LEGISLATIVE ASSEMBLY

Wednesday 9 November 2005

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

Mr Speaker offered the Prayer.

VOCATIONAL EDUCATION AND TRAINING BILL

Second Reading

Debate resumed from 19 October 2005.

Mr DONALD PAGE (Ballina—Deputy Leader of The Nationals) [10.00 a.m.]: I lead for the Opposition on the Vocational Education and Training Bill. The Coalition will not be opposing the legislation. The regulation of vocational education and training is a State responsibility. The New South Wales Vocational Education and Training Accreditation Board [VETAB] registers and audits training organisations under the Vocational Education and Training Accreditation Act 1990. In June 2001 State and Federal Ministers agreed to adopt the Australian quality training framework as the national standard for the registration of training organisations and the accreditation of courses. Model clauses were drafted, and the legislation the House is debating today will mean that decisions made by VETAB will have national effect.

The legislation gives national effect to the Australian quality training framework for the registration of training providers and the accreditation of courses. It provides for consistency of standards in vocational education and training across Australia. That is important, because until now that has not been the case. The bill repeals the Vocational Education and Training Accreditation Act 1990, which provides for the continuation of the board that is currently constituted under that Act as the agency responsible for registering training providers and for accrediting vocational courses in this State.

Importantly, the legislation creates a national register, which will be managed by the Commonwealth. For the purpose of the bill, training providers are registered and vocational courses are accredited. The new framework also provides for the recognition in this State of training providers who have been registered by interstate registering bodies and for the recognition of vocational courses that have been accredited by interstate course accrediting bodies.

The legislation provides for consistent standards in vocational education and training across Australia. It enables training organisations registered in other States to be subject to the standards that operate in New South Wales. That is quite important, because in the past training organisations registered in other States have not been bound by the arrangements that applied in New South Wales and vice versa. The same applies to courses. One of the benefits of this legislation will be that some of the cross-border anomalies between New South Wales and other States, particularly Victoria and Queensland in technical education, will to a large extent be eliminated through the principles of mutual recognition embodied in this bill.

Honourable members who are interested in cross-border issues, as I am, will know the Opposition has moved legislation to create a cross-border commission to deal with some of these anomalies. Whilst that legislation has been voted down by the Government, at least today we have an opportunity, through this legislation and through a national approach to the accreditation of courses and for the registration of training providers, to have some consistency between States and to take a national approach in this important area. It is important because of the national skills shortage throughout the country in a range of traditional trades.

The Opposition has been in touch with the Federal Government to ensure that the legislation before the House today is consistent with what was understood to be the model clauses coming from that meeting. We have been advised that this legislation is consistent with the model clauses proposed by the Ministers to embody their agreement in 2001 when they agreed to adopt the Australian quality training framework. The Opposition has one concern, and I am sure the Minister will clarify some of the issues, which have been raised by the Legislation Review Committee in Legislation Review Digest No. 13 of 2005. I want to read onto *Hansard* the concerns raised by the Legislation Review Committee in relation to procedural fairness. The digests states:

> Clauses 30 and 36 provide that, before the Board refuses an application to accredit a vocational course, imposes conditions on the accreditation or cancels the accreditation it must notify the person concerned of the decision and give them an opportunity to make representations to the Board.
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> However, clause 30(2) allows the Board's decision to take immediate effect, without giving the person concerned an opportunity, if the Board is of the opinion that it is in the public interest to do so. Clause 36(2) is in similar terms in relation to approval for courses for overseas students. "***Public interest***" is not defined in the Bill.
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> One of the key principles of procedural fairness is the "hearing rule", which requires a decision-maker to give an opportunity to be heard to a person whose interests will be adversely affected by the decision. This common law rule has been described as both fundamental and universal. Failing to provide for it or other procedural fairness rules is an important ground of review of an administrative decision and a basis for a remedy. However, the rule can be displaced by legislation.
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> The Committee is of the view that the hearing rule and other rules of procedural fairness are an important check on the exercise of the executive's powers. For this reason, they should only be restricted or displaced by legislation if there are compelling public interest reasons for doing so.
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> The Committee notes that this Bill clearly excludes the operation of the hearing rule if the Board is of the opinion that it is in the public interest to do so.
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> The Committee notes that a decision to cancel or refuse accreditation for a vocational course could have a serious adverse impact on the person seeking or holding that accreditation. Where that decision is made with immediate effect, without the person having an opportunity to be heard, the impact could be even more serious.

I note from the Legislation Review Committee's report that it has written to the Minister for advice as to why the bill does not contain an inclusive or indicative list of the public interest circumstances that might warrant a decision of the board to cancel or refuse accreditation to take immediate effect. I have raised that issue because the Legislation Review Committee has also raised it. I look forward to a response from the Minister as to why it is necessary under this bill to provide the prohibition that has been identified by the Legislation Review Committee.

As I indicated at the outset, the bill provides for accreditation of courses and for the registration of training providers across the nation. This important bill should be supported; it provides uniformity and consistency in vocational education and training within New South Wales and across Australia. The Coalition supports the bill.

Mr MATTHEW MORRIS (Charlestown) [10.10 a.m.]: It is with pleasure that I speak in support of the Vocational Education and Training Bill. Currently in New South Wales more than half a million students participate in some form of vocational education and training each year. Vocational education and training is a very important component of the development of skills in our country. As our economy changes and develops, and new technologies and industries come to the fore, the ability to train our current and future work force in the new vocational skills they will need is crucial. So too is the ability to attract new entrants to those traditional industries and trades that the country continues to need—trades such as construction, manufacturing and engineering. Most of those students attend TAFE. Yet more than 1,565 New South Wales and interstate registered training organisations are operating in the State. It is obviously an attractive business as new providers continue to enter the market each year. In 2002-03, 344 new training organisations registered and 98 registered in 2003-04.

The Australian Quality Training Framework was introduced in 2001 as a set of standards to guide quality in the training market and to ensure that students and employers receive the high quality training they require. The New South Wales training quality regulator, the Vocational Education and Training Accreditation Board [VETAB], has adopted these national quality standards as a guideline under its Act. However, new legislation is needed to enable the regulation of interstate registered providers delivering training in New South Wales. One of VETAB's greatest challenges has been managing the quality of training by interstate-based training organisations operating in New South Wales. If quality problems have come up VETAB has been unable to do anything.

At present the regulator's hands are also tied in situations where a New South Wales registered training organisation is found to be non-compliant in New South Wales, and rather than address that non-compliance the organisation decides to apply for registration in another State that is seen to have a less rigorous registration procedure. By agreeing to implement model clauses in their legislation all States are now ensuring that national quality standards can be appropriately and effectively enacted across borders. From 1 January 2006 the New

South Wales regulatory body will be able to monitor quality, audit or sanction the 681 training organisations currently registered interstate and operating in New South Wales. At the same time New South Wales registered training organisations will be recognised interstate.

The bill does not have a negative impact on any training organisations committed to delivering quality training. The Government is committed to ensuring that all students receive training of the highest quality. The Government has been prominent in leading national efforts to address quality in the training system. The adoption of the model clauses in this bill is another step towards strengthening quality and enabling the New South Wales regulator to effectively undertake its work and ensure that students in New South Wales receive the highest quality training. The new bill does not place any additional costs on providers whether they are large, such as TAFE institutes, or small providers delivering in niche areas. All providers that want public quality endorsement of their services must meet the standards described in the bill.

There are existing costs to meet those standards and become registered. The bill does not place additional requirements on registered providers and so there are no resulting additional costs. However, the bill strengthens the Government's ability to penalise non-complying providers by imposing fines when they breach the Act. The bill provides for an increase in penalty points for proven breaches from 10 to 200.

As a product of the TAFE system, of the university system and of a range of smaller training organisations, I can certainly express my personal view of this opportunity. It is critical that we ensure a high level of quality across all training organisations and also recognition across all borders. Students participating in a range of available organisations and training programs need to be confident that they will receive a quality outcome that will be recognised. That training will be transportable, and will be carried with them forever no matter where they chose to reside and work throughout the nation. That is what makes this bill so important.

This is a positive bill that gives consistency across borders. It tightens up and ensures that people undertaking training in New South Wales are protected, and that at the end of the course they achieve recognition of their contribution and efforts in attaining those goals. Ultimately, the bill is about quality delivery. In the Hunter region we often hear about skills shortages. Part of that issue relates to the availability of training. There is a raft of training organisations that provide services in the niche areas, and they all complement each other. All organisations offer services that anyone can access to develop collectively a skills base and an educational base, which is not only suitably beneficial for the local region's economy but also personally rewarding.

I take this opportunity to record my wholehearted appreciation for the work of the TAFE institutes. Their contribution and efforts, their teaching staff and the hours they put in, and the resources that they strive to deliver, ultimately enable people to access a range of services and training programs. I take my hat off to TAFE and place on record my thanks for their contribution and effort in addressing skills issues in New South Wales and across the nation.

In my view, the real essence of the bill is to ensure a quality outcome. I cannot stress that enough. We often hear of organisations that set up in this State, or may have existed in other States and migrated to New South Wales, that promote and offer training programs but do not always offer a training program that is consistent with complementary programs already available. At this point there is a lack of quality control. This bill will go a long way to ensuring consistency, formal registration and certification so that people undertaking training courses can have a high level of confidence in the organisation in which they participate. More importantly, people can have a high level of confidence in the quality of the teaching. I commend the bill to the House.

Mr GREG APLIN (Albury) [10.19 a.m.]: I welcome the Vocational Education and Training Bill in the hope that it will, as the honourable member for Ballina said, resolve some of the anomalies that for too long have plagued cross-border areas, such as the electorate of Albury. I want to refer to an ongoing problem experienced by Wodonga TAFE, particularly in relation to the training of drivers of forklifts and heavy earthmoving equipment for which Wodonga TAFE enjoys accreditation and assessment through the New South Wales system. However, it falls foul of the fact that occupational health and safety requirements fail to recognise certificates issued in Victoria.

In 2004, following concerns raised by forklift drivers and ION Limited, the Minister for Industrial Relations advised that local arrangements established in the Albury area represented a significant risk for WorkCover. The risk arose because WorkCover inspectors do not have legislative powers to conduct audit

inspections of assessors working in other States. If there were a problem with an assessment or other issues of concern, WorkCover could not take action against an interstate assessor even if the certificate was issued in New South Wales.

I have addressed this ongoing problem with the Minister and the Wodonga Institute of TAFE for some considerable time. It is my fervent hope that this bill will go some way to solving this particular issue, which has plagued students and members of the work force in the cross-border area who wish to work in both States. Currently, they are required to attain a licence and accreditation in both States at considerable expense and a great waste of time as the two certificates cover the same training.

Although the bill will resolve this issue to some degree, I believe it needs to go further. The legislation should not only deal with vocational and educational training, it should also embrace other government agencies. I refer specifically to WorkCover because, clearly, problems arise when assessments are conducted but not recognised. That makes a mockery of this bill. Although the bill is a step in the right direction, it does not go far enough and should embrace other agencies.

For example, upon advice given by the Minister for Industrial Relations last year, Wodonga TAFE conducted an assessment of a student and, in accordance with the requirements of New South Wales WorkCover, provided the required notice prior to the assessment date. The student provided the institute with a copy of a letter he received from the Albury District Co-ordinator, New South Wales WorkCover, which stated that while the assessors from the National Industrial Skills Training Centre at Wodonga Institute of TAFE were accredited in New South Wales, the assessment was not acceptable as it was not conducted within the State of New South Wales. This interpretation seems to be at odds with the view expressed by the Minister about the validity of assessments. The letter I refer to was written by the District Co-ordinator of WorkCover to a resident of Victoria who wanted to work within New South Wales, as many people who live in the cross-border area do. The District Co-ordinator states:

> Re: Your application for National Certificate of Competency
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> I wish to bring to your attention that WorkCover NSW is not able to accept your application for issue of a National Certificate of Competency for a Loader of the Skid Steer type (LS).
>
> The reason for this rejection is that WorkCover NSW will not accept assessments that were not carried out in the state of New South Wales.
>
> Although your assessment was conducted by a NSW accredited assessor the actual assessment still must be done within the state boundaries.

This situation is quite extraordinary given that the National Industrial Training Skills Centre at Wodonga Institute of TAFE has gone to the extent of creating an area specifically to train and examine people on heavy earthmoving equipment for a certificate of competency. It seems foolish in a border region to duplicate such services. I am sure that all honourable members would agree that in this day and age we need co-operation and uniformity in training. This bill seeks to establish and encourage uniformity and the acceptance of national assessment. Yet here is a situation where qualifications are not accepted because the assessment was not conducted on our territory. The assessment was conducted only kilometres away. This issue requires urgent attention by the relevant Ministers by including other government agencies to make the Vocational Education and Training Bill more relevant. One further piece in the puzzle may be the consideration of the Commonwealth Mutual Recognition Act 1992. The Acting Director of Wodonga TAFE in a letter to me stated:

> I understand that both Victoria and NSW are parties to the Act. The Act's purpose … is to, "*promote the freedom of movement of goods and service providers in the national market in Australia*" (Part 1). Division 4 of the Act, Equivalent Occupations, Para. 29 outlines the recognition provisions for registration between States, and the definitions of occupation and registration all lend legitimacy to what we are trying to achieve here on the Border. I will rely on your judgement as to whether the Act has relevance.
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> This matter continues to affect businesses along the Border. It also continues to act as a disincentive to those seeking employment, or to those seeking to upgrade their skills. We are aware of the major projects within our region that will require skilled and appropriately certified labour to participate in these initiatives.

Wodonga TAFE and the TAFE institutes of New South Wales want to offer low-cost, reputable solutions to meet the training and assessment needs. I commend to the Minister the need to co-operate with other Ministers to resolve these cross-border issues and make the Vocational Education and Training Bill more relevant.

Ms ALISON MEGARRITY (Menai—Parliamentary Secretary) [10.27 a.m.]: Skills shortages are the greatest challenge facing New South Wales industry at present. We have ongoing shortages of qualified trades

workers in areas such as manufacturing, construction, cooking and the automotive trades. We also have strong needs for more skilled workers in health and community services—such as assistants in nursing, aged care workers and childcare workers. We need to take every opportunity to train New South Wales workers to take up the opportunities available across industry and in New South Wales regions. To achieve this we need a high-quality system of public and private training providers that have the confidence of New South Wales employers and will provide high-value training to students.

New South Wales has the most buoyant training market nationally. We have the best TAFE system in Australia, and we have over 800 private and community training organisations registered in our State. More than 600 interstate-based training companies are operating in New South Wales. They see the business opportunities that are available here. This vast number of training organisations poses huge challenges for the New South Wales Vocational Education and Training Accreditation Board [VETAB] as the body charged with regulating this market. VETAB needs the capacity to drive the effectiveness of this training market, and that is what it will get through the provisions of this bill.

The bill strengthens the legislative framework against which VETAB registers, audits and sanctions training organisations. It gives it more rigour in implementing the national standards for training organisations, the Australian Quality Training Framework. It does not necessarily mean that VETAB will make it tougher for training organisations to do business in New South Wales. But it does mean it will be easier for VETAB to respond on the occasions that training organisations may act inappropriately or where they clearly do not have the capacity to deliver the training services required.

TAFE and the network of private providers are valuable assets for regional communities and the training services they provide make a difference. They support regional economic development, they contribute to community capacity building, and they provide training opportunities that can make a real difference for people in the labour market who are disadvantaged. There are many examples of achievements by training organisations working with regional Aboriginal communities or with recently arrived migrants.

Training is a commercial activity. An examination of the classified advertisements in metropolitan and regional newspapers shows that large numbers of training organisations are promoting their courses. Many of these providers are charging significant fees. In some cases these fees rival the annual fees charged by private secondary schools. The advertisements can be quite glamorous and promise great things. As the end of the year approaches I know that year 12 students, or even adults, will be looking towards commencing a new career and wondering about the bona fides of the claims offered in some of those training advertisements.

On occasions people have raised with me their concerns about these issues. They want to ensure that with these large fees they are getting value for money and that the accreditation they receive at the end of the course will be worth something when they seek employment. So registration by the Vocational Education and Training Accreditation Board is the major indicator of quality for people seeking training services. It suggests that the training organisation has been assessed as being of an acceptable standard. The New South Wales community must have confidence in the fact that this registration process ensures quality.

This bill will strengthen VETAB's hand in regulating the training market. In particular, it will give VETAB the capacity to audit and, if need be, to sanction training organisations that are registered interstate. That is imperative to strengthen the confidence of the New South Wales industry, communities and individuals in the quality of a training system. Confidence in a system is essential for an effective response by the training system to the skills shortages affecting industries and regions in New South Wales. I commend the bill to the House.

Mr GRAHAM WEST (Campbelltown—Parliamentary Secretary) [10.32 a.m.], in reply: I thank all honourable members who took part in debate on this bill, and I thank in particular Opposition members for supporting the bill. The proposed legislation is an acknowledgement of the need to continue to promote, support and improve the training market in New South Wales. It builds on the current Vocational Education and Training Accreditation Act 1990, which has been in place for 15 years. Our vocational education and training system has changed significantly in the intervening period.

To respond to current skills shortages New South Wales must have a network of public and private training organisations that are capable of providing high-quality training that meets industry and community needs. This bill provides for a stronger and more consistent set of arrangements to regulate those training organisations. This bill gives effect to the Australian quality training framework for the registration of training

providers and the accreditation of courses. It allows for interstate recognition of the operations of New South Wales registered training organisations and more effective regulation by the Vocational Education and Training Accreditation Board of interstate registered training organisations that operate in New South Wales.

This will strengthen the quality of the vocational education and training system and simplify regulatory arrangements nationally. This bill strengthens the power of the Vocational Education and Training Accreditation Board to ensure the quality of training provision and to audit sanction providers. In regard to concerns expressed about the ability of the board to cancel, suspend or impose conditions on accreditation or approval of a vocational course I assure the House that the Vocational Education and Training Accreditation Board is committed to ensuring procedural fairness and natural justice.

However, in revising the legislation it was considered that instances might arise where the Vocational Education and Training Accreditation Board might need to act decisively in the interests of public safety or public good. These powers are to be used only in extreme circumstances when the board considers it is in the public interest to do so, for instance, if a training organisation was found to have serious safety concerns. It is envisaged that those powers would be used very rarely. This new bill incorporates much-needed improvements to modernise the language of the Act and to make it more relevant and easier to interpret.

The bill also recognises the national register of training providers and courses—the National Training Information Service. This register is the repository for all publicly available information on the organisations operating the national vocational education and training system. Having the national register included in this legislation protects its role as the key public tool for accessing information on training organisations. These measures will increase our effectiveness in ensuring quality of training in New South Wales. I commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

CONSUMER CREDIT (NEW SOUTH WALES) AMENDMENT (MAXIMUM ANNUAL PERCENTAGE RATE) BILL

Second Reading

Debate resumed from 19 October 2005.

Mr JOHN TURNER (Myall Lakes) [10.37 a.m.]: The Opposition does not oppose this bill but wishes to place some matters on the parliamentary record. After consultation with the Minister's advisers yesterday—for which I thank them—I understand that the Government might consider reviewing this legislation after a 12-month period. The Opposition would support such a move. Allegations have been made that there has been a lack of consultation in relation to these matters. The Australian Financial Services Association, which appears to be the peak body representing micro lenders, believes that industry has not been adequately consulted and that a review in 12 months time might solve these problems.

That body has raised concerns that I wish to place on the record. Industry representatives said that this legislation could have been deferred until after a report or reports from the Queensland and Victorian governments relating to similar lending criteria in those States. Industry representatives believe that the Victorian report might be of some relevance. I understand that a Council of Australian Governments meeting of fair trading Ministers is to be held in March next year to discuss interest rates and other issues that might affect this legislation. Industry representatives also expressed the view that this legislation could have been delayed until after that had occurred. I have received mixed messages concerning the legislation that is now before us.

There is no doubt that micro lenders are concerned about this legislation. They often help out people who are in difficulty to enable them to meet their obligations. One of the messages I have received is that this legislation will close down many micro lenders who will no longer be able to operate economically in relation to loans over 62 days. I have also received messages that people cannot live with this legislation. Reading between the lines I suspect there are some unscrupulous dealers in the industry, but a broad-brush approach might also capture those who are acting fairly and equitably. Only time will tell.

That is another reason why it would be appropriate to review this legislation in 12 months time. It might also enable peak groups to offer some form of advice not only to their members but also to the

Government as to how the industry might progress. I note in the latter part of a submission made on behalf of the Australian Financial Services Association—a submission that the Minister already has—some recommendations relating to regulatory activities, including self-regulation. However, those matters would be more appropriately dealt with on another day. I understand that members in another place might move a motion to delay this legislation and I reiterate the comments I made earlier about the Victorian and Queensland reports.

Concern has been expressed that this legislation might be retrospective in relation to contracts that have already been written. Following discussions yesterday with the Minister's policy adviser and chief of staff I have been assured that that will not occur unless there has been a breach of contract. A new contract would then be implemented which would not be covered by any non-retrospective activity. I want to read onto the record the basic concerns of the Australian Financial Services Association. In correspondence to me the association stated:

> However, the draft bill fails to recognise the realities of micro-lending (loans of less than $5,000) by:
>
> a. assuming that a total of interest/fees and charges not exceeding 48% per annum can be economically sustained by micro-lending businesses;
>
> b. ignoring the fact that borrowers are prepared to pay for time and place convenience for our services;
>
> c. overlooking the reality that most small business loans are provided without any security;
>
> d. ignoring the growth of Internet and telephone micro-lenders, operating from other States, who sell their services nationally;
>
> e. ignoring the reality that this proposal will effectively abolish legitimate controllable micro-lending in New South Wales. This will open the way for a potential takeover of micro-lending by backyard operators and undesirable elements, and will massively increase compliance enforcement costs for the Department and the Police Services;
>
> f. ignoring the reality that this change in legislation will generate a massive increase in the number of people turning to a charity for financial assistance. This will require a substantial increase in Government funding, if the needs of these people are going to be met by the already cash-strapped charities;
>
> g. ignoring the reality that the bulk of people requiring credit of the $5,000, do not comply with the mainstream lenders' criteria for such loans;
>
> h. ignoring the reality that a percentage of people requiring credit under $5,000, choose not to deal with mainstream lenders.

Concern has been expressed that by the time the small loan is put into place and the charges are added to it, it exceeds significantly the cap of 48 per cent, which presently exists for any loans under $5,000 and for under 62 days. Allegations have also been made that these loans have been pushed out beyond the 62-day period in order to avoid the capping provision.

The submission from the Australian Financial Services Association set out an example of a loan of $1,165 for three months. There were a number of fees appropriate to it: a $50 rebated application fee, documentation fee of $66, account keeping fees of $19.50 per month, totalling $58.50, and direct debit charges of $65. Total fees amounted to $239.50 and interest was worked out at 29.95 per cent reducible. The association figures indicate a comparison rate of 193.34 per cent. I make no comment other than to read from the association's submission—again, I would stress that I believe rogue influences in the business are probably responsible and, unfortunately, bringing fair and equitable lenders into disrepute.

The Consumer Credit Legal Centre contacted me and also provided some examples. I cannot say where these examples come from and whether they are typical of this type of activity, but I suspect they are not. In one example Mr B needed a loan to buy a very cheap car. He approached a car dealership that stated it specialised in lending to pensioners. Mr B needed a loan for $1,000. The total amount payable exceeded $3,000. The administration fee and application fee totalled more than the amount he wanted to borrow, being $1,000. Applying the formula in clause 8 of the regulation, the effective annual percentage interest rate was 56.43 per cent per annum.

These are the problems that are facing the industry. I cannot say whether, in introducing this legislation, the Minister's timing is correct. That remains to be seen, in view of the matters I raised in relation to Queensland and Victoria, and also the Council of Australian Governments [COAG] meeting. They are matters for others to judge. I hope that the industry will examine this matter with a view to self-regulation. It is a regrettable reflection on our society, but there is no doubt that a need exists for this type of lending. It is hard to believe that people have to live on the basis of payday lending, micro lending, and be faced with interest charges of up to

48 per cent in order to secure such finance. As I said, that is a sad reflection of our society at the present time. The Coalition does not oppose the bill.

Mr PAUL LYNCH (Liverpool) [10.44 a.m.]: I support the Consumer Credit (New South Wales) Amendment (Maximum Annual Percentage Rate) Bill, a short bill with significant consequences that, in my view, are all to be welcomed. The bill provides for an amendment to the Consumer Credit (New South Wales) Act. The essence of this bill is to prevent lenders from imposing fees and charges grossly in excess of what is reasonable. In this State a mandatory maximum annual percentage rate applies to loans of less than 62 days. That annual percentage rate includes fees and charges. As I understand it, the rate is currently set at 48 per cent as a maximum. The bill extends that protection from loans under 62 days to all consumer credit contracts captured by the consumer credit code. So attempts to get around the prohibitions and restrictions that apply in respect of loans for less than 62 days will be pointless, because they will be extended to loans greater than 62 days.

This legislation deals in particular with what is called the payday lending industry. This industry was brought within the provisions of the Consumer Credit Code in 2001. Payday lending is designed to be aimed at people who need cash quickly. It is short-term finance for what is usually a comparatively small amount of money. It seems to have developed in the past several years. One estimate I saw suggested that Australiawide in 2003, 12,800 payday loans were issued per month. I note that in 2002 the nationwide estimate was some $200 million per annum in transactions. That growth in this industry prompted the 2001 initiative to which I referred a moment ago.

I think it is true to say that a whole range of different people utilise the services of payday lenders. I think it is also true to say that this industry poses particular dangers to some who are already vulnerable and exploited. It is particularly a danger for the poor. The surveys suggest that the borrowers who use payday lending are most likely to be aged in their twenties or thirties, are most likely to have low incomes, are most likely to rent and not own their premises, and are most likely to be borrowing money for everyday living expenses. I must say that I have never been persuaded of the wonderful virtues of unalloyed competition and if ever there was a case for government intervention in the marketplace this industry is it.

There are certainly enough stories of concern about the industry. There are lots of stories of people with very limited financial resources who use payday lending and then fall into a spiral of debt. In particular, that includes cases where they borrow for a short period and then roll over their loans. As I say, that just leads them into a spiral of debt. Common criticisms of this industry include the fact that the people who are engaged in the lending do not consider the ability to repay of those who are borrowing the money. Another common criticism, which is directly related to this bill of course, is that the industry ignores truth in lending—that is, that they proclaim a particular interest rate when in fact the effective interest rate is a lot higher.

There are plenty of instances of quite exorbitant effective interest rates. I have seen cases with effective interest rates ranging from 500 to 2,500 per cent. There are cases of people borrowing $100 and owing $1,000. One case I saw involved $300 being borrowed for six days, resulting in $396.55 being repaid. So $96.50 was repaid as effective interest for six days. I think, on an annualised basis, that turns out to be something in the vicinity of 2,000 per cent. This, of course, is a much higher interest rate than applies to other sorts of loans. It is much more expensive. Effectively what is happening is that people who are poor are having to pay a lot more in interest charges than people who are not poor. The Victorian Consumer Law Centre convenor said about these sorts of cases:

> This is the most exploitive, most unscrupulous form of lending that has ever hit the Australian shores.

It was concerns such as those that led to the earlier changes in 2001. That, however, did not solve all of the problems. I quote from the web site of Shark Watch, which I understand is associated with the Wesley Mission:

> Payday lenders are fringe lenders who typically target clients through newspaper advertisements, offering quick cash until payday for payment of a fee. They tend to lend relatively small amounts of money that is either repaid in cash or by direct debit from a bank account, within one of two weeks of taking out the loan. The loan period is less than 62 days. This created a loophole where fees and interest were used to calculate an annual interest rate for the purpose of the interest rate cap for loans under 62 days, but not for loans over 62 days. So what happened, of course, is that many fringe lenders lent for terms over 62 days then charged high interest of around 40-48% and also charged fees as well leading to an effective interest rate of well over 100% pa.

Commenting upon the type of legislative change proposed by the bill, Shark Watch said:

> This will hopefully be a great outcome for those disadvantaged consumers currently being charged exorbitant fees and interest on loans from fringe lenders.

I note a similar argument from the Redfern Legal Centre, which said:

> It appears that payday lenders are now framing their loans for periods of longer than 62 days to avoid the interest rate cap.

I should add, I have always had a high regard for the Redfern Legal Centre, having worked there as a volunteer law student many years ago. I also note the Lifeline Macarthur example quoted by the Minister in her second reading speech:

> A loan of $2,000, with an annual rate of interest of 28 per cent with fees and charges of $750. The loan was for three months. On an annualised basis, the interest rate was actually 288 per cent.

These are good examples of why the industry needs careful scrutiny and merits careful regulation. I note that the industry is a little concerned about this legislation. It says, for example, that it might drive some lenders to the wall. I have some doubts about how any industry that is making 48 per cent on its loans cannot make a buck. I believe one is entitled to have a degree of cynicism and scepticism about that. I would be more persuaded by the industry's arguments if it were prepared to open its books to us. Whenever we deal with regulation in this place the business sector tells us that we are sending them broke. I find that those arguments dissipate fairly quickly when one demands to see the profit and loss statements and other books of the industries, because frankly all we have to go on is their say-so. On the face of it, if they are making 48 per cent interest on their loans, one would have thought they are probably making a buck out of it.

If the industry really does not want to be regulated, there are alternative approaches. I note that Therese Wilson from Griffith University has argued fairly strongly that the real solution is to ban payday lending and force banks to adhere to their social obligations of providing credit to people on a low income, so they treat people equally rather than simply looking after people who are well off. That may well be the alternative. If the industry does not want to be regulated, perhaps payday lending should simply be banned and banks should be forced to adhere to their social obligations. That is not a proposition provided for in this legislation, nor is it one that I am particularly pursuing. However, it seems that that is the logic of the argument, if the payday lending industry does not want to be regulated and reckons it cannot make a buck by charging 48 per cent interest. I regard this as a very good and important bill, and I am delighted that the Government has introduced it. I commend the bill to the House.

Mrs BARBARA PERRY (Auburn) [10.53 p.m.]: I support the Consumer Credit (New South Wales) Amendment (Maximum Annual Percentage Rate) Bill, which I am confident will provide protection from predatory lenders for members of the community who are least able to protect their own interests. We have heard about the practices of payday and fringe lenders and the exorbitant charges some add to an already high interest rate, so that consumers already in dire straits cannot get out of the debt cycle. The bill imposes a limit on what can be charged for the provision of credit in New South Wales by requiring the inclusion of credit fees and charges as well as interest in the calculation of the maximum annual percentage rate that can be charged for consumer credit in New South Wales.

This is not a totally new concept in this State. Under the legislation that preceded the Consumer Credit Code, which commenced in 1996, credit providers were required to roll up all costs and profit into the annual percentage rate, and the same maximum rate as is currently in place was applied at that time. In fact, the maximum rate was set after an inquiry into high-interest loans, when the rate was determined at a level that would allow them to keep operating profitably. This seems to contradict the claims by some members of the industry that they will go out of business. In fact, we know that there are lenders of small amounts of money who have advised that they can operate within those limits.

I believe that dispels one myth about the imposition of an inclusive maximum annual percentage rate. The other myth—that consumers will be driven into the arms of loan sharks—was raised when amendments were made in 2001 to impose an inclusive maximum annual percentage rate on payday lending contracts. That situation is less likely than it was before 1996, since there are a number of alternative schemes run by non-government organisations that allow essential purchases to be made with no interest charged. Other alternatives include credit unions, which offer loans for as little as $200 with terms starting at three months.

Encompass Credit Union, with Barnardos Australia, has developed a micro credit scheme for residents of a housing estate in the Penrith region, in outer Sydney. Encompass Credit Union has put up $10,000 a year over three years, and residents can apply to Barnardos for an interest-free loan to purchase essential items. When the money is repaid to Barnardos, it is re-lent to other applicants from the same housing estate. There have been no defaults under the scheme—a strong indicator that the scheme is contributing to breaking the cycle of poverty facing residents who have low incomes or are welfare recipients.

No interest loan schemes [NILS] provide $600 to $1,000 loans for essential household goods such as washing machines, fridges, and medical appliances such as a wheelchair. As loans are repaid over 12 to 15 months, the money is lent out again to other people in the community. NILS are run by local community groups such as neighbourhood centres or charities, and 28 active schemes are currently operating in New South Wales. Centrelink also provides a one-off sum of money as a grant, not a loan. Where a larger sum is needed and there is a repayment capacity, credit unions will lend relatively small amounts of money.

There is evidence that banks are now looking into affordable credit options for low-income earners. I believe this is an important step in the right direction. The National Australia Bank is piloting the Step Up low-interest loan. These personal, unsecured loans are between $800 and $3,000 for individuals and families living on a low income, and are offered at a reduced interest rate of 7.15 per cent. The loans provide affordable credit for the purchase of essential household goods and services. In November last year the ANZ Bank announced the implementation of programs to help address the issue of financial exclusion. The bank advised that it will spend $3 million—double its current funding—on programs to increase low-income earners' access to mainstream financial services. Access and information about these options is available direct from the organisations or community-based financial counsellors. I am aware that constituents in my electorate have had the benefit of such information and assistance.

With changes in policy in the 1990s to allow fees and charges to be separated from interest charges, consumers have been less able to identify the total cost of credit. While there is a very good reason for this separation in that it helps to reduce cross-subsidisation and allows consumers to identify costs incurred and reduce those costs where possible, it has also resulted in unscrupulous lenders exploiting consumers' lack of financial literacy by disguising the true cost of credit by the imposition of unacceptable fees and charges. Fair trading Ministers addressed this difficulty in identifying the total cost of credit in 2003 with the introduction of a comparison rate to allow advertised rates to be compared. The comparison rate includes specified fees and charges as well as interest in the calculation of a single rate. This does not, however, address the issue of what rate a credit provider can actually charge, and it relies on consumers being able to compare and choose a lower-priced product.

