reviewed. And I request again that the City of Sydney grant a one-off waiver to residents caught off guard when, without warning, the City of Sydney Council suddenly enforced parking restrictions in Victoria Park.

Today I have signed a letter to the Lord Mayor—who, I repeat again, is also the member for Bligh in this place—and I have repeated this request. I request that the Lord Mayor speak again to Councillor McNerney and review the situation. He indeed did give my constituents such an assurance and I believe the Council of the City of Sydney has been completely responsible for the confusing and conflicting advice residents have received about parking in Victoria Park. I look forward to the mayor's response and will keep the house advised of the progress of this matter.

### **BLOOMFIELD HOSPITAL LYNDON WITHDRAWAL UNIT FUNDING**

**Mr RUSSELL TURNER** (Orange) [5.52 p.m.]: This afternoon I want to outline to the House concerns that I, the staff and clients, and indeed the vast majority of people in Orange have about the threatened withdrawal of funding to the Lyndon withdrawal unit based at Bloomfield Hospital in Orange. I will quote to the House from an article in the *Central Western Daily* that deals with some of those concerns, which have appeared almost every second day in the newspaper. The article, under the heading "Staff, clients worried about Lyndon's future," reads as follows:

STAFF and clients at the Lyndon withdrawal unit (LWU) are facing a nervous wait in the coming weeks to see if a last-minute public campaign will be successful to keep the unit's doors open.

Despite treating 1,400 people over the last four years, the Lyndon withdrawal unit, the only one of its kind west of the mountains, will shut down by the end of March unless it gains new government funding.

Lenin CEO Peter Ryan told reporters this week he'd been "overwhelmed by community support we have received" since news of the closure emerged last week.

The article further stated:

A bureaucratic wrangle focusing on whether the embattled Lyndon withdrawal unit is treating addicts with illicit drug problems or people with alcohol problems, and therefore who should fund it, is a "smoke screen" according to Mr Ryan.

"It is irrelevant," Mr Ryan said. "We shouldn't be differentiating over whether it's alcohol or illicit drugs. People out here need a service.

"The Commonwealth did the right thing in the first place by funding this service and setting it up (to deal with) illicit drug use. We have asked the State Government to contribute towards enabling us to employ more qualified staff to enable us to do alcohol detox, because it is the most serious drug to detox."

Today I received a letter in support of the withdrawal unit from a mother in Orange and quoting one of its success stories—a story that would not have come about if the Lyndon withdrawal unit had not been based in Orange. The letter reads as follows:

I am writing on behalf of the Lyndon Withdrawal Unit (LWU) in Orange, NSW, and requesting you to lobby the Federal Government to reconsider its decision to no longer fund the LWU under the Prime Minister's NIDS [National illicit drugs strategy].

I am sure you have heard many stories of the way that drug addiction can damage the lives of both the user and the family. I still have little understanding of why my son became an addict, since we are "middle-class and respectable", not at all the type-cast in the John drug addiction that appears in the media. Yet my son was a heavy cannabis and injecting amphetamine user for many years. He became psychotic and dangerous to both himself and me. To put it simply, my life became such that I would count myself as only just being able to cope on a day-to-day basis and therefore relatively "useless" to society. My son was actually a cost to society requiring government assistance and using legal services.

To me this is why governments should care about drug addiction and invest in whatever ways they can to control it. Now that my son no longer uses drugs (not even cigarettes) we are both able to be a part of society and contribute through time and taxes. I am a member of Rotary, an Associate Professor at a university and he is now completing a degree in psychology and will do honours next year.

I can assure you it was only the existence of the LWU that enabled my son to break his habit and for us to get our lives back. I cannot fully describe what our lives were like because it would take far too long. But I accessed every agency in Bathurst during 1998 in an effort to have him detoxified and control his addiction but there was really no-one who could assist us properly at that time. He was even sectioned to Bloomfield but at that time there was no LWU so they sent him back home. A good behaviour bond resulted in my son returning to school in another town, and he did get an HSC (doing his exams stoned). Then he returned to live with me in Orange. But he was having further bouts of psychosis and in the end I needed the police to remove him from my home. It was now 2001 and he finally had somewhere to go because he could go to LWU.

The letter continues but I am running out of time. I call on the State Government to approach the Federal Government to sort out who is going to fund the Lyndon withdrawal unit, the only one of its kind west of the Blue Mountains. As was stated, quite often a person will be addicted to both drugs and alcohol and we need to sort out who is going to fund this unit.

### **GWYDIR LEARNING REGION**

**Mr RICHARD TORBAY** (Northern Tablelands) [5.57 p.m.]: We hear a lot these days about rural decline, loss of jobs, lack of services and the drift of young people to the city. We hear less about the fighting spirit of the people of the inland, their distinct preference for the rural way of life, their ingenuity, their ability to help themselves and their strong sense of community. One recent example of this was a meeting I had in Inverell regarding the Gwydir Learning Region [GLR]. It is an inspiring story about regional development, community partnerships and public education. The Gwydir Learning Region started in 1999 as a partnership between the Yallaroi Shire Council at Wialda, the Bingara Shire Council and Wialda High School to address the limited education and training options in the local region. It has succeeded beyond the wildest dreams of the original program partners, achieving within a relatively short space of time remarkable results in the areas of aged care and nursing, IT and trades, community literacy standards, morale and mental health and cultural initiatives in film, theatre, art and music.

This success was forged through strong effective partnerships between GLR and TAFE, New England Health, the University of New England and Southern Cross University. The excellent outcomes of these programs have been strongly praised in the Vinson Report. Let me list some of the outcomes. To address the shortage of local trained nursing staff for aged and clinical care the Wialda High School organised the flexible delivery of Assistant in Nursing Certificate 3-Aged Care from TAFE South Australia. Through co-operation with the New England Institute of TAFE, the school was also able to organise face-to-face classes of school age and mature aged students with a local nurse teacher at the local hospital. The first class of 14 students, whose ages ranged from 17 to 57, graduated in July 2004. Many now want to go on to Certificate 4 and one is working towards Registered Nurse entry through Southern Cross University. Twelve more will graduate from the 18-month course in July this year. The demand in 2005 has led to 2 classes, one in Bingara and one in Wialda, with 30 students commencing their Certificate 3 studies.

To remedy the lack of much-needed mental health services in the local area the Gwydir Learning Region negotiated with the University of New England psychology department to organise the placement of PhD psychology students one day a week in Bingara and one day a week in Wialda, to assist with preventative and clinical psychology services. Gwydir Shire Council has provided \$9,000 and the Barwon Division of General Practitioners received one-off funding of \$106,000 to support the counsellors and the training of local doctors to make the program effective.

The careers program at Wialda High School has been extended to develop positive partnerships between the school, individual students, parents and the wider community. It includes home visits and discussions to encourage and assist students to realise their ambitions, and to assist others to take advantage of new education and training opportunities. Through tailored study programs one student who wanted to work with tigers and big cats now has a job at a wildlife park in Britain, a 40-year-old woman undertook business studies at Wialda High School and has completed her qualifications as a veterinary nurse, whilst another parent who undertook the High School Certificate to acquire information technology skills now works at the school and runs her own business. There are many other case studies like these.

Via the Wialda and Bingara Industry and Education Links Committee, community businesses provide workplace training in years 10, 11 and 12 for students in retail, hospitality, business, information technology, rural skills and engineering. The Gwydir Learning Region also wants to provide training to encourage community members to start their own businesses. It identifies gaps in local literacy and numeracy skills, and works with proper Adult and Community Education, TAFE, schools, universities and private education providers to deliver courses to students through technology-based and face-to-face teaching. Successful training programs in film, theatre and music through TAFE and the mighty Roxy Theatre in Bingara are also Gwydir Learning Region initiatives.

If the Government is consistent in its enthusiasm for partnerships with the community it should adopt the recommendation of the Vinson inquiry—indeed, a personal note written to me by Tony Vinson asking me to support representations to government—for the allocation of \$150,000 per year for three years to fully develop the Gwydir Learning Initiative as a model for other rural, regional and isolated communities. I thank the



Minister for meeting with me this afternoon to discuss this matter. On behalf of the local community I invite her to visit the New England, Northern Tablelands and north-west region area to see for herself what is being achieved in public education and the initiatives of the Gwydir Learning Region.

### DEPARTMENT OF HOUSING NORTHCOTT ESTATE

**Ms CLOVER MOORE** (Bligh) [6.02 p.m.]: Tonight I inform the House about a very positive transformation on the Northcott Department of Housing estate in Surry Hills. Northcott tenants, the Department of Housing and Surry Hills police are working together to create a sustainable, positive and safe community. When Northcott was opened by the Queen in the early 1960s it was described as a model public housing project, but by the 1990s it had become known as "vertical slum"—a high-rise version of the slums that Northcott had been intended to replace. This extremely disadvantaged community had borne the brunt of loneliness, isolation, mental illness and high levels of crime and violence. There was an entrenched sense of hopelessness.

A 60-year-old invalid tenant who was beaten to death in July 2002 was the third person murdered on the estate in less than 12 months. There were also two suicides on the estate at that time. Graeme Waldron, the Acting Commander of Surry Hills Police Local Area Command, was quoted in the *Sydney Morning Herald* as saying, "People at Northcott were screaming for help." Now, as a result of positive social interventions, individual lives have been turned around, crime and violence have been prevented, and an entire community's experience has been transformed.

In response to my repeated calls for action in 2002, the Minister for Housing funded a community development worker to work with tenants to improve safety and amenity, and to increase community pride. In the two years since the community development worker, Dominic Grenot, was employed, I have witnessed dramatic and positive change on the Northcott estate. Dominic visits tenants in their homes to speak with them about their concerns and find out what they would like to see happen. One of his most important initiatives has been to introduce tenants to each other! It is pretty basic stuff, but it was not happening at Northcott. Dominic has helped tenants form strong and productive partnerships with the Big hART community art organisation, crime prevention officers from Surry Hills police, and City of Sydney Council officers. These partnerships ensure that problems are sorted quickly, and that the focus moves from problems to solutions. They have resulted in a vibrant renovation of the Northcott community room, which is now used by many tenants for courses and group meetings, and for drop-in visits. Sandy Henderson, a Northcott resident of many years, said:

We have worked very hard to get to where we are today. Our Community Centre, for so long the domain of only a few, is becoming the true centre of our community. We have activities daily—open to all.

Regular community barbecues, a tenant-made film, a tenant photography project, and songwriting workshops have reduced the isolation experienced by many tenants, and improved the community's relationship with local police. I congratulate the Surry Hills Police Local Area Command on the creation of a second crime prevention officer position, given that most New South Wales local area commands have only one. Senior Constable Brett Degenhardt and Constable Tim Preston have worked closely with the Department of Housing and Northcott tenants to reduce fear, victimisation and crime rates on the estate. Police have made a concerted effort to meet tenants and hold regular, informal clinics in the Northcott community room, where tenants report crime and get help.

Crime rates at Northcott, especially for violent crime, are now considerably lower, and there is a positive sense of community amongst tenants. The results of this work were profiled on the ABC's *7.30 Report* in a December 2004 report entitled "Vertical Slums Transformed", which showed tenants speaking for themselves and able to influence their own futures. Sandy Henderson said:

This is just the beginning; we have a lot of work to do that requires assistance. We still have problems but with the skills to help ourselves and each other we are getting there. We are developing a feeling of pride and belonging at Northcott. People are beginning care about themselves, their neighbours, their future and their community.

There is still more work to be done to help Northcott residents build a sustainable, safe community. I call on the Government to recall its commitment, made in this House in May 2003 by the Minister for Housing when he was Parliamentary Secretary, to "ameliorating the lives of residents of Department of Housing estates". I call on him to provide permanent funding for the community development worker position on the Northcott estate, a position that has made so much difference.

I congratulate the Minister for Housing and the Department of Housing on this project, and the officers and staff who have ensured positive change. I believe that the Northcott experience shows the way to prevent

large-scale social unrest and violence, and ensure that people who need help get the assistance they need. The Northcott experience should be used as a model for other housing estates so that this type of positive community change becomes more common. In light of the Macquarie Fields riots, I believe we can draw valuable lessons from the transformation in Northcott and therefore take action.

**Private members' statements noted.**

## **HISTORIC HOUSES AMENDMENT BILL**

### **MARINE SAFETY AMENDMENT (RANDOM BREATH TESTING) BILL**

**Messages received from the Legislative Council returning the bills without amendment.**

*[Mr Deputy-Speaker left the chair at 6.07 p.m. The House resumed at 7.30 p.m.]*

### **WATER EFFICIENCY LABELLING AND STANDARDS (NEW SOUTH WALES) BILL**

**Bill introduced and read a first time.**

#### **Second 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) [7.32 p.m.]: I move:

That this bill be now read a second time.

We are currently in the grip of the worst drought for 100 years. Sydney's water storages are down to 43.1 per cent of capacity and Warragamba Dam, Sydney's major source of water, is down to approximately 39.2 per cent. This is the lowest level of water storage since construction of the dam was completed in 1960. Although the current drought will eventually break, the Government believes that the effects of climate change will result in warmer weather conditions, less rainfall and higher incidences of drought in the future. Dr James Hansen from the NASA Goddard Institute for Space Studies has calculated that the global average surface temperature has already increased by about 0.75 degrees Celsius, and that there is an irreversible increase of 0.7 degrees on the way. CSIRO research indicates that droughts in New South Wales will become more frequent and more severe as the effects of climate change become more pronounced.