The bill carries forward the requirement in the Consumer Credit (New South Wales) Act, which was previously restricted to short-term contracts, to disclose fees and charges in the nature of interest as interest, so that the annual percentage rate can no longer be disguised as fees and charges. This does not mean disclosing the inclusive rate but disclosing interest and fees separately to make transparent the interest rates and fees and charges as intended under the consumer credit code. The bill merely clarifies that intention.

The regulation is amended to require that interest charges and/or credit fees and charges are to be included for the purposes of calculating the maximum annual percentage rate, with the exception of certain temporary credit facilities provided by authorised deposit-taking institutions. This will ensure that the total cost of credit does not exceed a reasonable price for small amounts of credit. The calculations for a maximum rate are made according to a prescribed formula which has been adapted by the amending bill to allow the maximum rate to be applied to credit cards also. This is an important measure as the fringe credit industry has shown itself to be capable of changing its operations to avoid being regulated. That was a point outlined by my colleague the honourable member for Liverpool.

I believe this bill has been crafted to be fair to all parties. The Government certainly does not want to restrict the supply of credit to those who can repay it, nor does it wish to restrict the business opportunities of reputable traders. A significant number of traders in this fringe credit industry, however, have shown that they do not operate in the same spirit of fair trading. The Government is therefore introducing the necessary amendments to require fair treatment of the most financially disadvantaged members of our community and, as such, I congratulate the Minister on bringing a very significant and important bill to this House. I commend the bill to the House.

Mr GRAHAM WEST (Campbelltown—Parliamentary Secretary) [11.01 a.m.], in reply: I thank members for their contributions to the debate, particularly the honourable member for Liverpool, the honourable member for Auburn and the shadow Minister. It is important to note that the provision of credit can cause unintended damage to the lives of consumers. My colleagues made the important point that credit is available in many forms, whether it is through more conventional sources—family, banks or credit unions—or through more innovative products provided through the no-interest loan schemes, charity and other micro-credit schemes. And then there are, of course, the lenders that are the subject of this bill who provide small loans at a very high cost.

I understand some concerns have been raised by the Legislative Review Committee about the clarity of clause 12 of the bill. Let me repeat the Minister's remarks in the second reading speech: Credit contracts which existed before the amendments were introduced are not in breach regardless of whether the inclusion of fees and charges to the calculation of the maximum annual percentage rate would breach the maximum rate of 48 per cent, if calculated after the amendments commence. However, if a credit provider wishes to introduce a new fee or charge in relation to those contracts, a calculation must be made to ensure the contract would not exceed the maximum rate. This should be clarified beyond doubt by an amendment in committee.

Further, in relation to comments made about Victoria and Queensland research, Victoria has advised that as part of the review of the credit legislation it is going to fund research on the micro-credit industry in Victoria with the co-operation of the Australian Financial Services Association, of which it is estimated approximately 30 to 40 per cent of the micro-lending industry in Victoria are members. However, it must be noted that this research has not yet commenced. It has been suggested that New South Wales should wait for the outcome of the two-year review in Queensland. That review is the national fringe lending project, for which Queensland is lead agency. It should be noted that whilst the fringe lending paper addresses concerns about practices of the fringe lending industry, it does not look into the issue of maximum interest rate caps. The paper acknowledges that interest rate caps are an issue for each State and Territory.

It is interesting to note that on page 30 the fringe lending paper identifies that fringe lenders operate for their own benefit and that this market is unlikely to have an interest in limiting profits to address problems faced by borrowers. Further, in relation to the matter referred to by the Opposition regarding the Council of Australian Governments, I believe the honourable member for Myall Lakes is referring to a paper that will shortly be considered by the Ministerial Council on Consumer Affairs. The paper examines various aspects of the fringe lending industry, including taking bills of sale over personal goods, disclosure of interest rates, loans being disguised by pawnbrokers, clear information about authorities' direct debit and beefing up compliance activities across the State. The paper further acknowledges that maximum interest rate caps are a matter for the States.

This bill recognises the need to give a hand to those people struggling to make ends meet and who are powerless in the world of credit providers to negotiate or bargain. It is the legitimate and, indeed, essential role of government to intervene in the market where conditions for the market to function efficiently are absent. It is an accepted fact that this is the case with the fringe credit market. I believe this bill provides a fair and reasonable response to the market failure in this industry.

Motion agreed to.

Bill read a second time.

In Committee

Clauses 1 to 4 agreed to.

Schedule 1 agreed to.

Mr GRAHAM WEST (Campbelltown—Parliamentary Secretary) [11.06 a.m.]: I move Government amendment No. 1:

No. 1 Page 6, schedule 2 [9]. Insert after line 11:

(3) Despite subclause (1), the *Consumer Credit (New South Wales) Special Provisions Regulation 2002* (as in force immediately before the commencement of Schedule 2 [1] to the *Consumer Credit (New South Wales) Amendment (Maximum Annual Percentage Rate) Act 2005)* continues to apply in respect of a credit contract if the credit contract was established before that commencement.

(4) However, subclause (3) ceases to have effect in respect of a credit contract and the method prescribed for calculating the maximum annual percentage rate in clauses 7 and 8 applies if, after that commencement:

(a) the interest charges or credit fees or charges under the contract are increased, or a new fee or charge is imposed (whether or not such an increase is made, or a new fee or charge is imposed, pursuant to the provisions of the contract), or

(b) the period of the credit contract is extended (whether or not pursuant to the provisions of the contract), other than under section 66 of the *Consumer Credit (New South Wales) Code*.

Mr JOHN TURNER (Myall Lakes) [11.06 a.m.]: The Opposition does not oppose the amendment.

Amendment agreed to.

Schedule 2 as amended agreed to.

Bill reported from Committee with an amendment and passed through remaining stages.

RETAIL LEASES AMENDMENT BILL

Second Reading

Debate adjourned from 19 October 2005.

Mr JOHN TURNER (Myall Lakes) [11.08 a.m.]: I shall speak on the Retail Leases Amendment Bill as the acting shadow Minister for Small Business is currently indisposed. However, he will give a more definitive speech in relation to the Opposition's position regarding this bill. As the Minister for Small Business said in his second reading speech, there are five aspects to the bill. First, the bill seeks to protect collection management and refund of cash security bonds. That is vitally important because these bonds can be very substantial from time to time and they must be properly managed. The second aim of the bill is to give retailers and landlords more certainty about their rights and obligations under a retail shop lease before the lease starts. That is vitally important. Small business is the backbone of our State. It is the economic engine room of New South Wales. However, there must be a fair and reasonable playing field. With the advent of large corporations holding retail shopping centres, they can deal with small business from a position of power and strength.

In recent times small businesses in my electorate have not taken out leases with large corporations because certain changes by those corporations have resulted in the smaller companies feeling they may have been unfairly treated. I have a legal background. A long time ago I owned a very small shopping centre. I understand the importance of being fair. It creates a better environment for doing business and ensures that all parties work together. Large corporations, in particular, can have stringent conditions that often tie small traders in knots and cause significant inflexibility in small business leases. Everyone is entitled to make a buck, although I accept that market forces will determine rents.

I accept also that scrutiny is required. I agree that it is vital to give retailers and landlords more certainty about their rights and obligations under a retail shop lease. The bill refers to cutting red tape and improving dispute resolution. We often hear Government rhetoric about seeking to cut red tape. We would like to see the Government cut red tape in a number of areas, such as payroll tax, land tax and other taxes that it has introduced during the past 10 years. I hope the Minister will address that matter in reply. The dispute resolution process is vitally important because adversarial systems are undesirable for both small and large business; all business should be fair and equitable. I am not sure how far the dispute resolution process will go and whether it will deal with rent. The shadow Minister has informed me that the Opposition broadly supports the bill.

Mrs KARYN PALUZZANO (Penrith) [11.13 a.m.]: I support the Retail Leases Amendment Bill. I congratulate the Minister for Small Business on introducing the bill and on his commitment to the New South Wales business sector. The bill will address day-to-day business issues for retail tenants and landlords. It will make shop leasing simpler and fairer for both sides, which is good news for business and for the economy. This bill will be welcomed in my electorate of Penrith, where retailing forms a large part of the overall business community.

Tomorrow marks another retail milestone in the electorate of Penrith. Penrith Shopping Square opened many years ago. Under the ownership of Lend Lease it changed its name to Penrith Plaza. Tomorrow Westfield Penrith, which takes up an entire block within the Penrith central business district, will open 110 new shops injecting over 500 new jobs in the retail outlet. This project has generated many construction jobs, and almost very job fitter in Australia has visited Penrith to fit out the shops. They have worked 24 hours a day for at least the past three weeks—that is at least six weeks in construction time—in order to be ready for the opening at 8.30 a.m. tomorrow. This new centre has resulted in many retail leasing opportunities. For example, Aaron Jack and Jeremy Horn will open their first business, the Coffee Club, tomorrow. They have signed their first lease with the owner. Mark Buchtman is not relocating from the old part of the shopping centre to the new section. When Penrith Plaza was constructed in the early nineties it had a section 94 requirement for community uses, so the Nepean Community College has been operating in that shopping centre quite successfully. I welcome the new owner, Westfield, and its commitment to fairness and equity with Nepean Community College.

One of the benefits of this bill is the opportunity to raise awareness about the Retail Leases Act. Many landlords and retailers are not aware of their existing rights under this legislation. They rely on solicitors to tell them what they need to know or they think they already know the law in this area. To give just one example, it is not uncommon for a retailer considering a short-term lease offer to be completely unaware of their existing rights under the Act to a minimum five-year lease. That can lead to disputes down the track, particularly in cases where a retailer signs up to a short-term lease and later realises that he or she cannot establish the business as a profitable venture in that period. From the landlord's perspective, if the tenant has signed a short lease—for one or two years, for example—but has not formally waived his or her entitlement to a five-year term, the landlord may be surprised when the tenant exercises his or her right to a five-year lease under the Act. This bill will address that issue. The lessor's disclosure statement will be updated to ensure that prospective tenants understand from the outset their existing rights under the Act to a minimum five-year lease term.

Another of the practical benefits of the bill is that it extends the period that tenants have to provide the paperwork confirming that they have waved their right to a five-year term. Changes will be made so that the waiver certificate may be provided by the tenant within the first six months of the lease. By giving tenants more time to provide the waiver certificate, landlords and tenants will both benefit from greater certainty and flexibility when they agree to a shorter lease term. This measure will result in improvements at all stages of the lease agreement and will clarify what is expected from both parties. At the beginning of the lease term the disclosure statement will be updated to give both sides to the lease more certainty about what expenses can be claimed under the lease.

This will include a more detailed breakdown of advertising and promotion costs and shopping centre management fees, where these apply, including claimable cleaning costs. During a lease, relocation within the shopping centre can be contentious. There will be improvements to the rights of retail tenants to recover costs when landlords make them relocate. There will also be an improved dispute resolution mechanism to determine fair compensation for relocation or demolition when the parties do not agree on the business impact of such disruption. At the end of the lease term both landlords and tenants may have different perspectives on how to finish or renew the lease. There will be more protection for the tenants negotiating a new or renewed lease. We are introducing new measures so that landlords cannot hold open tenders for leasing the shop when negotiating with the sitting tenant for renewal of the lease, except when the tenant has vacated or agreed to vacate the premises. The intention is to ensure that landlords remain free to exercise their property rights but not in a way that would allow them to take unfair advantage of the tenants whose business goodwill is tied up with the location of the retail shops.

The new Westfield Penrith shops, which will open tomorrow morning, are directly opposite Penrith station. When those shops that are in the high-visibility areas vacate or renew their leases all their rights will be met. They are not all retail shops. The Red Cow, one of the first hotels in Penrith, is part of Westfield Penrith redevelopment. Advertising a shop vacancy when a retailer is still occupying the premises can be damaging because it creates the perception that the business is not viable. Basically, we want to ensure that landlords do not have an unfair advantage in negotiating with a sitting tenant whom they are willing to retain. However, the decision to renew a lease with a sitting tenant will remain one for the landlord. The amendment is not intended to prevent property owners from obtaining the best rental price for the retail premises and will not prevent the landlord from testing the market with selected potential tenants while negotiations with a sitting tenant are under way. In addition, it will not prevent the tenant from participating in any subsequent open tender process if negotiations with the landlord break down.

The reforms outlined in this bill will give small retail shop businesses more confidence that they are part of a business environment that is competitive and not tilted against them because of their size. The bill is a major step forward for landlords and shopkeepers across the State. It is about making shop leasing simpler so that both parties can focus on business. It will support the many small business people whose entrepreneurial spirit makes such an important contribution to our State's economy. As another example of the entrepreneurial spirit that is important in small business, Penrith has more than 7,000 small businesses. The Minister for Small Business visited two of those businesses recently, one of which was the Penrith Pilates Studio.

Mr David Campbell: A great vibrant business.

Mrs KARYN PALUZZANO: It is a great vibrant business. I encourage people who have not participated in pilates to have a go. It is wonderful for strength, health and wellbeing. I have been a resident of

Penrith for more than four decades. I was recently driving behind one of the vehicles from the pilates studio which had the studio's phone number on it. I decided to ring that number. I was told that the business was located at the corner of the Great Western Highway and Russell Street. I knew that at that location were Hi-Craft Home Improvements, a bottle shop, a service station and an old residence that was used for a small business. I said, "You have the location of your business wrong", but was told that the pilates studio was located in the Hi-Craft building.

Hi-Craft has been in business in Penrith for more than 30 years. It is in a fairly iconic spot. Before the M4 motorway deviated it was on the corner of the Great Western Highway—the road that goes from Broadway to Bathurst, a major thoroughfare through Penrith—and Russell Street, a key road in Emu Plains. Hi-Craft produces dome awnings and gable awnings for the community of Penrith and Western Sydney. When I asked the owner of Hi-Craft why he leased space to the pilates studio—wondering how health and awnings mix—being fairly entrepreneurial he said, "The people who come to the studio might be making decisions on the blinds, awnings and home improvements that Hi-Craft might have." That is an example of a landowner being creative with his rental space. I commend the owner of Hi-Craft and the new tenant, the pilates studio, for operating their businesses in such an entrepreneurial way and making the business economy thrive. The Retail Leases Amendment Bill is yet another example of the Iemma Government ensuring that New South Wales is open for business. I commend the bill to the House.

Mr DONALD PAGE (Ballina—Deputy Leader of The Nationals) [11.24 a.m.]: I thank the House for its tolerance in relation to the commencement of this debate. I was discussing Government amendments and some other proposals. The Liberal Party and The Nationals will not oppose the Retail Leases Amendment Bill. However, we shall move an amendment to it in Committee. The bill provides a much clearer framework in which retail landlords and tenants operate. During the national competition policy review of the Retail Leases Act in 2003-04 landlords and tenants raised a number of proposals for reform to the Act that were not within the scope of that review. Many of the initiatives contained in this legislation are as a result of those additional proposals from both landlords and tenants.

Generally, the bill makes the rights of both landlords and tenants clearer. There are a number of significant improvements to the legislation, including a minimum five-year term. Improvements in the pre-lease disclosure of shopping centre details are important so that people understand what the terms and conditions of a lease will be before they sign it. Importantly, the bill introduces the bond lodgement scheme. It establishes a new protection to guarantee the safekeeping and return of tenants' cash security bonds under retail leases. This will give tenants the same protection as residential tenants. At the moment there is a bond scheme for residential tenants, which works pretty well and provides some security for tenants in a residential lease. This bill tries to duplicate that arrangement for tenants in a retail lease.

Under the bill, a security bond will be lodged with the retail leases security bond trust account, which will be administered by the director general of the Department of State and Regional Development. It will be a government-sponsored deposit arrangement and, as I understand it, the tenants will receive a small amount of interest on the deposit. However, they will not be required to pay any fees—bank fees and the like—so their bond will not be eroded during the course of a lease. There will be some benefits from the landlords' perspective. Instead of making their own arrangements as far as a bond is concerned, if it is a cash bond it will have to be lodged with the retail leases security bond trust account. That will eliminate some red tape for landlords as well. That is a big step in the right direction.

The bill requires a more effective disclosure statement to promote informed decision making by ensuring that tenants and landlords know the facts up front. Anyone who has been involved in any sort of lease—retail or otherwise, but particularly retail—will know that it is important that people go into these arrangements with their eyes open. In many cases their whole financial wellbeing is tied up in the success or failure of the venture they are undertaking if they are involved in a retail lease. The university did a fair bit of work on the success or failure of small business. Unfortunately, a lot of small businesses fail in the first couple of years of operation. In many cases they fail because people do not understand what their obligations are likely to be. They do not understand their cash flow arrangements or what demands will be placed on the business by way of regulations and the like. Sometimes the businesses can never succeed because people do not do enough homework to ensure that they have a reasonable chance of succeeding.

This legislation provides a much more effective disclosure statement as to the conditions landlords impose in leases. It is a step in the right direction and I commend that provision in the bill. It also provides an update and expansion of the number of retail businesses that are covered by the Act. The bill is unusual in that it

is prescriptive and identifies the businesses covered by the Retail Leases Act. Generally legislation does not list specific activities. With the passage of time new businesses, such as Internet cafes, are created. Previously such businesses were not included and had no protection under the Act. They will now have protection.

The bill gives the Administrative Decisions Tribunal a greater role in dealing with misleading or deceptive conduct, in addition to its existing powers to consider unconscionable conduct in retail tenancy claims. Further, it improves the operation of the dispute resolution process by providing for the Administrative Decisions Tribunal to appoint a specialist retail valuer to determine the current market rent when there is a dispute between landlord and tenant. That is another step in the right direction. The Australian Retailers Association raised concerns with the Opposition about the situation that occurs at the expiration of a lease when there is no option for an extension. In some cases, it can be disadvantageous to the tenant. When a lease provides for an option, the conditions that apply to renewal—such as the term of the lease, the rent and the calculation of rental increases—are set out. A problem arises when no option is granted. I foreshadow that the Opposition will move an amendment in Committee to deal with this issue.

The bill also provides for an increase in the monetary jurisdiction of the Administrative Decisions Tribunal from $300,000 to $400,000 to reflect changing industry costs. Again, that is a sensible move. The Administrative Decisions Tribunal can deal with disputes that involve less than $400,000. Matters involving more than that figure must be dealt with in the Supreme Court. That is an expensive exercise and should not be encouraged. If possible, matters should be resolved at the tribunal level. I note that the figure of $400,000 is linked to the consumer price index, which will keep the monetary level for that jurisdiction relevant over time.

In general, whilst this legislation is complex, it goes a long way towards clarifying the rights of all parties to a retail lease. It increases certainty for the parties and, I believe, will reduce the level of disputation. It will help to save money for all parties and, in some cases, will eradicate what may be regarded as unfair practices. The bond lodgement scheme is a good measure of protection for tenants and will reduce red tape for landlords. On balance, the bill is sensible legislation. The Retail Tenancy Guide, which is the plain English version of the bill, will be of great assistance to and welcomed by people involved in retail tenancies.

As I indicated, the Opposition proposes to move an amendment to deal with the situation when there is no option at the expiration of a lease and the market rent is unclear. The Australian Retailers Association indicated to us that at the end of a lease sitting tenants are vulnerable to excessive rent demands from landlords because landlords know that sitting tenants will pay a premium to renew their lease to protect the goodwill of their business. That issue needs to be resolved by applying current market rent. The Opposition will move an amendment in Committee in relation to this issue.

The Government has indicated that it proposes to move amendments in Committee to change the requirement in the disclosure statement from a "moving annual turnover" to "annual turnover". I understand the rationale behind this amendment. In circumstances when the current figure is not able to be obtained, there is potential for a tenant to take action against a landlord on the basis of misrepresentation of facts. By including the annual turnover figure, it is clear to all parties. The uncertainty of a moving monthly average may not be accurate. The Opposition will not oppose the amendments proposed by the Government. As I indicated at the outset, the bill provides increased certainty for all parties involved in retail leases. In general terms, the Opposition supports the bill, subject to the concerns I have raised about the expiration of the lease when there is no option for renewal. We seek clarity on that matter.

Mr MATT BROWN (Kiama—Parliamentary Secretary) [11.37 a.m.]: I am pleased to support the Retail Leases Amendment Bill. I am particularly interested in this bill for two reasons. First, I leased a retail shop to operate a Mexican restaurant that I bought when I was a university student. My former partner still runs that thriving business in Wollongong. As a former small business man I appreciate this type of legislation, which implements fair guidelines in negotiating leases with landlords. Second, I am pleased to talk about this amending bill because my first job in a law firm was to summarise the original Retail Leases Act and identify precedents. I have fond memories of that legislation, which assisted me in understanding the interrelationship of government and small business. Approximately 10 years since the introduction of the Act, it is timely that the Minister for Small Business has updated it. I congratulate the Minister and the Government for ensuring that the laws in this State are kept up to date and pertinent to the people they represent. This amending bill represents a major step forward for the retail industry, small business and regional employment. With these reforms the Government is making it easier for retailers and landlords to do business across the State, from Pitt Street and The Rocks in the city to shopping strips in Kiama and the Shoalhaven.

The retail sector is the biggest employer in the State. The sector now employs a record 490,000 people, in other words, 15 per cent of the total jobs in the State. Let me remind members how the Government's reforms will make retail leasing in New South Wales more business friendly. Red tape will be cut. Retail tenants and their landlords will benefit from simpler requirements for the recovery of lease expenses, the determination of rent increases under the Act, and the transfer of a shop lease to a new tenant. There will also be a better and simpler system for managing and refunding cash rental bonds under a shop lease. Proprietors have a great deal to do in the running of their businesses with the extra red tape, such as the goods and services tax, imposed on them by the Federal Government, and these sorts of changes will allow them more time to spend running their businesses.

The Retail Leases Bond Scheme is an excellent example of what the lemma Government is doing to cut red tape for small business. First, paperwork for landlords will be slashed. Instead of having to manage individual accounts for each tenancy, landlords will simply need to lodge a retail tenant's cash bond with the Government's bond scheme. Second, the bill will give retail tenants and landlords more certainty in business dealings involving cash bonds. That will reduce the risk of disputes over the bond at the end of the lease, with potential savings in business costs. In other highlights for business, a simple, easy-to-read booklet will be made available to all retail tenants and landlords. It will clearly set out their legal rights and financial obligations as parties to a lease. This initiative will give landlords and small to medium size retailers a better understanding of the other party's position, so that any disagreements that arise can be resolved quickly and without undue expense.

As a result of speaking with many small business operators in my own electorate, and having operated a small business myself, I am well aware of how important it is to get accurate and easy-to-understand advice that can assist in the day-to-day running of a business. Retail tenants and landlords will also be in a better position to calculate their cash flow and manage their businesses more confidently. An updated disclosure statement will promote more informed decision making by ensuring that landlords and retail tenants know all the facts up front. Retailers will know how the rent is calculated and how it will increase during the term of the lease. The statement will give retailers a detailed view of the cost of outgoings before they enter into a leasing commitment, so they can plan for these payments.

In other business-friendly reforms, the legislation will help reduce the risk of costly and lengthy disputes and related business losses. The Administrative Decisions Tribunal [ADT] will be given a role in dealing with misleading or deceptive conduct under a lease similar to that available under the Fair Trading Act. That will build on its existing powers to consider unconscionable conduct and other types of retail tenancy claims. The monetary jurisdiction of the ADT will be increased to $400,000 to take account of rising industry costs. Indexation in accordance with the consumer price index will ensure that the monetary limit keeps pace with rising costs over time. The legislation will provide greater certainty in the relationship between tenants and landlords and encourage a better business and jobs environment for the retail sector.

The bill delivers on the Government's commitment to the retail sector and will ensure that New South Wales remains at the forefront of good business practice in this important employment-generating service industry. The Government works hard with the business community to create more jobs, attract more investment, and build New South Wales into one of the most competitive and powerful economies in the country. Through these reforms, the Government is continuing to create a climate of confidence that encourages businesses in this sector to grow and make long-term commitments. The message contained in this bill is simple: The lemma Government's support for business remains strong, because we know that a healthy business sector is good news for the State's economy and good news for jobs in both metropolitan and regional New South Wales. I commend the Minister and his departmental staff on the fantastic work they have put into this bill, which I commend to the House.

Ms KATRINA HODGKINSON (Burrinjuck) [11.44 a.m.]: The honourable member for Kiama mentioned that he had once been involved in a small business. I have also been involved in a small business. Small business certainly carries this State. In fact, retailing is the largest employing industry in New South Wales, with about 490,000 employees. It is fundamentally responsible for the creation of many jobs across the State. Many young people are on the verge of leaving school—and I wish everyone who has sat for the School Certificate the very best of luck—and, as they begin their first jobs, many will work for retailers. New South Wales retailers should be applauded for the wonderful business opportunities they provide and for the employment growth they promote. It is fantastic for the State's overall economy and both city and country benefit.

Retailing is vital to the State's growth: it injects $12.9 billion annually into the economy. It is equally vital that tenants and landlords can operate as harmoniously as possible in an environment in which both can be seen to be getting a good deal. I acknowledge that it is important to have legislation that will ensure harmony between landlords and retailers when it comes to that important first step that a retailer has to take, that is, leasing the premises that they will operate from. These comments may be a little outside the leave of this bill, but I believe it is important that we continue to support our local shopping areas throughout the State, and encourage those from outside the State to spend up big while in New South Wales, thereby enhancing our economy. We need to continue to shop and buy local, and to encourage others to shop and spend up big when they visit the nation's greatest State.

I thank Ryan Park and Janine Ricketts for their assistance in briefing the Opposition on the bill. I also express my appreciation to the Minister for allowing them to brief us. The acting shadow Minister, the honourable member for Ballina, mentioned in his contribution that the during the national competition policy review of the Retail Leases Act in 2003-04, a number of proposals to reform that Act were put forward. I note that the Act was amended 12 months ago, and 12 months later it is being amended once again. That did not raise too many eyebrows on this side of the Chamber because we are used to the Government having to amend legislation time and again. Based on our experience with bills to date, there will probably be more amendments in 12 months time.

A further review in 2004-05 gave rise to some of the proposals in the bill. The Opposition has conducted extensive consultation with the retail leasing industry in relation to the bill. We have consulted with the Australian Retailers Association, Australian Business Ltd, the Restaurant and Catering Association, the New South Wales Chamber of Commerce and various other chambers of commerce from around the State, among others. I thank those organisations for their comments in relation to this bill. The bill will make clear the rights of both retailers and landlords clear before they sign a lease, rather than after the event.

As honourable members will have heard, some of the examples in the amendments include the minimum five-year term, which is already provided for in the Act but will be reinforced, improvements in pre-lease disclosure of shopping centre details, and the introduction of the bond lodgement scheme. The new Retail Tenancy Guide, which the honourable member for Ballina referred to in some detail, provides a compilation of all the bits and pieces that apply to the Act, and incorporates last year's amendments to the Act and the amendments in the bill. It is vital to provide a comprehensive guide for retailers and landlords, expressed in plain English, that gives them a basic understanding of their rights and responsibilities so far as retail leasing is concerned. I commend the department for that, and I trust that the guide will be issued soon. The Opposition looks forward to distributing it far and wide. I encourage the department to issue the guide as soon as possible following the passage of the bill.

The bill establishes new protections under the Retail Leases Act 1994 to guarantee the safekeeping and return of tenants' cash security bonds under retail leases. That will give retail tenants the same protection as residential tenants. The amount of any cash security bond lodged with the landlord will be returned to the tenant at the end of the lease, with no bank fees deducted. This measure will also reduce administrative red tape for landlords. The bill introduces a more effective disclosure statement to promote informed decision making by ensuring that tenants and landlords know all the facts up front.

The bill amends the requirements for the recovery of lease expenses, the determination of rent increases under the Act, and the transfer of a retail lease to a new tenant. It updates and expands the types of retail businesses covered under the Act. Schedule 1 [90] outlines a comprehensive list of such retail businesses. The list includes businesses we would expect to be covered, such as beauty therapists, building suppliers shops, lottery agencies, pawnbroking shops and florist shops. The list also includes shops selling or engaged in providing any one or more of the following goods or services in relation to any person: accessories, baby wear, bags, caps, clothing, clothing alterations, underwear or sunshades. The comprehensive list of businesses that will be required to take note of the bill includes businesses ranging from interior decoration shops to Internet cafes. Indeed, I do not believe many businesses have been omitted from the list.

The bill gives the Administrative Decisions Tribunal [ADT] a wider role in dealing with misleading or deceptive conduct, in addition to its existing powers to consider unconscionable conduct and other types of retail tenancy claims. It improves the operation of the dispute resolution process by having valuers appointed by the ADT to determine disputes between landlords and tenants in relation to current market rent, similar to a mediation-style process. I understand that such mediations can take up to five hours and for the most part they are fairly successful. I believe that is also a step in the right direction. Rather than referring disputes to court immediately, mediation can sometimes work and it can certainly save a lot of money for both parties.

The bill increases the monetary jurisdiction of the ADT to $400,000 to reflect changing industry costs. The introduction of indexation in accordance with the consumer price index will help the jurisdiction keep pace with future leasing cost changes, which is a commonsense proposal. Any reduction in costly litigation can only be an advantage to both parties. The bill will also reduce the risk of disputes, which will be of benefit to everyone who is affected by the legislation. During the Opposition's consultations with the interested parties involved with this legislation we received responses from several of the interested parties. The Australian Retailers Association provided us with a submission, and I wish to briefly outline that submission. The association wrote:

> Two issues were crucial to retailers, and they were the declaration of sales figures especially in shopping centres where the figures are used by the landlord against the retailer in setting rents especially at the end of the lease negotiations. The Association would be prepared to forego the declaration of sales debate if we could achieve an amendment to the Bill that would give the sitting tenant the right to have the rent determined if the asking rent for a new lease at the end of the term is deemed to be in excess of what is a market rent for the shop for the permitted use.

That is a fair point. It is raised by the Australian Retailers Association, which is confident that we, as legislators, will take those types of issues into consideration and raise them in debate. It is important that when interested parties raise significant issues of concern such as this, we debate them properly on their behalf. With those comments, the Opposition does not oppose the bill but we reserve our right to move amendments to it.

Mr CHRIS HARTCHER (Gosford) [11.55 a.m.]: The Retail Leases Amendment Bill relates to the rights of the tens of thousands of tenants across New South Wales who operate retail shops. We are often told that small business is the backbone of the Australian economy and that retail proprietors are an essential part of small business. I support the remarks of the honourable member for Ballina and the succeeding speakers for the Opposition. I also draw attention to a number of anomalies that have been detected in the bill. The first relates to section 16 of the Retail Leases Act. Section 16 provides that a retail shop lease must be for a minimum term of five years, unless a solicitor or licensed conveyancer not acting for the landlord provides a certificate under section 16 (3) of the Act. Thus, if the term of the lease were to be for, say, two years, the landlord's solicitor would request that the tenant's solicitor provide a section 16 (3) certificate that the term will be for only two years. The solicitors who have written to the Opposition regarding the bill say:

> It is our view that Parliament intended that the Section operate for the benefit of the Tenant.
>
> However, Section 16 could in fact be used by a Landlord to force a Tenant to be bound by a 5 year Lease, even though the Tenant thought that he/she were entering into another Lease for a shorter term. We consider that there should be a prohibition in the Act to clarify that this Section should be at the option of the Tenant, and not the Landlord.

I draw that to the attention of the Minister's advisers. I am sure the Minister himself spends many hours burning the midnight oil going through the individual sections. Indeed, I am sure that if one put a provision to him he would say, for example, "Yes, that is section 72." He is that sort of Minister. However, I would have more confidence if his advisers were to examine whether section 16 could be used by a landlord against a tenant, given that the whole idea of section 16 is to be supportive of the tenant and not the landlord.

I support the amendment foreshadowed by the honourable member for Ballina relating to the mechanism for market rent review. The Australian Retailers Association has pointed out a number of concerns with the bill. It is clear that those concerns are well researched and well founded. I commend the association for its work, and I commend particularly Mr Michael Lonie, the association's director of tenancy services. The association states:

> At the end of the lease the sitting tenant is vulnerable to excessive rental demands from the landlord. This is on the basis that the landlord knows that the sitting tenant will pay a premium to renew the lease just to protect the goodwill of the business.
>
> In shopping centres, where all tenants are required to provide sales figures as a lease condition, the position is even worse. The landlord, in knowing what sales are being achieved, can ratchet the rent to a level that enables him to capture the maximum rent that is just below the break-even position.
>
> The Association in its submission sought to have the provision of sales figures prohibited from retail shop leases. The government however would not accept the submission, as it was totally opposed by the Shopping Centre Council and the Property Council of Australia on the basis that they used the figures to track the performance of the centre.
>
> The Association would be prepared to forego its claim on the declaration of sales figures, if a mechanism could be achieved to overcome the ambit claims that are made by the landlords on a sitting tenant to obtain a rent that is well in excess of what is a current market rent for the premises for the permitted use.
>
> The mechanism to overcome these ambit claims would be to include in the Bill an amendment that granted the sitting tenant a right to have the rent determined as a current market rent by a registered valuer. The current market rent is already defined in the Act as the process for the appointment of a valuer and the valuation process.

The association states that this could be achieved by inserting in the bill a new section 44B. The association's suggested wording was:

> **Section 44B Opportunity for the lessee to have a current market rent review**
>
> (1) If the lessor offers the lessee a renewal of the lease or extension of the lease at the end of the lease term and the lessee deems the rent for the new lease or extension of the lease to be in excess of the current market rent for the premises and the permitted use, then the rent shall be reviewed in accordance with section 19.

It goes on to state:

> This amendment would provide the retailer with a solution to what they see as their biggest single issue in the landlord/tenant relationship and would do much to take a lot of the angst out of the lease renewal process and the end of lease negotiations.
>
> In providing the lessee the right to have a market rent review of the rent for the offer to renew the lease would provide a more equitable position in the negotiation, which currently are weighed very heavily in favour of the landlord.

There is no doubt that the tenants in many of these centres do not have an equitable bargaining position with the landlord or lessor; that all the cards are held by the lessor, especially at the expiration of a lease, when the tenant has worked for many years to build up a good business, good deal of goodwill and a market share and then finds his or her tenancy brought to an end by the effluxion of time. The tenant is completely beholden to the lessor for renewal of the lease. When I was a practising solicitor many of my clients experienced such a situation. Of course, lessors will always say that it is in their interests to ensure that the tenants have a successful business, that it is not in their interests that tenants should lease the premises and go broke, and that they are anxious to come to a satisfactory arrangement with tenants.

But it is inevitable that the landlords will seek to gain the maximum rent and that in seeking to gain the maximum rent they will force the rent up to extremely high levels for premises over which they now have complete control, and those levels are in fact sometimes unviable. What is needed is a fair mechanism to ensure that not just one option is being exercised when the appropriate rental is determined. When a lease has expired and there is goodwill attached to the business, if the landlord and tenant wish to continue the relationship and run the business successfully an appropriate mechanism is needed to adjust the rental. That is what we seek to achieve with the amendment we have foreshadowed, and that is what tens of thousands of tenants across New South Wales want.

These are good people; they are people who work hard for themselves and their families. They are in every classic sense battlers; they are not wealthy people. They are retailers of the many varieties of goods that are set out in the schedule to the Act. What they are asking for is a fair rent for themselves and the landlord. There is a mechanism for determining a fair rent when an option is being exercised but there also needs to be a mechanism for determining that rent when a lease has expired and the landlord and tenant are to enter into a future relationship. That is what we are seeking to achieve by the amendment. I commend the honourable member for Baulkham Hills for bringing his considerable legal skills to the analysis of the situation and for the support he has given to the thousands of tenants in New South Wales. I also commend the honourable member for Ballina for his attention and energy in addressing the situation.

Mr WAYNE MERTON (Baulkham Hills) [12.05 p.m.]: Retail leases legislation is somewhat complex by the very nature of the inherent difficulties faced in seeking to balance the rights of landlords with those of tenants. I concede that it is very difficult to achieve that balance. To some extent the original legislation endeavoured to do that, but over the years certain shortcomings have become obvious. On the one hand are the rights of landlords, who are the owners of the premises, and on the other hand are the rights of tenants, who are the shopkeepers. These shopkeepers, while conducting retail businesses in situations that are often subject to economic fluctuations, are endeavouring to maintain a livelihood for themselves, to keep their employees in employment and to continue with their businesses.

I do not think it is unrealistic to say that retailing has its problems; it is a difficult job. Successful retailers have to have particular skills, and it is necessary also for them to have some security of tenure over their shop. This bill introduces a certain number of amendments to the previous legislation, legislation that was essentially approved in 1994 by the previous Coalition Government. That legislation made a number of fundamental changes in relation to retail leases, and these amendments intend to make further changes. The main changes in this legislation concern the very important issue of cash security bonds. Currently, under a retail lease, cash security bonds are held by the lessor—or landlord—or the real estate agent. Or quite often they might be invested.

The proposed legislation will introduce a type of mechanism similar to that which presently exists in residential tenancy agreements, whereby the amount of any cash security bonds lodged with the landlord is lodged with a government agency. This provision is set out in Division 1, part 2A, Security Bonds, and refers to the amount lodged with a person "appointed by the Director-General to be an authorised officer for the purposes of this Part generally". That part deals with the payment of security bonds—not unlike the situation that exists with the residential tenancy situation.

The Minister referred to the GST as one of the reasons for the changes to rental bonds. I do not believe the GST has anything to do with changes to rental bonds because it is not payable on rental bonds. But that is not the main issue. The bill sets out mechanisms to ascertain whether a tenant is entitled to receive a refund of the bond if there is a dispute. I assume the reference in division 5 to the Retail Leases Security Bonds Trust Account and the Retail Leases Security Bonds Interest Account relates to the receipt of money by real estate agents and landlords in the first instance before it is remitted to the government agency.

The Minister's advisers are giving me the nod, so I assume that means immediately the landlord or the agent receives the bond, they have to set up a separate trust account for retail lease security bonds as opposed to their general trust account. Or would it be sufficient for them to pay it into their general trust account that deals with other trust moneys? That should be defined because the real estate industry would be anxious to know exactly what their responsibilities are in order to comply with the legislation. Disclosure statements were unique in 1994. A disclosure statement sets out in simplistic terms the payments required by tenants, and sets out clearly their obligations.

Prospective tenants can look at a disclosure statement, without having to look through a lengthy lease document, and know exactly what their liabilities are. It is a helpful document The disclosure statement must be served prior to the execution of the lease documents by the tenant. I concede that I have not had time to read the bill in its entirety, but I note that it refers to various types of retail shop businesses, including such things as Internet cafes, which, of course, did not exist in 1994. It is a courageous step to attempt to set out the different types of businesses. I assume that somewhere earlier in the legislation there is a general provision referring to retailing, but it is inevitable that either now or later every business will be named in that schedule. The Minister is nodding, so I assume it is set out in a general provision, but this is an attempt to specify it in the case of confusion or in borderline situations.

Some factory units are used for manufacturing goods, but also have a showroom where those goods are sold. That is the case in many industrial complexes, where the manufacturing section is at the back and the retail section is at the front. I assume the bill attempts to define whether a tenant is occupying an industrial unit or a retail unit. What happens if the premises are used partly for retail and partly for industrial use? The lease documents in respect to each are different. Landlords of industrial premises have different rights to landlords of retail premises, particularly with respect to rent increments. I ask the Minister to address that matter in reply.

The Administrative Decisions Tribunal is given a wider role in dealing with misleading or deceptive conduct in addition to its existing powers to consider unconscionable conduct and other types of retail tenancy claims. Disputes between landlords and tenants over leases are unfortunate and, if they end up in the Equity Division of the Supreme Court, they can become quite expensive. Many landlords and tenants would not wish to have their disputes resolved in the Supreme Court because of the costs associated with that jurisdiction. Indeed, the threshold for dealing with such matters in the Administrative Decisions Tribunal has increased from $300,000 to $400,000 to keep pace with inflation.

Reference was made to cases in which a retail lease expires and there is no option provision. We all know that if there is an option provision in a lease document—provided that the tenant is entitled to exercise the option, there being no default in respect of the lease—the mechanism for determining the rent has to be clearly set out in the option clause in the original lease, which makes it relatively easy to determine the rent for the renewed term and any variation thereof. However, leases invariably come to an end, even in situations where there is one option for renewal. When a lease expires, the owner and tenant must sit down and work out the rent for any further term, assuming that the owner wishes to continue with the tenant and that the tenant wishes to continue to lease the premises.

These conditions, decisions and choices belong entirely to the landlord and the tenant. Put simply, the landlord is not obliged to renew the lease, nor is the tenant obliged to continue in the premises. They both have freedom of choice. Where the tenant decides to remain in the premises, the conditions of the rent have to be determined and, traditionally, that is done by agreement.

Retailing is an essential part of our life. Many people have their futures, livelihoods and security of assets tied up in the shop they own, and they have worked hard to build up a business. The Opposition believes that there should be some equity in terms of the interests of landlords and tenants. They have a common purpose in terms of a successful outcome with the lease. In those circumstances we believe that the legislation will in many respects help to clarify their respective rights and obligations, and allow that situation to continue. As such, the Opposition does not oppose the bill.

Mr DAVID CAMPBELL (Keira—Minister for Regional Development, Minister for the Illawarra, and Minister for Small Business) [12.20 p.m.], in reply: I thank the honourable members representing the electorates of Penrith, Kiama, Myall lakes, Ballina, Burrinjuck, Gosford and Baulkham Hills for their contributions to this debate. I note the positive comments from each speaker about the intent of the amendments. I appreciate that they recognise that the amendments follow a great deal of consultation and discussion with the industry, whether they be retail tenants or property owners. I greatly appreciated the comments of the honourable member for Burrinjuck, who echoed my sentiments in my second reading speech, in which I thanked staff who support the changes and all the industry players who have given a deal of time in consultation on this issue.

As the honourable member for Ballina noted in his contribution, a great deal of red tape will be reduced as a consequence of this legislation. Reducing red tape is a significant goal that we all seek to achieve. The honourable member for Gosford went on a bit about his experience with retail leasing when he was a suburban solicitor. However, I make the point that his experience dates back to the time before the existing legislation was put in place. Indeed, the honourable member was a Minister in the Government at the time the legislation was introduced, so the experience he talked about refers to a different regime. The honourable member for Baulkham Hills raised some thoughtful administrative issues in his contribution, and I am sure they will be considered during the implementation and management of these amendments.

I note also that at one stage the honourable member seemed to be arguing for a legislative regime for commercial or industrial leases. That was a particularly interesting point to argue. One significant thing to come out of this will be a simple, easy-to-read booklet that will accompany the changes. The booklet, written in plain English, will make it easy for both tenants and landlords to understand the requirements of the legislation. During the debate the question was asked: When will the booklet be ready? It will be ready prior to the implementation of the Act, and it will be ready much sooner when we get the legislation through the Parliament. I am grateful that the Opposition will support the legislation in this place and, I am sure, in the other place. The sooner the legislation gets through the other place, the sooner we will be able to implement it.

Mr Wayne Merton: Point of order: The Minister has misquoted me. I never suggested in any way whatsoever that there should be any kind of legislation relating to commercial or industrial leases. I want that noted.

Madam ACTING-SPEAKER (Ms Marianne Saliba): I thank the honourable member for Baulkham Hills for that information.

Mr DAVID CAMPBELL: I commend the bill to the House.

Motion agreed to.

Bill read a second time.

In Committee

Clauses 1 to 4 agreed to.

Mr DAVID CAMPBELL (Keira—Minister for Regional Development, Minister for the Illawarra, and Minister for Small Business) [12.25 p.m.], by leave: I move Government amendments Nos 1 and 2 in globo:

No. 1 Page 24, schedule 1 [25], proposed section 19 (1) (d) (v), lines 26-27. Omit all words on those lines.

No. 2 Page 28, schedule 1 [37], proposed section 31 (1) (d) (v), lines 29-30. Omit all words on those lines.

The Government proposes minor amendments to the bill. These arise from new information and continued consultation with the industry since the bill's introduction. Section 19 (1) (d) (v) and section 31 (1) (d) (v) include moving annual turnover of a shopping centre as one of the information items to be provided to a

specialist retail valuer by the landlord in cases where there is dispute about the rent for a shop in a shopping centre, either at the commencement of a lease, section 19, or at the time of renewal, section 31. Industry consultation after the development of the bill indicated that smaller shopping centres may not be in a position to provide these figures. An alternative figure—annual turnover of the shopping centre—is available from public sources, making the process administratively easier for valuers. I believe that both tenants and landlords agree that these amendments are sensible, and I seek the Committee's support for them.

Amendments agreed to.

Mr DONALD PAGE (Ballina—Deputy Leader of The Nationals) [12.26 p.m.]: I move the Opposition amendment:

Page 34, schedule 1, after line 30 insert:

"**Section 44B Opportunity for the lessee to have a current market rent review**

(1) If the lessor offers the lessee a renewal of the lease or extension of the lease at the end of the lease term and the lessee deems the rent for the new lease or extension of the lease to be in excess of the current market rent for the premises and the permitted use, then the rent shall be reviewed in accordance with Section 19."

The Coalition is moving this amendment to provide tenants who have no option for renewal at the conclusion of a retail lease with the capacity to have a rent reviewed when they believe the proposed rental is above current market value. Tenants are vulnerable at the conclusion of a lease when no option for renewal exists. This amendment simply provides that if the lessor offers the lessee a renewal or extension of the lease at the end of the lease term and the lessee deems the rent in the new lease or extension of the lease to be in excess of the current market value for the premises and their permitted use, the rent shall be reviewed in accordance with section 19.

I emphasise that if the landlord wishes to enter into a new lease, and knowing the provisions of the legislation, the capacity exists for a rent at current market value—no more, no less, the landlord will still have the option to enter into a lease or not enter into a lease. If a tenant has chosen the option of entering into a lease but believes that the rent is above current market value, there a mechanism for a specialist valuer to determine the current market rent. I do not believe this amendment is outside the general intent of the legislation. It will provide a measure of protection to tenants in a circumstance where they find they have no option to renew at the end of a lease. The landlord will still have the capacity not to renew the lease. However, if the landlord offers a lease to the lessee and the tenant believes that the rent is excessive, the tenant will be able to have that matter determined under section 19 of the Act.

Mr DAVID CAMPBELL (Keira—Minister for Regional Development, Minister for the Illawarra, and Minister for Small Business) [12.29 p.m.]: The Government is not in a position to support the amendment. It well and truly goes beyond the agreement that has been negotiated over the past 18 months with the industry in the preparation of this bill. This issue has not been pursued by the industry with any vigour whatsoever during that process. I am concerned that such a proposal would give the tenant rights outside the lease, contrary to the concept of a fixed-term lease. It is important to note that no other jurisdiction in Australia has such a provision. Victoria and Queensland have both recently reviewed their retail tenancy legislation, and neither of those States has adopted such a proposal.

The overarching reason why the Government should not accept this amendment and why the Committee should not accept it is that one of the fundamentals of the legislation, which was the focus of my second reading speech and has been the focus of comments by Opposition members today, is to reduce red tape. What has been proposed here will add substantially to business costs. That will impact on competitiveness and the customer will pay for those additional costs. Not only will this amendment drive up rents, it will also drive up costs for products that people purchase from retailers. One of the fundamental approaches in this legislation is to reduce the administrative burden on both landlords and tenants. This amendment will increase the administrative burden and increase the red tape. We will spawn a new industry in consultant valuers. Everybody will be paying a consultant valuer to review every single lease, and that will not be good for the retail industry, for tenants, for landlords or for customers. The amendment should not be accepted.

Question—That the amendment be agreed to—put.

The Committee divided.

Ayes, 32

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	Mr Merton	Mr Tink
Mr Constance	Mr Oakeshott	Mr Torbay
Mr Debnam	Mr Page	Mr J. H. Turner
Mr Draper	Mr Piccoli	Mr R. W. Turner
Mrs Fardell	Mr Pringle	*Tellers,*
Mrs Hancock	Mr Richardson	Mr George
Mr Hartcher	Mr Roberts	Mr Maguire

Noes, 46

Mr Amery	Mr Gibson	Mr Orkopoulos
Ms Andrews	Mr Greene	Mrs Paluzzano
Mr Bartlett	Ms Hay	Mr Pearce
Ms Beamer	Mr Hickey	Mrs Perry
Mr Black	Mr Hunter	Ms Saliba
Mr Brown	Ms Judge	Mr Shearan
Ms Burney	Ms Keneally	Mr Stewart
Miss Burton	Mr McBride	Ms Tebbutt
Mr Campbell	Mr McLeay	Mr Tripodi
Mr Chaytor	Ms Meagher	Mr West
Mr Collier	Ms Megarrity	Mr Whan
Mr Corrigan	Mr Mills	Mr Yeadon
Mr Crittenden	Ms Moore	
Mr Daley	Mr Morris	*Tellers,*
Ms D'Amore	Mr Newell	Mr Ashton
Mr Debus	Ms Nori	Mr Martin

Pairs

Mr Hazzard	Ms Allan
Mr O'Farrell	Mr Price

Question resolved in the negative.

Amendment negatived.

Mr DAVID CAMPBELL (Keira—Minister for Regional Development, Minister for the Illawarra, and Minister for Small Business) [12.41 p.m.], by leave: I move Government amendments Nos 3, 4, 5 and 6 in globo:

No. 3 Page 55, schedule 1 [91], proposed schedule 2, lines 11-12. Omit "Moving annual turnover of the retail shopping centre (to the extent collected by the lessor)". Insert instead "Annual turnover of the retail shopping centre (to the extent collected by the lessor) for the previous accounting period".

No. 4 Page 56, schedule 1 [91], proposed schedule 2, note 4, lines 21-22. Omit "Moving annual turnover of a shopping centre means the sales for a 12 month period, calculated on a rolling basis."

No. 5 Page 56, schedule 1 [91], proposed schedule 2, note 4, line 23. Omit "moving".

No. 6 Page 60, schedule 1 [91], proposed schedule 2A, line 15. Omit "The assignee certifies that". Insert instead "The assignor certifies and the assignee acknowledges that".

Amendments Nos 3, 4 and 5 relate to the lessor's disclosure statement in schedule 2 of the bill. During industry consultation on the bill, it was agreed to include "moving annual turnover" in the disclosure statement. Upon the bill's introduction industry representatives from the shopping centre industry made a case, supported by the Australian Retailers Association, that this item should be the "annual turnover", which is the figure available to shopping centre managers. In the interests of minimising red tape, the Government supports this amendment.

Two references to the term "moving annual turnover" in the notes to the disclosure statement must also be removed, as they are now redundant. I encourage the Committee to support these amendments.

As to amendment No. 6, schedule 2A relates to the assignor's disclosure statement. The purpose of the statement is to ensure that the lessor and the assignee have received all the information they need to make an informed decision about the transfer of a lease from one lessee to another. The introductory words to the list of information indicates the role of only one of the two parties, that is, the assignee. The amendment will satisfy the concern that the form, which is an assignor's disclosure statement, should clearly state the role of the assignor in this part of the form as well as the role of the assignee. Again, I seek the Committee's support for this amendment.

Amendments agreed to.

Schedule 1 as amended agreed to.

Schedule 2 agreed to.

Bill reported from Committee with amendments and passed through remaining stages.

ROYAL BLIND SOCIETY (MERGER) BILL

Second Reading

Debate resumed from 19 October 2005.

Ms ALISON MEGARRITY (Menai—Parliamentary Secretary) [12.46 p.m.]: The Royal Blind Society of New South Wales, the Royal Victorian Institute for the Blind Ltd and the Vision Australia Foundation provide essential services for children and adults who are blind or vision impaired. Each of the three agencies has a long and distinguished history of providing services to the blind and vision impaired communities in New South Wales and Victoria. The merger will allow them to provide a better and more effective service and ensure that the valuable work of these agencies continues. I commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

NATIONAL PARKS AND WILDLIFE AMENDMENT (JENOLAN CAVES RESERVES) BILL

In Committee

Consideration of the Legislative Council's amendments.

Schedule of amendments referred to in message of 8 November

No. 1 Page 3, schedule 1 [6], proposed section 29 (2) (b), line 30. Omit "8". Insert instead "9".

No. 2 Page 4, schedule 1 [6], proposed section 29 (3). Insert after line 2:

(a) one is to be a person who is a member of a regional advisory committee for a region that, in the opinion of the Minister, contains significant areas of karst, and

No. 3 Page 5, schedule 1. Insert after line 24:

[10] Section 72AA Objectives and content of plans of management

Insert after section 72AA (5):

(5A) A plan of management for a karst conservation reserve is to include environmental performance standards and indicators for the purposes of sections 151 (4A) and 151B (10A) that ensure the environmental values of the reserve are conserved or restored.

No. 4 Page 6, schedule 1 [16], proposed section 151 (4A), lines 14-18. Omit all words on those lines. Insert instead:

a condition requiring:

(c) the lessee or licensee (in relation to the lands leased or licensed) to comply with the relevant environmental performance standards set out in the plan of management for the reserve, and

(d) the environmental performance of the lessee or licensee (in relation to the lands leased or licensed) to be measured against the relevant environmental performance indicators set out in that plan of management.

No. 5 Page 6, schedule 1 [16], proposed section 151 (4B), lines 21-24. Omit all words on those lines. Insert instead:

(a) to monitor:

(i) the lessee's or licensee's compliance with the relevant environmental performance standards set out in the relevant plan of management, and

(ii) the lessee's or licensee's environmental performance as measured against the relevant environmental performance indicators set out in that plan of management, and

No. 6 Pages 6 and 7, schedule 1 [17], proposed section 151B (10A), line 33 on page 6 to line 2 on page 7. Omit all words on those lines. Insert instead:

(10A) The Minister is to include in every lease of lands within a karst conservation reserve granted under this section a condition requiring:

(a) the lessee (in relation to the lands leased) to comply with the relevant environmental performance standards set out in the plan of management for the reserve, and

(b) the environmental performance of the lessee (in relation to the lands leased) to be measured against the relevant environmental performance indicators set out in that plan of management.

No. 7 Page 7, schedule 1 [17], proposed section 151B (10B), lines 5-7. Omit all words on those lines. Insert instead:

(a) to monitor:

(i) the lessee's compliance with the relevant environmental performance standards set out in the relevant plan of management, and

(ii) the lessee's environmental performance as measured against the relevant environmental performance indicators set out in that plan of management, and

No. 8 Page 15, schedule 1 [25], proposed clause 8 of Schedule 4, line 20. Omit "5". Insert instead "6".

Ms ALISON MEGARRITY (Menai—Parliamentary Secretary) [12.48 p.m.]: I move:

That the Legislative Council's amendments be agreed to.

Mr MICHAEL RICHARDSON (The Hills) [12.48 p.m.]: The Opposition does not oppose these amendments. Indeed, we supported them in the other place. Amendments Nos 4 to 7 seek to ensure that lessees or licensees have to comply with the environmental performance standards set out in the plan of management and that the performance of the lessees or licensees need to be measured against the environmental performance indicators. We accept these amendments and believe they are consistent with the thrust of the legislation. It would be beneficial if the same performance standards applied to the Government in relation to the commercial zone at Jenolan Caves.

There has been a considerable amount of controversy surrounding this issue in recent days. In particular, I refer to an article in Saturday's *Daily Telegraph* that reported that the operators of the commercial facilities at Jenolan Caves had erected a sign warning that the water was not fit for drinking. That is a disgrace. It is certainly an environmental performance standard that should be applicable to the Government. In the twenty-first century one would expect, when one visited a major tourist attraction such as Jenolan Caves, that one would, at the very least, be able to drink the water.

My understanding is that the operators of the commercial facilities at Jenolan Caves have offered to install a filtration system—at their own expense—to ensure that visitors and guests to the caves can get supply of potable water. The licensee of Jenolan Caves House has, as I understand it, been providing his guests with bottled water for some time now because of this problem of the Government's own making. There is nothing, of course, in the bill that deals with the issue of the commercial precinct, nor indeed that seeks to apply appropriate performance standards on the Government in relation to its dealings with those commercial operations. I want to make it very clear that, while the Coalition does not oppose these amendments, and indeed did not oppose the legislation, we view that issue very strongly and would like the Government to address it.

Motion agreed to.

Legislative Council's amendments agreed to.

Resolution reported from Committee and report adopted.

Message sent to the Legislative Council advising it of the resolution.

NATIONAL PARK ESTATE (RESERVATIONS) BILL

In Committee

Consideration of the Legislative Council's amendments.

Schedule of amendments referred to in message of 8 November

No. 1 Page 2, clause 2, line 6. Omit "1 July 2005". Insert instead "the date of assent to this Act".

No. 2 Page 5, clause 10, line 7. Omit "December 2005". Insert instead "March 2006".

No. 3 Page 19, schedule 6, clause 5, line 15. Omit "December 2005". Insert instead "March 2006".

No. 4 Page 22, schedule 6, clause 10, line 7. Omit "December 2005". Insert instead "March 2006".

Ms ALISON MEGARRITY (Menai—Parliamentary Secretary) [12.52 p.m.]: I move:

That the Legislative Council's amendments be agreed to.

Mr MICHAEL RICHARDSON (The Hills) [12.52 p.m.]: These are basic amendments that simply change the date on which the legislation will commence operation. The Opposition certainly does not oppose the amendments. The bill has been in existence since 2002. It is more than the three years now and it seems appropriate to change the date—although it is probably worth mentioning that I believe the Government should have got this right in the first place when it drafted the legislation and brought it before this House. I think the shambles we have just seen in relation to the Jenolan Caves legislation indicates that the Government does not really know what it is doing.

Motion agreed to.

Legislative Council's amendments agreed to.

Resolution reported from Committee and report adopted.

Message sent to the Legislative Council advising it of the resolution.

FARM DEBT MEDIATION AMENDMENT (WATER ACCESS LICENCES) BILL

Second Reading

Debate resumed from 19 October 2005.

Mr THOMAS GEORGE (Lismore) [12.53 p.m.]: The Opposition will support the amendments contained in the Farm Debt Mediation Amendment (Water Access Licences) Bill. We note that the bill makes small amendments to the Farm Debt Mediation Act, expanding the definition of "farming property" to include access licences, as defined under the Water Management Act 2000, where the licence is used on a farm. The amendments will restore the original intent of the operation of the Act. The amendments also reflect recent changes to the Water Management Act 2000 that provided for the creation of security interest over water access licences. The Opposition supports the bill.

Ms ALISON MEGARRITY (Menai—Parliamentary Secretary) [12.54 p.m.], in reply: I thank the honourable member for Lismore for his contribution to the debate. The Farm Debt Mediation Amendment (Water Access Licences) Bill amends the Farm Debt Mediation Act 1994. It expands the definition of "farm property" under the Act to include access licences as defined under the Water Management Act 2000. Amendments introduced by the Water Management Act have created a separate water access licence that can be traded in isolation of the land. This change means that water licences are no longer attached to the land. Therefore, water licences are no longer within the definition of "farm property" under the Farm Debt Mediation Act.

Without this amendment, a creditor would be able to take enforcement action against a debt secured by a water access licence used for farming purposes without first offering the farmer the option of mediation. This would have a significant and unintended impact on farmers who are struggling to repay farm debts. This bill will restore the original intent and operation of the Farm Debt Mediation Act. It will ensure that the farm debt mediation program will once again apply to debts secured by all forms of farm property, not only including farm land and farm machinery but also water access licences used for farming. I commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

[*Madam Acting-Speaker (Ms Marianne Saliba) left the chair at 12.56 p.m. The House resumed at 2.15 p.m.*]

DISTINGUISHED VISITORS

Mr SPEAKER: I acknowledge the presence in the public gallery of Ian McManus, the former member for Heathcote.

BUSINESS OF THE HOUSE

Routine of Business

[*During notices of motions*]

Mr SPEAKER: Order! I remind members again that notices of motion should not be in the form of speeches. I will consult with the Clerk in relation to whether the motion of the honourable member for Bligh is admissible. We may need to consult the honourable member about shortening the motion.

PETITIONS

Gaming Machine Tax

Petition opposing the decision to increase poker machine tax, received from **Mr Malcolm Kerr**.

Alstonville Bypass

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

South Coast Rail Services

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

Pensioner Travel Voucher Booking Fee

Petition requesting the removal of the $10 booking fee on pensioner travel vouchers, received from **Mrs Shelley Hancock**.

Murwillumbah to Casino Rail Service

Petitions requesting the retention of the CountryLink rail service 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**.

Jervis Bay Marine Park Fishing Competitions

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

Unborn Child Protection

Petition requesting mandatory statistical reporting of abortions, legislative protection of foetuses of 20 weeks gestation, and availability of resources for post-abortion follow-up, received from **Mr Andrew Stoner**.

Anti-Discrimination (Religious Tolerance) Legislation

Petition opposing the proposed anti-discrimination (religious tolerance) legislation, received from **Mr Andrew Stoner**.

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**.

Kurnell Desalination Plant

Petition opposing the construction of a desalination plant at Kurnell, received from **Mr Malcolm Kerr**.

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**.

Breast Screening Funding

Petitions requesting funding for BreastScreen NSW, received from **Mr Steve Cansdell** and **Mr Andrew Stoner**.

Campbell Hospital, Coraki

Petition opposing the closure of inpatient beds and the reduction in emergency department hours of Campbell Hospital, Coraki, received from **Mr Steve Cansdell**.

Greater Southern Area Health Service Family and Carer Support Program

Petition requesting retention of the Greater Southern Area Health Service Family and Carer Support Program, received from **Mr Andrew Constance**.

Lismore Base Hospital

Petition requesting that Lismore Base Hospital remains an accredited centre of excellence, received from **Mr Thomas George**.

Shoalhaven Mental Health Services

Petition requesting funding for the establishment of a dedicated mental health service in Shoalhaven, received from **Mrs Shelley Hancock**.

Yass District Hospital

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

Kempsey Water Fluoridation

Petition opposing the addition of fluoride to the Kempsey and district water supply, received from **Mr Andrew Stoner**.

Kurnell Sandmining

Petition opposing sandmining on the Kurnell Peninsula, received from **Mr Barry Collier**.

Isolated Patients Travel and Accommodation Assistance Scheme

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

Redfern and Waterloo Redevelopment

Petition opposing the Redfern-Waterloo Authority's plans for the redevelopment of Redfern and Waterloo, and supporting the Aboriginal Housing Company's Pemulwuy project, received from **Ms Carmel Tebbutt**.

Bomaderry Milk Processing Plant

Petition opposing the decision of Dairy Farmers to close the Bomaderry milk processing plant, received from **Mrs Shelley Hancock**.

Recreational Fishing

Petitions opposing any restrictions on recreational fishing in the mid North Coast waters, received from **Mr Andrew Stoner** and **Mr John Turner**.

Crown Land Leases

Petition requesting the withdrawal of changes to the rental structure of Crown land leases, particularly enclosed road permits, received from **Ms Katrina Hodgkinson**.

Edinburgh Road, Castlecrag, Traffic Conditions

Petition requesting a right turn arrow for traffic travelling west on Edinburgh Road, Castlecrag, turning north onto Eastern Valley Way, received from **Ms Gladys Berejiklian**.

Naremburn Bike Path

Petition requesting an alternative route to the proposed bike path in the vicinity of Naremburn shops, received from **Ms Gladys Berejiklian**.

Grafton Bridge

Petition requesting the construction of a new bridge over the Clarence River at Grafton, received from **Mr Steve Cansdell**.

F6 Corridor Community Use

Petition noting the decision of the Minister for Roads, gazetted in February 2003, to abandon the construction of any freeway or motorway in the F6 corridor, and requesting preservation of the corridor for open space, community use and public transport, received from **Mr Barry Collier**.

Nowra Bypass

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

Barton Highway Dual Carriageway Funding

Petition requesting that the Minister for Roads change the Roads and Traffic Authority's priority for Federal AusLink funding for the Barton Highway to allow the construction of a dual carriageway, received from **Ms Katrina Hodgkinson**.

Murrumbateman Traffic Conditions

Petition requesting a safe crossing of the Barton Highway at Murrumbateman, received from **Ms Katrina Hodgkinson**.

Tumut River Junction Bridge

Petition opposing the indefinite closure of the Tumut River Junction Bridge, received from **Ms Katrina Hodgkinson**.

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**.

Shoalhaven City Council Rate Structure

Petition opposing a 27 per cent rate increase proposed by Shoalhaven City Council, received from **Mrs Shelley Hancock**.

Macdonald River Signage

Petition requesting that the Macdonald River be provided with signage stating "4 or 8 knots, no skiing, no wash", received from **Mr Steven Pringle**.

BUSINESS OF THE HOUSE

Withdrawal of Business

General Business Notice of Motion (General Notice) No. 3 withdrawn by Mr Steve Cansdell.

General Business Notice of Motion (General Notice) No. 7 withdrawn by Mr Andrew Constance.

BUSINESS OF THE HOUSE

Reordering of General Business

Mr ANDREW TINK (Epping) [2.40 p.m.]: I move:

> That General Business Order of the Day (for Bills) No. 8 [Jury Amendment (Majority Verdicts) Bill] have precedence on Thursday 10 November 2005.

This morning when the Attorney General announced that he would introduce legislation to allow for majority verdicts of 11 to 1 to apply to all offences, including murder and crimes attracting a penalty of life imprisonment—a proposal that the Opposition has had before the Parliament on and off for nine years now—initially I took the view that it was right to wait and see the legislation. However, when I got beyond the Attorney's press release to some of his comments during his press conference, a few details that emerged started to bother me a little. First, I understand that the Government has no intention of introducing such legislation this year and, second, I understand that such legislation will not apply to the Burrell matter.

I cannot understand why it is necessary to delay the introduction of the legislation. Unless and until the Leader of the House does away with the December sitting days, the Parliament is due to sit until 8 December, so we have almost a month of sitting days left in which to consider a majority verdicts bill. I point out that every other State in Australia, bar Queensland, has had majority verdicts legislation for many years. Many judges, Attorneys General, directors of public prosecutions and public defenders around the country can be sounded out quickly for their advice on how to draft the legislation. It is not as if the State jurisdictions are not without substantial practical experience in this area of the law.