It is estimated that Sydney's population will increase by 1 million people in the next 25 years. This means around 33 per cent more water needs to be found to sustain this increase if we continue to consume water at the current rate. In October last year, the Government announced the Metropolitan Water Plan. The Metropolitan Water Plan is a comprehensive plan to secure Sydney's water needs sustainably for the next 25 years in the face of climate change and population growth. The bill will implement one of the most important and effective components of the plan and will give effect in this State to a nationally consistent Water Efficiency Labelling and Standards [WELS] scheme.

The purpose of the WELS scheme is to conserve water supplies by reducing water consumption through the adoption of water efficient appliances; to provide appliance efficiency and performance information to purchasers of water appliances to allow them to make a well-informed purchasing decision; and to promote the adoption of efficient and effective water-use technology. The bill also honours an election commitment by the Government in the last election to support a national scheme of performance measures for household water appliances. Residential water use accounts for 70 per cent of water consumption in the Sydney Basin. Increasing the efficiency of residential water use by promoting more efficient appliances will make a significant contribution to lowering Sydney's water consumption.

Cost-effective technologies to increase water efficiency are readily available but are not widely adopted because there is a lack of information at the point of sale about water appliance efficiency. Where this information is available it is often not in the form that would allow a consumer to directly compare the efficiencies of two competing appliances. A lack of accessible information at the point of sale is a significant barrier to the uptake of water efficient products. The WELS scheme aims to inform consumers about the relative efficiency of products. Making this information readily available will encourage manufacturers to produce, and

consumers to buy, more efficient appliances. In this way, the requirement to label appliances helps shift the market towards more efficient appliances.

The proposed legislative approach is a Commonwealth-led legal framework, supported by mirror State and Territory legislation. Under this approach, the Commonwealth legislation would apply to corporations and importers. The State and Territory legislation would apply to businesses that are beyond the limit of Commonwealth constitutional power, such as unincorporated businesses. The Commonwealth's Water Efficiency Labelling and Standards Bill 2004 was passed by the Senate on 8 February 2005 and is awaiting assent. The legislation adopted by States and Territories will provide for the conferral of relevant powers and functions on a Commonwealth-based WELS regulator. The regulator will oversee the registration of WELS products to which the mandatory labelling and standards provisions apply, and will monitor and enforce compliance with the scheme.

Water-use products such as clothes washers and water-saving products such as waterless urinals may be determined to be WELS products by the relevant Commonwealth Minister in consultation with the States and Territories. WELS products cannot be sold unless they have been registered with the regulator. The bill contains a provision enabling New South Wales to pass a regulation that would prevent such a determination from having effect in this State. It is not expected that this provision would be used other than in circumstances where there are compelling reasons for doing so. The WELS scheme may require registered products to be labelled. Product labels must be designed in accordance with the WELS scheme standard and show the water efficiency rating and general performance rating of the product.

The WELS scheme may also establish minimum standards for WELS products in relation to water efficiency and general performance. A product that does not meet the minimum standards will not be registered by the regulator and therefore cannot be sold in the jurisdictions that have adopted the WELS scheme. The scheme is expected to commence voluntary participation from July 2005, with mandatory requirements commencing July 2006. This voluntary labelling period of 12 months is to provide time for manufacturers to test and register more than 3,000 appliances and fixtures so as to meet the requirements of the scheme. The 12-months voluntary period will also provide distributors and retailers of WELS products with an adequate opportunity to adjust their product range by the time the WELS scheme becomes mandatory, that is, on 1 July 2006.

From 1 July 2006, it will be an offence to supply a WELS product that is not registered, that requires labelling in accordance with the standards and is not labelled, and that does not meet minimum WELS standards for water efficiency and minimum general performance. The bill also specifies offences in relation to the active misuse of WELS standards and related information. The regulator may seek an injunction in the Federal Court to prevent a person from engaging in an activity that is contrary to the Act. Inspectors may be appointed by the regulator to determine whether a person is complying with the Act, or to investigate a possible offence. If necessary, an inspector may apply to a magistrate for a warrant to enter premises used for, or connected with, the supply of WELS products.

A regulator may require a person, by means of a written notice, to provide WELS-related information to an inspector or to appear before a WELS inspector. Failure to provide information to, or failure to appear before, an inspector is an offence. The regulator may cancel or suspend the registration of a WELS product if the conditions of registration are not complied with and the information provided to support the application was not accurate or is no longer accurate because of changes to the product. A person whose application to register a WELS application has been rejected or who has had a WELS registration suspended or cancelled may seek an internal review by the regulator of the regulator's decision. Such a person may also seek a review of the regulator's decision by the Administrative Appeals Tribunal.

It is proposed that the WELS scheme will initially include mandatory registration and labelling for showerheads, clothes washers, dishwashers, toilets and taps. Additional products such as evaporative cooling units and water heating and storage units could be brought into the scheme at a later stage. New products proposed for inclusion in the scheme would be subject to cost-benefit analysis and public consultation. The WELS scheme will initially apply a minimum standard only to toilets for which a plumbing standard already exists. This will not impact adversely on Australian manufacturers since toilets manufactured in Australia are already efficient dual-flush systems. The minimum standard will prevent the import of single-flush toilets. The Department of Energy, Utilities and Sustainability will administer the scheme in New South Wales. The department already administers the National Appliance and Equipment Energy Efficiency Program.

There are close synergies between the Energy Labelling Scheme and the proposed WELS scheme. Retailers stock both energy- and water-using appliances, and some appliances—washing machines and dishwashers—will carry energy- and water-efficiency labels. Having the two schemes administered by the one agency will enhance efficiency. The benefits of introducing the WELS scheme are impressive. It is estimated that water savings will increase each year to almost 29 billion litres of water savings in 2023 in this State alone. The net saving for New South Wales water consumers over that 18 years is \$225 million. Not only will water consumption be reduced but energy usage in showering, dishwashing machines and clothes washers will also be reduced. Less energy is required to heat the lower volume of water. By encouraging manufacturers to produce, and purchasers to buy, more efficient appliances, the WELS scheme will help water users to save money on their water and energy bills.

There are other benefits to the community from a reduction in water and energy consumption. Reduced water consumption will ease the pressure on our stressed urban water catchments and free up more water to potentially increase environmental flows. It would also reduce the energy required to pump, treat and dispose of water and wastewater. The energy savings generated by the WELS scheme are estimated to produce a reduction in greenhouse gas emissions of 570,000 tonnes annually within 18 years. The WELS scheme is one of a suite of measures to increase water supply and reduce the requirement for water in the Sydney region under the Government's Metropolitan Water Plan. Building more dams is not the answer when more cost-efficient, environmentally-friendly and easy-to-implement measures are available to secure Sydney's longer-term water requirements.

On the supply side these measures include accessing deep water at the bottom of dams which is not currently accessible, thereby adding up to six months water supply for Sydney; capturing the high flow water that runs over the Tallowa Dam on the Shoalhaven River and transferring it to Warragamba Dam; investigating groundwater stored below the surface in aquifer sources within the Greater Sydney area; contingency planning for the construction of a desalination plant to augment Sydney's water supplies in the current drought and future droughts; and the use of recycled water in the many applications that do not require drinking-quality water, such as garden watering, toilet flushing, car washing and industrial processes. These initiatives have the potential to provide more than 200 billion litres of water to Sydney's drinking water supply within 25 years.

To manage community water requirements a number of measures will be introduced, including the establishment of a \$120 million Water Saving Investment Fund to develop efficiency initiatives that deliver significant water savings; a requirement that businesses, councils and government agencies must implement water conservation plans from March 2006, and must implement cost-effective water efficiency measures by September 2007; \$328 million expenditure over the next four years to reduce leaks in water pipes; a "Smart Water Mark" labelling scheme for water-saving products such as trigger hoses, tap timers, weep hoses, and mulch and rainfall sensors to reduce outdoor water consumption; a requirement that all houses sold after 1 July 2007 must meet a minimum level of water efficiency—to assist householders in this regard Sydney Water's retrofit program will be extended indefinitely; and a mandatory labelling and water efficiency scheme for water appliances, which is the subject of this bill.

The Government is committed to providing a reliable, affordable and sustainable supply of water. The Water Efficiency Labelling and Standards (New South Wales) Bill is an important component of the Government's plan to secure Sydney's water requirements for the longer term in the face of climate change and population growth. The bill delivers substantial benefits to the people of New South Wales and I commend it to the House.

**Debate adjourned on motion by Mr Brad Hazzard.**

## **ELECTRICITY SUPPLY AMENDMENT BILL**

### **Second Reading**

**Debate resumed from 23 February.**

**Mr BRAD HAZZARD** (Wakehurst) [7.45 p.m.]: I lead for the Opposition on the Electricity Supply Amendment Bill. At the outset I indicate that the Opposition and the community have major concerns with respect to the supply of electricity in New South Wales. The community has suffered blackout after blackout across the State. It understands that after a decade in office, the Carr Labor Government has failed the challenge to supply electricity in requisite quantities. These problems will continue into the future.

This bill is a miscellaneous conglomeration of amendments to the Electricity Supply Act 1995, and on their own they are not of great concern to the Coalition. With respect to the provisions relating to the imposition of endorsements on the licences of retail suppliers of electricity, I note that New South Wales has a number of retail suppliers, the main ones being wholly owned government retailers such as EnergyAustralia, Integral Energy and Country Energy. The Independent Pricing and Regulatory Tribunal has a regulatory role in all aspects of the delivery of power to consumers in New South Wales, and it is appropriate that this bill clarifies the provisions with respect to the endorsement of operating licences. I note that the bill also amends the current program of greenhouse abatement certificates.

My main concern is the failings of the bill and the shortcomings of the Government to appropriately address the delivery of power generally. The former Minister had a good handle on the provision of power in New South Wales but the current Minister seems to be totally disconnected. Today's northern beaches *Manly Daily* has the headline "Black Day for Hospitals". Indeed, any papers from country, regional or suburban areas are likely to have a headline about blackouts or black days. The *Manly Daily* article drives home the danger of having a Government at the helm that cannot guarantee the supply of electricity. Today's *Manly Daily* also reported that Mona Vale Hospital spent 22 minutes in the dark this month after a backup generator failed, leaving the hospital without power.

That tells us there was a blackout, a supply failure, which is a regular event on the northern beaches. It is also a regular event across Sydney and, indeed, across New South Wales. It can have life-threatening consequences. Government members can jest and laugh and carry on about electricity supply, but at the end of the day electricity is just about the most vital commodity, other than water, that a government can provide. Yet the reports provided by the National Electricity Market Management Company [NEMMCO] indicate that there will definitely be blackouts within two to three years.

**Mr Frank Sartor:** That's nonsense.

**Mr BRAD HAZZARD:** The Minister says that is nonsense. He should read the NEMMCO reports that indicate that, based on last year's assessment, there will be blackouts by 2007-08. This year NEMMCO has reassessed the situation and said it may be all right until 2008-09, but we are facing blackouts. It will be a miracle if the Government manages to get to the next election without major blackouts occurring across New South Wales. If—God forbid—the people of New South Wales return this lot to government they will have blackouts for another four years, because the Government has failed to ensure adequate power generation in New South Wales.

Everyone in the industry knows we are facing blackouts unless there are major generation additions in New South Wales. The Government should talk to people in the electricity industry, from both the supply side and the retail side. Customers are already experiencing blackouts. The Minister is saying, "It's not true." On that front, I shall outline what has happened during the past four months, because perhaps the Minister was not in New South Wales or was not mentally connected with New South Wales. On 29 September 2004 residents in Sydney's south-west suffered blackouts because of failures at two major substations. On 14 October a substation meltdown shut off power to residents in Hunters Hill and North Ryde. On 15 October the North Shore was hit by blackouts again; Mosman, Chatswood, St Leonards and Cremorne were among the suburbs that suffered blackouts.

**Ms Linda Burney:** They should switch off their airconditioning.

**Mr BRAD HAZZARD:** The Government is blaming the blackouts on people's entitlement to have airconditioning. That is not the problem. The problem is that the Government has failed to ensure adequate power generation. I return to the blackouts. In November thousands of homes and businesses in Sydney's south west were blacked out because of a fire at EnergyAustralia's Riverwood substation. This is a doozy: 70,000 Integral Energy customers on the South Coast had their power cut off on the first day of summer because of a lack of generation capacity following a generation failure in the Hunter Valley.

On 20 December Woollahra was blacked out. There was great vision on television of EnergyAustralia workmen up and down the street madly trying to fix the substation. I believe it took three or four days to get the substation working again. Meanwhile, thousands of local residents were without power, and businesses lost thousands of dollars. I was contacted by a person who was looking up and down the darkened street. He recounted to me how many businesses would have had their frozen goods destroyed. They then had an argument with the Government about getting compensation.

The Minister for Minister for Energy and Utilities has become the Minister for blackouts. In two years he has ensured that New South Wales is at the forefront of blackouts. What has he done in the meantime? He and his mate the Premier have become better than Ned Kelly at ripping off consumers' funds. In the past six years alone the Carr Government, with an absolute dependency on dividends and other income from energy companies, has taken \$6.8 billion through dividends, tax equivalents and debt loading. Indeed, in one year—I think it was 2001-02—EnergyAustralia paid \$1.1 billion in debt loading. How does that work? The Opposition will ensure that all New South Wales consumers know that the Government has perfected that sleight of hand. The Government needs more money to shore up its failing infrastructure because it has failed to manage schools, roads, trains and hospitals for a decade. So what does it do? It turns the electricity industry into its principal cash cow. Whenever the Government is short of cash—

*[Interruption]*

The honourable member for Penrith should watch out because there are blackouts in Penrith all the time. The Government has perfected the art of simply saying to energy companies, through Treasury, "We need more money." The companies borrow whatever they can and hand the money to the Government. The \$1.1 billion that EnergyAustralia borrowed was immediately handed over to the Carr Government, which went into the Government's general revenue stream. It is not as if it were a one-off payment. Indeed, the statements of corporate intent in the budget papers show that every major energy utility, from generators to transmission operators and retailers, has paid massive amounts through debt loading arrangements, tax equivalents and dividends. Pick another one! Two years ago, the statement of corporate intent for Macquarie Generation was tabled in the House. I took it back to my office and flicked through it. I thought, "When the Government is so short of generation capacity, why it is ripping more money out of the generators?"

**Mr Frank Sartor:** It's rubbish that we are short of generation capacity.

**Mr BRAD HAZZARD:** The Minister should read some of the reports from NEMMCO that he ignored.

**Mr Daryl Maguire:** Until 2008.

**Mr BRAD HAZZARD:** Exactly! I found that, coincidentally, Macquarie Generation had borrowed \$400 million. The operators of Macquarie Generation were a little more subtle than others in indicating exactly how the money had been processed. Amazingly, in almost the same sentence there was a statement that \$400 million had been paid to the Carr Government. That is the simple message: \$400 million borrowed, and \$400 million not put into infrastructure or power generation but delivered to the Carr Government. The Government knows that it has an infrastructure meltdown problem, and that its major power generators need to renew their infrastructure.

The Government knows that retailers are desperate to renew their infrastructure—so desperate that they have made a submission to the Independent Pricing and Regulatory Tribunal [IPART] for a price increase to get sufficient funds to renew infrastructure. So while the Carr Government has ripped \$6.8 billion from the electricity industry in the past six years, its wholly owned energy companies—EnergyAustralia, Integral Energy and Country Energy—have gone to IPART and said, "We need to increase our electricity prices. We need to hit the consumers of New South Wales because we need to renew our infrastructure." It is a simple equation.

**Mr Frank Sartor:** Will the honourable member talk about New South Wales having by far the cheapest prices for consumers in Australia?

**Ms Linda Burney:** I am going to.

**Mr BRAD HAZZARD:** Good. The Minister needs to talk about the money the Government has ripped out of the electricity companies, and the fact that it has increased electricity prices. Indeed, last year consumers in New South Wales faced an average increase of \$73 in their bill. They can thank the Minister, who is arrogantly saying, "It's the cheapest." It does not matter that the consumers cannot afford it. They should not have to pay the \$73. The Government should have the guts to simply tax people. That is what it wants to do. It should be up front and tax people. Do not do it behind closed doors or in a shady, sneaky way. Just come right out with it.

Power is generated more cheaply in Queensland than it is in New South Wales. The Government has gone to the trouble of making sure the money is not put into the interconnector that operates between New South

Wales and Queensland. It has effectively strangled funding for the interconnector. In its own parochial interest, the Government does not want to expose the Sydney market to cheaper power from Queensland. It wants to make sure it has the excuse to charge the consumers of New South Wales whatever it wants. That is a deal done with a wink and a nod with IPART. It is time the Government came clean about what it is doing. It comes to this: it has ripped \$6.8 billion out of consumers.

**Mr Frank Sartor:** Liar! You are telling lies!

**Mr BRAD HAZZARD:** The Minister is telling lies! The Minister and the Premier are Tweedledee and Tweedledum when it comes to telling lies. I do not know who is dumber, but the Minister probably wins that honour. Since Tweedledum is calling people liars, I will tell him the facts: the Government has taken \$2.546 billion in dividends, \$1.428 billion in tax equivalents, and \$2.918 billion in debt loading. That is what the Government has ripped out of consumers in the past six years. I acknowledge that the Minister has become a master of the art only in the past two years, but he has moved in quickly and he has excelled.

**Mr Frank Sartor:** The gearing ratio was adjusted before I came.

**Mr BRAD HAZZARD:** Now he is blaming his predecessor, but he chose to come in with this rip-off mob.

**Mr Frank Sartor:** The gearing ratios are right. The gearing ratios are commercial practice.

**Mr BRAD HAZZARD:** The Minister talks about the gearing ratios. Whenever the Government needs to borrow money, it rings up the generators and asks, "How long is it since you valued your assets? Can you value them towards the upper end and borrow some more money and give it to us?" That is what the Government has done with all the generators and all the retailers. This Government has caused consumers to look forward to increased electricity prices over the next few years simply to shore up a failing electricity infrastructure network. The Minister denies there have been blackouts, but 70,000 people on the South Coast—

**Mrs Shelley Hancock:** I remember it well.

**Mr BRAD HAZZARD:** The honourable member for South Coast remembers it. She might like to contribute in a minute. The Minister might have been away somewhere.

**Mr Frank Sartor:** No.

**Mr BRAD HAZZARD:** You weren't? Perhaps the Minister can tell us why, if his system is so good—

**Mr Frank Sartor:** Easy, peasy, Japanesey—in a minute. I will explain in my speech in reply. There was an unusual circumstance that lasted about one hour. I will explain in my reply.

**Mr BRAD HAZZARD:** I think the Minister will find it lasted about seven or eight hours, and in some areas longer. The Minister needs to explain why 70,000 consumers who should not have had to worry, according to him, and who should have had power delivered—to use his interesting expression, "easy, peasy"—did not. They did not have power delivered because this Government failed the most basic delivery test, other than the delivery of water, and that is the delivery of power. The head of Integral Energy was so angry that he went on South Coast radio and said, "I want to know why this Government has allowed my consumers to have the power off." The Minister ought to have a meeting with him and come back and tell me how easy, peasy that meeting was.

**Mr Frank Sartor:** That decision was taken by NEMMCO in consultation with TransGrid for technical reasons, based on a technical protocol.

**Mr BRAD HAZZARD:** Based on a technical protocol? Not only is he the Minister for ripping off Sydneysiders, for ripping off New South Welshmen but he is also the Minister for telling very large reconstructions of the truth. I recounted to the Minister 10 blackouts from memory. I have mentioned a major one and all he can say is that it was a technical point. If the Minister were on the South Coast using a ventilator for a medical problem, he would not be satisfied to know it was a technical reason. If he had thousands of dollars of items in his business freezer, he would not be satisfied to know it was a technical problem. If he were one of the consumers who sat in the dark for hours on end, he would not say it was a technical problem.

**Ms Kristina Keneally:** Point of order: Is the honourable member for Wakehurst suggesting that a Coalition government would never have a blackout?

**Madam ACTING-SPEAKER (Ms Marie Andrews):** Order! The honourable member for Wakehurst may continue.

**Mr BRAD HAZZARD:** If the Labor Party cannot train its new backbenchers how to conduct themselves in the Chamber, the Liberal Party will run lessons for them—room 814/815 for all the new Labor backbenchers who need to learn the standing orders. This Government has done very little to address the fundamental problem of generating power. It has done very little to make sure that the poles and wires of the retailers are renewed. For that reason, there would not be a Sydneysider who has not had blackouts. The Labor members here, each one of them, has had blackouts, because I have listed them.

**Ms Linda Burney:** I have not.

**Mr BRAD HAZZARD:** The honourable member for Canterbury says her area has had no blackouts.

**Ms Linda Burney:** Not when I have been there.

**Mr BRAD HAZZARD:** Maybe she was out of the suburb too. I have the list, and each one of their electorates has had blackouts. I will have more to say about substation blackouts in the coming weeks. Honourable members should check what has happened to their residents because they are no more happy than the residents of the rest of Sydney and New South Wales. We will not oppose this bill but we will heartily oppose the way this Government has failed to ensure that the people of New South Wales are guaranteed adequate electricity supplies.

**Mr Frank Sartor:** Porky! This is a porky.

**Mr BRAD HAZZARD:** Did the Minister carry on like this when he was mayor?

**Mr Frank Sartor:** No.

**Mr BRAD HAZZARD:** What has happened?

**Mr Frank Sartor:** Kathryn Greiner was much more honest than you.

**Madam ACTING-SPEAKER (Ms Marie Andrews):** Order! The honourable member for Wakehurst may continue. However, I remind him that this is a second reading debate.

**Mr BRAD HAZZARD:** The way the Minister is going he will not increase his only vote for the leadership. Nobody from the left will want to back him. Consumers, the residents of New South Wales, know that last year they started paying \$73 more, on average, for a power supply that often does not work. They should know that in the same year Integral Energy, EnergyAustralia and Country Energy paid a whopping \$441 million to the Government in dividends and tax payments. Many provisions in this bill address peripheral issues. They do not address the substance of ensuring there is a safe, adequate power supply to the consumers of New South Wales.

The Opposition does not oppose the bill, but we do object to the arrogance of the Government and the dismissive attitude of the Minister. He does not believe there is a problem. If he were one of the 70,000 people on the South Coast who suffered a blackout on 1 December, or one of the residents on the northern beaches who have suffered blackout after blackout, or one of the residents in Penrith or North Sydney who have suffered blackouts after substations blew up, he would not say what he has said in this House.

**Ms Linda Burney:** They did not blow up.

**Mr Frank Sartor:** Some did.

**Mr BRAD HAZZARD:** Even the Minister said some of them did. The honourable member for Canterbury does not know anything about power. She should stick to her prepared speech and not interject on an issue she knows nothing about, particularly when she does not even know that her own electorate has suffered



blackouts. She should spend some time in her electorate. The Opposition will not oppose the bill, but we will make the Government pay for ripping off the consumers of New South Wales.

**Ms LINDA BURNEY** (Canterbury) [8.10 p.m.]: The honourable member for Wakehurst referred to blackouts in the Canterbury area. There may have been one but I am not aware of it, and I have not experienced one in my home. I want to make a few points that are relevant to the bill. The Government is responsible for the lowest electricity prices across mainland States in Australia for both residential and small business customers. It does not matter what spin the Opposition wants to put on it. The simple fact is that the Government is responsible for the lowest electricity prices in Australia. The price of electricity in Sydney is 7.1 per cent lower than the price in Canberra, and 5.5 per cent lower than the price in Brisbane. The list goes on. These figures are recorded in reports on electricity supply to residential and small business customers.

In New South Wales the electricity bill of a typical residential customer per year is \$965; the typical bill for a small business customer \$6,649 per year. Our charges are vastly different to those in other places. For example, small business in Hobart pays \$632 per year more than small business in New South Wales, a small business in Melbourne pays over \$1,000 more, a small business in Darwin \$2,295 more, and a small business in Perth \$2,879 more. As to residential charges, in Brisbane residents pay \$53 per year more than residents in New South Wales, in Perth they pay \$174 more, in Darwin they pay \$187 more, in Melbourne they pay \$205 more, in Hobart they pay \$227 more and in Adelaide they pay a whopping \$535 a year more. They are irrefutable facts. We have listened to garbled speeches from the Opposition about the cost of supply. The fact is that the cost of electricity in New South Wales is not only a little cheaper, but vastly cheaper than it is in other States or Territories.

Since May 1995 the competitive electricity market that was put in place by the Carr Government has delivered an estimated \$2.28 billion in real savings to this State's electricity customers. That is a positive result for the households and small businesses of New South Wales. But we will not leave it there. We will not sit back and relax. More can be done, and we will do more. The Government has a continuing commitment to an electricity industry that delivers safe, reliable, affordable and sustainable electricity. I will repeat that for the benefit of Opposition members: a safe, reliable, affordable and sustainable electricity supply for New South Wales households, businesses and industry.

As a demonstration of that commitment the Minister for Energy and Utilities released the Energy Directions green paper on 6 December 2004. The Government recognises that more needs to be done to better manage our demand for and use of electricity. The green paper sought comments from interested parties on a range of important issues, including options for meeting future electricity needs. The paper did not only examine what has happened in the past. It investigated where we would go in the future. This far-reaching and far-thinking paper also explored possible ways of reducing greenhouse gas emissions, regulatory and pricing certainty for investors, transparency and planning requirements for new power stations and energy saving strategies to improve energy efficiency. The honourable member for Wakehurst ranted about electricity supply and how many substations have or have not blown up. He ranted about people sitting in the dark for six hours or three hours. I do not know what the honourable member for Wakehurst is holding up, but I have the facts in front of me.

**Mr Daryl Maguire:** You don't believe the *Daily Telegraph*?

**Ms LINDA BURNEY:** It is such an esteemed paper. I know it is a great source of inspiration and information, but I do not necessarily believe the *Daily Telegraph* all the time. Part of the debate on electricity supply and part of the focus of the green paper is about the future and greenhouse gas emissions. Do the honourable member for Wakehurst and the honourable member for Wagga Wagga know what greenhouse gas emissions are?