If the Attorney General wants to stay close to home in terms of advice, he can talk to my good friend the Director of Public Prosecutions, Nicholas Cowdery, to get his considered views on the matter. The Attorney can also talk to one of the most experienced judges in New South Wales history, the Chief Judge of the District Court, Reg Blanch, and to former judge, Justice John Dunford, to get their views. Given that the Attorney General admitted today that at least 80 cases a year result in hung juries, it is unconscionable for us to go through Christmas and into the New Year without legislation before the Parliament and, indeed, enforced, to

allow for majority jury verdicts. We should have majority jury verdict legislation before we rise for the Christmas break. It is plain to me that the only way we will get that now is if we proceed with this private member's bill. The Attorney General should undertake to ensure that majority verdict legislation will apply to the Burrell trial. He bent over himself to change the rules to allow for cross-examination of sexual assault victims only by legal representatives. [*Time expired.*]

Mr CARL SCULLY (Smithfield—Minister for Police, and Minister for Utilities) [2.44p.m.]: What an outrageous comment! The honourable member for Epping thinks he can whack a bill through Parliament and affect a trial mid way. That is inappropriate. Whatever the Opposition does, it will not affect that trial. The honourable member has bunged this motion on as a stunt today—

Mr SPEAKER: Order! Opposition members will cease interjecting.

Mr CARL SCULLY: I am often willing to hear argument. I often accept the fact that we need to reprioritise the program to take up the Opposition's ideas. This motion is simply a stunt because today the Attorney said that the Government was considering majority verdicts. Members opposite want a stunt tomorrow to try to pretend that we are not considering majority verdicts.

Mr Andrew Tink: Point of order—

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

[*Interruption*]

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

[*Interruption*]

Mr SPEAKER: Order!

[*Interruption*]

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

[*Interruption*]

Mr SPEAKER: Order! The honourable member for Epping has contributed to the debate. He will resume his seat. The Leader of the House has the call.

[*Interruption*]

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

Mr CARL SCULLY: The Attorney is considering majority verdict legislation. We will not allow the Opposition to use this Parliament for a stunt, which is all it will be tomorrow. So the answer is no.

Question—That the motion be agreed to—put.

The House divided.

Ayes, 33

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

Noes, 51

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

Pairs

Ms Seaton	Ms Allan
Mr Souris	Mr Price

Question resolved in the negative.

Motion negatived.

BUSINESS OF THE HOUSE

Reordering of General Business

Mr ANDREW STONER (Oxley—Leader of The Nationals) [2.54 p.m.]: I move:

> That the General Business Notice of Motion (General Notice) given by me today [Cross-city Tunnel Independent Commission Against Corruption Investigation] have precedence on Thursday 10 November 2005.

I seek precedence for my motion because many compromises and mistakes have been made in relation to the cross-city tunnel deal, many of which have been acknowledged by the current Minister for Roads. The biggest mistake of all was the leak of confidential Cabinet documents to the cross-city motorway company in the midst of sensitive negotiations.

Mr Gerard Martin: We don't know that.

Mr ANDREW STONER: The honourable member for Bathurst says we do not know that. I have a letter from the honourable member for Smithfield, when he was Minister for Roads, in which he says:

> I must record my disappointment and concern at the fact that extracts from the draft—

Mr Alan Ashton: Point of order: As I understand it, this matter has been referred to the ICAC and it has indicated it is looking into this. Therefore it is not appropriate that the Parliament discuss it any further.

Mr SPEAKER: Order! I will listen further to the Leader of The Nationals, but I remind him that he should give reasons why his motion should have precedence tomorrow. He should not deal with the substance of the motion.

Mr ANDREW STONER: The substance of the motion is that this matter has never been referred to the ICAC by this Government.

Mr SPEAKER: Order! I again remind the Leader of The Nationals that he should not deal with the substance of his motion. He must give reasons why the motion should be debated tomorrow. The substance of the motion will be debated when the motion is called on.

Mr ANDREW STONER: The motion must be debated tomorrow because the public has lost confidence in this Government when it comes to Cabinet confidentiality and allegations of corruption concerning leaks from Cabinet to the private sector. The motion must be debated tomorrow because this matter is of serious concern. This Government never referred the matter to the Independent Commission Against Corruption [ICAC]. It would not have come to light if had not been for the fact that, under pressure from the Opposition and other groups, 30,000 documents dropped from the sky on Melbourne Cup afternoon. Amongst those documents was the letter from—

Mr SPEAKER: Order! Again I remind the Leader of The Nationals that he should not debate the substance of the motion. He should give reasons why the motion should be debated tomorrow. If he refers to the basis upon which the notice of motion was given, I will rule that he is debating the substance of the motion.

Mr ANDREW STONER: It is not good enough for the Premier to say the matter has gone to the ICAC so we cannot talk about it. The public wants to know why this has not been investigated and why it was not referred to the ICAC.

Mr Tony Stewart: Point of order: Under the standing orders the honourable member is supposed to mention the number of the motion. He did not do that, so we do not know what motion he is referring to.

Mr SPEAKER: Order! The Leader of The Nationals indicated that it was the notice of motion he gave today. However, his speaking time has expired.

Mr CARL SCULLY (Smithfield—Minister for Police, and Minister for Utilities) [2.58 p.m.]: As I said yesterday, this matter is now before the Independent Commission Against Corruption [ICAC]. Let the ICAC do its work. It would be inappropriate to discuss the matter while that inquiry is under way.

Question—That the motion be agreed to—put.

The House divided.

Ayes, 34

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

Noes, 51

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

Pairs

Ms Seaton	Ms Allan
Mr Souris	Mr Price

Question resolved in the negative.

Motion negatived.

COMMITTEE ON THE HEALTH CARE COMPLAINTS COMMISSION

Report

Mr Jeff Hunter, as Chairman, tabled report No. 10/53, entitled "Report Into Traditional Chinese Medicine", dated November 2005.

Ordered to be printed.

QUESTIONS WITHOUT NOTICE

AUSTRALIAN BUREAU OF STATISTICS REPORT

Mr PETER DEBNAM: My question is directed to the Premier. Given that today's Australian Bureau of Statistics report shows that New South Wales is the slowest-growing State in Australia, will he finally admit that Labor's 10 years of high tax economic vandalism have undermined investment and employment in this State?

Mr MORRIS IEMMA: Well, it is predictable, if nothing else. That is what I have to say about that question. The Australian Bureau of Statistics [ABS] report was released a couple of hours ago. I have to say that the Leader of the Opposition did not lose any time calling a press conference; he was quick off the mark with the press conference. But when Standard and Poor's delivered its report two weeks ago—which confirmed the State's triple-A credit rating—was there one word from the Opposition? Not one. When Standard and Poor's confirmed the sound financial position of the State, was there one positive comment from the Opposition about the State of New South Wales? No! Not one. When, one month ago, employment figures—the best for a quarter of a century—were released, did the Opposition utter one single word in support of New South Wales? No!

Mr Peter Debnam: Point of order: My point of order is relevance. The employment figures showed that only one in 20 jobs were created in New South Wales.

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

Mr Peter Debnam: Ninety-five per cent of jobs created over the last 12 months—

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

Mr Peter Debnam: —were created outside New South Wales.

Mr SPEAKER: Order! The Leader of the Opposition will resume his seat. Again I remind the Leader of the Opposition that he cannot, under the guise of a point of order, debate the answer being given by the Premier or a Minister. The Premier has the call.

Mr MORRIS IEMMA: The simple fact is that when it comes to having an opportunity to run down the State, that is when we hear from members opposite; that is when they are up on their feet. But when they have a chance to stand up for New South Wales, we cannot find them. When Coalition members had an opportunity to stand up for New South Wales and get us our fair share of the goods and services tax [GST], where were they? They squibbed it when the debate was on. They squibbed it! They did not have the guts to stick up their hands when this Parliament voted for New South Wales to get its fair share of the GST. When Standard and Poor's confirmed the State's strong financial position, did they get up and say something positive

about New South Wales? No! When the Housing Industry Association released figures that showed housing statistics were going up, did they say, "Good on you New South Wales"? No!

Mr Peter Debnam: Point of order: I draw your attention to Standing Order 139, which states, "In answering a Member shall not debate the matter to which the question relates." We just want the answer. The fact of the matter is that we have had 10 years of economic vandalism.

Mr SPEAKER: Order! The Leader of the Opposition will resume his seat. He has read the correct standing order, but he has misinterpreted the meaning of it. The Premier has the call.

Mr MORRIS IEMMA: Let us get to the ABS. The Leader of the Opposition wants to use the ABS to drag down New South Wales. He is always out there fighting against New South Wales, never doing something for New South Wales. The ABS figures released today—which he conveniently ignored because it does not suit the campaign to always be negative, to always be looking to drag down the State, never supporting the State—relating to housing finance figures for New South Wales show the housing market performing well in the same ABS study. But, does he highlight that? No! Did he say anything about Standard and Poor's? No! With the Housing Industry Association figures about housing construction, particularly outside of the capital city, in regional New South Wales where housing sales are going quite well, did the Opposition say anything? No, never!

When unemployment was at a quarter-century low, was there any positive comment from the Opposition? No, never! The Opposition will never ever say anything positive about New South Wales. Never will it stand up for New South Wales. The Opposition had a chance when this Parliament debated and voted on a motion for a fairer distribution of the GST carve up. Did it stand up for the people of this State? No! It never does. The ABS had this to say about the figures released today: "It is worth pointing out that the ABS itself warns that the gross State product data is experimental and potentially unreliable."

Mr SPEAKER: Order! Members of the Government will come to order. I call the honourable member for Illawarra to order. I call the honourable member for Wollongong to order.

Mr MORRIS IEMMA: That is why, when putting the budget together, the budget revenue figures are based on final State demand. Because that figure is 3.3 per cent, it does not suit the Opposition's argument. The Opposition would prefer to focus on the ABS figure, which is 1.1 per cent, rather than on the State final demand, which is at 3.3 per cent—a very creditable 3.3 per cent. That does not suit the Opposition campaign to always bag New South Wales. That is why the Leader of the Opposition called a press conference. He has had a month. He has had the Standard and Poor's report. We have heard nothing from him. Not a word. The Leader of the Opposition has had the Housing Industry Association figures. We have heard not a word from him. The State final demand figures are there. Not a word. That is what the budget is based on. In fact, it is at 3.3 per cent, which is in line with the estimates published by Treasury in this year's budget papers.

There is a range of other figures that point to the New South Wales economy performing well—a strong economy. These figures do not suit the Opposition's argument and so the Leader of the Opposition does not produce them; he conveniently ignores them. For example, New South Wales is leading Queensland and Victoria in areas of business—

Mrs Jillian Skinner: You just said the figures were unreliable.

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

Mrs Jillian Skinner: You cannot have it both ways.

Mr MORRIS IEMMA: I am not quoting the ABS figures.

Mr SPEAKER: Order! The Premier has the call.

Mrs Jillian Skinner: Just like you: unreliable.

Mr MORRIS IEMMA: For the benefit of the shadow Minister for Health, I am not quoting the ABS figures. New South Wales is leading Australia. In particular, it is ahead of Queensland and Victoria in areas of business investment dependent on business climate, opportunity and entrepreneurship.

Mr Peter Debnam: Point of order: My point of order is again relevance. The Premier is quoting Standard and Poor's but it was actually Standard and Poor's who talked about the paper-thin operating results for New South Wales.

Mr SPEAKER: Order! Again the Leader of the Opposition is seeking to debate the Premier's reply. There is no point of order. The Premier has the call.

Mr MORRIS IEMMA: I do not want to detain the House for too much longer in quoting Standard and Poor's confirmation of the State's triple-A credit rating. What I am quoting is that business investment in New South Wales rose by 16.4 per cent for the financial year of the ABS report that the Leader of the Opposition has quoted from. In that financial year, 2004-05, business investment rose by 16 per cent. Guess what the national average is? It is 11 per cent. But he did not refer to that in his question. Queensland's performance was 14 per cent. So, the national average is 11 per cent, New South Wales was 16 per cent, and Queensland—I am sure the Leader of the Opposition has some Queensland figure to quote in his next question—was 14 per cent.

When it comes to investment in plant and equipment—an important indicator of the strength of an economy—the report actually shows business investing in expanding businesses and creating jobs. The national figure on investment in plant and equipment is 15 per cent, which is a very strong figure, and a very strong indicator of national growth in plant and equipment. But guess what the New South Wales figure is? It is 26.5 per cent, almost double. Another strong indicator of economic performance—

Mr Peter Debnam: Point of order: My point of order relates to Standing Order 139. The Premier is debating the issue. In fact, Standard and Poor's said the balance sheet has weakened and liability is set to increase. That was on 21 September.

Mr SPEAKER: Order! There is no point of order. The Premier is answering the question asked by the Leader of the Opposition.

Mr MORRIS IEMMA: We are investing record amounts in capital expenditure. The Leader of the Opposition has read the report, but he did not like it, and that is why he ignores it. Another good indicator of the strength of the economy is merchandise exports. The national figure is 2.9 per cent. What is the New South Wales figure? It is 4.2 per cent.

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

Mr MORRIS IEMMA: So on three vital indicators—the level of investment, business confidence and growth—New South Wales is way above the national level. But the Leader of the Opposition conveniently ignores that.

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

Mr MORRIS IEMMA: There is one final point to be made in this debate. Not only did the Opposition cease standing up for the people of this State when the GST came along. The only people who believe that taking $3 billion out of a State's economy—that is, $13 billion paid in GST and $10 billion coming back—has no effect on that State's economy are members opposite. This is very simple economics, even for someone like the honourable member for Murrumbidgee. It is a very simple calculation: $13 billion out, $10 billion back, minus $3 billion. It has a significant effect on a State's level of investment and expenditure.

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

Mr MORRIS IEMMA: Even the honourable member for Epping can make that calculation. It is absolutely preposterous to suggest that $3 billion taken out of a State's economy has no effect on that economy.

WORKCOVER PREMIUMS AND BENEFITS

Mr STEVEN CHAYTOR: My question without notice is to the Premier. What is the latest information regarding WorkCover premiums?

Mr MORRIS IEMMA: I am very pleased that the honourable member for Macquarie Fields has asked a question about workers compensation premiums. He has a strong interest in ensuring jobs and investment growth in New South Wales. I can inform the House that the Government will implement an across-the-board reduction in New South Wales workers compensation premiums, and that this will also be matched with an increase in benefits for workers who suffer serious spinal injuries. This is a $172 million package and represents a win for workers and businesses right across the State—not benefits for one group at the expense of the other, but benefits for both workers and employers. Workers and businesses reap the rewards of the New South Wales Government's efforts in reforming the WorkCover system and improving its financial performance. As a result of the Government's work and the turnaround of WorkCover, I can inform the House that a 5 per cent reduction across all WorkCover industry specifications will take effect from 31 December.

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

Mr MORRIS IEMMA: The honourable member for Murrumbidgee has always hated workers; that is why he is interjecting.

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

Mr MORRIS IEMMA: At the same time, the Government will increase permanent impairment benefits by 5 per cent for workers who suffer serious spinal injuries. A premium reduction will help New South Wales employers, while an increase in benefits will help those who suffer serious spinal injuries. These changes are responsible and affordable. I can report to the House that the scheme deficit to date is $957 million less than it was 12 months ago. The reductions I am announcing today will mean that, for example, a Sydney leagues club with a wages bill of $12 million will save some $74,000 on its premium.

Mr George Souris: That is not the best example of tax comparisons.

Mr MORRIS IEMMA: I think it is.

Mr SPEAKER: Order! The honourable member for Murrumbidgee has already been called to order on two occasions. I will call him to order for the third time if he keeps interjecting.

Mr MORRIS IEMMA: A club with a wages bill of $12 million is a very big club. If such a club benefits to the tune of $72,000 it might well be able to assist community groups as a result of this decision.

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

Mr MORRIS IEMMA: We might look forward to the club passing on the benefits of that saving to community groups. A southern Sydney grazier with a wages bill of $770,000 will save $28,500, and an auto repairer at Granville with a wages bill of $154,000 will save some $292. At the same time as reducing premiums for businesses, both large and small, medical advice has indicated that the chapter for spinal injuries should be enhanced. That is what will happen with this scheme and today's announcement.

As a result of these changes, a person with a 5 per cent impairment to their back will receive a lump some of $6,500, which will mean an increase of about $312 in additional weekly benefits, medical care and return to work assistance. A person with a 16 per cent impairment to their back—for example, as a result of disk herniation, surgery and associated pain—will receive some $22,500, an increase of $1,000, in addition to payment for pain and suffering and other entitlements. To answer the honourable member for Murrumbidgee, the scheme ranks around the middle of all Australian States in terms of premium rates but offers the nation's best suite of benefits for injured workers.

Mr SPEAKER: Order! The honourable member for Murrumbidgee will cease interjecting.

Mr MORRIS IEMMA: For the benefit of the honourable member for Murrumbidgee, I repeat: The scheme ranks around the middle of all Australian States in terms of premium rates but offers the nation's best suite of benefits for injured workers. While some schemes assist workers for only two years, in New South Wales the scheme provides medical care and financial assistance until a worker can return to employment or until retirement. The Government has inherited an unviable scheme.

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

Mr MORRIS IEMMA: We took over a scheme—a legacy of the former Coalition Government—that was not viable and could not cover its costs. We had to restructure it and make it viable. We redesigned the scheme to focus on the efforts of injured workers and contain the cost of health premiums at the same rate for seven years. As a result of the changes we are now in a position to return the benefits of the reforms of the last few years in terms of increased payments for seriously injured workers, and to reduce premiums for business. I am pleased that the chief executive of Australian Business Ltd welcomed today's announcement. We will not get any positive contribution from the honourable member for Murrumbidgee with regard to reducing workers compensation premiums and increasing benefits, but at least we get it from Australian Business Ltd. This is what the organisation had to say:

> Business welcomes the 5 per cent cut to workers compensation premiums. The cut is affordable, responsible, and will be welcomed by every business across New South Wales.
>
> It appears the Government is listening to the concern of business and this is an important first step in turning New South Wales into more competitive business. These are the endorsements of business in this State.

We have been restructuring the scheme from the disaster that the Opposition left. That is what has been happening. I am very pleased to endorse those comments from Australian Business Ltd in relation to reducing the cost of premiums and passing on some of the benefits of the reforms to seriously injured workers.

CROSS-CITY TUNNEL CONTRACT

Mr ANDREW STONER: My question is directed to the Minister for Roads. Given that the Minister publicly admitted he knew on Thursday 20 October of the secret amendment to the cross-city tunnel contract, on which day did the Minister tell the Premier about the existence of this secret amendment?

Mr JOSEPH TRIPODI: I informed the Premier on—I think it was the Tuesday after that.

MAJORITY VERDICTS

Mr BARRY COLLIER: My question without notice is directed to the Attorney General. What is the latest information on majority verdicts?

Mr BOB DEBUS: The question of whether the unanimity requirement in criminal trials should be preserved or amended has occupied the minds of the legal community and the general public for a long time. It is a debate in which both sides have compelling and reasonable arguments, and between the two sides there are people who are legitimately undecided. It is a rare situation but it is a difficult issue for many who have sought to comprehend its dimensions. The requirement that an accused person can only be convicted if 12 of his or her peers are each satisfied beyond reasonable doubt of his or her guilt or innocence is a longstanding principle of the law. In New South Wales it has been questioned from time to time, often shortly after a case has allegedly hung, either for acquittal or conviction, because of the refusal of one juror to agree with his or her fellow jurors. Some people refer to such persons as rogue jurors.

Stories of the actions of irresponsible jurors are legend within the legal profession, and I believe they are sometimes true. Many in this Chamber will have heard such stories. Rogue jurors do exist, and they cause a great deal of pain for victims of serious crime and for those whose innocence cannot be established. These cases generate questions in the community about the effectiveness and fairness of our system of justice. All these factors have been closely considered by the Government and we have, on balance, decided to approve in principle the introduction of a system of majority verdicts.

The New South Wales Law Reform Commission Report 111, which I tabled earlier today, recommends the retention of the unanimity requirement. It nonetheless canvassed in some detail the persuasive arguments for and against the introduction of a majority verdicts system. The Government has been mindful of the commission's advice on this matter and it has caused us to reject models from some other jurisdictions that provide for more than one dissenting juror. It was also prudent to seek the views of other eminent members of the legal profession on this matter. I can advise the House that, for instance, the New South Wales Director of Public Prosecutions and the Chief Judge of the District Court, the Hon. Reg Blanch, were consulted, and they clearly supported the introduction of majority verdicts of the type now proposed by the Government.

The New South Wales system will only permit a verdict for conviction or acquittal to be reached where one person does not agree with his or her fellow jurors. It is notable that most Australian jurisdictions have had

majority verdicts systems in place for some time: since 1927 in South Australia, since 1936 in Tasmania, since 1960 in Western Australia, since 1963 in the Northern Territory, and since 1994 in Victoria. That leaves the Commonwealth and Queensland adopting the position that New South Wales, for the present, continues to have. Nevertheless, the advice the Government has received strongly indicates that the systems in those other States operate fairly and are regarded as an unexceptional part of the legal system in those places.

Consistent with the system in New Zealand and that which has operated in the United Kingdom for some time, it is proposed that the New South Wales system cover the offence of murder, for both conviction and acquittal. Important principles will guide the New South Wales system of majority verdicts. For example, juries will still be required by the trial judge to try to reach a unanimous verdict. A majority verdict will not be permitted unless juries have first employed considerable effort to come to unanimous agreement. I will consult further with the judiciary and others about the nature of the scheme to be implemented. That is the only way in which to produce a system that can operate successfully.

Any serious participants in this debate will concede that majority verdicts are not a panacea for all hung juries. However, they will reduce the instances in which juries cannot agree on an outcome, and of course, in consequence, they will reduce the level of anguish faced by some victims of serious crime and persons who fall one juror short of securing an acquittal. The system will fairly benefit victims and accused persons. As I have said, the bill to be brought forward by the Government will be subject to a period of close consultation with the judiciary and the legal profession, and I expect that their input will be extensive.

CROSS-CITY TUNNEL CONTRACT

Mr ANDREW STONER: My question is directed to the Premier. Given that Paul Forward was sacked by the Minister for Roads for failing to immediately disclose the secret amendment to the cross-city tunnel contract, and that the Minister for Roads failed to immediately disclose it to the Premier, what action is the Premier taking against the Minister for Roads?

Mr MORRIS IEMMA: No wonder Steve Price called the Leader of The Nationals an idiot and a fool! For a number of days the Minister has outlined the circumstances in relation to Mr Forward and the circumstances regarding his resignation from his position. The Minister informed me on the Tuesday, and has provided extensive information on this matter for a number of weeks now. That the Leader of The Nationals has asked yet another question in this House about a matter that has been extensively canvassed for a number of weeks proves how right Steve Price was when he called the Leader of The Nationals a fool and an ignorant idiot.

SKILLED BUSINESS MIGRATION

Ms LINDA BURNEY: My question without notice is directed to the Deputy Premier. What is the Government doing to attract skilled migrants to boost the State's economic growth?

Mr JOHN WATKINS: Sydney is unashamedly open for business. It is the nation's only global city and the third largest financial centre in the Asia-Pacific region. Sydney is home to two-thirds of the Asia-Pacific headquarters located in Australia—more than 600 companies. I am happy to declare that Sydney is certainly not full when it comes to the need for highly skilled, high-value business migrants. With almost half of the nation's finance industry and a large proportion of our economy in the services sector, Sydney is inextricably linked to the global economy. That means we are in a global battle for investment and talent.

Over the past few years the Government has strongly supported and encouraged skilled business migration to regional and rural locations. The Regional Migration Program has grown by 600 per cent in the past three years. In 2003 there were only 48 applicants sponsored to New South Wales, representing only 3 per cent of all sponsored visas across Australia. This generated an estimated $6.1 million in investment, 150 flow-on jobs and $21 million in exports. Last year this had grown to 238 sponsored applicants, 18 per cent of the nation, and that generated $55 million in investment, 850 jobs and $367 million in exports.

In 2005 we are on track to achieve 350 sponsored visas. That will generate $89 million in investment, 1,120 jobs and over $560 million in exports. But we always need to do more to attract the best and brightest from around the world and around Australia to migrate here to Sydney. Today I am pleased to advise honourable members of stage one of the Government's open for business plan. The Drive for Talent is under way. The heart of the Drive for Talent is the Government's plan to join in the Independent Skilled Migration Program, which will see skilled migrants sponsored to move to Sydney for the first time.

The Government has set a target of doubling skilled migrants coming to New South Wales from 350 to 700, with skilled business migrants now able to relocate to the city as well as to regional areas of the State. But we are not just looking for anyone from anywhere. The Government has prioritised finance, information technology, biotechnology, pharmaceuticals, and film and television as areas where we need those skilled migrants. Over the coming two years we will target highly skilled workers from the United States of America, Britain, Canada, Ireland, India, South Africa and China.

The plan goes further. The Drive for Talent will see the Government forming partnerships with recruiters, employers and universities both in Australia and overseas to secure the best graduates and professionals, domestic and international, for businesses in Sydney. Rather than worry about net interstate migration, my concern is to boost the numbers of highly skilled professionals relocating to Sydney. I have also directed the Department of State and Regional Development to boost its participation in trade missions and expos and start running recruitment road shows, focusing on the skills that Sydney needs to grow and prosper.

The first steps will be recruitment presentations at the world's largest biotechnology expos, Bio 2006 in Chicago and the world's most prestigious information technology expo, CeBit 2006 in Hanover, Germany. There are currently one million Australians who live overseas and our Drive for Talent will seek to enlist these expatriate Australians in several ways. First, we want to attract some of these professionals back home to fill our skills need. Second, the Government will build a network of key business leaders as global ambassadors for Sydney through university alumni bodies, professional associations and Australian expatriates associations in London, New York, Los Angeles and Hong Kong. We will enlist people to promote Sydney to their firms and to their colleagues.

I believe New South Wales is the best place in the world to live and work. Sydney, in particular, is a global city. It has a magnificent culture, sport, education and food, and a way of life that is unparalleled to any other major city in the world, with mobile, highly skilled professionals in enormous demand around the world. The Government is determined to do everything it can to get them to work, invest and live in Sydney.

METROPOLITAN STRATEGY

Ms CLOVER MOORE: My question is directed to the Premier. What is the status of the Metropolitan Strategy, particularly in relation to transport? When will it be released and what is the program for implementation?

Mr MORRIS IEMMA: I advise the honourable member for Bligh that the Government is currently finalising the Metropolitan Strategy and it will be released before the end of the year.

[*Interruption*]

You may not care about the blueprint for Sydney for the next 30 years but we certainly do. It will be released before the end of the year as part of the Government's ongoing plans to drive investment growth and provide a sustainable future for Sydney. It will be released before the end of the year.

EMPLOYMENT AND INVESTMENT

Mr JOHN MILLS: My question without notice is directed to the Minister for State Development. How is the Government attracting investment and creating jobs in New South Wales?

Mr JOHN WATKINS: I am pleased to inform the House that the Guangdong Department of Foreign Trade and Economic Co-operation is presently touring Sydney with a portfolio of 150 major investment projects. The aim of the conference is to increase trade and investment ties between Australia and China. Representatives of almost 70 Chinese businesses are attending the conference and are looking for new business partners in a whole range of industries. These include agriculture, biotechnology, textiles, machinery, electronics, chemicals, infrastructure, pharmaceuticals, building materials and services projects.

Visits like this provide the chance for New South Wales businesses to meet with the decision makers of these 150 major projects. The conference is a great opportunity to reaffirm our sister State relationship with Guangdong, which began in 1979. The Iemma Government has a strong commitment to ensuring that we capitalise on any trade opportunities that the growth of China, particularly Guangdong, may offer to the New South Wales economy. In 2004-05 China was Australia's second largest trading partner and second largest

export destination. Trade between Australia and China is now worth almost $33 billion. Around $1.3 billion of this was in the export of services. Currently we are seeing a surging demand for Australian education services and also tourism. The New South Wales Government organises regular trade missions and market visits to China and to Hong Kong.

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

Mr JOHN WATKINS: Last year saw a trade mission to China made up of 27 New South Wales businesses. They visited the major commercial centres of Guangzhou and Shanghai. Since 2002 the New South Wales Government has organised seven trade missions and six market visits to China and Hong Kong. This is all good news for investment and good news for jobs growth and for our domestic economy, which is something that this Labor Government is proud of delivering. This is a timely opportunity to inform the House of some key information about the New South Wales economy. The Australian Bureau of Statistics report, released today, indicates that business investment rose by over 16 per cent in 2004-05, with machinery and equipment up by 26.5 per cent and engineering construction up by 22.9 per cent—major investment growth in this State.

Mr SPEAKER: Order! The Deputy Leader of the Opposition will cease interjecting.

Mr JOHN WATKINS: Exports of goods rose by 4.2 per cent and household expenditure rose by 3 per cent, which is a strong result. Most pleasing are the employment figures of recent years. It is worth looking at how they have changed over the last decade in this State. When Labor took office in 1995 the unemployment rate was 7.3 per cent, seasonally adjusted. I am very pleased to report that unemployment in New South Wales is now much lower than that. It currently stands at just over 5.3 per cent, seasonally adjusted.

Mr Brad Hazzard: That is because of Howard, not you.

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

Mr JOHN WATKINS: If unemployment goes up in New South Wales the Opposition says it is the fault of the New South Wales Government. If unemployment goes down in New South Wales it is due to the Howard Government. They cannot have it both ways. Over the last 10 years, when Labor has been in office in this State, there has been a substantial drop in the unemployment rate, and that is something we can all be proud of.

Mr SPEAKER: Order! Members will cease interjecting.

Mr JOHN WATKINS: That means that 460,000 more people are in employment now than in the dying days of the Liberal-National Government back in 1995. There are 460,000 more people in employment—in jobs, providing for their families, allowing their kids to go to school—than was the case back in 1995. A deeper look at the figures reveals that regional unemployment, not seasonally adjusted, is also much lower in the Hunter and in the Illawarra than it was when the Coalition was last in power, and that is what one would expect. Back in 1995 unemployment was 12.5 per cent in the Hunter and 12.6 per cent in the Illawarra. They are disturbingly high figures in regions that are most important in New South Wales. I am pleased to report that at present unemployment is 5.8 per cent in the Hunter, down from 12.5 per cent in 1995, and 7 per cent in the Illawarra, down from 12.6 per cent in 1995. Those figures reflect the years of steady economic management under the Labor Government of this State.

Looking at regional New South Wales as a whole, unemployment has fallen from 8.8 per cent in 1995 to 6.2 per cent now. Again, in regional New South Wales there has been a significant drop in unemployment rates. This week I also released figures from the Department of State and Regional Development that showed that local investment in New South Wales companies has risen by more than 30 per cent under the Iemma Government's industry capability network [ICN]. This program promotes local investment in New South Wales—local investors investing locally in their own State when they are looking to purchase goods and services. In the most recent financial year almost $170 million was invested in New South Wales companies by other New South Wales companies. More than 2,800 jobs have been created and protected in New South Wales because of that program.

In the previous year the level of investment under the ICN was $126 million. That has jumped to $170 million. Some examples include Allenspach Steel of Cooma, which was introduced to Dandenong rubber

products manufacturer Ambassador Industrial to provide superior customised seals for wine tanks ahead of European competition. Nepean Engineering of Narellan was helped in winning a significant engineering contract at the Australian Nuclear Science and Technology Organisation facility involving the installation of eight scientific instruments. They are typical examples of the ICN program. At the heart of good government is being able to deliver goods and services to the people of this State, and that particularly means good economic management. This Government is ready, willing and able to take advantage of every economic opportunity because we know that that will translate into good jobs in this State for men and women and their families. We will continue our battle to ensure that New South Wales gets its fair share of jobs growth in Australia.

LANE COVE TUNNEL

Ms GLADYS BEREJIKLIAN: My question is directed to the Minister for Roads. Given that the collapsed ventilation shaft on the Lane Cove tunnel was shifted 65 metres after project approval, can the Minister guarantee that geological testing was done prior to excavation on the new location? If so, when and by whom?

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

Mr JOSEPH TRIPODI: Last Wednesday a very serious incident occurred on Epping Road. Above all, I am thankful that nobody was injured and that all residents of the Kerslake unit block got out safely.

Mr SPEAKER: Order! The Minister has the call.

Mr JOSEPH TRIPODI: It is too early to say what caused the collapse, but I am pleased that the investigation is well under way. The experts are out there looking at the structural issues and finding the answers. I am pleased also that Thiess John Holland has brought in Emeritus Professor Ted Brown, a world expert in soil and rock mechanics, to review the geotechnical issues associated with the incident. In terms of compensation, the builders of the tunnel have already offered to buy units from residents at pre-collapse market price. I have received advice from the Roads and Traffic Authority that confirms that the community and council were advised about the tunnelling operations.

LOWER HUNTER REGIONAL STRATEGY

Mr JEFF HUNTER: My question without notice is directed to the Minister for Planning. What is the Government doing to support economic growth in the Hunter region?

Mr FRANK SARTOR: I thank the honourable member for Lake Macquarie for his keen interest in the Hunter task force and for all the work he has been doing to assist us there. The Government's investment and jobs program rolls on. Since I became Minister for Planning I have approved $1.5 billion worth of development. Last Friday, along with Hunter members of Parliament, including the honourable member for Lake Macquarie, I was in Newcastle to launch the draft regional strategy for the Hunter. This strategy provides for growth of 125,000 over the next 25 years, including 50,000 jobs. Some 10,000 of those jobs are earmarked to be within Newcastle, 30,000 are earmarked to be in major centres at Charlestown, Glendale-Cardiff, Raymond Terrace, Maitland, Cessnock and Morisset, and at specialised employment centres at Newcastle airport, the Port of Newcastle, the University of Newcastle and John Hunter Hospital. There will also be significant new employment areas adjacent to the airport.