**Mr Daryl Maguire:** I am about to tell you in a minute.

**Ms LINDA BURNEY:** The honourable member for Wagga Wagga does not need to tell me about greenhouse gas emissions. I emphasise to the Opposition that the Government is focusing on environmental issues as well as supply. The Government will provide private sector investors with the required regulatory and policy certainty through an Energy Directions white paper that outlines the Government's policy positions. The white paper is due for release in mid 2005. In late 2004 the Minister for Energy and Utilities also announced infrastructure plans for the New South Wales energy industry to meet the challenges of strong economic growth and an increasing population. Once again, the Government has factored in the infrastructure requirements.

In accordance with our energy infrastructure plans, the Government will inject \$6.2 billion over the next five years into spending on infrastructure projects that will continue to maintain and improve the electricity supply for the residents of New South Wales. The infrastructure plans, which have been designed with fairness and equity as a cornerstone, will deliver benefits directly to both city and rural electricity consumers. Minister Sartor announced that there would be more than 110 major infrastructure projects. I do not know why the Opposition has raised infrastructure. The Government has announced more than 110 major infrastructure projects, as well as thousands of additional upgrades.

**Madam ACTING-SPEAKER (Ms Marie Andrews):** Order! The honourable member for Canterbury is the only member with the call.

**Ms LINDA BURNEY:** The plan will include the installation of a new zone substation at city north at a cost of \$100 million, an investment of \$229 million to improve the electricity supply network on the Central Coast, and an investment of \$581 million to build or upgrade 21 major substations throughout the Hunter region.

**Mr Daryl Maguire:** What about western New South Wales?

**Ms LINDA BURNEY:** That is rural. I have mentioned rural areas. All members would agree these projects are significant steps towards securing the electricity needs of New South Wales into the future. The white paper and the infrastructure plans will also underpin the future reliability of the State's electricity networks. Under the Carr Government the reliability of the electricity networks in New South Wales is the envy of all other Australian States. Over the six years to 2003-04 the overall reliability of this State's electricity networks has consistently remained in the range of 99.94 per cent to 99.98 per cent.

*[Interruption]*

They ain't bad numbers! Let me put it that way. Excluding major unforeseeable events such as extreme bushfires and storms, in 2003-04 EnergyAustralia customers experienced—and this goes to reliability, the heart of what the Opposition was talking about—an average reliability of 99.97 per cent. Similarly, Integral Energy customers experienced an average reliability of 99.97 per cent. We were talking about the country. Do you want to hear about rural New South Wales?

**Mr Steven Pringle:** Always.

**Ms LINDA BURNEY:** Good. Country Energy customers, most of which are supplied by a mainly rural network with single supply sources, experienced an average reliability of 99.95 per cent. These reliability figures compare very favourably with cities around the world with a similar mix of overhead and underground networks. Reliability figures this good do not come about by accident. They are the result of the Government's continuing commitment to reform in the electricity industry, as demonstrated by the legislation before the House today. The Carr Government is responsible for leading energy market reforms by working with other Australian governments through the Ministerial Council on Energy.

I am sure all honourable members appreciate that securing the safe and reliable supply of electricity to the community of New South Wales is essential. I will go further than that and say that it is also our absolute responsibility. The electricity industry in New South Wales is a significant and dynamic industry, with more than three million network customers and over 280,000 kilometres of wires. In addition 21 licensed retailers compete to supply those three million customers by buying electricity from the national wholesale market and arranging for the electricity to be conveyed to their premises through transmission and distribution networks across southern and eastern Australia. It is complex, challenging and reliable. I will say those words again: complex, challenging and reliable. The Electricity Supply Act 1995 established the statutory basis for distributing and retailing electricity in New South Wales. The amendments to the Electricity Supply Act play an important part in continuing the Government's commitment to the key principle of delivering reliable, affordable, sustainable and secure electricity supply.

**Mr Brad Hazzard:** You are still contradicting each other.

**Ms LINDA BURNEY:** I will go back to reliability—absolute reliability. This legislation supports the essential safety principles laid down in the Electricity Consumer Act 2004 while promoting more efficient administration.

**Mr Brad Hazzard:** Do you read the *Daily Telegraph*?

**Ms LINDA BURNEY:** No, I do not. The bill will allow for the more effective operation of the Greenhouse Benchmarks Scheme.

**Mr Brad Hazzard:** It is called the Greenhouse Gas Abatement Scheme.

**Ms LINDA BURNEY:** It is important. Whatever you want to call it, it is important. It will further enhance customer protection mechanisms, improve the effectiveness of the licensing regime and clarify electricity networks safety and maintenance responsibilities. I am not a regular *Daily Telegraph* reader. I flick through the *Sunday Telegraph* now and again on the weekend. On Sundays I get it for the TV guide, but that is about it. I commend this legislation to the House and repeat once again: reliable, safe, consistent. If the honourable member for Wakehurst wants to get me a subscription to the *Daily Telegraph* he is welcome to do so. It is not a newspaper that I buy very often but if he thinks I should read it now and again, I will take his advice and flick through it. Then I will be one of the best informed from one of the most reliable media outlets in Australia. I will take the honourable member's advice on that. In the interests of consumers who are happy with electricity provided by the New South Wales Government, I commend this fine legislation to the House. I acknowledge the Minister's role. He is farsighted, sustainable and reliable.

**Mr STEVEN PRINGLE** (Hawkesbury) [8.24 p.m.]: That is music to the Opposition's ears—reliable, safe, consistent—all of those lovely words. If only that were the case! I have figures that will interest honourable members on the other side of the House. Let us look at two energy companies that affect people in the major Sydney metropolitan area. In 2004 EnergyAustralia customers suffered an average 102 minutes of blackouts. This Government alleges that it will improve the system. In 2009 it is anticipated that the average blackouts will be 101 minutes. So we have a massive improvement of a single minute for all this alleged investment the Government is pouring into the energy system.

In 2004 customers of Integral Energy, a major supplier of energy to our region, endured 115 minutes of blackouts. It is alleged that in 2009 there will be a slight improvement with blackouts reduced to 98.5 minutes. Honourable members on this side of the House know that so far as their electorates are concerned, these figures are often nonsense. Let me take the weekend before last. Hawkesbury residents in many suburbs—Galston, Glenorie, Colo Heights or North Richmond—were subjected to blackouts of a day or more.

**Mr Brad Hazzard:** Where was that?

**Mr STEVEN PRINGLE:** Colo Heights.

**Mr Brad Hazzard:** In Sydney?

**Mr STEVEN PRINGLE:** In Sydney.

**Mr Karyn Paluzzano:** Where was that?

**Mr STEVEN PRINGLE:** Colo Heights, a lovely spot, not that far away from Sydney.

**Mrs Karyn Paluzzano:** When?

**Mr STEVEN PRINGLE:** The weekend before last the power was out for 26 hours—not 101 minutes, but 26 hours.

**Mr Daryl Maguire:** How long?

**Mr STEVEN PRINGLE:** For 26 hours. In Galston there was a 24-hour blackout period. That is hardly reliability of supply. My rural constituents often say to me that when the storm clouds gather they have mixed emotions. On the one hand they say to themselves, "Our dams at last are going to be full, our gardens might grow a little bit, at last the drought may be over." But on the other hand they worry—"How long will it be before we have to get the candles out or the rechargeable torches going. There are going to be blackouts yet again." Most honourable members would accept that there are major storm events and major acts of God, and the energy authorities cannot adequately compensate for all of those. But it is happening all the time and that is the problem: there is no reliability of supply. Not only do we have blackouts but, as the honourable member for

Wakehurst well knows because he has been campaigning on this as well, brownouts occur regularly. Brownouts mean that your computer is going to get burnt out, the fridge might go, et cetera.

The Government is trying to encourage people to work from home. That is hardly possible when we have such an unreliable energy supply. One of my constituents is an architect and works for a New York-based firm. The firm sends work to him that it wants done. He has an obligation to them to complete the work overnight and send it back so that it is ready to go the next morning. He has complained to me that he has had to buy a generator, and if he had not he would be unemployed. The Government cannot expect people living in the Sydney metropolitan region to invest a few thousand dollars to buy a generator so that they can keep their jobs.

**Mr Brad Hazzard:** Penrith Panthers, own generator. Ryde RSL, own generator. Mingara, own generator—all because the Government has not provided enough power.

**Mr STEVEN PRINGLE:** Nowhere near enough power. If you were a shopkeeper at Galston last weekend you would have found the power out for 18 hours. In an attempt to make a living, shopkeepers have their freezers full of goods. However, when blackouts occur they have to throw the whole lot out. People do not go shopping every week; they have a huge freezer and stock up once a month. A couple at Colo Heights, to which referred earlier, had stocked up immediately before the weekend on which the major blackout occurred and they lost about \$500 worth of food. It is impossible to find an insurance company that is prepared to continually provide coverage for such events.

**Mr Brad Hazzard:** And when they ring Frank's office, they can't get onto Frank either. He won't take the calls; he wants to pretend it doesn't happen.

**Mr STEVEN PRINGLE:** Indeed. I assure the Minister it does happen, and it happens with monotonous regularity. Many of my constituents keep diaries of blackouts. I will provide the Minister with a list of those blackouts and the length of them. It is time the Minister looked at a black spot program for areas that continually lose electricity. Undergrounding should be considered for some areas. Aerial bundling is an alternative that has not been consistently considered by the Government. Many areas of Sydney have high trees, and we know that the trees cause major blackouts or brownouts. A range of measures needs to be considered, including undergrounding and the improvement of transformers. Residents in Rouse Hill reminded me that a couple who had lived in that suburb for 39 months had experienced 33 blackouts over that time.

**Mrs Shelley Hancock:** That's reliability!

**Mr STEVEN PRINGLE:** Great reliability.

**Mr Brad Hazzard:** The Carr Government's reliability factor is fantastic!

**Mr STEVEN PRINGLE:** Its reliability is fantastic. Perhaps the Minister would have looked at some of the questions about reliability asked by various members of this House, including me. The Government's reliability in this area is extremely poor. It inhibits business, wrecks people's quality of life, and forces people to invest in generators and alternative electricity supply. I ask the Minister to take on board the areas that do not meet the 102-minute blackout average and ensure adequate electricity supply for all residents—

**Mr Frank Sartor:** The 102-minute figure is an average figure.

**Mr STEVEN PRINGLE:** Indeed. We would be delighted if the 102-minute average applied to the Hawkesbury electorate.

**Ms KRISTINA KENEALLY** (Heffron) [8.32 p.m.]: I speak in support of the Electricity Supply Act 1995, and in particular about a facet that members have not fully touched upon, that is, global climate change and greenhouse gas. Global climate change is the most serious threat we face as a society. We are in the midst of the longest drought on record, we have just experienced the second warmest winter on record, and we face another dry summer in the shadow of more devastating bushfires. Unfortunately, Australia is one of the major contributors to climate change. We are the highest per capita emitters of greenhouse gases in the world.

The Carr Labor Government is leading the way in finding solutions to one of the most critical issues of the twenty-first century. We were the first government in the country, and one of the first in the world, to act on climate change and introduce legislation to cut greenhouse gas emissions. The New South Wales Greenhouse

Gas Abatement Scheme is the tip of the spear in our efforts to stabilise and halt climate change. As my colleague the honourable member for Canterbury indicated, some of the changes proposed in the Electricity Supply Amendment Bill aim to make the Greenhouse Gas Abatement Scheme operate more efficiently. I wish to remind honourable members how the scheme operates and about its performance to date.

The Greenhouse Gas Abatement Scheme involves New South Wales electricity retailers and some of the State's largest energy consumers meeting mandatory greenhouse abatement targets for the period 2003 to 2012. Participants can meet their emission targets by purchasing New South Wales greenhouse abatement certificates and then surrendering them to the scheme administrator, the Independent Pricing and Regulatory Tribunal [IPART]. There are several ways to create an abatement certificate, such as low emission electricity generation, activities that result in reduced electricity consumption, and carbon sequestration from planted forests in New South Wales. The scheme, which commenced on 1 January 2003, is now approaching the end of the second reporting period. By 18 March all liable parties must report to IPART on their greenhouse performance for the previous year. The tribunal will report to the Minister for Energy and Utilities by 30 June 2005, and the Minister will then table in the House the 2004 compliance report.

I will now outline some of the highlights of the scheme to date. Thirty-two companies are currently required to report on their greenhouse performance under the scheme. Participation is compulsory for all electricity retailers in New South Wales, two generators supplying electricity directly to customers, and one market customer purchasing electricity directly from the national electricity market. In addition, a further nine companies have elected to participate voluntarily.

**Mr Daryl Maguire:** Who are they?

**Ms KRISTINA KENEALLY:** I have them here. The elective participants for 2005 are Boral, Carter Holt Harvey Wood Products Australia, Hydro Aluminium Kurri Kurri, Norske Skog Paper Mills, One Steel NSW Pty Ltd, One Steel Trading Pty Ltd, Orica Australia, which is located in the seat of Heffron, Amcor Packaging, also located in the seat of Heffron, and Visy Industry Holdings.