This strategy is out for public comment over the next 10 weeks. In addition, the Premier has appointed a special task force to advise him on a way forward for the future of rail services into the Newcastle central business district [CBD]. The task force met for the first time yesterday, and will consider a range of options, including the current Broadmeadow interchange, the feasibility of light rail, and options for terminating rail services at Civic station. The task force will report to the Premier by the end of February 2006. The Premier has committed $20 million to progressing the task force's work in 2006-07.

I also inform the House of two new significant approvals relating to the Hunter. The first is the Antiene coal loader—a $60-million coal loader by Macquarie Generation at Antiene in Muswellbrook. This will ensure the continued viability of the Bayswater and Liddell power stations by providing a facility to allow coal from north of the power stations to be delivered to the power stations. We must remember that Bayswater and Liddell

power stations provide 40 per cent of the State's electricity. This morning I also approved a new $38 million coal mine at Boggabri near Gunnedah by the East Boggabri Joint Venture. That is expected to extract up to 12.4 million tonnes of coal by open cut mining, at a rate of 2 million tonnes per annum. There will be employment for 80 workers and a further 30 during the construction phase. It will generate export income of $1.1 billion for New South Wales. It is estimated that the mine will also produce about 250 indirect jobs.

Along with the coal loader and this project, the consent includes many stringent conditions to ensure adequate environmental performance. For example, there is a ban on the haulage of coal after 10.00 p.m. to ensure that local residents are not disturbed. There is also a biodiversity offset strategy to provide for the long-term conservation of 500 hectares of native vegetation to offset the loss of 78 hectares of open woodland vegetation. I can also inform the House, and the Hunter members in particular, that I rang the mayor of Newcastle this morning and advised him that I will be calling in two development sites. These include the Dan lands, which is a 50-hectare site. This was identified by Newcastle council in 1994 as suitable for residential development. More than 10 years ago the council identified this for residential development.

It is identified in the department's Thornton-Killingworth strategy as having residential potential since 2003. It is capable of accommodating 400 dwellings. In May council's planning staff recommended that rezoning of the site for residential development commence to avoid pressures on housing affordability through emerging land shortages in the Newcastle area. Council deferred consideration of the rezoning on the pretext that it needed to await finalisation of the Hunter strategy, notwithstanding the fact that the director general and I informed the council not to delay the project on the basis of the strategy. On 20 September council resolved to rezone the land but rescinded that decision two weeks later.

Let this be a warning for local government unable to address these critical development issues: it must get its house in order. It has been identified in the lower Hunter regional strategy as a new release area of fewer than 2,000 dwellings. As a result of that, I have decided to call that in. The other government project that I will be calling in is the site of the Royal Newcastle Hospital—a spectacular coastal site on the end of Newcastle's CBD which comprises an entire city block.

Health services ceased in late 2002. Disposal of the hospital will help finance health services in the Hunter. Landcom, on behalf of NSW Health, has prepared a master plan to develop the site for residential use, with a number of other uses as well. Capital investment value is more than $100 million with the potential to provide 450 dwellings. A master plan and draft DCP was submitted to Newcastle council on 22 December 2004. There has been substantial delay ever since and I have no alternative but to resolve the matter. I have spoken to the mayor as to whether or not the council wishes to do a lot of the assessment work and work closely with my department so that all the issues it wants addressed are addressed. However, I am determined that these matters need to be resolved. We cannot afford to drag on these projects for years. The State's investment is too important to leave it to idle chatter and petty squabbling.

Questions without notice concluded.

VAN TUONG NGUYEN CLEMENCY PLEA

Mr JOHN MILLS (Wallsend) [4.00 p.m.], by leave: I move:

That this House:

(1) notes Australia's ongoing and unconditional opposition to the use of the death penalty;

(2) expresses deep concern regarding the decision of the President of Singapore, on the recommendation of the Singapore Cabinet, to reject clemency for the death sentence which has been imposed on Australian citizen Mr Van Tuong Nguyen;

(3) notes Mr Van Tuong Nguyen's full confession, his demonstrable remorse for his actions and his full co-operation with Singapore's authorities and the Australian Federal Police;

(4) respectfully notes the capacity under the Singapore Constitution to grant clemency in rare circumstances and notes that Mr Van Tuong Nguyen's case fits the criteria;

(5) notes that the United Nations Commission on Human Rights has urged states which still maintain the death penalty not to impose it as a mandatory sentence, or for crimes without lethal or extremely grave consequences; and

(6) respectfully urges the Singaporean Cabinet to reconsider its decision and show compassion and commute Mr Van Tuong Nguyen's death sentence to a custodial sentence.

Further, that the House requests Mr Speaker to convey this appeal for clemency to the Government of Singapore through the Singapore High Commission.

Mr BRAD HAZZARD (Wakehurst) [4.02 p.m.]: I second the motion.

Motion agreed to.

BUSINESS OF THE HOUSE

Urgent Motions: Suspension of Standing and Sessional Orders

Motion by Mr Carl Scully agreed to:

That standing and sessional orders be suspended to allow the consideration of both notices of motion for urgent consideration given this day in the order of presentation and for the following speaking times to apply:

(1) Notice in the name of the honourable member for Murray-Darling: the usual times to apply;

(2) Notice in the name of the honourable member for Davidson:

Mover	10 minutes
Two other members	5 minutes each.

WINE INDUSTRY

Urgent Motion

Mr PETER BLACK (Murray-Darling) [4.03 p.m.]: I move:

That this House supports in principle the findings of the Senate Rural and Regional Affairs and Transport Committee Operation of the Wine Industry Report, released on 13 October 2005.

I have a copy of the Senate committee report with me. I urge honourable members who are interested in the wine industry to read it. I place on record some of the findings of the Senate committee. First, the Australian wine industry has expanded enormously in the past 10 years, driven by a strong growth in exports. Plantings of vines increased greatly in the late 1990s, peaking at 16,224 hectares in 1998. As the new plantings of the late 1990s have come on stream early this decade grape prices have fallen, wine production has increased faster than sales and the stock to sales ratio has increased. To demonstrate that collapse in prices, I refer to wine prices in the Murray Valley. I indicate that these are the prices that apply in the seat of Murray-Darling. I also indicate that of the total wine grapes grown in Australia approximately half are grown in South Australia, a quarter in New South Wales and a quarter in Victoria. Having said that, these are the wine prices that pertain this year. I will come to the recommendations in the committee report later.

Wine prices in the Murray Valley have steadily dropped from 1997. In 1997 chardonnay cost $1,024 a tonne to the grower. This has dropped to $652. That price is going to collapse much further in the coming season. I will come to that later. The reds are an absolute disaster. Semillon has dropped from $544 in 1997 to $410. In relation to chardonnay, 40,000 acres, in the old language, were planted in one year. That chardonnay is now coming on and is flooding the market. That is why the people of Sydney are seeing so many clean skins at incredibly low prices. Cabernet sauvignon has dropped from $1,067 to $378—a complete and unmitigated disaster. These people need a return per hectare of $6,000. This year merlot has dropped from $1,071 to $430 and shiraz has dropped from $1,028 to $524.

Today in Australia there are five big winery groups and a lot of little ones. The prices I have just cited are for contract; they are not being offered by the small wineries. At the lower end of Murray-Darling, the wineries simply refuse to take chardonnay, in particular, because of lack of contract. Those prices are being depressed this year to $150 a tonne, which is absolutely uneconomic to the producer. The average grape prices across Australia have fallen from $1,049 a tonne in 1999 to the figures I have just mentioned, which include $755 a tonne. This is the average. In 2004 many grape prices were below the cost of production. Growers without contracts are being offered extremely low prices of between $100 and $200 a tonne in an on-the-spot market. Wine growers are under extreme pressure. There are only four recommendations in the report. The first is:

The committee recommends the Department of Agriculture, Fisheries and Forestry should consult with State authorities and peak bodies with a view to establishing a national register of wines.

The second is:

The committee recommends that the Government should give priority to amending the Trade Practices Act to add unilateral variation clauses in contracts in the list of matters which a court may have regard to in deciding whether conduct is unconscionable.

I refer to the contract of the big wineries, including wineries at Buronga Hill in the electorate of Murray-Darling. Recommendation three is:

> The committee recommends that the Government, in consultation with representative organisations for wine grape growers and wine makers should make a mandatory code of conduct under the Trade Practices Act to regulate the sale of wine grapes.

More importantly, the recommendation also states:

> The bargaining position of growers may be improved by collective bargaining. The committee supports amendments to the Trade Practices Act currently before Parliament to make this easier.

I will not go through those recommendations any further. I acknowledge the assistance given to the substance of the debate by Mike Stone, the Chief Executive Officer for the Murray Valley Wine Growers Inc. I shall go through some of my concerns with respect to this proposal, albeit from a Senate committee that was established in the previous Parliament.

First, the report will be handed down on 13 October. Second, the month is up next Sunday. Third, nothing has been done by The Nationals. The facts are very plain. The Government wants collective bargaining. The Nationals, for reasons known only to themselves, are philosophically opposed to it. We want to see a situation where wine grape growers can combine with other growers when dealing with wine grape buyers. The Australian Competition and Consumer Commission has told the wine grape growers of Sunraysia, which includes the Murray-Darling, that such conduct is unconscionable and would be illegal. I am astonished by that view. The wine grape growers have prepared their plantings and are expecting a great harvest this season. Everything seems to be going well. They want to know the price they will get for their grapes. I have no doubt that the price I referred to will be further reduced and we will see a social disaster in western New South Wales and in the Murrumbidgee.

Today, yet again, the Leader of The Nationals talked in this House about a road tunnel in Sydney. If he wants to see tunnels he should go to Broken Hill. I can take him down mines 28 levels and he can see a decent tunnel in every one of them. He should come out to Broken Hill, have a look at our tunnels and talk about them in the House. Rather than wasting our time and his time in this place talking about a tunnel in Sydney, he should talk about matters that pertain to the bush. As to the bad behaviour of the honourable member for Murrumbidgee, he should demand from his Federal colleagues that the recommendations from the Senate inquiry committee be implemented by legislation in the Federal Parliament for this coming season, not next year. The wine grape growers are facing a price crash of monumental proportions. Lord only knows what John Cobb, the would-be Federal Minister for Agriculture, has been up to. What has he been doing? Absolutely nothing. His silence on this matter is deafening.

The Senate inquiry was held in Mildura on 28 July this year. A profile of wine production in the Murray Valley, New South Wales and Victoria, shows the importance of this industry to Australia. More than 400,000 tonnes of wine grapes, with a farm gate value of over $200 million, are produced annually in Sunraysia. That is not bad! A decent slice of that goes to the Murray-Darling. The Murray Valley, New South Wales and Victoria—which incorporates the Murray-Darling and the Swan Hill wine regions—is the second largest wine grape production area in Australia and accounts for about 25 per cent of the national crush. Chardonnay, the major variety, has a crush of approximately 100,000 tonnes—we should get that for the House wine; cabernet sauvignon approximately 50,000 tonnes; merlot 34,000 tonnes; and shiraz 65,000 tonnes. The Murray Valley, the Riverina and Riverland in South Australia accounts for 60 per cent of the total wine grape production in Australia.

More than 400 growers signed a form letter to the Senate inquiry and approximately 100 of them added their own comments. I believe this Senate inquiry was held with the greatest and best of intentions. But, once again, the Federal Nationals have been silent and the State Nationals have been either totally incompetent or completely bereft, deserting their constituents by allowing these circumstances to pertain. This Parliament should urge the Federal Government, through the Federal Nationals, to implement the Senate committee's recommendations. I look forward to listening to the contribution from the honourable member for Murrumbidgee. I hope he knows a lot more about wine than he does about oranges and rice.

Mr ADRIAN PICCOLI (Murrumbidgee) [4.13 p.m.]: It is with pleasure that I speak in this House on the New South Wales wine industry. As has been stated by the honourable member for Murray-Darling, the New South Wales wine industry has been fantastically successful, even beyond the expectations of the industry, the growers, the winemakers and the exporters. The wine industry has gone through many ups and downs over

the past 40 to 50 years. About 15 years ago the wine industry was on its knees and growers were pulling out grapes. I believe there was even a Government-funded vine-pull program. About five years ago grapes were being sold at record prices. In the Riverina prices were well over $1,000 per tonne for a number of varieties. Other areas in Australia received a lot more than $1,000 per tonne. In the warmer climate areas, such as the Riverina, over $1,000 per tonne for wine grape varieties is a fantastic price.

The wine industry has experienced the very highs and the very lows. It is going through a difficult time again with an oversupply of grapes. Fortunately—I am speaking on behalf of my electorate of Murrumbidgee, particularly the Murrumbidgee Irrigation Area which represents a large proportion of the New South Wales and Australian wine grape growing areas—to some degree that oversupply has been kept in check by the incredible growth of a couple of wineries in the Riverina area. For example, Casella Wines is not a well-known name winery but one of its wines, yellow tail, is well known because of its phenomenal export success. Recently Casella's general manager told me that the growth of Casella Wines had been phenomenal and that it was still growing but not as quickly as it had in the past. He said it was now growing by only 1.5 million cases a year. That is an incredible growth.

Off the top of my head, last year Casella Wines crushed about 150,000 to 160,000 tonnes. To put that into perspective, the entire Hunter Valley crushes 25,000 tonnes. So from every winery and vineyard in the Hunter Valley the crush is 25,000 tonnes and from one winery in the Murrumbidgee Irrigation Area it is 160,000 tonnes. Fortunately, they have been able to absorb some of the excess supply, not just in the Riverina but also in Sunraysia and the Riverland, down to the Barossa Valley and Coonawarra. They have been lucky in that that they have been able to source good quality wine grapes at reduced prices. However, that is not good news for the growers. I am sure honourable members are particularly concerned about the impact of low prices on growers. Thank goodness for the success of the Australian wine industry, the quality of our wine grapes and the quality of our equipment. A and G Industries Limited in Griffith makes stainless steel wine tanks and winemaking products that it exports to France. We can all be proud of a New South Wales company exporting wine-making equipment to the people who think they own the wine industry: the French.

We have the expertise, the equipment and the winemakers. One of New South Wales great exports is our winemakers. Around the world people are interested in why we are so successful in the making and overseas marketing of our wine. Our winemakers are going overseas to show them what we are made of. The honourable member for Wagga Wagga rightly states that many of those winemakers have been trained at Charles Sturt University in Wagga Wagga. Charles Sturt University, in conjunction with many of the wineries in the Murrumbidgee Irrigation Area, does a terrific job in the training of those winemakers. Not only Casella Wines is growing rapidly. Last year De Bortoli wines installed an extra crusher and processing plant and expanded its capacity by 25,000 tonnes in one year. As I said, the entire Hunter Valley crush is 25,000 tonnes.

That is a huge volume of grapes, most of it earning export dollars for Australia and producing jobs in New South Wales. During question time today the Deputy Premier referred to the sponsoring and intake of skilled migrants into New South Wales. I could not agree more with what he said. Unfortunately, we have reached the point where we are running short of skilled workers. Griffith reached that point probably 10 or 15 years ago. When a winery increases its production by 25,000 tonnes, or a winery such as Casella's that increased production from 10,000 tonnes seven or eight years ago to 160,000 tonnes, a lot of employees are needed. Casella's has increased its staff from 20 to approximately 450 employees. Huge expansions such as that require a large number of people. We need skilled people—plumbers, bricklayers and construction workers. We also need wine scientists and those with other expertise who, unfortunately, cannot be found in New South Wales.

I hope that TAFE, university and schools will encourage students to take up those trades. I am a solicitor, and it is unfortunate that at school there is a belief that to be a success one needs to become an accountant or a lawyer. I would tell any student who might accidentally read *Hansard* that that anyone who believes that is living in a fool's paradise. The big money is to be earned in plumbing and bricklaying, fitting and turning, and those sorts of jobs. People in those jobs might not go completely mad sitting behind a desk all day, as happens to many of my colleagues in the legal and accounting professions. I hope that in the future we will not need to draw on overseas skilled migrants to fill positions in the wine industry and that we will be able to train our own workers. There are a lot of young people out there with ambition and skills, inventive and with great ability. I hope that they can be encouraged into the fantastic trades to support our industries.

I applaud any measures that will lead to grape growers receiving a higher price for their product, collective bargaining or whatever it may be. The Riverina Wine Grape Growers Association wants more powers to defend the right of grape growers. I support that association's moves for greater powers. It had those sorts of

powers under the previous Coalition Government, but some of them have been taken away. The association would like some of those powers reinstated. The wine grape growers are the heart and soul of the wine industry. Without them we would not have a successful wine industry. They need to be supported with prices that will allow them to operate sustainable farming businesses. Without that the wine industry will go backwards.

I would support any recommendations in any report, from the Senate Rural and Regional Affairs and Transport Committee or from any other group. I conclude by repeating that New South Wales has a terrific wine industry. The fabulous Hunter Valley is close to Sydney and has the advantage of having four million people at its doorstep. The wine industry does a great job in Cowra, Orange and down along the Murray River and in the Riverina region, particularly the Murrumbidgee Irrigation Area. Every member of this House can be proud of the fantastic achievements of the wine industry.

Mr STEVE WHAN (Monaro) [4.23 p.m.]: I am pleased to speak to the motion moved by the honourable member for Murray-Darling, which seeks the support of this House for the recommendations made by the Senate committee that inquired into the wine industry. As the honourable member for Murray-Darling said, the industry is exporting close to 600 million litres of wine each year valued at almost $2.5 billion. Although there is a wine industry in the area that I represent, it is nowhere near the scale of the industry in the Murray Valley and the irrigation areas referred to by earlier speakers.

The Murray Valley is the second largest wine grape production area in Australia, accounting for approximately 25 per cent of the national crush. The downturn in the price of grapes is obviously significant for growers in that area. Production of grapes is now outstripping demand, and that puts grape growers at a disadvantage when it comes to negotiating a price for their product. The contribution by the honourable member for Murrumbidgee was a nice, pleasant speech. I appreciated the information he provided on vineyards and other matters, but I was disappointed that it was not until one minute and forty-five seconds before he concluded that he expressed any view on the substance of this motion.

What did he think about the recommendations that were made by the Senate committee inquiring into the industry? He said that he would support any measure that would lead to higher prices and I assume that means he supports the measures outlined by the Senate committee. I hope we can take that to be the case when the Opposition votes on the motion. The Dawson review of the Trade Practices Act considered collective bargaining. The Government accepted the recommendations of that review. The Senate committee that inquired into the industry suggested there should be amendments to the Trade Practices Act to insert a unilateral variation clause into contracts, a list of matters that the court may have regard to in deciding whether conduct is unconscionable. The committee recommended that the Government, in consultation with representative organisations for wine grape growers and winemakers, should make mandatory a code of conduct under the Trade Practices Act to regulate the sale of wine grapes. Unfortunately, there has not been any action on the recommendations.

The argument about collective bargaining reminds me of the debate that took place when the dairy industry was deregulated and dairy farmers wanted an exemption from the Trade Practices Act to enable them to collectively bargain. In this present case the Coalition parties have been reluctant to allow that sort of thing to occur. We do not want individual growers to be dictated to by the large companies. In some instances growers were encouraged to plant their vines and to expand their production. Some have been essentially forced, without any choice on their part, to accept low prices that are uneconomic in relation to the costs of production. Most of us would find that worrying.

A big corporation dictating to someone who is powerless is strikingly similar to the rationale behind the new industrial relations laws the Howard Government wants to impose on every worker in Australia. The powerless are unable to negotiate on a level playing field with employers or big corporations to obtain a fair deal. The wine grape growers are being placed in the same situation that the majority of Australian workers will be placed in under John Howard's industrial relations laws. Labor members of Parliament find that unconscionable; we cannot accept it. That is why we consistently stand up for the rights of the little people, among them the grape growers. We are trying to make sure that they are given some power to collectively negotiate with the bigger companies, their employers or the purchasers of their product. It is that collective bargaining that gives people the power to ensure that they earn enough money to make ends meet. Government members hope the Opposition will support the motion unanimously and accept it as an endorsement to tell the Federal Government, "We want the Senate committee inquiry recommendations implemented as soon as possible." [*Time expired.*]

Mr IAN ARMSTRONG (Lachlan) [4.28 p.m.]: There is an old analogy in agriculture: there has never been much money in putting seeds in the ground, rams out with ewes, bulls out with cows, or horses out with mares. The amount of money people make in agriculture depends on how well they buy and how well they sell. That is how people survive and profit in agriculture, and that is why this nation has done so well in the international trading markets over many years. People involved in agriculture have to be good business people. The wine grape industry is one of the most exciting industries we have in this nation. It is not a new industry at all; it has been with us virtually since the First Fleet. But it has certainly expanded over the past 20 to 25 years. Today wine grapes are grown from Port Macquarie on the east coast, to Margaret River on the west coast, from Broome in the north of Western Australia, almost to Central Queensland, in places like Lake Cargelligo, where there is a wonderful vineyard—

Mr Peter Black: And in southern Tasmania.

Mr IAN ARMSTRONG:—as well as in southern Tasmania, at the top of Mount Arthur. Grapes are a wonderful, hardy plant, and they respond very well to climatic conditions. The wine grape industry has done a wonderful job of developing grape varieties and plant types using Australian expertise—and overseas expertise from time to time—to the extent that the Australian expertise is now in demand overseas. The biggest plantings of grapes in the world at the moment are taking place in China, and many of our people have been headhunted to go to China. We have enormous expertise and an enormous amount of genetic material in Australia, and, unbelievably, we are producing some of the finest wines in the world. Indeed, recently in London the West End company of Griffith won an award for the world's best shiraz. Some four years ago the Cowra wine show conducted an international chardonnay challenge between New Zealand, South Africa and Australia. Members can guess which country won it: Australia. We have an enviable record. However, as I said, it is all about marketing.

The Wine Grapes Marketing Board, which is based in Griffith, has been in place for many years. The board has had a chequered history, as have many of our primary industry marketing boards. However, simply because it has had a chequered career does not mean we should throw out the concept of having a marketing arm for an industry that comprises players ranging from companies with properties of perhaps a hectare to major public companies. Some formality is needed in dealing with the major domestic wholesalers, and particularly major exporters. Today's *Australian Financial Review* reports that one of our major vignerons and marketers in recent times is now in financial difficulty. Indeed, the receivers have been called in. So it is not an easy industry, and it needs marketing co-operation. We do not need protection from the bottom end of the market. We need a professional marketing approach for the domestic industry and the export industry. It must be done professionally. We do not need the "Everybody is going to survive" approach or the "Every bottle of wine is equal to another" approach. We have to concentrate on quality and realise what the market wants.

The honourable member for Murrumbidgee spoke about Casella's Yellow Tail wine. It was a marvellous story. The biggest-selling merlot in North America is Yellow Tail, and the second biggest-selling chardonnay in the United States of America is Yellow Tail—and Casella Wines has done that in about 12 years. How? Nothing but marketing. Casella Wines picked up the Penfold's marketer in the United States, got hold of a label manufacturer in Melbourne, who had never done wine labels before but knew a lot about marketing, and produced those wonderful, vibrant, black and yellow Yellow Tail labels. The company went through its marketing arm in America and, as the honourable member for Murrumbidgee said, it now has 400 employees. That is not bad for a mum and dad who came here as Sicilian migrant labourers in 1951. It is a great story, and can be repeated with help from government. I am disappointed by an answer appearing in today's *Questions and Answers* that says that the Department of Primary Industries no longer takes on trainees in agronomy, agriculture economics, and entomology, to name a few. The department must take on trainees to help the industry, and it must professionally market wines on a co-operative basis. [*Time expired.*]

Mr PAUL PEARCE (Coogee) [4.33 p.m.]: I have listened with considerable interest to the contributions of The Nationals to this debate. I would have thought that within The Nationals there would have been great enthusiasm for the recommendations that resulted from the Senate inquiry. The lack of action by the Federal Government in response to the recommendations of the Senate inquiry is totally unacceptable. Essentially, the recommendations are extremely moderate. They do not recommend a highly regulated industry; they do not even recommend the sort of regulation that exists in many European wine industries. However, they recommend fairness in the industry that will result in grape growers getting a reasonable and dependable rate of return for their efforts.

A number of people have been encouraged into the industry, and we are producing large quantities of grapes. Grapes, by their nature, take several seasons to reach maturity. It is not simply a matter of switching

from shiraz grapes to chardonnay grapes, to cabernet sauvignon grapes, year by year. Development is necessary within the industry. There must be some level of equalisation of prices from season to season, some level of support, and some reasonable expectation of grape growers producing good-quality fruit.

A significant number of smaller wine grape growers who are producing a good-quality product are being exploited by the large end of the market, the big wine producers, who are screwing down prices. Frequently, because a particular grape variety becomes unpopular in the drinking market, it is put out on the market as a cleanskin and used in unlabelled brands that are simply dumped onto the market. This undermines and destabilises the general marketing position. I had the opportunity to peruse the Senate inquiry transcript, and I wish to bring to the attention of members some of the comments made by growers. One grower said:

> The wineries simply take advantage of a good supply of grapes. The discount prices are certainly not reflective of declining sales figures. It's not good business or fair to act in this way.

Another grower said:

> When they start paying growers $200 to $300 for premium grapes (shiraz or chardonnay), at the very least they should make cash for goods, all within 30 days.
>
> No-one should get $150 to $200 per tonne. Some contracts are probably too high. Everyone—and not just reds and chardonnays—should bring in $500 to $700 per tonne and we could all survive.
>
> We understand we are in a world market and as growers we are prepared to ride the highs and lows that it will bring. Unfortunately, we do not believe the large corporate wineries are prepared to ride the same wave as the growers.
>
> It is extremely easy for wineries to cut growers' prices than it is to become more efficient within the industry. If this trend continues, a large number of growers will be going to Centrelink for unemployment benefits.
>
> A localised arbitration board must sit in negotiations to set the prices. Arbitration means both parties must agree on a price that sustains viability in the industry for both wineries and growers.

What is the cause of the problem and why has the Federal Government not sought to act on these recommendations, which are, as I have said, extremely moderate? The guts of it is that it is illogical. I want to quote from the Senate committee—and this is not a view with which I agree:

> Freedom of contract is a fundamental principle for free enterprise economy. In the Committee's view, we should be extremely cautious about interfering with it.

That does not suggest that one should not interfere with it, but simply that one must be cautious about how one does it. In my view, one should probably interfere with it with some gusto. The Senate committee continued:

> Collective bargaining is viewed by the ACCC as anti-competitive.

The people who are doing the hard work on the ground, planting the fruit and producing good-quality product, are unable to get a reasonable price. Why? Because there is an ideological problem about some form of collective bargaining to secure a good price. The Federal Government should act on the Senate inquiry recommendations as soon as possible.

Mr PETER BLACK (Murray-Darling) [4.38 p.m.], in reply: Once again we have seen a disgraceful performance in this Chamber by the honourable member for Murrumbidgee. It can only be described as laziness. He demonstrated no knowledge whatsoever of the fact that prices are in free fall and he demonstrated no knowledge of where the largest winery was. Despite what he had to say, the largest winery in New South Wales is the Southcorp winery in Broken Hill. He also avoided discussing the recommendations, again displaying no knowledge of them. For his information I refer to the dot points contained in the presentation to the Senate inquiry, which states:

- Red grape prices have been in freefall for the past five years, with incomes propped up by strong Chardonnay prices, but even they have now also crashed.
- It is against this background that many growers feel compelled to go along with policies, prices and terms that exploit the current situation, which wineries dismiss as purely the result of over supply but which growers increasingly regard as a gross imbalance in market power
- The uneven playing field is littered with examples that render growers powerless, including:

  Lack of dispute resolution provisions

  No price negotiation – There are no formal provisions that allow for meaningful price negotiations.

There is no price resolution mechanism and no provision for collective bargaining. The honourable member for Murrumbidgee totally ignored that. The presentation continues:

- Non transparent price mechanisms – It has become commonplace in the Australian wine industry for wineries to pay according to either:
  - The value of the market in which the wine is intended to be sold, or is sold;
  - The flavours exhibited by grapes before harvest;
  - The discretion of "the winemaker" post harvest;
  - The measurement of colour or sugar concentration in grapes

The performance by the honourable member for Murrumbidgee has been absolutely disgraceful. If The Nationals had any brains that once-great leader, the honourable member for Lachlan, would be re-appointed. Recently we heard him talk about oranges and today he has put the facts on the table. Once again the honourable member for Murrumbidgee displayed his laziness and his lack of knowledge of the facts. The honourable member for Monaro addressed the issue. He spoke about the recommendations in the Senate report. The honourable member for Murrumbidgee tried to avoid those at all costs because he does not know what the recommendations are, and he demonstrated in the clearest possible way that he had not read them. The fact that the honourable member for Murrumbidgee did not address the recommendations until he got to the last one minute and 45 seconds of his contribution speaks for itself.

Mr Thomas George: Point of order: I take exception to the continual barrage by the honourable member for Murray-Darling against the honourable member for Murrumbidgee. There is no dispute in this House that no-one knows more about wine tasting than the honourable member for Murray-Darling.

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

Mr PETER BLACK: What a joke! This is a member who interjected during my contribution the other day and said, "How low can you get?" I nominated John Cobb?" That is about as much as he knows. The honourable member for Lachlan made a sensible contribution. Why not salute him instead of trying to defend the impossible member for Murrumbidgee? I also congratulate the honourable member for Coogee on his great speech on collective bargaining. A great wine is being produced down in Sunraysia that has been mentioned in this place before. It is called Ned Kelly Red; it is produced by Callipari Wines in Mildura. Ned Kelly Red is a red wine spritzer developed by the winemakers when they could not sell their grapes in 2001. I have the hat that goes with the wine, which is designed to cheer up and fortify the views that we all have about Ned Kelly—with the sole exception of the former Minister for Agriculture, the Hon. Richard Amery. I will give him the Ned Kelly hat later on so that he can wear it with pride.

We must have these recommendations acted upon. The member on the other side who purports to be the shadow Minister for Natural Resources demonstrates time and time again that he does not know what he is talking about. Three weeks ago it was oranges, and yesterday he gave a despicable performance in relation to rice. Rice is growing in his own electorate and he should know something about it, but apparently the only things he knows about are carrots and onions! The wine industry is very important in his electorate; he should know the recommendations of the Senate inquiry. He should stand up for his growers and get those recommendations put in place before Christmas and before the coming harvest. That is why this matter is urgent. Opposition members should stand up and tell their Federal colleagues, "We want this matter sorted out before another one thousand or so blockers go to the wall". That is the bottom line. [*Time expired.*]

Motion agreed to.

STATE EMERGENCY SERVICE FIFTIETH ANNIVERSARY

Urgent Motion

Mr ANDREW HUMPHERSON (Davidson) [4.45 p.m.]: I move:

That this House congratulates the State Emergency Service on its fiftieth anniversary and commends all volunteers for their contribution to the safety and wellbeing of New South Wales communities.

I am delighted that the House has agreed to debate this motion. I can now record in *Hansard* the support of members of the Opposition for the more than 9,000 volunteers in the State Emergency Service [SES] who do such a brilliant job and provide such great support to the communities of this State. This year is the fiftieth

anniversary of the formation of the SES, an organisation comprised of active volunteers, who look after communities right across this State—north, south, east and west—and who do so in a committed, well-trained and enthusiastic way. They are irreplaceable and their work and commitment to it could not be carried out by anyone else without enormous cost to the taxpayers of this State.

This week is State Emergency Service Week. On behalf of the community of New South Wales each SES member will receive a commemorative fiftieth anniversary medallion in recognition of the service they give to the citizens of this State. I understand that in excess of 1,000 volunteers will participate in Saturday's parade, which will include members of other emergency services organisations—paid, professional and volunteer—who work hand-in-hand with the SES in performing its role. These organisations respond whenever they are needed and work co-operatively. One organisation generally will have primary responsibility, but other organisations and individuals work with that organisation to fulfil the task at hand. The way these organisations work together is an amazing tribute to the spirit of volunteerism in this country.

The parade on Saturday will be supported by mounted and motorcycle police, the New South Wales Fire Brigades band, the SES band and members of the Royal Volunteer Coastal Patrol and the Australian Volunteer Coast Guard Association. The latter two organisations, being maritime organisations, provide emergency support along our coastline, with limited resources. Members of the House will be aware that in recent days SES teams have been active in the Far West and Central West of the State. The conditions late on the weekend in Broken Hill were cyclonic and the local SES responded, It was supported by Central West SES volunteers. and SES volunteers were flown in from Sydney to deal with the problems in Broken Hill and the wider region. In the past 48 hours there has been a need to respond to heavy flooding in the Central West, where a state of emergency having has been declared. Again, the SES has been to the fore, working with other emergency services organisations.

For the past 50 years SES members have been there when required. With their distinctive orange uniforms many people mistake them for professionals doing a paid job. It is important to put on the record that SES members are volunteers. They work in their day jobs and turn up in their own time to train at night and on weekends. They turn out, often during the night and certainly on weekends, when they are needed to deal with an emergency or crisis.

As the honourable member for Orange said to me earlier, SES volunteers in Orange undertook their normal work on Tuesday, were engaged in training on Tuesday night, supported their community throughout the night, and then returned to their day jobs the following day. That demonstrates their extreme commitment and is typical of SES volunteers across the State. They respond to minor and major events when required. Honourable members will recall the Sydney hailstorm, major flooding on the North Coast and even the Granville train disaster all those years ago—SES volunteers are always there. Across the State there are 332 units with more than 9,000 volunteers; we have all seen them in action.

Although their primary responsibilities relate to floods and storms, SES volunteers provide support in many other ways. They provide back-up support to the Rural Fire Service and other emergency service personnel, both volunteers and paid. The State Emergency Service volunteers were formed in 1955 following disastrous floods across New South Wales when many lives were lost and many homes were flooded. The service was formally established in September 1955 and was known as Civil Defence. In 1972 the State Emergency Services and Civil Defence Act was passed by Parliament and remained in force until 1989, when it was replaced by the State Emergency Service Act.

The State Emergency Service performs a wide range of functions such as preparing flood plans, assisting the Bureau of Meteorology, identifying flooding and river levels, evacuating people whose property is threatened, rescuing people who are endangered, trapped or injured by floods or storm, supplying communities or individuals who are isolated due to flooding, minimising damage to properties affected by floods and storms, and putting tarpaulins on roofs affected by heavy winds or rains. The SES also co-ordinates immediate welfare requirements for affected communities and individuals. It works well with the Department of Community Services. I commend the department for the wonderful job it has done in the Central West and west of New South Wales in recent days. The SES also performs a role in educating communities on how to protect themselves and their property.

I commend the 9,000 volunteers, who train in their own time to protect their communities, often in unpleasant circumstances. They have to search for lost people and support police by attending motor vehicle accidents, which is often very traumatic. These volunteers are trained to a national standard. Their training level

is equivalent to that of paid professionals. They are trained in first aid and general rescue techniques and have many other skills required to meet local needs. They must also have the necessary skills to use a range of equipment such as vehicles, boats, lighting, hydraulic rescue sets, and vertical rescue equipment.

State Emergency Service volunteers have been recognised with national medals and Commonwealth emergency service medals. These volunteers provide an ongoing and valuable service. I have had the pleasure of visiting many units throughout the State, including units in the Warringah, Pittwater and Manly areas, the northern beaches area that I represent. They do an invaluable job, especially during the heavy storms we have experienced over the past decade. They interact well with other emergency services organisations. It is worth noting that a number of SES volunteers have lost their lives on active duty. Some seven names have been added to the honour roll on the Volunteers Memorial near Mrs Macquarie's Chair, a magnificent tribute to those volunteers.

Not all members of Parliament will have an opportunity to speak in this debate but I know that my comments reflect their views and their appreciation for the wonderful job that the SES has done over the past 50 years, and continues to do. The SES Volunteer Association is the organisation that represents SES volunteers, who have made a tremendous contribution to this State and cannot be replaced. We must do everything we can to ensure that they have the individual support of members of Parliament, the collective support of government and the support of their respective communities to enable them to perform their task well into the future.

Mr GERARD MARTIN (Bathurst) [4.55 p.m.]: I am pleased to have the opportunity to congratulate the State Emergency Service on its fiftieth anniversary year. This week in the Central West we have seen how effective these volunteers are in dealing with the flood crisis. I thank Craig Ronan, divisional SES controller based in Bathurst, who is responsible for the Central West, Trevor Gunter from the Bathurst SES, and all volunteers, ably led throughout the State by Brigadier Philip McNamara, who is in charge of this growing band of volunteers—in the vicinity of 9,000 or 10,000. It is appropriate this week that the Minister for Emergency Services, who has been in my area meeting with SES volunteers who are doing a great job, introduced the State Emergency Service Amendment Bill, which will amend the State Emergency Service Act to formalise certain organisational and operational changes to the SES.

The bill will formalise the arrangements under which the SES volunteers work and acknowledge that what started 50 years ago as an enthusiastic, ad hoc band of volunteers is a cohesive emergency service. I take some pride in the fact that the Government, over its 10 years in office, has provided some $237 million in funding to the SES. This year the budget is $40.6 million, an increase of $6.3 million on last year and 182 per cent over the life of this Government. The Government has recognised the importance of the fiftieth anniversary celebrations by allocating $300,000 in the budget this year to ensure that volunteers join with other emergency services, such as the Rural Fire Service and the Volunteer Rescue Association, to celebrate this momentous occasion.

Emergency Services Ministers over the past 10 years have acknowledged the importance of sharing resources amongst the various volunteer groups, particularly the Rural Fire Service and the State Emergency Service, to deal with major incidents such as bushfires. I am pleased to state also that almost $1 million has been allocated to establish a new operations communications centre at the service's State headquarters at Wollongong. This will be staffed around the clock, seven days a week, answering calls for help and dispensing SES units to emergencies.

Mr David Campbell: With very competent staff.

Mr GERARD MARTIN: I am pleased that the Minister is present. He knows that the call centre will have a staff of 21 when it is fully operational and, added to the other 20 staff in the Wollongong area, they will bring another level of professionalism and support to these volunteers. Communications, as we know, are essential to any emergency service, and no more so than the SES. This Government investment in the Wollongong area will mean an exceedingly high level of professionalism and back-up service that will enable SES volunteers to not only continue the great work that they have been doing for five decades but to continue do so with an increased level of safety and professionalism.

The least we owe our volunteers, whether they be SES, RFS, VRA or whatever, is to ensure that they have adequate resources to do their job efficiently and safely. I think members on both sides of the House agree that the professionalism of the emergency services in New South Wales, and indeed in Australia, is second to none in the world. Indeed, many countries send people to New South Wales to learn and to find out the best way to do things. I am proud to thank the SES for the past 50 years of service, and I look forward to it continuing its great work.

Mr THOMAS GEORGE (Lismore) [5.00 p.m.]: I join honourable members in congratulating the shadow Minister, the honourable member for Davidson, on moving this important motion. I am pleased that the Government has joined with the Opposition in congratulating and thanking the State Emergency Service for 50 years of service, and commending all volunteers for their contribution to the safety and wellbeing of New South Wales communities. Recently I had a humbling experience when I had the honour of representing the shadow Minister for Emergency Services at an emergency service volunteers memorial service at Mrs Macquarie's Chair. About 12 months ago in the Lismore electorate Mr Col Jackson tragically died of a heart attack while he was on his way to an incident as part of the Rural Fire Service.

Col and his family have always been involved with the State Emergency Service. Col was recognised at the memorial service, which was also attended by the Minister, Tony Kelly, and Brigadier Phil McNamara. It was a humbling experience to be there with the Jackson family to have Col recognised for his service, together with other people who have lost their lives. The shadow Minister referred to the bands that were present on Saturday. I spoke to the director general, Brigadier McNamara, about McNamara's band, which is the SES band. The music they played was a great rendition. I shall be a little parochial and talk about one unit that I know very well, the Lismore city SES unit. Like other SES units throughout the State, the Lismore unit continues to grow steadily. At present it has 53 active members, 10 reserve members and 10 inductees currently undertaking training. That means that 73 members are available for call-outs in the Lismore area. I believe there are 10 further applicants on the waiting list to commence training in February 2006.

The Lismore unit responded to 366 requests for assistance over the past 12 months. I want the community to be aware of what these people do. Every day these volunteers put their lives at risk to provide a better community for us to live in. In terms of their support for the Rural Fire Service, they responded to 11 call-outs, generating 270 person hours; flood assistance, 123 call-outs, generating 1,256 person hours; storm assistance, 198 call-outs generating 1,148 person hours; search and rescue, and assist police, 15 call-outs, generating 736 person hours; road crash rescue, motor vehicle accidents, four call-outs, generating 39 person hours; miscellaneous, for example animal rescue, six call-outs, generating 18 person hours; and community activities, such as traffic control at parades held in the community, nine call-outs, generating 493 person hours. That unit alone provided 3,960 hours—that is 366 requests for nearly 4,000 hours provided by these genuine, dedicated people in the community.

Earlier when I informed the shadow Minister of that, he said that it is eight hours a day for 500 days. That is what the SES workers have provided to the community at no charge. And they are there, day in and day out, 24 hours a day, seven days a week. However, the Lismore unit has a problem. I am sure I speak on behalf of many SES headquarters when I say that as the units grow, their premises become too small and they need to build bigger premises. Admittedly, the units receive support from both the State and Federal governments. The Richmond-Tweed division SES controller, Scott Hanckel, and the Lismore SES controller, Laurie Matterson, are working continually to provide the right premises for the area. At present Lismore City Council is working with both the State and Federal governments to provide a top-quality facility for these people to work in. I am sure I speak for all members of The Nationals and the Liberal Party when I place on record my appreciation for and recognition of the 50 years of service by people in the SES and their continued support for the people of New South Wales. [*Time expired.*]

Mr Andrew Humpherson: Point of order: I thank honourable members who contributed to the debate.

Motion agreed to.

RURAL AND REGIONAL BROADBAND SERVICES

Matter of Public Importance

Mr DAVID CAMPBELL (Keira—Minister for Regional Development, Minister for the Illawarra, and Minister for Small Business) [5.06 p.m.]: I ask the House to note as a matter of public importance the provision of broadband services in rural and regional New South Wales. Given the time, I acknowledge that my colleague the honourable member for Charlestown may not get the opportunity to contribute to the debate. However, I acknowledge his keen interest in the issue of broadband services in rural and regional New South Wales. Being able to communicate quickly and effectively is vital to our State's economy. The House has just debated the role of emergency service workers. I congratulate and thank members of the State Emergency Service for the contributions they make to local communities.

In emergencies fast, efficient and effective communication could mean the difference between life and death. While the Howard Government vacillates on the sale of Telstra and The Nationals bury their heads in the sand, the Iemma Government is getting on with delivering workable solutions to telecommunications in the bush. Saturday 5 November was a historic day in regional New South Wales. For those of us who were in Dubbo, and for members of Country Labor in particular, it marked a milestone in regional communications. As honourable members would be aware, the Premier advised that the New South Wales Government broadband service will deliver high-speed telecommunications to 24 regional centres across our State.

The Iemma Government's $200 million commitment to ICT infrastructure for country communities is being rolled out over the next five years. This service is a practical investment by the Iemma Government in the future of our regional communities. This major communications project will provide the latest in broadband services to government agencies in country New South Wales, and it will help to close the digital divide between country and metropolitan New South Wales. It will give education, health and police services high-quality pictures, sound, video conferencing, data communications and video broadcasting, in real time. In addition, for the first time real competition will be introduced into the country broadband market. This is good news for families, businesses and communities where every cent counts.

It is expected that up to 3,000 sites will be connected to the New South Wales Government's broadband service. This includes schools, TAFE colleges, hospitals, courts and police stations. It is yet another example of the Iemma Government delivering infrastructure to regional New South Wales, and it is another way we are fostering and encouraging investment and jobs in country communities—the very people who are becoming powerhouses of business and growth in our State. The successful tenderer to deliver our broadband service is Soul Pattinson Telecommunications. It will be delivering this broadband service to towns such as Albury, Bega, Bathurst in the central west, Armidale in New England, Broken Hill in the Far West, Coffs Harbour, Dubbo, Gosford, Goulburn, Grafton, Griffith, Lismore, Lithgow, Maitland, Muswellbrook, Newcastle, Nowra, Orange, Parramatta, Port Macquarie, Queanbeyan, Tamworth, Taree, Wagga Wagga and Wollongong. All these towns and cities can expect to benefit from this service over the coming months. At this stage there are 60 access points in hospitals, police stations, schools and courthouses. Another 14 government services will be added later this month.

As everyone in country New South Wales is aware, communications—being able to talk and do business over long distances—is one of the most unmet needs for the bush. Better communications support the continuing growth of our regional centres. This growth has been encouraged and fostered by the New South Wales Government. Our regional business programs are about investing in the future of country communities. They are about supporting business growth and creating jobs, not about denial. I am talking about the sort of denial the Federal Government has displayed to the Australian Local Government Association's State of the Regions Report.

The report found that Australia's development and national export potential is being hobbled by inadequate Internet services. The report suggests that a $3 billion investment in broadband services could create up to 10,000 jobs and inject $920 million a year into our national economy. All that would be driven by regional businesses. The Australian Local Government Association's State of the Regions Report also found such an investment would result in a $51 million bonus for regional New South Wales, and at the same time would create nearly 700 jobs.

Businesses in the Dubbo region have certainly highlighted the fact that the area's potential as a regional exporter is being held back by the lack of adequate Internet service. The western New South Wales area is ranked as having the lowest Internet and computer usage in Australia. While the town and its surrounding region is experiencing growth, its potential to target lucrative export markets is being held back by a lack of adequate Internet services. Today I am absolutely astonished by the Deputy Prime Minister's response to this important report. By rejecting these findings, the Federal Government and The Nationals have once again let down the very communities that need support.

If you live in country New South Wales, do not expect The Nationals to champion your cause. As Country Labor has proved, The Nationals are now irrelevant in the bush. As the Independent members representing the electorates of Dubbo, Port Macquarie, Tamworth and Northern Tablelands have demonstrated, The Nationals do not deliver for country centres. The State Nationals think it is more important to keep their Federal bosses happy than to keep regional communities happy. If your business lacks broadband services, if your mobile does not work, if your area is in a black spot, The Nationals do not care. They have already said improving telecommunications in country New South Wales is too hard. They have abandoned families and businesses in the bush.

They have thrown their lot in with the Howard Government's plan to flog off Telstra at any price with little regard for those whom this decision really affects. They have forgotten that young people living in regional areas are relying on job opportunities being created by growing local business with access to modern telecommunications. They have forgotten that export is vital to our balance of trade. They are in denial that country New South Wales is ready and willing to pitch in and boost regional exports.

The Iemma Government has certainly not forgotten or ignored the needs of country communities. Just last week I took a group of 20 Sydney-based investors to Gloucester and Nambucca, which, like many New South Wales regional towns, are growing with State Government support. These towns are ready to do business, and need housing for the growing list of families moving into their areas. Gloucester and Nambucca councils were welcoming and ready to do business with these Sydney-based builders and investors. Judging by the investors' initial response, Sydney residential building companies were keen to do business in these towns. Both of those communities have worked closely with the New South Wales Government to grow their towns and their local economies.

The New South Wales Government's Regional Economic Transition Scheme has been successfully used to support the Nambucca and Gloucester communities. As a result, these previously economically depressed areas are now experiencing sustainable growth. The State Government's support has been a practical investment in the future of these towns. Since 2000, the New South Wales Government, through the Department of State and Regional Development, has worked with the Nambucca Shire Council to encourage 26 businesses.

This has resulted in an injection of $12 million of new business investment and support for 324 jobs in Nambucca. Last week I met with member companies belonging to Nambucca's successful vehicle building cluster. In 2004 cluster companies had combined sales of nearly $17 million. What is important about this is that 98 per cent of these sales are generated from outside the area, making this sector an important income earner for the region. Equally important is the fact that these companies have a strong commitment to training local young people.

The annual Building Regional Towns Tour is a great New South Wales Government success story. It has resulted in more than $6.4 million of investment into country towns. And Sydney investors certainly believe they are a great way to source investment opportunities. Nine of the group had been on previous Building Regional Towns Tours and seeing them again was a clear endorsement of the program. While the New South Wales Government is working with local communities to foster business investment, we would certainly make even greater progress off the back of a modern, strong broadband communications network.

No matter how many programs the New South Wales Government provides to support regional towns, we all know that the vital issue affecting growth in our regional areas is communications. It is vital for families and businesses alike. Without a commitment by the Federal Government we all know this is not going to happen. The Iemma Government has clearly demonstrated that we are supporting our regional towns. We are ensuring that regional families have access to the services they need. Our services are an investment in the future of these regions.

We have seen no commitment from the New South Wales Opposition and no commitment from the New South Wales Nationals. The Nationals obviously support the Howard Government's tenuous offer of $2 billion to patch up regional telecommunications and attempt to pay off rural communities. These communities see through that ruse! Today, many country people still do not have access to broadband services. As I visit various regional towns I am only too aware that there are still vast black holes in mobile coverage. Country communities remain lumbered with high costs and call charges. The Federal Government's quick-fix $2 billion solution does not do the job. The Iemma Government has acted to protect our regional growth. We are getting on with the business of making sure country communities have access to a planned and workable broadband service.

Pursuant to sessional orders business interrupted.

PRIVATE MEMBERS' STATEMENTS

LANE COVE TUNNEL

Ms GLADYS BEREJIKLIAN (Willoughby) [5.15 p.m.]: In March this year I raised in this place community concern about the significant impact of the construction of the Lane Cove tunnel on the Willoughby electorate. On 20 October I also placed on notice a motion along these lines. I believe these outstanding issues to

be so significant that I feel compelled to yet again raise them in this place and to reiterate the concerns I have already raised about what I believe has been a flawed consultation process embarked upon by the Roads and Traffic Authority [RTA] and the State Government. It has become abundantly clear that when negotiating contractual obligations with the private sector organisations both the State Government and the RTA paid scant regard to the impact of the construction phase and the post-construction phase on the local community. There was no intention from the outset for a genuine, honest and open consultation process.

Examples of this lack of consultation and the detrimental impact on the community include forced traffic diversions at the Pacific Highway. According to the proposed plans residents will be unable to turn left from the Gore Hill Freeway exit to the Pacific Highway. At present residents are able to turn left off the Gore Hill Freeway onto the Pacific Highway to go south as there are three lanes—two to go north and one to go south, with a left turn green arrow. The new plan is that the exit from the Gore Hill Freeway will be three lanes—turning right only to go north on the Pacific Highway. Not only is this a major inconvenience to local residents, but it will force traffic through residential streets such as Reserve Road, Jersey Road, Broughton Road and Remmington Street in Artarmon. It will increase traffic safety issues past Thomson Oval and the nearby Artarmon primary school. Also, there is great concern to residents in the Northview complex about access to and from their residences.

When the Lane Cove tunnel opens the RTA will have decommissioned the left turn, preventing access from the city via the Gore Hill Freeway off ramp; closed the loop road off Longueville Road turning left into the Pacific Highway, forcing more residents to use Howarth Road into Norton Lane; and increased traffic onto the Pacific Highway via the Longueville Road off ramp. Filtration of the vent and emissions is another example of lack of community consultation. Residents in Artarmon and surrounding areas are justifiably concerned about the State Government's total disregard of filtration, notwithstanding that there remains on the table an offer from the Federal Government of $10 million to go towards its cost. Community organisations such as the Artarmon Progress Association have been extremely vocal about this issue. It is high time the Government heeded the association's enormous health concerns and ongoing community issues.

Another example of lack of consultation involves the proposed cycleways between Chelmsford Avenue and Park Road, Naremburn, and the cycleway and overpass through Naremburn streets and Naremburn shops. Notwithstanding serious safety issues and the detrimental impact to residential amenity on the route of the cycleways, to date community concerns have been totally ignored.

A number of ongoing issues have been raised by the Naremburn Progress Association relating to noise barriers and specific residential streets. The community representatives on Construction Community Liaison Group [CCLG] 3 have admirably tried to raise these issues at every turn but their voices and their concerns have been completely ignored. I place on the record an official resignation letter delivered by a highly respected community representative, John Allen, who wrote on 27 October 2005:

> I have decided to terminate my association with CCLG 3.
>
> I have been involved in a number of "community consultation processes" associated with this Project, set up in response to the Government's requirement for consultation on design and construction. These include ad hoc meetings with residents and with business people, a working party chaired by Willoughby City Council and CCLG3. I believe that this "consultation"—especially regarding design—has been little more than a sham. (eg, left-hand turn onto Pacific Highway, cycleway between Chelmsford Avenue and Park Road, cycleway through Naremburn streets and Naremburn shops, "filtration" of the vent emissions, etc). The reason for this can largely be attributed to the intractability of the RTA Government.
>
> I have no doubt that these processes, including CCLG 3, will be claimed as evidence that the Government's requirement for consultation has been satisfactorily fulfilled. I do not wish to contribute to such a claim.

The State Government and the Roads and Traffic Authority [RTA] have displayed total contempt for the views of local residents and for the impact of the construction phase or the post-construction phase on the local community. The issues raised today are symbolic of the State Government's total inability to manage a project of this magnitude and, more significantly, its lack of will in considering the impact on local residents. Many of these issues have the potential for resolution if the State Government and the RTA were committed to such a process. Sadly, neither of these bodies seems to be so committed.

TRIBUTE TO DR TOM LESLIE

Mr GERARD MARTIN (Bathurst) [5.20 p.m.]: Last Monday I attended the funeral of Dr Tom Leslie at the Presbyterian Church, South Bowenfels. Tom Leslie, who was 88 years of age, is survived by his wife of

65 years, Janet, his three sons Bill, Stephen and Howard and daughter, Kate, a dozen grandchildren and one great-grandchild. Tom was born in Sydney. Interestingly, his father, William Wallace Leslie, worked as a Hansard reporter in this House. At his funeral service, conducted by his long-time friend Reverend Stuart Clemens, Tom's three sons and grandson Ian spoke eloquently and with great feeling about Dr Tom, stressing his dedication to his family, his church and his community. Many of the anecdotes raised in the eulogies struck a chord with the large congregation, who were there with Dr Tom's family and friends to celebrate a good life well lived.

In 1938 Dr Tom left Australia to study medicine at Edinburgh University. In transit by ship he studied physics and chemistry to ensure he passed the entrance examinations. Tom married his soul mate, Janet, who travelled from Australia in 1940 to join him in Scotland. After graduating Dr Tom and Janet returned to Australia where Tom worked at Lidcombe and Royal North Shore hospitals before he took a job with the Joint Coal Board in Lithgow in 1949. Tom entered private practice in Lithgow in 1951 where he remained until 1968, when he moved to the Commonwealth Small Arms Factory as medical officer.

Apart from his prominent medical career, Tom Leslie made a significant contribution to the community life in his adopted and well-loved city of Lithgow. He served on Lithgow City Council from 1967 to 1980, including four terms as mayor. He played a major role, along with the Le Fevre family and others, in the establishment of the Sunnybank School for Handicapped Children. This achievement was a source of great pride for Dr Tom. He was also a member of the historical society, Probus, chess and camera clubs, and pursued his passion for golf at both Lithgow and Blackheath clubs. He was a life member of the Australian Labor Party.

I served with Tom on Lithgow City Council, and he was an important mentor in my early public life. Tom was a scholarly man and loved classical literature and music. He was a stickler for the correct use of grammar and had a great love and passion for the English language. Tom would pursue any mistakes found in council papers with great vigour and many a council officer was subjected to a verbal blast from Dr Tom if they transgressed in this area. He believed the written and spoken word were central to our culture and civilisation. Tom was a lovable and, I say with the best of intentions, slightly eccentric character of imposing physical presence and intellectual capacity. He did not suffer fools lightly. He pretty much saw issues in black and white. His booming voice and body language when wound up on a subject were either very impressive or very intimidating, depending on where you stood on the issue.

Matching his keen intellect and well-honed, slightly deprecating sense of humour, Dr Tom ranks as one of the most unforgettable characters I have met. The Lithgow community will be much poorer for his loss. One of the comments made in the eulogies at his funeral was that when you added up the credits and debits in Tom's life, our society and the community in which he lived were much better off for his contributions. He was a man of generous character who, as I said earlier, did not suffer fools lightly. I remember a particular incident at Lithgow City Council just after I had been elected. It was the first and only argument with Tom Leslie that I ever won. There was to be a new housing commission subdivision in Lithgow.

Tom, with his scholarly background and love of history, wanted to name the streets after battleships of the Royal Navy—not the Royal Australian Navy. I decided it would be more appropriate to adopt Aboriginal names. In the end, I won the battle. Later, Tom opposed very strongly the conservative group on the council when it wanted to subdivide the old pine forest area of Lithgow, which was public land. He wanted it kept as open space. The area, now known as Endeavour Park and situated on the Great Western Highway as you come into Lithgow from Katoomba, is still open space. I am pleased to pay tribute to the late Dr Tom Leslie, a great man. Our community of Lithgow will be much poorer for his passing.

CENTRAL WEST FLOODING

Mr RUSSELL TURNER (Orange) [5.25 p.m.]: Today I want to further report on the disastrous floods that occurred in my electorate from early Tuesday morning into the afternoon. I raised this issue in a notice of motion yesterday and again today. I would like to expand on this matter and refer to some particular issues. Molong copped the main flooding very early Tuesday morning. The damage has been estimated into the millions of dollars, as the people of Molong had not received any notice of the flood. They had no time to remove stock or furniture. Further, there was considerable damage at Eugowra, but the flood peak reached 9.5 metres rather than the estimated 10.2 metres. Fortunately, the flooding was less than anticipated. As shopkeepers and residents had many hours' notice, they were able to remove the bulk of stock from their business and furniture from their threatened homes. I am told that they are starting to move back in again today.

At Canowindra there was low-level flooding on the Belubula River with some roads closed. I understand there was no damage to homes or businesses. At Cudal on the Boree Creek five homes were flooded. In the past only one or two homes have been flooded, so there was serious flooding in that area compared to past floods. There was also considerable damage at Windera estate, which is roughly halfway between Orange and Molong, with one house and garage losing the bulk of its roof. I want to report on some of the disastrous damage that occurred in the main street of Molong. At the Freemasons Hotel the water reached the top of the bar and both supermarkets suffered considerable damage. The wall between one main supermarket and the newsagency collapsed, and the two shops may have to be totally demolished before being rebuilt.

Approximately 90 per cent of the town received water damage, including 16 houses and the commercial areas. The power was turned off because of the large number of power points and lights under water. That led to refrigerators and freezers in the business community being turned off, causing major damage to the supermarkets. I have been told even if the businesses are able to reopen, it could be weeks or months before the buildings are rebuilt.

There is, of course, always the fear that the insurance is not going to adequately cover the loss. Over the next few days, weeks and months the insurance companies and the policyholders will undoubtedly argue whether this was an act of God or flood, and examine the fine print in the insurance policy. Unfortunately, many of the affected businesses are situated in what is known as a flood prone area and it may be that they have not been able to obtain adequate insurance cover. I express my concern and extend my heartfelt sympathy to all those businesses and homes that have suffered damage.

In the brief time that I have left I acknowledge the wonderful work of the emergency services in Eugowra, Molong and other affected areas, especially the State Emergency Service, which is celebrating its fiftieth anniversary this year. The Orange SES had been training on the evening of the disaster and many of the members of the service did not get to bed until well after 11 p.m., only to be dragged out of bed just after midnight. They worked through the night and most of the following day. I commend the wonderful efforts of the SES, the police and the Cabonne Council workers. They contributed to making life that much easier and ensured that there was no loss of life in this particular incident. However, there are millions of dollars worth of damage. My heart goes out to all those who suffered damage.

ST JOHN AMBULANCE WOLLONGONG CENTENARY

Ms NOREEN HAY (Wollongong) [5.30 p.m.]: I acknowledge St John Ambulance Wollongong centenary celebrations in September of this year, which marked the outstanding work of the St John Ambulance volunteers in my electorate. It provided a suitable occasion to express our gratitude to those who brought about the event and to see what amazing progress had been made in 100 years. When the first coalmine in the Illawarra opened in approximately 1849 mining began to develop as the major industry. Dr John Kerr, who had begun his medical practice in 1893, immediately saw the necessity for miners to be taught first aid due to the severe injuries occurring in the industry. He also recognised the benefit of the general public having first aid knowledge in cases of sudden illness or accidents.

In 1902 Dr Kerr held a first aid class for miners. Twelve of these men became the first members of what was known as the Wollongong Ambulance Corps, offering the community free transport for the sick and injured. The "transport" referred to was a stretcher carried by two men—four men if negotiating a steep incline. Obviously a far cry from the ambulances of today with their lifesaving equipment! The corps was registered on 2 September 1905 and was aptly named Wollongong Ambulance Division. Dr Kerr was appointed divisional surgeon and held this position until his resignation in 1940. In 1906 a collection of £30 was raised to purchase an early form of patient transport called a "wheeled litter". The litter was no more than stretcher with wheels and Wollongong Council gave space at the town hall for both the litter and a stretcher to be stored.

In 1909 the local community made another collection and sufficient funds were raised to have a horse-drawn wagon for the transport of casualties. This wagon was built in Wollongong and was the first of its kind built on the South Coast. At the end of 18 months it was reported to have carried 75 patients a total distance of 230 miles. Thanks to the energy and enterprise of volunteers of St John the very first ambulance station in Wollongong was built and owned by St John Ambulance and officially opened on 16 March 1912. The Government of the day provided £100 in funding and the rest was raised, in one day, by a street collection. The New South Wales Labor Premier of the time, the Hon. Mr J. McGowen, and his wife were the guests of honour. In his opening remarks Mr McGowen said that the ceremony they were to perform was brought about by the work of noble spirited men and women who wanted to do something of a successful nature with the object of alleviating pain and saving life.

The building had no internal fittings but thanks to the generosity of many people attending the opening ceremony sufficient funds were raised so that the ambulance station was fully furnished and free of debt. World War I impacted on St John members and in 1914 the whole membership of Wollongong division offered to go as a brigade, but the military authorities declined the offer as each was obliged to volunteer individually. When the widespread epidemic of influenza reached Wollongong in March 1919, the St John members transported patients to the emergency hospital that had been set up in one of the schools. After each duty the members had to be placed in quarantine to inhibit the spread of infection.

Since 1905 first aid duties have not been restricted to emergency situations; they have included street parades such as Anzac Day, royal visits, the Olympic Torch Relay, Olympic Games duties in 2000 and the World Rugby Cup. When the 1994 and 2002 bushfires threatened the Wollongong community, once again it was the St John members who assisted with first aid where required. The Australian Bureau of Statistics defines a "volunteer" as someone who willingly gives unpaid help in the form of time, service or skills through an organisation or group. I congratulate branch co-ordinator, Mrs Connie Tonkin, and Ms Maria Lemme, who in 1995 was the first female divisional superintendent to ever be appointed, on their continuing dedication to our community. The St John members embody the very definition of the term "volunteer". From 1905 until 2004 the members have given 353,671 hours of voluntary service and treated 108,412 casualties. I wish all the St John volunteers well for the future and congratulate them on this enormous milestone and their ongoing commitment to the community in Wollongong—recognising, of course, the difficulties that some are facing even today in delivering those volunteer hours. [*Time expired.*]

AUSTRALIAN HEARING

Mr ANTHONY ROBERTS (Lane Cove) [5.35 p.m.]: On 28 October I had the immense pleasure of visiting Australian Hearing. Established in 1947, Australian Hearing is one of the greatest hearing providers in the world. It is synonymous with the idea of innovation and world-leading practice. Originally established to provide services to veterans of the Second World War suffering from loss of hearing and to children adversely affected by rubella epidemics, it has now evolved to house 78 separate centres, staffed by clinicians, technicians and customer support staff. I thank Australian Hearing for the opportunity to visit, in particular, Professor Harvey Dillon, Director of Research, and Anthea Green, the Managing Director.

I also thank Andrew Pursey, Chief Technology Officer; Steve Patterson, Chief Financial Officer; Margaret Dewberry, Executive Manager CSO Portfolio; Bernie McKenna, Executive Manager, People and Performance; Jenny Donnithorne, Executive Manager, Marketing and Communications; Jenny Redston, Executive Officer to the Managing Director; Rena Richmond, Government Relations Manager; Alan Napier, Consultant, People and Performance; Louise Perry, Manager, People and Performance; John Lord, Information Technology Manager; Geoff Clark, Quality Manager, People and Performance; and Julianne Bradwin, Special Projects.

Hearing loss is a major problem affecting a great number of Australians. The effects are social, physical and financial. There are three different types of hearing loss: conductive hearing loss, which is caused by blockage or damage to the inner and/or outer ear; sensorineural hearing loss, which is caused by damage to the cochlea or the hearing nerve; and mixed hearing loss, which is a combination of the two. Australian Hearing provides services for all children and young Australian citizens up to the age of 21 and those over 21 if they hold a pensioners card, a veterans card, receive a sickness allowance or are members of the Australian Defence Force.

I shall focus on children, where the impact of hearing loss is quite different from the effects of hearing loss that occurs in adulthood. Children use their hearing to learn about the world around them and to develop communication skills. If a child suffers from hearing loss, it affects his or her relationship with family and friends, education and later employment. In Australia, 20 children per 10,000 live births are born with hearing loss. This diagnosis can be difficult and confusing for families. A paediatric specialist audiologist works with the child and the family to help find the best way to manage their child's hearing loss. To date, 15,000 children in Australia have been fitted with hearing aids by Australian audiologists.

However, not all those who have a hearing impediment are born with it. Therefore it is important to be aware of what can cause hearing loss, something Australian Hearing is very focused on. Once your hearing is damaged it will not come back. This can cause stress and frustration, and can put the person at risk of accident or danger when signals such as sirens or a car approaching are missed. Many people think that since noise does not cause pain it will not have a detrimental effect. This is wrong. A recent article by Warwick Williams published in the *International Journal of Audiology* stated:

> It is now accepted that constant exposure to loud noise will cause noise injury and damage to hearing over time. In general, it is agreed that there is some level of possible risk to hearing from leisure noise exposure.

Recently a study was conducted into the use of personal stereo players. The results show that while the average player has a noise level of 79.8 decibels, and the majority of the population fall below the acceptable risk level of 85 decibels, approximately 25 per cent of the population can still be classified at risk beyond this level. Therefore, it is very important that the general public be educated about issues that can arise from an item such as a personal stereo player, an item that is in high use in this day and age. Often we see people with iPods and other personal players that can be heard a mile away.

Australian Hearing is concerned that in the future we could face an epidemic of people with hearing loss at the age of 30 to 40. Not only will this cause great distress to them and their families but the costs involved in dealing with hearing losses will be greatly increased. It is a matter that providers of stereo equipment and various music players should be aware of and this House should consider regulating, as occurs in other nations. Prevention of hearing loss can often be very simple. For example, earplugs can be worn when working around machinery. People who use a personal stereo player can turn the player down to a level that will not cause damage to their hearing. It is important that employees talk to their occupational health and safety officer about reducing noise in the workplace.