The proposed changes to the Electricity Supply Act will encourage other large electricity users in New South Wales to participate in the scheme. Members will be aware that the Australian Capital Territory Government implemented a Greenhouse Benchmarks Scheme, which was modelled on the New South Wales scheme, from 1 January 2005. I understand that the Australian Capital Territory Government will also use the New South Wales IPART as its scheme administrator. The Australian Capital Territory Government's adoption of greenhouse benchmarks will drive further greenhouse gas abatement, and that Government is to be commended for this initiative.

With regard to the New South Wales scheme, to date more than 11 million certificates have been created and 131 projects have been accredited. These certificates represent the abatement of 11 million tonnes of carbon dioxide, the equivalent to taking over 2.5 million cars off the road for a year. In 2003 participants submitted 1.1 million certificates to IPART to meet their benchmark. It is estimated that around 5.5 million certificates will be required in aggregate for compliance with the 2004 benchmark. The balance of certificates will be used to meet future years compliance as progressively tighter benchmark targets are set.

In addition to the 131 projects accredited to date under the scheme, I understand that the scheme administrator is currently assessing a further 68 applications for new projects. An increasing number of future projects are being accredited. To date six future projects have been accredited and more are seeking accreditation. The accreditation of increasing numbers of future projects—those that are yet to be implemented—is an indication that investors are seeking assurances of the treatment under the scheme for significant new projects prior to seeking finance or board approval. This is yet another measure of the success of the scheme in driving investment in new greenhouse abatement projects.

I understand that abatement certificates are trading at around \$11 each, and that as the benchmarks tighten in the coming years prices for certificates are likely to stay firm, encouraging further investment in new abatement projects. Examples of some innovative abatement projects that have been accredited under the scheme include upgrades to Macquarie Generation's turbines, which mean the generator is running more efficiently; upgrades to lighting in Woolworths supermarkets to ensure that minimal lighting is being used outside working hours; Energy Developments Ltd's generation of electricity at landfill sites by using the methane gas created within the site; and CO<sub>2</sub> Australia's planting of oil mallee trees in strips on farms to earn abatement certificates from the carbon sequestration achieved, a project that will also provide potential salinity

and biodiversity benefits. I commend those companies, and all scheme participants, for their environmental leadership and their assistance in building a more sustainable community.

The Greenhouse Abatement Scheme is an important step towards a more sustainable New South Wales. Climate change does not stop at our State borders. It demands a national response. But all we get from the Commonwealth is a deafening silence, a refusal to ratify the Kyoto Protocol and an energy white paper that was a "do nothing" response to an issue of national importance. The Commonwealth simply wants to bury the problem. New South Wales is filling this leadership vacuum under the fine leadership of both the Premier and the Minister for Energy and Utilities. Put simply, if the Commonwealth refuses to lead on this issue, the States will. The States are working together on a national emission trading scheme, to incorporate key elements of the New South Wales model. A working group has been established to develop the scheme and will report back to Ministers in December. It is anticipated that all jurisdictions will support the working group moving to the detailed modelling and analytical phase of their work in the near future.

I would also like to touch briefly on the greenhouse office strategy. The New South Wales Greenhouse Office, established by the Premier earlier this year, is another example of this Government's commitment to the sustainable future of New South Wales. The office is currently developing a greenhouse strategy that will identify opportunities for further emissions reduction action in the State. It is expected that a draft strategy will be circulated for public review before the end of the year. Climate change is an issue that requires all sectors of the community to respond. The fastest growth in greenhouse emissions in Australia is from the commercial property sector. Emissions from this sector are set to double over the next decade unless action is taken. That is why the New South Wales Government developed the Australian Building Greenhouse Rating [ABGR] scheme, to measure the greenhouse performance of offices and tenancies. And it is also why the Government is leading by example.

All government agencies are required to obtain an ABGR rating for their office building or tenancies by the end of the year. Some 234 Government-owned or tenanted properties have been identified. The Department of Energy Utilities and Sustainability will monitor how effectively agencies have implemented the policy. Climate change is already happening. The decisions we make now will impact on the world that future generations will inherit. If we do it right, we can meet the challenge without compromising economic growth or living standards. That is why it is so important we have a government in Canberra that is prepared to take responsibility for an issue of national importance. In the meantime, New South Wales is proud to be leading the country on such an important issue. The NSW Greenhouse Gas Abatement Scheme is a world leading emissions trading instrument, and the Electricity Supply Amendment Bill will enable it to operate more efficiently. I commend the bill to the House.

**Mr DARYL MAGUIRE** (Wagga Wagga) [8.45 p.m.]: I enter this debate where the honourable member for Canterbury left off when quoting her comments from the *Daily Telegraph* and suggesting that she read the *Telegraph* on Sunday. I say to the honourable member for Canterbury that she should have read the *Daily Telegraph* on Tuesday 7 December. I will finish the quote that the honourable member partly read out to the House. It said:

Taxpayers may have to build another \$1 billion coal-fired power plant to stave off potential power blackouts from overuse of air-conditioning systems.

The State Government yesterday revealed that NSW was facing a power shortage within four to eight years and a new power plant was the only solution.

Peak demand was rising at a rate which could only assure supply until 2008 if extreme weather events were taken into account. Releasing a green paper on future power supplies, Energy Minister Frank Sartor said the State's electricity supply had a reliability rate of 99.98 per cent.

Correct. It goes on—and this is the part the honourable member for Canterbury forgot to quote:

However, because of a 4 per cent increase in demand, shortages were something the state would face in the coming years.

Mr Sartor said that the private sector would now be asked to tender for a new power station.

Despite Premier Bob Carr's previous opposition to a high-polluting coal fire power station and the construction of any new ones, Mr Sartor showed sympathy to the coal option, over either gas or renewable energy sources.

The state has limited natural gas reserves and renewable energy sources were seen as too expensive, according to the green paper.

I go on, because it is timely that the honourable member for Canterbury raised the article from the *Daily Telegraph*. I quote also from the *Australian Financial Review*. In its feature article it refers to the Premier and the many deficiencies there are in New South Wales, particularly with infrastructure. The final paragraph of the article states:

So what does business want? Put simply, it's more focus on water—

**Mr Frank Sartor:** That is a nonsense article.

**Mr DARYL MAGUIRE:** So it is nonsense? I will continue:

—to ensure there is adequate supplies, more on energy to ensure no power failures and more on transport to ensure people and goods can move about the city easily. Billions of dollars are needed.

"On any reasonable projections, there will be power shortages in the future," says Leighton's King, whose construction firm is involved in about \$2.5 billion worth of infrastructure work in the state.

"New generating capacity needs to be put in place along the eastern coast of Australia."

The infrastructure council's O'Neill says: "There is large maintenance required for Sydney Water's ageing pipe system. Yet NSW Treasury continues to draw dividends out and it continues to draw dividends out of the electricity businesses. The rate they are addressing it won't stop the lights going out in NSW in the next three to five years."

That was Friday 19 March 2004. Let me also quote another article from the *Australian Financial Review*:

National grid should be a must

There are several compelling reasons the original 1990s concept of a strong integrated national electricity grid should be revisited.

National security demands a more robust and resilient electricity system.

The blackout event triggered by an equipment explosion in NSW on August 13 dramatically illustrated the value of strong interconnections. Six major generating units were lost, amounting to 35 per cent of the NSW demand and 14 per cent of the national demand at the time.

The national market was saved from a major blackout only by the fact that power could flow from Victoria/Snowy and from Queensland to help make up at least some of the shortfall—but as Wellington said after the battle of Waterloo, "It was a damn close-run thing".

Then there's the need to reduce Australia's greenhouse gas emissions, which demands that we move from power generation based on brown coal to that from black coal, then to that from natural gas and then to renewables, in order of cost and emission effectiveness. Australia's performance in this regard looks poor while we continue to operate a 40-year-old brown-coal plant in Victoria whose generating efficiency is about 22 per cent—compared with black-coal plants in Queensland with efficiencies of about 40 per cent and gas combined cycle plants near 45 per cent.

That brings me now to the issue I want to focus on, and that is the fact that the member for Heffron talked about greenhouse gas abatement plans and lower emissions. We all support lower emissions. We support the notion of reducing greenhouse gases.

**Mr Frank Sartor:** Why doesn't your party do something about it? Why don't your Federal colleagues do something about it?

**Mr DARYL MAGUIRE:** Why don't you do something about it, Minister? Let me tell the Minister about the proposal that his Government is procrastinating over. This Minister's predecessor, Minister Yeadon, put a paper out in the marketplace. When he was the Minister he constructed a paper identifying electricity-generating opportunities in New South Wales. He did that because it had been identified that the network was going to be deficient in power by the year 2007-08. That paper went out into the marketplace and called for expressions of interest for companies to invest in electricity generation in New South Wales. That is a fact. As a result of that paper, companies were encouraged to put forward proposals to generate electricity in areas that were identified as being deficient. The area that I represent was identified as being deficient because the electricity transmission network that supplies the south of the State does not have the transmission capacity to meet the needs to 2007-08.

**Mr Frank Sartor:** That's rubbish.

**Mr DARYL MAGUIRE:** It is not rubbish. When the Minister reads his own documents he will see that the transmission lines from Yass to the south of the State and from the Snowy Mountains scheme are

constricted because they need an investment to improve the transmission capability. That investment has not been forthcoming. Minister Yeadon put forward the proposal to encourage developers to produce and provide to this State privately funded peak load generators that will support the network until the infrastructure can be improved.

One company put forward a proposal for \$400 million to build a peak load, gas-fired generator in this State. The Minister is correct when he said in the *Daily Telegraph* on 7 December 2004 there were no reasonable gas supplies in New South Wales but he is not correct when he says we do not have access to adequate gas supplies from other places. Moomba supplies gas to Wagga Wagga. So, too, does Victoria via the gas pipeline that runs through the city of Wagga Wagga. That gas pipeline has the capacity to supply the entire region, as well as a gas-fired power plant to generate up to 600 megawatts of electricity.

The proposal put forward by Wambo Power Ventures is to generate 300 megawatts of electricity at a cost of \$200 million in stage one, with an additional \$180 million to generate the extra 300 megawatts to help meet a deficiency in the order of some 1,200 megawatts by the year 2008. When the proposal was put forward it was greeted with enthusiasm in the region. The proposal has been the subject of a commission of inquiry during which concerns were raised. The commission of inquiry has now been conducted and has made its report.

**Mr Frank Sartor:** What did it say?

**Mr DARYL MAGUIRE:** The report says that there is a transmission deficiency and that the concept of providing 300 megawatts of power could be implemented, but that the proposal for 600 megawatts is questionable because of transmission capacity and the fact that the company has not demonstrated its ability to transmit that power to the connected network.

**Mr Frank Sartor:** If you build a new plant you have to upgrade the network around the plant. It has nothing to do with existing deficiencies. If you expand the source of power you must also expand the existing networks near it.

**Mr DARYL MAGUIRE:** The distribution network needs to be expanded and the Government needs to find the money to do that. In the meantime, the Government needs to solve the immediate problem leading up to 2007-08. The proposal uses gas, which is more environmentally friendly than most other forms of generation. The suggestion put forward by someone with a more green agenda is unsustainable. The suggestion that we move to wind turbines is not practical because energy cannot be stored from wind turbines unless a system is invented where electricity in the network generated during low loads can be stored and used in peak loads.

The proposal that the Government called for was to identify opportunities and supply peak load generation capacity for the network. That means when people cook their dinner at night, turn on the television, have a glass of red wine in front of the television and talk to their family, there will be power; when everyone in New South Wales goes home and turns on their airconditioners there will be power to run those systems. Peak load generators cut in and produce power to equalise the network so that blackouts and brownouts do not occur and there is continuity of supply of electricity. However, they have to be built first. The Government is dillydallying with the process. The developers have injected \$2.5 million or \$3 million into examining the feasibility of the project.

There are concerns, and legitimate concerns, but unless the Government can find the \$1 billion to upgrade the network to transmit the necessary power from either Yass or the Snowy Mountains Scheme, it must commit to build the generator, especially if it is serious about addressing the electricity generation problems in this State, particularly peak load generation, and augmenting a network that has been identified as deficient. It must be done in the years leading up until 2008 because the clock is ticking. This proposal has been the subject of considerable debate within my region. I agree that it was correct for a commission of inquiry to investigate the matter, but I submit that the process should not have been knocked back on the following three grounds: first, that the proponent had not demonstrated its capacity to transmit the extra 300 megawatts in stage two. [*Extension of time agreed to.*]

Second, that the development was contrary to the local environmental plan, and, third, that the proposal would have an impact visually on the environment. Since white people came to Australia we have made an impact on the environment. Every road we grade, every fence we erect and every building we construct has an impact. Over the years we have built dams and put infrastructure in place to provide better social and economic environments for our communities, and rightly so. I accept that some developments will have an impact on



members of the community but we must accept a proposal that is to the benefit of the wider community. The electorate of Wagga Wagga has 60,000 people, including 44,000 voters, who are barracking for this development. A small group of people, understandably, are concerned, their main concern being visual impact. I have met with them, agreeing that if I were in their position, I, too, would be concerned. However, the plant has to go somewhere. All proposals must meet basic fundamental principles to ensure that they are financially viable. This project must have a sustainable supply of natural product, that is, gas and that gas pipeline flows from Moomba in Victoria. It then needs to be able to transmit the power that is generated at peak load times only. Therefore, where they cross would be the obvious place.