For those who have a hearing impediment, Australian Hearing provides clients with the latest hearing device technology, including a wide range of hearing solutions. The company provides batteries and technical support for hearing aids, and can carry out same-day repairs. A postal service is also provided for those who live in rural communities, which is important. In conclusion, I again thank Australian Hearing for giving me the opportunity to visit its offices and all those who made the visit possible. They are magnificent people and they do a fantastic job assisting people who have a hearing deficiency.

KAIYU ENTERPRISES INC. FUNDING

Mr JEFF HUNTER (Lake Macquarie) [5.40 p.m.]: This evening I raise the need for additional funding for Kaiyu Enterprises Inc., which runs a number of programs in the Lake Macquarie and Newcastle area for people who suffer from mental health issues. Kaiyu is made up of the members of its association; the management committee, of which I am proud to be a member; the manager, Mr Lawrie Hallinan; and the bookkeeper, Wendy Blunt, along with staff and volunteers. Kaiyu runs three programs in the Lake Macquarie and Newcastle area. The Kaiyu Clubhouse, which is funded by NSW Health, provides support and rehabilitation based on the clubhouse model for people with mental illness. Community-based activities, which are funded by the Department of Ageing, Disability and Home Care, provide support for former boarding house residents, which includes access to social and recreation activities. The personal support program, which is funded by the Department of Family and Community Services, provides support and referral for people on unemployment benefits who have a mental health problem or other barrier to job readiness.

On 19 September I was pleased to attend the annual general meeting of Kaiyu Enterprises and to be welcomed, along with many other people, by the chairman, Mr Bernard Griffin. The meeting included a brief presentation by each of the programs to highlight activities and achievements over the previous 12 months. There was also the election of office bearers. Bernard Griffin was once again elected committee president, former Mayor of Lake Macquarie City, John Kirkpatrick, was elected as vice president, Rod Lewis was elected as secretary, and John Newton was elected as treasurer. I was pleased to be again elected to the management committee, along with a number of other people. The annual general meeting also included the presentation of the annual report, the co-ordinators report and the treasurer's report. One thing that came out strongly from the meeting was the need for additional funding. As I am a committee member, I am privy to the fact that in May this year the committee president, Bernard Griffin, wrote to Hunter New England Mental Health seeking additional funding. He wrote:

> Kaiyu Enterprises Inc is submitting the attached Expression of Interest to deliver support and rehabilitation services in the Lake Macquarie area.
>
> We are seeking $274,000 per annum to deliver a service comprised of:
>
> - Lake Macquarie Disability Support Program (*home based out of reach*)
> - A centre based program based in Argenton
> - Regular outreach activities to the major population centres of Lake Macquarie (e.g. Toronto, Morisset, Belmont, Charlestown)

> We have been providing mental health support services in Lake Macquarie since 1998 and have well developed networks with other community services and local businesses. In 2003 and 2004 we provided a Community Inclusion Project that enabled us to further develop our community links and develop resources to support community partners including people with mental illness. The proposed service builds on this tradition of community inclusion for the betterment of consumers.
>
> The nature of the proposed service will involve a greater degree of integration with Hunter New England Mental Health. Our draft Service Agreement with Hunter New England Mental Health can be further refined to develop these structures and processes.
>
> We have also incorporated more rigorous outcome measurement in the proposed service.

That request for additional funding has my full support. I raise the issue in the House today to bring to the attention not only of the Minister for Health but also the Minister Assisting the Minister for Health (Mental Health) the need for additional funding for Kaiyu Enterprises so it can provide these valuable and much-needed services in the Lake Macquarie area. I hope that by raising the issue tonight the Minister for Health will be able to arrange for a delegation of committee members to meet with the Chief Executive Officer of Hunter New England Health Service, Mr Terry Clout, to discuss the future role of Kaiyu Enterprises and how Hunter New England Mental Health can assist with additional funding.

In the history document that formed part of the annual report presented in September, Kaiyu Enterprises describes itself as follows:

> The formation meeting of our organisation on 25 March 1997 is now a distant memory. These were heady days as a group of a dozen or so people who had experienced mental illness gathered supporters to help them increase additional mental health support and rehabilitation services in their local area. We chose to name our organisation "Kaiyu" (pronounced Kie-yu) as it is an Awabakal word meaning "to have power and ability". We think this best describes the way we see people with emotional and mental health issues.

I acknowledge that Mr Acting-Speaker, the honourable member for Wallsend, was very much part of the formation of Kaiyu. I am sure he would support me in my call to the State Government and Hunter New England Mental Health to assist Kaiyu with additional funding to provide these much-needed mental health services in the Lake Macquarie area. [*Time expired.*]

SPECIAL EDUCATION CLASSES

Mrs JUDY HOPWOOD (Hornsby) [5.45 p.m.]: I wish to speak about special education and the lack of clarity and surety in relation to the placement of students in primary and secondary special education classes in 2006. On 2 November I had the privilege to attend the New South Wales Teachers Federation meeting held in the Hornsby electorate. In that context I had the opportunity to discuss with the assembled teachers and representatives from schools in my electorate, as well as schools outside the electorate, matters of concern to the teaching profession. Their concerns related to issues such as general maintenance in schools, specifically in relation to fences that were falling down, leaking downpipes and improvements to school toilets. Concern was also expressed about school reports placing students into quartiles and about the lack of capital works improvements.

This evening I wish to speak about special education classes. One of the teachers who attended the Teachers Federation meeting taught four students at Warrawee Public School in a special education class that was cancelled this year. The four students were placed into a class of 10 students and the teacher basically lost her job. The students now face an uncertain future. There are more than 35,000 students with disabilities across 2,230 New South Wales public schools. There are plans to cut, by 2007, 111 classes out of 422 for students with mild learning difficulties, 72 classes for students with moderate learning difficulties and a teacher's aide for special education classes. I want to read onto the record a letter from a constituent, Ruth Swadling from Hornsby, who wrote to me on 4 November in the following terms:

> Dear Mrs Hopwood,
>
> I write to you as a concerned parent of a child who is currently enrolled in the IM support class at Asquith Public School.
>
> My daughter, Sarah, is 12 years old and is due to go to high school next year, in 2006. She suffers from developmental, motor planning and mental processing delays, epilepsy, and hearing impairment.
>
> Mid-term 2, I submitted an application form listing the choices for her 2006 high school placement, and was told that an assessment of the application would be made during late term 2, with notification of the successful placement due in early term 3. Shortly after this application was submitted, I signed a form permitting Sarah to access a transition to high school program, due to start earlier than had been done in previous years in order to ensure she had adequate knowledge and orientation in readiness for her entry into the high school environment.

> Term 3 passed with no news of the high school placement. I was advised in week 1 of term 4 that I would have a reply by the end of week 2. The news I heard then was that the delay in notification was due to the government re-structuring of Special Education units across the state.
>
> It is now the end of week 4 of term 4. 1 was finally notified of my daughter's high school placement this morning. Thankfully the Education Department area officer was kind enough to call me instead of allowing me to wait until the confirmation letter arrives next week.
>
> I would like to know where the Government stands with its duty of care for the students, families and teachers involved in special needs education. It's difficult enough for a mainstream child to go through the process of transition from primary school to a high school environment, let alone for a child with any form of learning, physical or behavioural disability.
>
> It would be plausible to understand it if the changes the State Government is now making to the system were to be implemented in 2007, but to be making these changes now for 2006 is showing no consideration whatsoever for the students it purports to be assisting.
>
> As a parent of a child with special needs, I am well aware of the additional strains it can put on everyday life for the entire family. To add to this by delaying decisions regarding their future educational needs is irresponsible and reprehensible.
>
> When will the Government realise that if more funds (not less) were injected into assisting children with learning difficulties in both Special Education and mainstream situations that many problems could be overcome for these students by the time they have completed their secondary &/or tertiary education? This has the potential to create less long-term financial demands on both the Government and local councils as far as support and assistance goes, as many of these children would be better equipped to become independent and active members of their communities.

I hope that the Minister for Education and Training has been listening to what I have said.

SUTHERLAND SHIRE COUNCIL PLANNING DECISIONS

Mr PAUL McLEAY (Heathcote—Parliamentary Secretary) [5.50 p.m.]: Today I want to speak about planning issues in the Sutherland shire, particularly as they affect my electorate. I am loath to talk about planning issues as I believe they are the right and responsibility of local government, and I am referring to Sutherland Shire Council. The residents elected local councillors to perform their council duties, and I try not to become involved with council-related issues. However, there are two matters I would like to bring to the attention of the House because I am concerned that Sutherland Shire Council has actively demonstrated its politicisation of council processes, is not representing the residents' views appropriately and is not doing all it can to support local residents.

I want to talk about Bundeena developments, a matter I have raised in this House a number of times in the past, and the Woronora fire trail, which has been debated in this House a number of times, most recently in April by the honourable member for Menai. The issue relating to the Woronora fire trail relates to its use as a bus route. The people's local environmental plan [LEP] for Sutherland Shire Council began in 2000 and post 2000 has involved several years of activism and community consultation. The process was delayed by the council. The people's LEP was sent to the Government to be gazetted but did not comply and ultimately was not accepted by the planning department. After the election of the new Liberal councillors in Sutherland shire in 2004 a new LEP was submitted which took away the environmental protection of the Woronora Valley. Consequently, the Woronora Heights Residents Association was formed in September 2004 to prevail upon Sutherland Shire Council to keep Woronora Heights fire trail closed other than in cases of emergency, and to rezone the fire trail area 7(b), offering the environmental protection that the former proposed LEP contained.

The path is a vital local and regional fauna corridor. It provides the only effective and safe wildlife corridor linking the Loftus Valley, Forbes Creek, the Woronora Valley and Heathcote National Park. Many endangered and threatened species have been recorded in the area and the residents want the area to be maintained. The council wants to open up the trail for buses. People do not have a problem with that per se, but they do have a problem with the blatant politicisation of the matter, councillors having said they want the trail open for full traffic. That is clearly unacceptable to any right-thinking person. I conducted a survey of residents which showed that while some people support the opening of the fire trail, there is strong community opposition to opening the trail for cars. I challenge the proponents of opening the trail to traffic to convince the community that their view is the right one. If they can convince the community, they can convince me.

There has been much debate in this place about Bundeena. There has also been a great deal of community consultation about it. On 19 October a delegation was organised by Ms Sylvia Hale, MLC, for which I thank her, which brought a lot of people from Bundeena into the Parliament to talk to members. The delegation was addressed not only by Sylvia Hale but also by the honourable member for Newcastle, the Parliamentary Secretary for Planning, and me. We want to support the people of Bundeena and we want to have

the area protected. I thank the shadow spokesman for planning for attending the meeting and for subsequently going to Bundeena to talk to residents there. He made the commitment to work constructively with them. I also have made the commitment many times in writing to both mayors that I will work with them to support the local community.

I want the Minister for Planning to accept 2004 LEP, but I want to have it amended to read "except for the Bundeena Neighbourhood Business Zone/Centre, in which case the maximum floor space is 0.7:1." That is consistent with the Bundeena development control plan. I call upon the Minister for Planning to visit these two areas with me at his convenience. These are important local issues. They are issues that the current Liberal-dominated council has dramatically politicised and exploited against the residents' wishes. I urge the Minister to support local residents, as he has indicated he will continue to do.

COBRAM BAROOGA GOLF CLUB

Mr ADRIAN PICCOLI (Murrumbidgee) [5.55 p.m.]: Tonight I speak on behalf of the Cobram Barooga Golf Club. I have had the pleasure of playing a round of golf at the club and I commend the golf club's committee and its ground staff for having a fantastic golf course. But a golf club is not all about the golf course, it is about the club itself. In the 1970s and 1980s some of the clubs on the New South Wales side of the Victorian border had a great opportunity to expand when poker machines were permitted in New South Wales but not in Victoria. It is fair to say that the Cobram Barooga Golf Club was one of those clubs.

The Cobram Barooga Golf Club is located in Barooga, which is about 80 to 100 kilometres west of Albury on the New South Wales side of the Murray River in the southern part of the Murrumbidgee electorate. It is a town of only a few thousand people, but on the other side of the river from Barooga is Cobram, which is a large regional Victorian town. The Barooga side of that Cobram-Barooga community is very much the recreational side. There is a sports club, but the golf club is a large employer and provides a lot of entertainment opportunities for people in that region as well as the broader region around Cobram and Barooga.

The club is seeking extend its facilities to encourage more people to visit, particularly tourists from Melbourne. However, it is experiencing difficulties, particularly with respect to its water licence. The club has a high-security and general-security licence, and it takes water from the Bullanginya Creek, which runs off the Murray River. The club accesses its water allocation from the creek and when the level of the Murray River drops, particularly during the winter months, the club cannot physically access water from the creek. Consequently, it made representations to the Department of Natural Resources to sink a bore. The club already has a 400-megalitre bore licence and has engaged drillers to find the best location for that bore. That location was found to be within 150 metres of Bullanginya Creek. However, because a bore cannot be drilled within 150 metres of a river or a creek, the club cannot put a bore in that location.

Both the club and I have sought a dispensation from the department to sink the bore in that location. As a compromise the club is prepared to forego its other licences if it is allowed to sink the bore close to the creek because, in effect, it will only use the bore in the months of April, May and June when the Murray River drops to such a level that the Bullanginya Creek does not flow. We all understand that water is critical to managing golf courses, particularly in the hotter parts of western and south-western New South Wales. The club has undertaken a number of water-saving measures, including a couch program for its fairways on its west course. It is estimated that this project of grass placement will cut the club's water use by as much as 100 megalitres per annum.

The golf club also supports motels and caravan parks in the area. It has significant future plans and seeks to put in adventure putting, which is similar to putt-putt golf. It is also seeking to change the course, but it needs to buy some of the perpetual lease land and Crown reserve land on which the golf course is located. The club has had a lot of trouble securing access to that land and purchasing it. I call on the Minister for Lands to assist. I have already written to him asking him to clarify some of the Crown land matters in the interests of the club and the town of Barooga. [*Time expired.*]

MIRANDA DISTRICT NEIGHBOURHOOD AID TENTH ANNIVERSARY

Mr BARRY COLLIER (Miranda) [6.00 p.m.]: The year 2005 marks the tenth anniversary of Miranda District Neighbourhood Aid [MDNA]. The dedicated staff and volunteers of this important service provide direct assistance to the frail aged, younger people with disabilities and carers who live in their own homes in the suburbs of Miranda, Yowie Bay, Sylvania, Sylvania Waters and parts of Taren Point. Clients seeking the

services of this fine community organisation are assessed and their needs are met in a variety of important ways, including assistance with shopping, transport, gardening, minor household repairs, banking and account paying.

But there is another very real need met by the loyal, caring, hardworking and trained volunteers of Miranda District Neighbourhood Aid that is not often publicly recognised. That is the need for companionship by those in the community who would otherwise be lonely or isolated. The magnificent MDNA volunteers meet that need through regular home visits and phone calls. Friendships are often formed between clients and volunteers with whom they have regular contact. The staff and the volunteers of MDNA help forge strong bonds of companionship, helping to reduce the loneliness, isolation, depression in another way, that is, through the Miranda Healthy Living Program.

The program, which began in 1997, seeks to meet client needs through a wide range of social activities and social outings. The program helps foster strong social bonds, which inevitably come to the fore and the support these clients show for one another in the tough times that each of us, in our own different ways, experience from time to time. The program is based on the well-recognised premise that older people who are involved in social activities live longer and healthier lives, and MDNA clients are a testament to that. Indeed, I understand that for most weeks throughout 2005 there has been 100 per cent attendance at the program.

The Miranda Healthy Living Program and the community support provided by MDNA would not be possible without the dedication, hard work and commitment of the management committee, its talented staff and exceptional volunteers. We have a strong, pro-active, supportive management committee, currently led by President Carolyn Rice, with members Elizabeth Royle, Noel Foldi, Alison Boerman, Charles Butler and Jan Reynolds. All committee members bring to the committee their valuable skills and professional experience and, of course, they are volunteers in their own right.

The staff of MDNA are talented and committed, displaying the strong team spirit and camaraderie so vital for the effective delivery of quality services to their clients. The staff—Maureen Macmillan, Irene Henderson, Shan Harris and Inna Bourikova—are always willing to go that extra mile, constantly reassessing programs to ensure that their client needs are being met, supporting the volunteers, sharing resources and working co-operatively with other neighbourhood aid services throughout the shire. The management committee and staff comprise two elements of the very successful partnership that is MDNA. The third element that is so vital to the success of this partnership is the volunteers themselves. It is the volunteers, giving up their time freely, willingly and unselfishly, that allows MDNA to deliver its much-needed service. It is the volunteers, of all ages, from different occupations and different cultural backgrounds, who work together to meet the needs of their clients. It is the volunteers who have ensured a decade of excellent service to the people of the Miranda district. It is the volunteers giving of themselves who will continue to maintain the fine record and reputation of this outstanding service.

In 2004-05 alone the 38 volunteers provided 5,948 hours of service to the clients of Miranda Neighbourhood District Aid. That is the equivalent of 231 24-hour days or 743 eight-hour working days. That is simply an astonishing feat; it is the equivalent of 155 hours per volunteer. The volunteers are Lynn Aasa, Lama Al Akhras, Beryl Barton, Laura Brinkworth, Alison Boerman, Heather Bourke, Kerry Brody, Sybil Burden, Charles Butler, Julieta Caladine, Wendy Clayton, Noel Emerton, Noel Foldi, Fiona Gard, Trish Halls, Jill Izzard, Rachael Johnstone, Mary Katf, Jacqueline Lamela, Jean Leitch, Jillane Mander, Peter Mills, David Moore, Joan Mok, Wendy O'Brien, Noel Pierson, Jan Reynolds, Dennis Reynolds, Carolyn Rice, Malcolm Rice, Claire Roeper, Philip Rolph, Elizabeth Royle, Colin Ryan, Wendy Ryan, Bob Sinclair, Ted Street, and Doreen Whitton. The MNDA report for 2004-05 pays testament to and recognises the value of its volunteers in an important way when it states:

> Our volunteers are the golden heart of Miranda District Neighbourhood Aid. Without them we could not operate. Words can never adequately thank them for their care, time, assistance, skills and generosity.

I sincerely support that statement. I could not have said it better and I could not agree with it more. I sincerely thank the management, staff and volunteers of MDNA, past and present, for their magnificent contribution to the people of Miranda and the Sutherland shire. Miranda District Neighbourhood Aid is an organisation that really does make a difference to my community. It is an organisation that I am proud to have in my electorate and I congratulate MDNA on its tenth anniversary. [*Time expired.*]

GENE TECHNOLOGY (GM CROP MORATORIUM) AMENDMENT LEGISLATION

Mr PETER DRAPER (Tamworth) [6.05 p.m.]: I speak tonight on the Gene Technology (GM Crop Moratorium) Amendment Bill 2005. The bill extends the expiry date of the Gene Technology (GM Crop Moratorium) Act 2003, which prohibits the commercial cultivation of specified genetically modified food crops in New South Wales, until March 2006. On that basis I offer my support to this bill. The amendment will ensure

commercial production of genetically modified [GM] food crops such as canola, mustard and field peas will not occur in New South Wales until March 2008. I am concerned, however, that research trials will still be permitted at the discretion of the New South Wales Agricultural Advisory Council on Gene Technology. That advisory body will continue to assess applications for exemptions under the Act as required.

To date, the Minister for Primary Industries has approved a small number of research trials in New South Wales upon advice from the advisory body. In April last year the Minister announced he would support three small research trials for GM canola covering 420 hectares but would hold back on a 3,000 hectare coexistence trial until the benefits of the technology were known. I suggest that the drawbacks be considered also. Due to drought and poor planting conditions, however, the trials did not proceed and to the best of my knowledge that remains the case.

Somewhat surprisingly, there have been reports of standard canola crops in New South Wales becoming contaminated with GM material. In September this year it was reported that despite the moratorium, GM canola crops have been growing in New South Wales. Varieties contaminated with GM genes were identified and destroyed at nine canola trials sites run by the Department of Primary Industries. The question is: How did that occur when a moratorium is in place, and will the Minister take action against the breaches of the moratorium?

The contamination was cited as possibly originating from seeds being wrongly labelled or mixed, or from cross-pollination. Further contamination of canola trials by GM material has been detected in crops across the nation, with the Grains Research and Development Corporation confirming contamination of two lines of conventional canola at 33 trial sites. As I have said, I welcome the extension of the moratorium until 2008. However, as these recent events clearly demonstrate, control of GM technology in the agricultural industry continues to elude the Government and indeed the advising body. The Government's decision to continue the ban on the growing of commercial crops of GM canola is welcome, but I seek details of any measures the Government has taken in response to the contaminations. Contamination can occur through a variety of environmental factors, including wind, birds, animals and even machinery—factors that I believe are beyond departmental control. Why then does the Government continue to take risks by allowing research trials? I note that there are strong arguments in favour of the continuance of trials.

The Australian Bureau of Agricultural and Resource Economics believes that Australia's farmers are missing out on the economic benefits of GM canola, stating that there is no economic justification for delays in commercialisation and that the moratorium, coupled with limited opportunities to run trials, is having a negative impact on research and development. If the trials are to be continued they must be contained, and the question I ask is whether this can occur. What was done to deal with recent contaminations, and what measures are now in place to prevent future incidents? Under this amendment, the Advisory Council on Gene Technology will continue to assess applications for exemption. In light of recent history, I believe that the council's criteria need to be tightened considerably. I note that questions have been raised by the representative of the New South Wales Nature Conservation Council on the advisory council about the body's credentials.

The Nature Conservation Council was quoted as stating that the advisory council does not have access to sufficient independent research to properly advise the Minister—that concerns me enormously—and that it does not have the power to deal with issues of contamination. I find this to be of particular concern as it calls into question the ability of those charged with managing the technology in New South Wales to control it. The full extent and impact of GM technology is not yet known, and I have constantly urged a cautious approach to the introduction of GM food crops. I take this opportunity to reiterate my strong concerns that, until we are confident in the application of the technology to our food sources, controls need to be watertight. I note that the New South Wales Farmers Association is urging the Government to let GM canola trials continue, but I believe that for this to occur the Minister needs to demonstrate an absolute commitment to zero tolerance of contamination in the future.

LINKING TOGETHER CENTRE, INVERELL

Mr RICHARD TORBAY (Northern Tablelands) [6.10 p.m.]: Last week I joined the Minister for Housing on her tour of the Linking Together Centre at Inverell. I invited the Minister to see for herself how a community could, through its own efforts, bring about the sort of changes people talk a lot about but rarely experience. When I became a member of this House in 1999 I referred to the housing estate at South Inverell as a "war zone". That is the way it appeared to me. Without doubt, with 40 boarded-up houses and the difficulties occurring there, "war zone" was not an overstated term. It is an area with a predominantly Aboriginal

population, and it had a stigma. There was vandalism, graffiti, violence, drug and alcohol abuse, and the usual array of anti-social behaviour that accompany that scenario. It was well known to the police, the despair of the local council and a no-go zone for outsiders. In the past two years there has been a remarkable change. The maintenance bill of the Department of Housing for repairs due to anti-social behaviour has dropped to virtually zero, from approximately $60,000 annually.

Local school principals speak of South Inverell initiatives with admiration and respect, and are strongly supportive. Inverell Shire Council and its mayor, Barry Johnson, now work closely on programs with the Linking Together Centre. The centre, its staff and the strategy they have devised are the key to the outstanding success of the past two years. Co-ordinator Jeannette Baumann must take much of the credit as it has been her steady guiding hand, clear vision and unfaltering leadership which have transformed a fraught situation into one of hope for the future. As she tells it, Ms Baumann and her co-workers decided to concentrate their efforts on children rather than adults. The adult programs being run from the Linking Together Centre, while worthy, were being attended by the same groups of people.

There was no identifiable social benefit flowing into the wider community in terms of behaviour changes. Meanwhile, the children were running wild. Those were Ms Baumann's direct words to me. The first initiative was the Breakfast Club for primary school students. The rule was that those participating had to turn up in their school uniforms. After breakfast the centre faxed to the schools the names of those who had breakfast. In return the centre received a fax back notifying that the children had attended school. Between 15 and 20 children have breakfast each day at the centre, and virtually none of them misses a day at school. Ross Hill Primary School reported that overall attendance rates had improved 25 per cent. Next a suspended students club was formed. It runs between 9.30 a.m. and 3.30 p.m., and has an average attendance of six students per day, not only from Inverell but from nearby Gilgai and Warialda.

When a student is suspended, the parents are called to the school and offered the option of sending their child to the suspended students club. The school faxes work to the centre each day and students receive one-on-one tuition. Tutors are both Aboriginal and non-Aboriginal, as are the students. The centre is open to all students and has achieved excellent results. Very few students reoffend, and Ms Baumann puts that down to the fact that they have to work so much harder at the centre than at school. In most cases the extreme behaviour which caused the suspension has stopped. Another project was to establish the homework centre to assist students through special tutoring. It was extremely popular and successful but had to close because funding was stopped. It is a shame that funding could not be found for a tutor for two hours a day to assist the 35 students who regularly attended the centre.

The centre runs weekly motivational sessions for students in years 7-10 in Inverell to encourage them to stay on at school. Students learn about first aid, healthy lifestyles, the power of positive thinking and drug avoidance from Aboriginal and non-Aboriginal speakers. In addition, the centre has organised day excursions for 96 young people to Yamba and 82 to Coffs Harbour. Many of the participants had never been outside the Inverell district before. The centre also organises Kick Start, which is a three-day camp for 15 high school students at Wattle Ridge, where young people hear first hand about the experiences of people who have been in prison or who have overcome drug addiction. Each student is assigned a mentor who organises follow-up meetings every week following the camp. As a result, some young people have reconciled with their families and others have modified their behaviour.

Ms Baumann points out that it is about treating young people with respect and building self-respect. It is about community ownership and firm leadership. The Linking Together programs could be followed throughout the State, as the Minister saw for herself. In response to the success of these programs I would advocate that the Linking Together Centre be assisted with funding for these programs and initiatives into the future, and. that some of the repair and maintenance savings at the housing estate be channelled into the Linking Together Centre to back its programs and initiatives.

Private members' statements noted.

HEALTH LEGISLATION AMENDMENT BILL

PUBLIC SECTOR EMPLOYMENT AND MANAGEMENT AMENDMENT (EXTENDED LEAVE) BILL

Messages received from the Legislative Council returning the bills without amendments.

PROTECTION OF THE ENVIRONMENT OPERATIONS AMENDMENT BILL

Message received from the Legislative Council returning the bill with amendments.

Consideration of amendments deferred.

[*Mr Acting-Speaker (Mr John Mills) left the chair at 6.17 p.m. The House resumed at 7.30 p.m.*]

BUSINESS OF THE HOUSE

Bills: Suspension of Standing and Sessional Orders

Motion by Mr Carl Scully agreed to:

That standing and sessional orders be suspended to permit:

(1) The introduction forthwith of the following bills, notice of which was given this day, up to and including the Minister's second reading speech:

Infrastructure Implementation Corporation Bill
Crimes Amendment (Animal Cruelty) Bill
Rice Marketing Amendment (Prevention of National Competition Policy Penalties) Bill

(2) The resumption of the adjourned debate and progress through all remaining stages of the following bills at this sitting:

Statute Law (Miscellaneous Provisions) Bill (No. 2)
Governor-General's Residence (Grant) Amendment Bill
Greek Orthodox Archdiocese of Australia Consolidated Trust Amendment (Duties) Bill
First State Superannuation Legislation Amendment (Conversion) Bill
Shops and Industries Amendment (Special Shop Closures) Bill
State Emergency Service Amendment Bill

INFRASTRUCTURE IMPLEMENTATION CORPORATION BILL

Bill introduced and read a first time.

Second Reading

Mr CARL SCULLY (Smithfield—Minister for Police, and Minister for Utilities) [7.34 p.m.], on behalf of Mr Morris Iemma: I move:

That this bill be now read a second time.

In the Premier's inaugural statement he highlighted the importance of cost-effective and timely infrastructure delivery to the economic and social prosperity of New South Wales. This goal underscores the bill I introduce today. The Government takes as its benchmark for success the Olympic Co-ordination Authority's delivery of the 2000 Olympics. The Games' facilities and infrastructure set a high standard for government delivery and co-ordination of projects, and those are the standards required to help deliver essential infrastructure for government services such as health, transport and water. Accordingly, the Government has sought advice from Professor David Richmond, formerly Director General of the Olympic Co-ordination Authority, on ways to remove unnecessary bottlenecks in infrastructure delivery and to ensure projects are completed according to milestones, benchmarks and targets.

To support these arrangements the Government has established the Office of Infrastructure Management within Treasury and the Infrastructure Implementation Group—led by Professor Richmond—within the Premier's Department. By bringing infrastructure back to the core of government, a renewed focus can now be applied to the issues of project monitoring and project delivery. A key focus of the Infrastructure Implementation Group is project delivery. The group has a strong facilitation role to work closely with planning and proponent agencies to assist projects through the planning approval process; and to assist on high-priority projects during their pre-construction and construction phase to ensure timely and cost-effective delivery. Many major infrastructure projects are highly complex, sometimes involving multiple State agencies or public authorities.

One of the key roles of the Infrastructure Implementation Group is to seek solutions and overcome bottlenecks. This assistance role is already working, with the group assisting with critical infrastructure projects

like the Port Botany expansion, the metropolitan freight strategy, the Royal North Shore Hospital redevelopment and, of course, the Kurnell desalination plant. It is anticipated that, in most cases, the Infrastructure Implementation Group's facilitation role will be satisfactorily fulfilled through its participation on CEO groups, steering committees and project control groups and the like. However, where a project is of high strategic importance and would benefit from the dedicated focus and expertise of the Infrastructure Implementation Group, the Premier may direct the group to take over either the entire project or a specified part of a project. It is for these cases that this legislation is required.

The bill will establish a new statutory corporation, the Infrastructure Implementation Corporation, which will be the vehicle through which the Infrastructure Implementation Group can become directly involved in the carrying out of major infrastructure projects. In these cases, a dedicated project team led by a project director would be established to undertake the task. In directly delivering projects, the most appropriate funding mechanism would be established in consultation with Treasury. The role includes possible early transfer of a project to enable the corporation to become the proponent for Environmental Planning and Assessment Act purposes. Depending on the terms of the project authorisation order, the project might then be transferred back to the relevant agency for the construction phase of the project.

I stress that it is anticipated that the power conferred by this bill will be required only rarely. However, it provides the community with confidence that key infrastructure projects can be delivered on time and within budget. It is also important to emphasise that environmental planning and assessment requirements are not altered or affected in any way at all by this bill and that normal approval processes under the Environmental Planning and Assessment Act will apply.

I now turn to the key features of the bill. Part 1 of the bill provides preliminary information, including definitions. I draw the attention of the House to the definition of "major infrastructure project", which, for the purposes of the bill, means a project to which Part 3A of the Environmental Planning and Assessment Act 1979 applies. Part 2 establishes the Infrastructure Implementation Corporation as a statutory corporation representing the Crown, managed by the Director-General of the Premier's Department and subject to the control and direction of the Minister. As a statutory corporation the Infrastructure Implementation Corporation will have all the inherent powers of a body corporate, including the power to enter into contracts and establish subsidiaries.

Clause 7 specifies the general functions of the Infrastructure Implementation Corporation. These include, firstly, carrying out a major infrastructure project if authorised to do so by a project authorisation order and, secondly, becoming responsible for a project that is being carried out by or involves another public authority. How these functions will be initiated and operate are described in more detail in part 3 of the bill. Part 3 allows for the Premier, with the written concurrence of the Treasurer, to order, through a project authorisation order, the Infrastructure Implementation Corporation to become responsible for carrying out a major infrastructure project. A project authorisation order may be made for either new projects which are vested in the Infrastructure Implementation Corporation from day one or existing projects which the Infrastructure Implementation Corporation takes over from another public authority.

In relation to the second scenario, the Premier has the option of transferring ownership of the project assets, rights and liabilities to the Infrastructure Implementation Corporation. Otherwise, the project can continue to be owned by the public authority but the Infrastructure Implementation Corporation will have power to exercise the functions of the authority and to direct the authority in relation to the carrying out of the project. The authority itself will be unable to exercise its functions relating to the project without the consent of the Infrastructure Implementation Corporation. Where the project is owned by the Infrastructure Implementation Corporation it will become the proponent of the project. It will have powers to compulsorily acquire land. Clause 14 of the bill provides for a project which is owned by the Infrastructure Implementation Corporation during implementation to be transferred back to the relevant public authority for operation.

I now turn to the application of the bill to State-owned corporations. This bill, most appropriately, applies not only to government agencies but also to State-owned corporations which are responsible for delivering much of the State's complex major infrastructure and should be subject to the same processes that apply to agencies. There is a requirement in the bill that before making an order the Premier must consult with the State-owned corporation's portfolio Minister, voting shareholders and board of directors. In addition, there is also a requirement that before giving directions to a public authority in relation to a project the Infrastructure Implementation Corporation must obtain the concurrence of the Premier and consult with the public authority concerned. If at either of these stages a board of a State-owned corporation were to raise significant concerns that the proposed order or direction was not in its commercial interests, it would be open for the Premier to

involve the shareholding Ministers and the portfolio Minister and to give a direction under the existing provisions of the State Owned Corporations Act.

These are the key elements of the bill. It is clear that the bill does not contain any provisions that override or bypass the normal planning processes and environmental checks and balances. The Infrastructure Implementation Corporation would be subject to exactly the same requirements as any other proponent. What the bill does is provide the Government and the community with confidence that projects that may be delayed can be brought back on track. As I have stated already, it is not anticipated that the power that this bill confers will be regularly used. The establishment of the Infrastructure Implementation Group will help to ensure project co-ordination and facilitate project progress.