I have been accused of many things, such as directing where the plant should go and how much should be spent. Those matters have nothing to do with me. I do not have the authority to change the requirements of the proponents and demand that they locate a power station in a particular area. The proposal must meet the fundamental requirements to ensure that the power station is viable, that the power to be transmitted is accessible and that the proponents are capable of servicing the network. The commission of inquiry suggested that the proposal should be rejected on the three grounds outlined earlier. I understand that this is not within the power of the Minister for Energy and Utilities. He is responsible for energy in this State. If there are blackouts and the network is defunct, it is the Minister's fault; it is not the fault of the Minister for Infrastructure and Planning and it is not the fault of the Minister for Roads. The Minister for Energy and Utilities has the responsibility to provide power to this State. The process is flawed. Does the Minister have a say in the matter because he should have an idea of how much power the system needs? The local media has rightly said:

The decision of the Commission of Inquiry into the Wambo Power Ventures' proposal for a gas fired power station at Uranquinty raises some interesting questions about the future of power generation in the state.

... the decision is also a sharp reminder to Premier Bob Carr and his Cabinet that they are faced with a power generation network that is already struggling to come to grips with demands put on it.

Power plants are akin to airports. Nobody wants one in their backyard or anywhere else near it.

Never a truer word was spoken.

**Mr Gerard Martin:** Not in my electorate.

**Mr DARYL MAGUIRE:** Your constituents are happy to have a power plant in your electorate and we are happy to have one in our electorate; indeed, we are delighted, and 60,000 people are batting for it.

[*Interruption*]

That would fine, but the power cannot be transmitted to Wagga Wagga.

**Mr Gerard Martin:** Of course it can.

**Mr DARYL MAGUIRE:** It cannot because the network will not carry it. That is the problem. The bureaucrats do not seem to be able to get their heads around that problem, and the Government does not seem to be able to get its wallet around the financial cost. This editorial poses the question: If the Government will not find generation solutions to the fundamental shortfalls identified by the green paper, by NEMMCO and by the department, how will it do it? How will the Government achieve electricity generation by 2008? The time for dilly-dallying is over. The Government needs to make some decisions, and make them fast, because infrastructure takes time to construct, as does providing lines to the network. It should embark upon the capital works that have been identified.

I could talk for hours about energy. I think I could teach the Minister and members opposite a few things about energy because I have put a lot of time and—forgive the pun—energy into this. The honourable member for Bathurst is happy to have an electricity generation plant in his region, as the majority of people in my community and I are happy to have an electricity generation plant in our region. There are 60,000 people in our city, 44,000 of whom are voters. We must consider their needs, as well as those of a small group of people who are understandably concerned. As I said before, for many, many years we have been making impacts on the environment with everything that is built. Every road, every bridge, everything we do makes an impact. It is important that the concerns are addressed. It is important also that the generation needs of this State are met, particularly in peak load times.

This development is only part of an infrastructure need identified by the shadow Minister and other speakers. I know that I have spoken at length on this matter, but the situation is critical. The need has been identified from the Government's white paper encouraging developers to put forward money, proposals and

feasibility studies at an enormous cost, only to be told, "It is up to the Gods. We don't know what will happen. We will have to wait and see." I want to encourage the Minister.

**Mr Frank Sartor:** The honourable member wants us to pervert the planning process.

**Mr DARYL MAGUIRE:** The Minister should have an input. No-one would call for the perverting of a planning process; nor would I call for the Minister to do anything dishonest or wrong.

**Mr Frank Sartor:** That's what you are doing.

**Mr DARYL MAGUIRE:** No, I am not. I am telling the Minister to deliver on his policy. The Minister released the paper. He has identified need, and he needs to act on that; otherwise he should explain what he will do. Will the Minister replace power stations with wind farms? Will he install generators in the river? What will the Minister do to meet the power needs of this State?

**Mrs SHELLEY HANCOCK** (South Coast) [9.03 p.m.]: I am pleased to speak on the Electricity Supply Amendment Bill, and to support the comments made by my colleagues on this side of the House. I note that some previous speakers—in particular the honourable member for Canterbury—talked about the bill being about reliability, the complexity of reliability, and looking to the future. The bill contains provisions relating to reliability. However, if we are to look to the future, greenhouse gases, et cetera, the Minister should concentrate on fixing the current problems. The honourable member for Wakehurst talked about the failing infrastructure network, which became a subject for joviality among Government members. The Minister seemed to think that that was not the case, that there were no problems. He seems to be in denial about blackouts.

I am talking about not only the 1 December incident on the South Coast. Since I have been elected there have been a successive number of brownouts and/or blackouts in the South Coast area. If the Minister is in denial about this, he is ignoring the communities of the South Coast not only on this issue but also on the issue of water extraction from the Shoalhaven River. We must also consider what it will cost in power supply to pump water from the Shoalhaven River, but we will talk about that at a different time. The honourable member for Canterbury also talked about us having the lowest electricity prices in the State. We could be congratulating ourselves on the lowest electricity prices if we had a power supply. I turn now to the event on 1 December on the South Coast. Earlier the Minister said that this event lasted only one hour.

**Mr Brad Hazzard:** Up to seven hours.

**Mrs SHELLEY HANCOCK:** People had reported to the honourable member for Wakehurst that there were events of up to seven hours. I know for a fact that it was no less than four hours, and I know the exact details. The Minister said that Opposition members were telling porkies. The Minister's statement that the event lasted for only one hour is a porky. This was not a one-hour event; this was an extremely serious event on the South Coast and led to businesses like Nowra Chemicals, which was in the middle of a Nowra chemical processing procedure, failing because there was no warning of a blackout. No procedures were in place to warn people about a blackout. That business lost hundreds of thousands of dollars. There was traffic gridlock, chaos, in Nowra. Some businesses were forced to close. It was not a one-hour event but a three-hour and four-hour event, and the ramifications of that were felt in the South Coast community for days and weeks afterwards. Originally, people blamed Integral Energy. They wondered why power to the South Coast had been shut off.

**Mr Frank Sartor:** What did Richard Powis say?

**Mrs SHELLEY HANCOCK:** Richard Powis from Integral Energy received many representations, including mine, regarding the load shedding event on 1 December. We do not want to experience another event again. It was extremely hot throughout the State and obviously the drain on airconditioners throughout the State led to the event.

**Mr Frank Sartor:** It wasn't the heat that did it. I'll tell you what happened in a minute.

**Mrs SHELLEY HANCOCK:** I am not suggesting that that was necessarily the case. I am saying that it was an extremely hot day. When the Chief Executive Officer of Integral Energy, Richard Powis, informed Shoalhaven City Council and me about the failing infrastructure network in New South Wales he said:

From the information available to me ... I understand that the primary cause of the load shedding was associated with the loss of two large generating units at Liddell and Vales Point power stations throughout December 1. I understand that the loss of the second generator at Vales Point just before 3pm triggered the National Electricity Market Management Company's (NEMMCO) decision to shed load, as there was a lack of generation reserve in NSW ...

There is something wrong with infrastructure when Richard Powis talks about a lack of generation reserve in New South Wales. I am afraid that I believe him, not the Minister. When referring to the overload conditions on two of the State's interconnectors, he said:

At this time, TransGrid was instructed by NEMMCO to immediately shed ...

TransGrid's procedures for manual load shedding provide for two courses of action. The first method is to instruct each NSW electricity distributor to shed apportioned amounts of load. In urgent cases, however, TransGrid may directly trip distribution feeders ...

I understand that in this instance—

this is the 1 December incident—

TransGrid assessed the situation as critical ...

I understand that to mean that had the loads not been shed on the South Coast the whole State may have suffered a blackout. The situation was critical. Mr Powis continued:

... and determined that apportioning load shedding would not achieve an effective and immediate reduction as required by NEMMCO's instruction. Under these circumstances, TransGrid issued an instruction to Integral Energy to shed the full 200MW.

The scapegoats were the residents of the South Coast and the Illawarra. I note that there are no members from the Illawarra in the House. Why did they not ask questions of Integral Energy and the Minister? Why did they not stand up for their constituents, who also lost power for up to four hours?

**Mr Frank Sartor:** Is that the feeble five?

**Mrs SHELLEY HANCOCK:** The honourable member for Wakehurst referred to the members from the Illawarra as the "feeble five". That is not a term I would necessarily use, but I can understand his sentiments in doing so. Those members did not ask the questions that needed to be asked. I ask the Minister to explain to the residents of the South Coast and the Illawarra why the South Coast was chosen and why no procedures were in place to give a warning so that businesses such as Nowra Chemicals did not have to suffer such enormous financial losses on 1 December. The situation was unacceptable. After the event Integral Energy and Richard Powis have been most co-operative in providing information to me and the residents of Shoalhaven city as to what happened on that day. He has expressed concern also that under this Minister no procedures are in place to give residents of the South Coast proper warning of an event. It was not an hour, Minister, but up to four hours that businesses had to close their doors. Many businesses lost power and a lot of money. Who should they turn to for answers?

**Mr Frank Sartor:** Some were restored in less than half an hour.

**Mr Brad Hazzard:** Now you are saying five.

**Mr Frank Sartor:** Some were restored in less than half an hour.

**Mrs SHELLEY HANCOCK:** Now the Minister is changing his tune on exactly how long it might have been somewhere, and for some businesses.

**Mr Frank Sartor:** I will give you the exact statistics, whenever it was.

**Mrs SHELLEY HANCOCK:** The Minister obviously has changed his tune.

**Mr Brad Hazzard:** He just said that some were up to five hours.

**Mrs SHELLEY HANCOCK:** Yes.

**Mr Frank Sartor:** No, I did not say that. I have not said that.

**Mrs SHELLEY HANCOCK:** I am noting that the Minister has changed his tune. Originally it was one hour. Some may have been five, and some may have been four.

**Mr Frank Sartor:** Stop misleading the House.

**Mrs SHELLEY HANCOCK:** The Minister is misleading the House at this stage by suggesting at one stage it was an hour, and now admitting it was up to five hours.

**Mr Frank Sartor:** I will give you the exact statistics in a moment. If you wind up, I will do that.

**Mrs SHELLEY HANCOCK:** The Minister is asking me to wind up on this issue. If necessary, I will certainly wind up on this issue, because this was a day that not only caused chaos for the people of the South Coast and Illawarra, but directly led to enormous financial losses for businesses such as Nowra Chemicals. Somebody has to take responsibility for this, Minister. You are the Minister. You need to stand up on behalf of the people of the South Coast, as well as the rest of the State, and give them answers. You have not given them answers. You are letting them down on this issue, as well as letting them down on the issue of extraction of water from the Shoalhaven River, which Shoalhaven City Council is now opposing. We know the sorts of cosy relationships that the Minister has built up there with some of the councillors.

The Minister needs to answer the questions of the residents of the South Coast. He should be looking at ensuring reliable sources of power throughout New South Wales—not pretending that we have a reliable power source in New South Wales, because we do not. He should not be pretending that we have lower prices than other States. We may have lower prices, but we do not have power. There is not much point having lower prices than any other State if we have continuing blackouts and brownouts, like on 1 December.

**Mr Frank Sartor:** We have the most reliable network in Australia, as well as the cheapest power.

**Mrs SHELLEY HANCOCK:** The Minister is suggesting that we have the most reliable network. He should ask the residents of the South Coast how they feel about him, not only in respect of the blackout on 1 December but on other issues relating to the Shoalhaven River. If he does, he will get the answers he deserves.

**Mr ANTHONY ROBERTS** (Lane Cove) [9.12 p.m.]: I commence my contribution to the debate on the Electricity Supply Amendment Bill by commending and paying tribute to the shadow Minister, the honourable member for Wakehurst, who has shown leadership in this area well beyond the leadership shown by the State Government. The shadow Minister has shown vision and direction, which he will continue to demonstrate as part of a Liberal-Nationals government.

**Mr Frank Sartor:** How is the war correspondence going?

**Mr ANTHONY ROBERTS:** I will come to the Minister in a minute. I pay tribute also to the honourable member for South Coast for coming forward tonight and showing the pathetic state to which the power supply in New South Wales has degenerated under this Minister. There are seven major power companies in New South Wales, and they are wholly State Government owned. They are EnergyAustralia, Integral Energy, Country Energy, Macquarie Generation, Eraring Energy, Delta Energy and TransGrid.

**Mr Frank Sartor:** It is pronounced "Eraring", not "Errang".

**Mr ANTHONY ROBERTS:** I know how to generate and supply electricity. In fact, I probably have more knowledge about that in my little finger than the Minister has in his head. A decade of the Carr Labor Government in New South Wales has delivered increased risks of blackouts, shortfalls in generation, and an aging and deteriorating electricity network. The Carr Government has failed to adequately invest in electricity infrastructure renewal and maintenance. This has led to continuing substation failures and generation shortfalls, and has resulted in ongoing and widespread blackouts across New South Wales. I do not know what planet the Minister has been on. Maybe he, along with the Premier, has been looking at property in New Zealand. Obviously, the Minister has not been in New South Wales recently, because it is here that we have had blackouts. On the one hand, he claims there have been no blackouts and that everything is going well. That is what you face unless you have your own generator—which many people seem to be purchasing these days.

**Mr Brad Hazzard:** Penrith Panthers.

**Mr ANTHONY ROBERTS:** Penrith Panthers has just purchased its own generator.

**Mr Brad Hazzard:** Ryde RSL.

**Mr ANTHONY ROBERTS:** And Ryde RSL.

**Mr Brad Hazzard:** And the Mingara Sports and Recreation Club.

**Mr ANTHONY ROBERTS:** Yes. They are all purchasing generators.

**Mr Brad Hazzard:** At a cost of hundreds of thousands of dollars.

**Mr ANTHONY ROBERTS:** Why? Because the Carr Government cannot provide this State with a reliable source of electricity. It is intrinsically useless and makes pathetic attempts to maintain infrastructure. Why is it pathetic? Because it has ripped the guts out of our energy suppliers over the past six years.

**Mr Brad Hazzard:** What about our infrastructure?

**Mr ANTHONY ROBERTS:** The Carr Government and this Minister do not understand that infrastructure effectively belongs to the taxpayers of New South Wales—not just current taxpayers, but future taxpayers. We have had the advantage of infrastructure moneys provided by taxpayers in years passed—when governments, like the Liberal-Nationals Coalition, spent money on infrastructure. At that time, the money provided by taxpayers was reinvested. Now, the Minister and his Government are gutting funds that should be put into infrastructure to supply electricity in New South Wales. The Carr Labor Government has ripped \$2.5 million in dividends from energy companies. Where that money has gone, I do not know. I do not think the Minister or the Treasurer would know.

Minister, fess up! Tell us where the billions of dollars have gone. Where has that money gone? Did you put it on No. 8 in race 3? Fess up! All will be forgiven. Did you leave it in a sauna? Did you leave it in the back of a cab? The Minister does not know where these billions of dollars have gone. The money has been wasted. Another \$1.4 billion has been stripped from energy companies in tax equivalent payments, and \$2.9 million in sneaky debt loadings was ripped out by this State Government. Then we get to the tricky bit, because not only is the Government not supplying power, it is increasing the cost of not supplying power!

**Mr Brad Hazzard:** An extra \$73 for every New South Wales consumer.

**Mr ANTHONY ROBERTS:** That is a \$73 a year increase for every family in this State. In the same year, Integral Energy, EnergyAustralia and Country Energy paid a whopping \$441 million to the Government in dividends and tax payments. I want to tell the House about a young person in my electorate who, in order to survive, lives on a ventilator system. Following the most recent blackouts in my electorate I was contacted by his family and advised that this child had to be taken to hospital because of power failures. That family went public about that. Another family, because of the failure of the Government to renew infrastructure, lives in fear of the next hot day we have or the next time a substation blows up. When the local substation blew up a person from the department came out and spoke to one of the workers on the day. That person said the substation should have been renewed years ago.

**Mr Brad Hazzard:** It was about 40 years old!

**Mr ANTHONY ROBERTS:** Correct. It is an absolute disgrace that money is being taken from funds set aside for infrastructure renewal. It is the same with the rail system in this State. As the honourable member for Baulkham Hills could tell us, if you do not provide adequate funding for rail and power infrastructure, the cost of providing that infrastructure gradually increases, until the stage is reached where it has to be completely renewed.

**Mr Brad Hazzard:** Logarithmic increases.

**Mr ANTHONY ROBERTS:** Logarithmic increases, as the honourable member for Wakehurst said. If you do not put in \$10 today and every day for the next 10 years, eventually it will cost \$1,000 to renew the whole thing. It is an absolute disgrace that people now have to live in fear. In the latest round of blackouts, small businesses in my electorate, such as restaurants, lost thousands upon thousands of dollars not only in takings but also because they were not able to on-sell ruined foodstuff. These people have to pay their taxes, their employees and their bills. The Government must appreciate these follow-on costs.

I am sure the shadow Minister for Energy and Utilities will confirm that on a heated night in a car park in my electorate of Lane Cove a huge power generating truck supplied by Sydney Electricity was generating power to pump into the local grid. Sydney Electricity was unable to meet demand because of the lack of

planning and the channelling of huge dividends to the Government. We were not in some third world nation and it was not after a natural disaster: it was a normal Saturday night in Lane Cove. The Minister should listen to what I have to say. I talk to the good workers and the contractors who work for our local suppliers. They would tell him that the lack of funding and backing from the State Government is an absolute disgrace.

**Mr Gerard Martin:** Absolute, is it?

**Mr ANTHONY ROBERTS:** It is an absolute disgrace. Does the honourable member for Bathurst think it is funny when a kid is too scared to go to sleep at night because he needs a ventilator that relies on a company that cannot guarantee electricity? I will get his parents to give the honourable member a call tomorrow so he can apologise to them. I will give him all the details. Over a four-month period, failing infrastructure caused a number of problems. On 29 September 2004, failures at two major substations resulted in residents in Sydney's south-west experiencing blackouts, and on 14 October 2004 a substation meltdown shut off power to residents in Hunters Hill and North Ryde, which caused huge traffic chaos for most of the north-west and west.

Those opposite should explain to people why it took them two or three hours to get home when normally it would take them five minutes. Suburbs including Mosman, Chatswood, St Leonards and Cremorne lost power on 26 October due to a substation failure. In November thousands of homes and businesses in Sydney's south-west were blacked out because of a fire in EnergyAustralia's Riverwood substation. Who could forget that wonderful piece of engineering we saw at the substation, the dripping hose?

**Mr Brad Hazzard:** The \$20 hose keeping the substation going.

**Mr ANTHONY ROBERTS:** That is right.

**Mr Brad Hazzard:** Labor's best technology.

**Mr ANTHONY ROBERTS:** That is right: third world technology brought to New South Wales. Although the national electricity market is evolving and each of the issues raised has our broad general support I, like my fellow colleagues, have serious concerns about the open-ended nature of the regulation-making power for electricity prepayment meters for small customers. The Government will be pleased to know that we will not oppose the bill, but this was a good opportunity to put important matters on the record.

**Mr WAYNE MERTON** (Baulkham Hills) [9.25 p.m.]: The appalling, abysmal record of the State Government on the supply of electricity is important to the people of north-west Sydney—those living in the Baulkham Hills electorate—and to all the people living in Sydney. New South Wales has seven major power companies. I will not name all of them because every member in this Chamber knows them.

**Mr Gerard Martin:** Count them down, one—

**Mr WAYNE MERTON:** The honourable member for Bathurst is going full strength. Let us leave it at that. He and I are friends, but let us not stretch the friendship tonight.

**Mr Bryce Gaudry:** What about the Newcastle nitron?

**Mr WAYNE MERTON:** Earlier tonight I supported the honourable member for Newcastle at his meeting. I would ask him for some courtesy so that the people of my electorate and the people of New South Wales get to know the real story, which is that after a decade of the Carr Labor Government New South Wales has delivered a legacy of an increased risk of blackouts, shortfalls in power generation and an ageing and deteriorating electricity network. In other words, the electricity system in New South Wales is almost in gridlock ready to melt down. The Carr Government has failed to adequately invest in electricity infrastructure renewal and maintenance.

**Mr Frank Sartor:** A lot more than you ever invested.

**Mr WAYNE MERTON:** The Minister should invest in an intelligence test.

**Mr ACTING-SPEAKER (Mr John Mills):** Order! There is far too much interjection in the Chamber from both sides of the House.

**Mr WAYNE MERTON:** This has led to continuing substation failures and generation shortfalls, which has resulted in ongoing and widespread blackouts across New South Wales. One only has to listen to the number of people who ring call-back radio presenters to complain about power failures. Numerous people have contacted my electorate office in Baulkham Hills to say their power has been off for some hours. Recently some people were without electricity for 12 hours because those opposite have let the system run down. Substations have failed. The equipment and the technology belong to a different era.

**Mr Bryce Gaudry:** Point of order: The member should address his remarks through the Chair. At the moment he is addressing the gallery. I would ask you to direct him to address his remarks through the Chair.

**Mr ACTING-SPEAKER (Mr John Mills):** Order! There is no point of order. The honourable member for Baulkham Hills always respects the Chair. He may continue his speech.

**Mr WAYNE MERTON:** When the State's electricity network is struggling to cope with an increased demand for energy, the Carr Labor Government continues its greedy grab for cash by reaping millions of dollars in dividends, tax payments and debt loading. In the past six years alone the Carr Government has stripped New South Wales energy companies of \$6.8 billion—the Minister for Energy and Utilities has inherited the mantle of being the \$6.8 billion man—comprising \$2.546 billion in dividends, \$1.428 billion in tax equivalent payments and \$2.910 billion in debt loading.

*[Interruption]*

We will not have anything from one-term Whan over there, the honourable member for Monaro. His sole contribution to the debate is to sit in the back seat and throw pot shots, but all of them have missed. He is getting more boring as the days go by.

**Mr Gerard Martin:** Peter Webb won't be back.

**Mr WAYNE MERTON:** The member should not be too certain about that. Most people are awake to the honourable member for Bathurst. Some \$6.8 billion has been stripped from the New South Wales energy infrastructure. In 2003 and 2004 the average household energy bill in New South Wales increased by \$73 a year.

**Mr Brad Hazzard:** How much?

**Mr WAYNE MERTON:** The cost increased by \$73 under the good old Carr Government's mantra of people paying more but receiving less service, and the harsh reality is that the Minister has promised them more of the same.

**Mr Frank Sartor:** It is the cheapest electricity in Australia.

**Mr WAYNE MERTON:** There is no future for electricity under the Carr Government. The reality is that the supply of energy in New South Wales increases at the rate of 2.8 per cent per year whereas peak demand increases by 3.8 per cent per year. In other words, demand is outstripping supply. The increase in demand is not reflected in this State's increased generation capacity. Recently I visited a school and commented that there was no airconditioning in the hall. I was told that although the school can afford the airconditioning, it is unable to obtain electricity.

The Minister for Energy and Utilities presides over the electricity supply industry. He has been sold a pup. He has been given the poisoned chalice. The people of New South Wales want to know what he will do to improve the supply of electricity to consumers. The Minister continuously asks people to pay more but offers less service, and that is a telltale sign that this Government is an abysmal failure when it comes to the delivery of service. What has this Government done to improve service delivery in police, transport, roads, hospitals, health or electricity supply? This Government's record is disgraceful.

**Mr ANDREW CONSTANCE (Bega) [9.31 p.m.]:** It is timely to debate the Electricity Supply Amendment Bill, which amends the Electricity Supply Act 1995. This Government has missed the point. Across the State, and particularly in regional New South Wales, electricity infrastructure has not been upgraded because this Government has ripped the dividends out of electricity companies and consequently has prevented them from replacing ageing infrastructure. Everybody knows that the brain generates electricity.

**Mr Wayne Merton:** But not in the Minister's case.

**Mr ANDREW CONSTANCE:** So in the case of the Minister for Energy and Utilities, is it any wonder that this State is constantly experiencing blackouts? In the past six years alone, the Carr Government has stripped New South Wales energy companies of \$6.8 billion, made up of \$2.546 billion in dividends, \$1.428 billion in tax equivalent payments, and \$2.91 million in debt loading. What is worse is that in 2003-04 the energy bill of the average New South Wales household increased by approximately \$73 a year. In the same period, Integral Energy, EnergyAustralia and Country Energy paid a whopping \$441 million to the Government in dividends and tax payments.

Is it any wonder that households on the far South Coast and the Illawarra are constantly suffering blackouts? I reiterate the point made by the member for the South Coast, and I hope the Minister hears this: On 1 December 2004 electricity on the far South Coast, notably in the Shoalhaven and the Illawarra, was switched off as a result of "power load shedding". In a letter to the Shoalhaven City Council, Integral Energy's chief executive officer, Richard Powis, stated:

... from the information available to me at this stage, I understand that the primary cause of the load shedding was associated with the loss of two large generating units at Liddell and Vales Point power stations throughout December 1. I understand that the loss of the second generator at Vales Point just before 3pm triggered the National Electricity Market Management Company's ... decision to shed load, as there was a lack of generation reserve in NSW and overload conditions on two of the State's interconnectors.

Someone decided to turn off the power to the South Coast. They did not turn off the power in Sydney or Western Sydney, but they chose to turn off the power to the South Coast. I want the Minister to tell me why that happened.

**Mr Brad Hazzard:** To protect votes.

**Mr ANDREW CONSTANCE:** It was done to protect votes.

**Mr Frank Sartor:** That had nothing to do with it.

**Mr ANDREW CONSTANCE:** The fact of the matter is that businesses on the South Coast lost millions of dollars as a result of this Government's decision to cut power, and they are not happy about it. Instead of the Minister sitting in this Chamber and saying that power was cut for only half an hour, he should visit the South Coast.

**Mr Brad Hazzard:** Five hours!

**Mr ANDREW CONSTANCE:** Power was cut for five hours, and the Minister cannot even work that out. The Minister made the decision to turn off power to businesses on the South Coast as a result of "power load shedding". The cuts to power are a result of this Minister ripping dividends out of power companies.

**Mr Frank Sartor:** That has nothing to do with it. You are completely wrong. You are embarrassingly wrong.

**Mr ANDREW CONSTANCE:** The fact of the matter is that if the Minister had allowed energy supply companies to plough funds back into infrastructure, the people of regional New South Wales particularly would not be subjected to the level of blackouts the Minister has in mind.

**Mrs JUDY HOPWOOD** (Hornsby) [9.35 p.m.]: I am pleased to join members of the Opposition in debating the timely introduction of the Electricity Supply Amendment Bill because it provides me with an opportunity to highlight the Government's policy of increased costs for a reduced supply of electricity. Almost daily I am confronted by people who have suffered brownouts, blackouts and all types of power inconvenience in managing their homes and businesses. They complain of losses of income and huge inconvenience. Last year and in the past couple of weeks the Hornsby Odeon has been subjected to blackouts and interruptions to its movies. Last year after a power blackout occurred at a premiere, the cinema had to reimburse the admission fee to each of its patrons who had wanted to see a particular movie that was being shown on this special night. The business sustained a huge loss. Businesses in Hornsby cannot count on a continuous power supply.

Galston has been particularly hard hit by power blackouts. As I become more familiar with problems being experienced across Galston Gorge, I am becoming inundated with complaints about brownouts and



blackouts. To a certain extent, the weather may be responsible for a loss of power, but not to a degree that gives any comfort to the Government. I have met representatives of EnergyAustralia. The company is examining ways to improve the supply of electricity to Galston, such as underground cables. It seems that there is insufficient protection for high voltage power lines. Many promises are made by energy supply companies, but not a lot of service is delivered to my constituents in the Hornsby-Galston area.

As recently as last week I was informed that another substation will be built in the Galston area, but no time frame has been stipulated. Certainly the residents of Galston will not be able to wait much longer for an improvement in the provision of a reliable supply of electricity. Mt Kuring-gai Public School is continually unable to turn on airconditioning in its classrooms because the power supplied to the school is inadequate. That is not an isolated incident: I have also received similar complaints from Normanhurst Public School and Normanhurst West Public School. The energy supply industry does not seem to be undertaking any upgrade of equipment, and infrastructure is certainly not being maintained properly.

Right throughout the Hornsby electorate blackouts are a regular event. They massively inconvenience residents and damage local businesses; yet the Carr Labor Government would have us believe that all is okay. Last year the Minister for Energy and Utilities re-announced a plan to invest \$6.8 billion in the State's electricity network but failed to mention that despite this infusion of funds, residents who have been experiencing blackouts would receive little improvement before 2009. According to documents obtained by the Opposition, by 2009 the supply of electricity provided by Integral Energy to its customers will increase by just 16.5 minutes. On average, residents across the whole area of Integral Energy's distribution zone put up with 115 minutes of blackouts each year. Even putting the Government's best spin on the figures, the average improvement across the entire electricity network will be only 15 minutes a year between now and 2009.

Many residents in my electorate already know they suffer more electricity downtime than do people in any other area in the State, and they suffer far greater inconvenience from multiple blackouts than people in any other area. There are pockets of residents in my electorate who have experienced a far higher incidence of blackouts resulting in far greater inconvenience and loss of electricity than are suffered by people in other areas, and that is just not acceptable. Residents are entitled to a guarantee that the blackouts they have been suffering will be dramatically reduced.

The January edition of the *Business Review Weekly* states that Energy Australia, which is one of Sydney's two main electricity providers, is struggling to maintain an uninterrupted supply of energy to the city and many suburbs. That report was based on a secret report by the Electrical Trade Union of New South Wales. Many suburbs had a series of blackouts during the heat wave last year. Residents and businesses in surrounding suburbs were affected. EnergyAustralia's distribution network was at risk of more blackouts because of inadequate funding and insufficient staff to maintain ageing equipment. The risks are greatest in the summer months because there is increasing demand for electricity as more household airconditioners are installed each year, with the increased risk of equipment breaking down. I return to the article:

... EnergyAustralia has had to cut down on replacing of equipment, because of an inadequate spending allowance allocated to the utility by its pricing regulator, the Independent Pricing and Regulatory Tribunal...

State Opposition spokesman on Energy, the honourable member for Wakehurst, was quoted in the article as saying:

... EnergyAustralia has concentrated capital spending on areas of high population growth, such as Newcastle, the Hunter region and outer north-western Sydney—

not the Hornsby and Galston area—

to the detriment of older inner suburbs. He says this is the result of the Government extracting dividend and income tax equivalent payments and debt loading from its utilities; these payments have encumbered the utilities with higher levels of debt and have not allowed them to reinvest profits. "[EnergyAustralia] has treated its existing customers as second-rate citizens in the mad burst to get new customers with new cash flow, in order to be able to meet the obligations the Government pushed on to them."

In conclusion, a lot needs to be done in a very short time. I talk particularly on behalf of the residents of my electorate, who have faith in the fact that I will represent them in this place. I hope that the Minister is listening and seeks to improve what is going on currently with the power supply.

**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) [9.42 p.m.] in reply: I will try to be very brief but, may I say, not one of the Opposition speakers referred to the bill before the House.

**Mr Brad Hazzard:** That is not true. I did.

**Mrs Shelley Hancock:** That is not true.

**Mr FRANK SARTOR:** There were very tangential and minor references to the bill. The debate was just an opportunity for political grandstanding, which is most unfortunate. I will start with the reliability of the New South Wales system. Any comparison based on a national standard shows that New South Wales has the highest reliability rating of any Australian State. In regard to extended outages—someone was talking about 102 minutes—we have a 99.4 per cent to 99.8 per cent reliability rating. Recently there was an independent review of Transgrid's reliability by the Electricity Power Research Institute of the United States of America. The results were outstanding: Transgrid has amongst the best prepared transmission systems in the world. That was the finding of an independent body.

There have been some outages in some locations. Whilst overall reliability is best practice in Australia, there have been outages. As we know, 70 per cent of outages are caused by environmental factors; 12 per cent are caused by damage by external factors, such as cars hitting poles; only 13 per cent are caused by equipment failure; and 5 per cent are planned outages. There have been a number of outages in various locations, many of them due to environmental factors and some due to circumstances that are probably not acceptable. However, overall the system is doing very well.

The Government has actually boosted capital expenditure by an extraordinary amount. In the last five years the Independent Pricing and Regulatory Tribunal, the independent body, approved of EnergyAustralia spending \$1.1 billion on system improvements. EnergyAustralia chose to spend \$1.6 billion, 50 per cent more. The Treasurer let it spend 50 per cent more on capital expenditure because it felt it needed to. In this five-year pricing period we are actually spending 50 per cent more overall: a total of \$4.8 billion on the distribution system—\$6.2 billion including transmission. This is a huge increase. Compare this in real terms with what was spent when Opposition members were in power. They are the ones that corporatised and stripped everything and started the dividend race. We have boosted spending enormously. There are still low-voltage, low-level system deficiencies that are unacceptable, and they are being addressed. But overall the system is very reliable by interstate standards. In fact, the Transgrid transmission system is regarded as world class, as opposed to the distribution system.

**Mrs Shelley Hancock:** What about the South Coast?

**Mr FRANK SARTOR:** I will come to the South Coast. If we are talking about generation capacity let us get the facts very clearly on the table. About 16,500 megawatts of power is available to New South Wales at peak. The peaks we have had have used a maximum of only 12,700 megawatts. That is a long way below 16,500 megawatts.

**Mr Brad Hazzard:** So that is why on 1 December there were 70,000—

**Mr FRANK SARTOR:** I am coming to 1 December, if you would just listen for a minute. I will read what the National Energy Market Management Company [NEMMCO] report says about this: "The independent operator of the national electricity market, NEMMCO, confirms that there is more than enough generating capacity available to New South Wales until at least 2008-09 for peaks"—which is the only vulnerable period—"based on conservative planning and forecast assumptions." It says, I quote, "In fact, they have stated 'Queensland and New South Wales have generation capacity well in excess of the minimum levels for a number of years'." We are in good shape with generation capacity. That does not mean that we must not plan for more, and that is what we are doing. I now quickly turn to the South Coast. I will deal first with what the outages were.

**Mr Brad Hazzard:** Seventy thousand people were blacked out.

**Mr FRANK SARTOR:** It was 70,000 people.

**Mrs Shelley Hancock:** You said it was one hour.

**Mr FRANK SARTOR:** That is right: 200 megawatts of power from Transgrid's Dapto substation was shed. The initial load shedding occurred at 3.00 p.m. The first stage restoration of 100 megawatts commenced at

3.09 p.m. The second stage restoration of another 100 megawatts commenced at 3.13 p.m. So much for this notion of a massive deficit! The majority of customers had services restored by 5.00 p.m. The reason for this outage was not generation capacity; it was that there were four major units down for scheduled maintenance and two others tripped. So there were six units down. All we did was shed one part for, in most cases, up to two hours. The maintenance was planned for that time because the usual pattern is that there is not peak demand at that time. It coincided with the interstate peaks. That is why a combination of circumstances led to shedding.

Now I turn to why Dapto was affected. Transgrid decided to shed the entire load from its Dapto substation as it could be implemented quickly without reference to multiple distributors and this action would relieve a low-voltage condition in the Dapto area and eliminate transmission line overloads. It was a technical decision by Transgrid after advice from NEMMCO. It was nothing more than that. It was the place it felt it could best optimise and restore the system the quickest. That is why it was done there.

**Mr Brad Hazzard:** Point of order: The Minister should be aware that the standing orders require that if he reads anything onto the record he has to identify the document. He failed to do that. I ask that you direct him to comply with the standing orders.

**Mr FRANK SARTOR:** I was not reading from a document. I have notes.

**Mr DEPUTY-SPEAKER:** Order! The Minister is not required to do that. He has not quoted from any documents.

**Mr Brad Hazzard:** I am sorry, Mr Deputy-Speaker, but perhaps you were not listening. He just quoted from somebody in terms of the outages on—

**Mr FRANK SARTOR:** It was from my own notes.

**Mr Brad Hazzard:** What, you just made it up? Is that what you are saying, that you have made it up? So you are not even telling the House the truth?

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

**Mr Brad Hazzard:** Well, you tell him to actually put it on—

**Mr DEPUTY-SPEAKER:** Order! The Minister is in order and may continue his speech in reply.

**Mr Brad Hazzard:** So nothing you are saying is the truth?

**Mr FRANK SARTOR:** That is the advice I received. I have referred already to capital expenditure.

**Mr Brad Hazzard:** You are too gutless to tell us where you got it.

**Mr DEPUTY-SPEAKER:** Order! If the honourable member for Wakehurst continues to interject I will call him to order. He will listen to the Minister in silence.

**Mr FRANK SARTOR:** I need to respond to this, because the point has been made repeatedly about dividends. In the last five years of the Coalition Government it took \$1.4 billion in dividends alone—let alone tax equivalents and everything else—out of the electricity system. Members of the Coalition are now saying we are outrageous for taking dividends. It is national competition policy that all commercial operations must pay dividends and tax equivalents. All trading enterprises around Australia do the same thing. The Coalition took that out. We have taken dividends out since we have been in Government. We have also taken tax equivalents, which is part of national competition rules, and we have increased the gearing ratio of our stocks. If you increase the gearing ratio of your stocks to make them competitively neutral and optimise the gearing ratio, you end up lowering taxes and dividends because you lower profits. Dividends are residual after profits and have no bearing whatsoever on the capital investment.

The Wagga Wagga issue is interesting. There is a process under the Environmental Protection Act which has to be followed. If we do not follow the process the Opposition will be the first to scream foul that we are somehow interfering with the process. A commission of inquiry has formed the view that this power station should not go ahead. That is a matter the Minister for Infrastructure and Planning has to assess. I cannot and will

not fetter his discretion, but the honourable member made the comment that to build the power station we would need to augment the transmission system. We are not going to build more transmission systems on the basis that there may possibly be a new power station. If a new power station is approved, then clearly the question of transmission capacity will be addressed. It is nonsense to make out that this is not approved because of the transmission system. You put the power station in and then you back up your transmission system.

**Mr Brad Hazzard:** Will you improve the transmission system when you do it?

**Mr FRANK SARTOR:** If the power station is approved, of course we will improve the transmission system. If it is not, we do not need to, and we would be wasting our money. The prices in New South Wales are the lowest in Australia. They are ecstatically low. They are \$53 less than Brisbane, \$174 less than Perth, \$187 less than Darwin, \$205 less than Melbourne, and \$500 less than Adelaide. The savings to business are huge. We provide a cheaper system, the most reliable system, we are investing the most in distribution and capital, and we are looking ahead at generation. This has just been a charade.

**Motion agreed to.**

**Bill read a second time and passed through remaining stages.**

#### **COURT SECURITY BILL**

#### **FORESTRY (DARLING MILLS STATE FOREST REVOCATION) BILL**

#### **SHERIFF BILL**

#### **STANDARD TIME AMENDMENT (CO-ORDINATED UNIVERSAL TIME) BILL**

**Messages received from the Legislative Council returning the bills without amendment.**

#### **SPECIAL ADJOURNMENT**

**Motion by Mr Carl Scully agreed to:**

That the House at its rising this day do adjourn until Thursday 3 March 2005 at 10.00 a.m.

**The House adjourned at 9.54 p.m. until Thursday 3 March 2005 at 10.00 a.m.**

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