This legislation, however, underscores the administrative mechanisms that have been put in place. The power it confers clearly articulates the delivery focus of the Government's new infrastructure arrangements generally and the role of the Infrastructure Implementation Group specifically. It is about providing essential assistance to the delivery of key infrastructure and making it happen smoothly and efficiently. As with the Olympics, this does not involve cutting corners. I emphasise again that projects will be subject to the same rigorous environmental assessment and public scrutiny as exists for all projects including, I might add, critical infrastructure projects under Part 3A of the Environmental Planning and Assessment Act, such as the desalination project. But as with the Olympics, it does involve a strong sense of purpose and a drive to deliver the infrastructure that the State needs. I commend the bill to the House.

Debate adjourned on motion by Ms Katrina Hodgkinson.

CRIMES AMENDMENT (ANIMAL CRUELTY) BILL

Bill introduced and read a first time.

Second Reading

Ms SANDRA NORI (Port Jackson—Minister for Tourism and Sport and Recreation, Minister for Women, and Minister Assisting the Minister for State Development) [7.45 p.m.], on behalf of Mr Bob Debus: I move:

That this bill be now read a second time.

I am pleased to introduce the Crimes Amendment (Animal Cruelty) Bill. The community was understandably outraged earlier this year by a number of vicious attacks on animals. In response, the Government established the multi-agency Animal Cruelty Task Force to consider changes to animal cruelty laws and procedures. The amendments contained in this bill arise from the task force report to the Government. Current animal cruelty offences are found in the Prevention of Cruelty to Animals Act 1979. The most serious of these offences carries a maximum penalty of two years imprisonment. The task force was concerned primarily with whether a new aggravated animal cruelty offence carrying a higher penalty should be created in the Crimes Act 1900.

It was proposed that this new offence deal with the worst examples of animal cruelty, that is, cases where offences are committed with the intention of inflicting pain on the animal in circumstances that amount to serious instances of animal cruelty, such as torture, and where the animal is killed, seriously injured or experiences prolonged suffering. The bill also creates a new offence designed to protect animals used for law enforcement purposes. This is in response to the killing of police dog Titan last year during a police operation. There have also been other reports of attempts to injure law enforcement animals, such as throwing marbles under the hooves of police horses. To reflect the seriousness of these two offences the maximum penalty for both of these new offences will be five years imprisonment.

The task force also found that where matters were prosecuted by animal welfare organisations, such as the RSPCA and the Animal Welfare League, with no involvement by police in the investigation, there was no guarantee that a guilty person's fingerprints would be taken and a subsequent notation made on their criminal record. Accordingly, an amendment to the Law Enforcement (Police Powers and Responsibilities) Act 2002 will provide that an application may be made to the court for a fingerprinting order for offenders convicted of the offence of cruelty or aggravated cruelty to an animal under the Prevention of Cruelty to Animals Act. The introduction of the new offence under the Crimes Act will not affect the offences that currently exist in the Prevention of Cruelty to Animals Act.

Those offences will remain unchanged and, together with the new Crimes Act provisions, will create a scale of animal cruelty offences of increasing seriousness. Less serious matters of animal cruelty, therefore, will continue to be dealt with under the Protection of Cruelty to Animals Act. I now turn to the detail of the bill. Schedule 1 inserts proposed sections 530 and 531 into the Crimes Act 1900. Both offences will be indictable offences carrying maximum penalties of five years imprisonment.

Proposed section 530 makes it an offence, with the intention of inflicting severe pain on an animal, to torture, beat or commit any other act of serious cruelty on the animal, and to kill, seriously injure or cause prolonged suffering to the animal. Specific defences provided for are authorised animal research, routine agricultural and animal husbandry, recognised religious practices, pest extermination and veterinary practice. Many of these defences are carried over and summarised from the same defences that apply in the Prevention of Cruelty to Animals Act. These specific defences, of course, do not limit other circumstances where there is no requisite intention to cause severe pain or other general statutory or common law defences.

Of course, as with all criminal defences, the responsibility for proving the defences lies with the accused. Proposed section 531 makes it an offence to intentionally kill or seriously injure an animal knowing that the animal is being used in the execution of the officer's duty or to do so as a consequence of, or in retaliation for, such a use of the animal. Schedule 2.1 amends the Criminal Procedure Act 1986 to provide that the new indictable animal cruelty offences are to be dealt with summarily by a Local Court unless the prosecutor elects otherwise. This will enable the police to identify the serious matters and elect to have them dealt with by the superior courts before a judge and jury.

Schedule 2.2 amends section 134 of the Law Enforcement (Powers and Responsibilities) Act 2002 to enable a court which finds an offence proved against a person under section 5, Cruelty to Animals, or section 6, Aggravated Cruelty to Animals, of the Prevention of Cruelty to Animals Act 1979 to order the person to attend a police station and submit to the taking of identification particulars. This will ensure that accurate criminal records can be maintained in relation to animal cruelty offences. The Law Enforcement (Powers and Responsibilities) Act 2002 is to commence on 1 December 2005. The equivalent provision is currently located at section 353A (7) of the Crimes Act 1900. This will be repealed when the Law Enforcement (Powers and Responsibilities) Act comes into force.

Unwarranted and unjustified cruelty to animals is unacceptable to our society and the Government wishes to send a strong message that such unacceptable actions will be dealt with as serious criminal offences and offenders can be assured of strong enforcement of these new laws. I commend the bill to the House.

Debate adjourned on motion by Mr Thomas George.

RICE MARKETING AMENDMENT (PREVENTION OF NATIONAL COMPETITION POLICY PENALTIES) BILL

Bill introduced and read a first time.

Second Reading

Ms SANDRA NORI (Port Jackson—Minister for Tourism and Sport and Recreation, Minister for Women, and Minister Assisting the Minister for State Development) [7.53 p.m.], on behalf of Mr David Campbell: I move:

That this bill be now read a second time.

Before I deal with the content of the Rice Marketing Amendment (Prevention of National Competition Policy Penalties) Bill, the purpose of which is to deregulate the domestic rice market in New South Wales, I want to give honourable members an overview of the circumstances that have led to the Government introducing this bill. The rice industry is one of the State's most progressive and successful primary industries. Rice growers are all members of the Ricegrowers Co-operative Ltd, which trades as SunRice, and which is one of the most successful agricultural co-operatives in the country. The foundation for SunRice's success is that under the Marketing of Primary Products Act 1983, SunRice operates effectively as a single desk exporter by being the sole agent of the Rice Marketing Board.

This power has been granted by the New South Wales Parliament, as there is no Australian Government legislation providing for a single export desk for rice. Indeed, an application by our Government

for such a power was unilaterally rejected by the Australian Government in December 2003. The surest way to ensure that the New South Wales rice industry enjoys an single export desk, so it can maintain these premiums, is to maintain the vesting power under the Marketing of Primary Products Act, and as a consequence control the domestic market for rice as well. In the absence of national export legislation, control over the domestic market is the surest way to prevent leakage of rice to other operators or other States, which can then be exported in competition with SunRice and erode SunRice's premiums.

The 2005 independent national competition policy review of the rice industry found that the consumer transfer associated with these domestic controls is only $3 million, compared with the $48 million of export premiums. The economic efficiency losses as a result of this consumer transfer are a paltry $150,000. This $150,000 is the only net public cost of these arrangements to the Australian economy. The New South Wales Government has always evaluated the New South Wales rice marketing arrangements and their net costs and benefits as a package, not as domestic or international arrangements. Accordingly, the New South Wales Government agreed to retain the present legislative arrangements. However, this is not good enough for the National Competition Council and the Howard Coalition Government.

They want to ensure that any costs, no matter how small, are removed, all in the name of competition reform. That $150,000 is the grand total of the domestic costs that the National Competition Council [NCC] and the Howard Coalition Government want to stamp out. They want to put at risk $48 million of export premiums for the sake of saving $150,000 and they want to fine us $26 million if we do not agree! It is utterly absurd. It is economic rationalism being taken to a ridiculous extreme. Despite all this, and the strong representations that have been made to the NCC and to the Howard Coalition Government on these points, they have given no indication of being willing to change their minds and apply a bit of common sense. The NCC is not even prepared to countenance an additional transitional period to give the Rice Marketing Board and its agent, SunRice, time to adjust to this major change.

Both the board and SunRice have substantial financing arrangements with their bankers which are based on the current vesting powers, and the sudden withdrawal of these powers may well adversely impact on their ability to obtain appropriate financial accommodation at reasonable interest rates. But this does not seem to bother the Howard Government. The New South Wales Government has done everything in its power to protect the industry, and I remind honourable members of the process that we have undertaken over the past two years. In March 2004 the Minister for Primary Industries held emergency talks with the NCC and was able to convince it to recommend to the Federal Treasurer that he suspend the $13 million penalty for 2004-05 in return for New South Wales carrying out yet another independent review of marketing arrangements.

The Federal Treasurer agreed to suspend that penalty. In fact, the Federal Treasurer has consistently rubber-stamped every recommendation the NCC makes. We carried out that review—the third such review in 10 years—and consulted closely with industry throughout the process. Industry also put its case to Kay Hull, Peter McGauran and Mark Vaile—and Nick Minchin came down to see first-hand what a success story the rice industry is. The concerns of industry were explained during each of these briefings with Federal Coalition members. They made it absolutely clear that the Federal Treasurer had always accepted the advice of the NCC and that New South Wales had always stated that it could not afford the penalty and would be forced into deregulation if the penalty were to be applied. Federal intervention was requested, but nothing was done.

The Premier has even written to the Prime Minister in defence of the arrangements. The Premier's correspondence to the Prime Minister, like all pleas to the Commonwealth on this matter, has been met with a deafening silence. Despite all our efforts, the NCC continually fails to accept the benefits of our rice marketing arrangements. Like us, the industry is flabbergasted by the NCC's continued position. Laurie Arthur of the Rice Growers Association told ABC radio last month that the industry is "absolutely at a loss as to why the NCC will not accept an independent inquiry as was required". I could not agree more. So it is with regret that I bring forward this bill, which is designed to deregulate the domestic market for rice in New South Wales, while at the same time endeavouring to protect the rice industry and to shore up, as best we can, the single export desk currently enjoyed by SunRice.

The bill will free up trade by allowing authorised buyers to operate freely in the domestic rice market provided they do not seek to export the rice, thereby diluting our export premiums. The object of this bill is to amend the Marketing of Primary Products Act 1983 by, first, making more specific provisions relating to the appointment of authorised buyers and agents, including the conditions of appointment, and grounds for refusal or revocation of appointment; secondly, increasing the penalties for breaches of these conditions; thirdly, providing a specific exemption from the vesting provisions for rice sold to authorised buyers; fourthly,

providing for a right of appeal to the Administrative Decisions Tribunal in respect of decisions by the board in relation to the appointment of authorised buyers; and, finally, providing that the existing agreement between the board and SunRice is no longer to be construed as an exclusive agreement and that, accordingly, the board is not liable for any damages as a result of appointing additional authorised buyers.

The bill also includes additional regulation making powers to cover the detail of these provisions and to ensure compliance with the policy direction of the national competition policy. The commencement date of the bill is 1 July next year, just over seven months away. This Government does not support the blind and rigid application of national competition policy. At least in the past when industries have been deregulated there has been a transitional period to give time for the industry to adjust. But not this time. The NCC and the Federal Government have instructed that we must pass this legislation by 30 November, or they will penalise our budget by $26 million.

Let me turn to schedule 1. Item [1] of this schedule renames the principal Act as the Rice Marketing Act 1983. This is because the only board now established under the original Marketing of Primary Products Act 1983 is the Rice Marketing Board. Item [3] inserts a subsection (1A) in section 50 of the principal Act to allow the board to impose conditions on any authorised agents it may appoint. The amendment provides for this power to be constrained by regulation. The reason for specifically allowing for conditions to be imposed is to ensure that there is no question mark over the board's authority to limit the performance of any function that it may delegate to an agent. Item [4] inserts new subsections (1A) to (1C) in section 51 of the principal Act. New subsection (1A) provides for the board to determine the procedure for making and processing applications for appointment as an authorised buyer. New subsection (1B) provides for fees to be paid by authorised buyers and applicants for appointment as an authorised buyer.

In consultation with the board, a regulation will be made that establishes an application fee and annual administration fee that will cover the cost of the administration of the authorised buyer scheme. New subsection (1C) establishes the grounds for the board to refuse to appoint someone as an authorised buyer. This can occur if the applicant is still serving a two-year suspension or revocation of a previous appointment, paragraph (a), or if the board reasonably believes the applicant would not comply with their conditions of appointment, paragraph (b). The board will have some discretion, but the exercise of that discretion can be appealed to the Administrative Decisions Tribunal [ADT], as provided for in item [6] of this schedule.

Item [6] inserts new subsections (6), (7) and (8) into section 51 of the principal Act. These subsections provide for appeal to the ADT by persons aggrieved by a board decision relating to an application for appointment as an authorised buyer or a board decision to vary, suspend or revoke any such appointment. Item [7] inserts a new section 51A dealing with the conditions of appointment as an authorised buyer. Subsection (1) is equivalent to the new section 50(1A), which I spoke about a few minutes ago, but refers to authorised buyers rather than authorised agents. The difference between a buyer and an agent in this instance is fairly straightforward. Authorised buyers, of whom there may be several, will be appointed by the board to buy and trade rice on the domestic market in Australia. The authorised agent of the board will be the only operator that is approved by the board to export New South Wales grown rice.

This role underpins our current single export desk arrangement and is currently performed solely by SunRice. The main condition that we would expect to see imposed on authorised buyers, with the exception of SunRice, would be to prevent them from exporting New South Wales grown rice. Because both paddy rice and milled rice are covered by the legislation, this will work to protect the export single desk operated by SunRice, while not restricting the domestic market. Subsection (3) makes an appointment as an authorised buyer continue indefinitely, unless and until it is suspended or revoked by the board, or voluntarily surrendered. The only grounds for suspension/revocation are if the person has contravened a condition of their appointment, as set out in subsection (4). Subsection (5) applies a penalty of up to 200 penalty units for a breach of conditions of appointment, with the exception of breaches involving sales of rice. Subsection (6) creates a much higher penalty for breaches that involve selling rice—2,000 penalty units, which is currently $220,000.

This "selling" penalty is one of the key deterrents for misbehaviour by an authorised buyer. This level of penalty is comparable with the penalties under the Queensland Sugar Industry Act 1999. Subsection (7) allows the Minister to initiate action in the Supreme Court to take from an authorised buyer who has breached a selling condition the proceeds of the sale. So, not only will they be fined under the offence provisions and have their appointment as an authorised buyer suspended for up to two years—as provided for in subsection (4) above—they also will not profit from their illegal transaction. Item [8] ensures that an authorised buyer has full possession and ownership of rice delivered to them, equivalent to the situation that already exists for SunRice.

Item [9] increases the penalty for non-selling offences from a maximum of 20 to 200 penalty units—that is, from $2,200 to $22,000—which is much more commensurate with the potential benefits of illegal transactions or other wrongful behaviour by authorised buyers.

Item [12] inserts a new part 7 in schedule 4 to the principal Act, which serves to "read down" the contract between the board and SunRice so that it no longer provides SunRice with exclusive access to rice produced in New South Wales. This was necessary to comply with the National Competition Council's demands. This part also protects the board from liability for any damage to SunRice that might arise as a result. It is appropriate to protect the board, which is a statutory industry authority, in this way. This in no way changes the status of SunRice as the board's agent.

Item [13] makes consequential deletions arising from the other amendments. The only ones of note are the removal of the previous four-year limit on authorised agent and authorised buyer appointments and the requirement for ministerial approval before any such appointment could be revoked. We cannot see any reason for having a mandatory sunset on these appointments; nor, now that decisions of the board will be subject to appeal to the Administrative Decisions Tribunal, do we see a requirement for ministerial approval to be warranted. Let me again make it clear that this Government would prefer to retain the legislative arrangements as they currently stand but, regrettably, the Australian Government is forcing us to change a proven success story for the New South Wales economy.

Consultation on this bill has also had to comply with the time constraints imposed by the Federal Government. Nevertheless, we have had a number of discussions with representatives of the Rice Marketing Board and SunRice over the contents of the bill, and the requirements of the Federal Government and its interpretation of national competition policy. This bill is the best we can do in the circumstances and I share with the industry its concerns over the Federal Government's bulldozing tactics. I also make it clear that the Minister for Primary Industries is prepared to use the regulation-making powers under the principal Act, as amended by this bill, should refinements be required as we work towards deregulating the domestic market for rice from next July. I reluctantly commend the bill to the House.

Debate adjourned on motion by Mr Thomas George.

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

Bill introduced and read a first time.

Second Reading

Ms SANDRA NORI (Port Jackson—Minister for Tourism and Sport and Recreation, Minister for Women, and Minister Assisting the Minister for State Development) [8.12 p.m.], on behalf of Mr Morris Iemma: I move:

That this bill be now read a second time.

The Statute Law (Miscellaneous Provisions) Bill (No. 2) continues the well-established statute law revision program that is recognised by all honourable members as a cost-effective and efficient method for dealing with amendments of the kind included in the bill. The form of the bill is similar to that of previous bills in the statute law revision program. This year the bill includes an additional schedule to deal specifically with statute law revision amendments consequential on the enactment of the Legal Profession Act 2004. Schedule 1 contains policy changes of a minor and non-controversial nature that the Minister responsible for the legislation to be amended considers to be too inconsequential to warrant the introduction of a separate amending bill. The schedule contains amendments to 24 Acts and five statutory rules. I will mention some of the amendments to give honourable members an indication of the kinds of amendments that are included in the schedule.

Schedule 1 amends the Road Transport (Safety and Traffic Management) Act 1999 to confirm the current practice of police officers of conducting a preliminary assessment to determine whether alcohol is present on a driver's breath. The assessment is conducted by requiring drivers to talk into a device that indicates the presence of alcohol on the breath. If alcohol is present, a full breath test can then be conducted to assess the concentration of alcohol present. This process is quicker and simpler for drivers who have had nothing to drink. A parallel amendment is made to the Marine Safety Act 1998 in relation to vessel operators.

Schedule 1 also makes a number of amendments to the Public Finance and Audit Act 1983. In particular, the amendments will make the language of the Act consistent with Australian Accounting Standards that are internationally based and require the financial reports of statutory bodies and departments to be prepared in accordance with those standards. Similar amendments relating to consistency with Australian Accounting Standards are also made to various other legislation within the Finance portfolio. Another amendment made by schedule 1 is to the Valuers Act 2003 to allow the making of regulations to provide for the waiver or refund of any fees under that Act. This will allow valuers who pay registration fees for three years to receive partial refunds if they, for instance, retire or leave the profession during that period.

Schedule 1 also amends a number of Acts within the Primary Industries portfolio to allow the regulations made under those Acts to authorise penalty notices to be issued in respect of offences against those Acts and regulations. Other amendments made by schedule 1 are to the Independent Commission Against Corruption Act 1988. The amendments will allow the functions of departmental heads under the Public Sector Employment and Management Act 2002 to be delegated to the inspector of the commission or a member of staff of the inspector. This will allow the inspector to have day-to-day management of staff who work in the inspector's office under an arrangement with a departmental head.

There are also amendments suggested by the Committee on the Independent Commission Against Corruption, which will extend confidentiality requirements relating to the proposed appointment of a person as commissioner, to the proposed appointment of a person as inspector of the commission. The effect of these proposed amendments is to require the parliamentary committee to examine prospective candidates for the position of inspector in private, and not to make public any veto of a candidate's appointment.

Schedule 1 makes various amendments to security industry legislation. In particular, the amendments make the grant of a licence under the Security Industry Act 1997 subject to a condition that the applicant must collect it from a place nominated by the Commissioner of Police within 60 days of being notified of its grant. The amendments also clarify that the activities that a licence holder is authorised to carry out under certain licences issued under that Act include the selling of various types of security equipment. For example, a person licensed to install and maintain security equipment will also be permitted to sell security equipment. A number of consequential amendments to security industry legislation are also made. The last schedule 1 matter that I will mention is an amendment to the Forestry Act 1916 that updates a reference to the trading name of the Forestry Commission from State Forests of NSW to Forests NSW.

Schedule 2 deals with matters of pure statute law revision consisting of minor technical changes to legislation that the Parliamentary Counsel considers are appropriate for inclusion in the bill. Examples of amendments in schedule 2 are those arising out of the enactment or repeal of other legislation, those correcting duplicated numbering and those updating terminology. Schedule 3 contains statute law revision amendments that are consequential on the enactment of the Legal Profession Act 2004. Examples of amendments in schedule 3 include standardising terms used in other Acts so that they are consistent with those used in that Act, and updating references to the Legal Profession Act 1987 which is now repealed. Schedule 4 repeals a number of Acts and regulations and provisions of Acts. The Acts and instruments that were amended by the Acts or provisions being repealed are up to date and available electronically on the legislation database maintained by the Parliamentary Counsel's Office.

Schedule 5 contains general savings, transitional and other provisions. These include provisions dealing with the effect of amendments on amending provisions, savings clauses for the repealed Acts, and a power to make regulations for savings and transitional matters, if necessary. The various amendments are explained in detail in explanatory notes set out beneath the amendments to each of the Acts and statutory instruments concerned or at the beginning of the schedule concerned. If any amendment causes concern or requires clarification, it should be brought to my attention. If necessary, I will arrange for government officers to provide additional information on the matters raised. If any particular matter of concern cannot be resolved and is likely to delay the passage of the bill, the Government is prepared to consider withdrawing the matter from the bill. I commend the bill to the House.

Mr THOMAS GEORGE (Lismore) [8.20 p.m.]: I lead for the Opposition on the Statute Law (Miscellaneous Provisions) Bill (No. 2). I will be the only Opposition speaker in the debate. The Opposition has no problems with the bill. The shadow Attorney General has indicated that he is happy to accept the proposals in the bill. Therefore the Opposition supports the bill as is.

Motion agreed to.

Bill read a second time and passed through remaining stages.

GOVERNOR-GENERAL'S RESIDENCE (GRANT) AMENDMENT BILL

Second Reading

Debate resumed from 8 November 2005.

Mr THOMAS GEORGE (Lismore) [8.22 p.m.]: I speak on behalf of the shadow Attorney General in leading for the Opposition on the Governor-General's Residence (Grant) Amendment Bill. The Opposition will not oppose the bill, which I understand will enable the Governor-General's residence to be used by charity organisations and so on. The Opposition is prepared to accept the bill as is.

Mr ALAN ASHTON (East Hills) [8.23 p.m.]: I thank the honourable member for Lismore for his support of the Governor-General's Residence Grant Amendment Bill, which is a most important bill. I commend the bill to the House.

Ms SANDRA NORI (Port Jackson—Minister for Tourism and Sport and Recreation, Minister for Women, and Minister Assisting the Minister for State Development) [8.24 p.m.], in reply: I too thank honourable members for their contributions to the debate. By relaxing the restrictions on the use of Admiralty House, the Governor-General's Residence Grant Amendment Bill will enable this historic building to become more accessible to the public. Indeed, I think a Duke of Edinburgh awards function is being held there shortly. The bill will enable the Governor-General to exercise his discretion to allow the premises to be used by charitable and community-based organisations for fundraising events, and to enable schools to visit and learn more about the role of the Governor-General. By requiring the premises to be used primarily as the Governor-General's official residence in Sydney, and by limiting the permitted uses to charitable, educational and other public purposes, the bill strikes a balance between preserving the building's national use and enabling it to be used for limited public purposes for the benefit of the community. I commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

GREEK ORTHODOX ARCHDIOCESE OF AUSTRALIA CONSOLIDATED TRUST AMENDMENT (DUTIES) BILL

Second Reading

Debate resumed from 8 November 2005.

Mr GEORGE SOURIS (Upper Hunter) [8.26 p.m.]: I have pleasure in leading for the Opposition on the Greek Orthodox Archdiocese of Australia Consolidated Trust Amendment (Duties) Bill. I declare that I am a proud member of the Greek Orthodox Church, and I am proud to stand in the New South Wales Parliament in support of the archdiocese. The Greek Orthodox Archdiocese of Australia has carved out a remarkable position in Australian society since the days more than 100 years ago when the church made its presence, serviced its community and made a general contribution to the wider society. I support the primate of the Greek Orthodox Church in Australia and elsewhere, Archbishop Stylianos. He is a person of great strength, great spiritual depth and great leadership. It is through the great work of Archbishop Stylianos and his fellow priests and officials in the Greek Orthodox Archdiocese community that the church has been able to achieve so much in Australia.

This bill addresses something that could be seen upon reflection as perhaps an anomaly. In years gone by, as the community of migrant Greeks developed in terms of their desire to establish churches, acquire property to build churches and establish a spiritual life of the orthodox persuasion in this country, property may not have been owned by congregations or parish committees but literally by the church itself. This bill reflects the ultimate desire of the archdiocese that property matters rightfully belong with the spiritual heart of the church, that is, the archdiocese. This bill provides the opportunity voluntarily that when property is consolidated to the archdiocese it will be exempt from stamp duty. That is a fine gesture of this Parliament and the New South Wales Government in recognition of the history in terms of these property and church matters over the years. The bill recognises the strong leadership shown by the archdiocese in terms of these affairs and within Australian society; it recognises the contribution that perhaps Greeks generically have made to Australia, as well as the contribution of the archdiocese especially to welfare and aged-care matters; and it recognises the broader work of the church, which has established the church as a mainstream institution in Australian society.

Not long ago I had the opportunity of welcoming to this Parliament the President of Greece, His Excellency Mr Stephanopoulos. At the time I did not know that one of his duties was to officially open the extension of the Greek Orthodox nursing home at Lakemba. I place on the record that at the time my mother was a resident of that nursing home. It was a proud moment for me to welcome the President of Greece to this Parliament and to remind him of some of the early patterns of migration to this country. Many young boys arrived in this country unable to speak the English language, without money and without any idea of what they were going to do. Notwithstanding that, they established themselves, built up their families and encouraged further migration of their relatives. In some cases those relatives were young men, older than the boys, who were able to establish homes for their families, wives and children who had been left behind in Greece and who were able to join them later.

As I said, one of the important official duties of the President of Greece was to officially open the extension of the nursing home that boasts more than 450 beds. It is one of the largest nursing homes in Australia and in my opinion it is perhaps the best-operated nursing home in Australia. I speak with a special bias in that regard, as I have said, but I visit many nursing homes, as many honourable members do in the ordinary course of their duties. I have some ability to compare objectively how well run the nursing home is, particularly under the directorship of Father John Carpetis and the auspices of the archdiocese. I have strayed a little from the leave of the bill, but I have given that example of the strength of the archdiocese in our community and the wonderful contribution it makes. Parliament can take pride in supporting the concept of realigning property in the hands of the archdiocese and in offering the exemption of stamp duty, where possible, to enable those realignments to occur. I commend the Government and members of Parliament, and I commend the bill to the House.

Mr BARRY COLLIER (Miranda) [8.32 p.m.]: I am pleased to speak in support of the Greek Orthodox Archdiocese of Australia Consolidated Trust Amendment (Duties) Bill. The consolidated trust was established by Parliament in 1995 to hold property for the Greek Orthodox Archdiocese of Australia. By consolidating the properties of the church into a single entity, the trust enabled the Greek Orthodox Church to better manage its financial affairs. The establishment of the trust is in line with the Government's longstanding policy of assisting churches to better manage their finances.

The bill amends the Act to make it easier and cheaper for people who hold property on behalf of a Greek Orthodox parish to transfer property to the trust. At present each time a party conveys property to the trust that party is liable for stamp duty. The church must apply to the Commissioner of State Revenue for an act of grace payment of this duty from consolidated revenue. In almost all cases the application for an act of grace payment has been granted. The granting of an act of grace payment allows the church to take advantage of the trust and is in line with Government policy. However, the process of obtaining act of grace payments is complex and time-consuming. This bill removes the need for parties to go through the process of applying to the Commissioner of State Revenue every time property is transferred to the consolidated trust. The bill provides that transfers of property to the trust will not become liable for stamp duty in the first place. A number of parties have indicated that they intend to transfer property to the trust in the near future. These people stand to benefit from the passage of this bill.

My electorate has a flourishing Greek community. Many are members of the Sutherland parish of the Greek Orthodox Church. Members of this church contribute to the diversity and wellbeing of the Sutherland shire. Members of the parish built their beautiful church of St Stylianos at Gymea in my electorate. I attended the laying of the foundation stone of that church with His Eminence Archbishop Stylianos and subsequently attended the opening by His Eminence with Premier Carr in 2001. The church was built by the Greek community after years of conducting their services in the school hall at Gymea High School of Technology.

I commend the Sutherland community of the Greek Orthodox Church, led by parish priest Father Constantine Varipatis and the parish President, Mr Harry Exikanas, for their hard work in building a beautiful church. The next time the honourable member for Upper Hunter is in the Sutherland shire he should visit that church and inspect the ongoing renovations and upgrading. He will be delighted with what he will see. The church has a community centre attached to it. I thank Father Constantine and Harry Exikanas for their leadership and for the contribution the Greek community makes to the Sutherland shire as a whole. The community centre operates local youth groups and a seniors group. Last week I had the privilege of attending the seniors group with Father Constantine and took part in a game of 20 questions with the seniors. I saw the spirit, camaraderie and joy on the faces of those seniors, who otherwise might suffer loneliness and isolation that comes from age and living at home by themselves.

Recently I officially opened Carers Week in the Sutherland shire. In attendance was a group of carers established by the local Greek community. The Sutherland shire has a paucity of aged care facilities. An aged

care facility under the auspices of St Basil's nursing home, with self-care and nursing home facilities, is currently under construction in Wandella Road, Miranda. I had the privilege of attending the laying of the foundation stone with Archbishop Stylianos, Father Constantine, Harry Exikanas, members of the Greek community and local politicians. I look forward to the opening of that facility and the service it will provide to the shire community. The Greek Orthodox Church is the focus of many Greek families in my electorate, and I congratulate the church leaders and members for the contribution they make, not only to the Greek community but to the community of the Sutherland shire as a whole. The bill, which has the support of the Greek Orthodox Archdiocese of Australia and the Office of State Revenue, will assist the Greek Orthodox Archdiocese to manage its finances more effectively, and I commend it to the House.

Ms GLADYS BEREJIKLIAN (Willoughby) [8.38 p.m.]: It is with great pleasure that I support the Greek Orthodox Archdiocese of Australia Consolidated Trust Amendment (Duties) Bill. As has been so articulately put by my colleague and friend the honourable member for Upper Hunter, and by the honourable member for Miranda, the bill amends the Greek Orthodox Archdiocese of Australia Consolidated Trust Act to provide that duty is not chargeable when property is conveyed to the Greek Orthodox Archdiocese of Australia Consolidated Trust from a person who holds that property on behalf of the Greek Orthodox parish or congregation. It is important to place on the record that exemption from duty is available each time there is a transfer of property, but the church has to go through the cumbersome process of applying to the Commissioner of State Revenue for an ex gratia payment of the duty payable on the transaction.

The commissioner then has discretionary powers to make an act of grace payment of the duty. However, the process for exercising this power may be regarded as time-consuming and resource intensive. The commissioner cannot delegate the power. I understand that since the establishment of the trust in 1995 all applications for exemptions have been granted. It makes commonsense from the perspective of the Greek parish community and the archdiocese and from a public policy perspective that this bill should be strongly supported.

Given that we are discussing the Greek Orthodox Archdiocese, I take this opportunity to briefly highlight the history of the archdiocese in New South Wales and to pay particular tribute to Archbishop Stylianos, Father Constantine, Harry Exikanas who this year celebrates his thirtieth year of service as Archbishop in Sydney, which is a monumental feat. The contribution he has made to the Greek Australian Archdiocese in New South Wales and Australia and to our mainstream community is outstanding. It is fitting that this bill will be passed in a year that is a significant milestone for him and the archdiocese.

The first priest to serve the needs of the Greek Orthodox in Sydney and Melbourne was Mr Bakaliaros, who began his role in 1896. He inspired the Greek people to come to his parish by celebrating the liturgy, marriages and baptisms. The first Greek Orthodox Church was opened in May 1898 at Surry Hills, New South Wales, and was dedicated to the Holy Trinity in Melbourne. In March 1924 the Metropolis of Australia and New Zealand was established under the Ecumenical Patriarchate. By 1927 more than 10,000 Greeks were living in Australia, with the Greek Orthodox community establishing itself in all the major capital cities. The church was the centre of activity for Greek migrants who had made Australia their home.

A major turning point for the Greek Orthodox Church in Australia occurred in 1959 when the Metropolis of Australia and New Zealand was elevated to Archdiocese and Metropolitan Ezekiel elevated to the position of Archbishop. That was a period in history when a steep increase in Greek migration took place from war-torn Europe. The influx created a new set of religious and social needs for new migrants of Greek background coming to Australia. That increase in migration supported the creation of new communities, churches, schools and other facilities to care for the young and old. Today the Greek Orthodox Archdiocese has more than 100 priests, 105 churches and 120 community organisations. That is an outstanding feat.

Another major turning point occurred in 1970 following a decision of the Holy Synod of the Ecumenical Patriarch to separate New Zealand from the Archdiocese of Australia and form a Metropolis of New Zealand. On 13 February 1974 Archbishop Stylianos was unanimously elected as the Archbishop of Australia and took his place as Archbishop on 26 April 1975. He has fulfilled that role with great distinction since then. Archbishop Stylianos, respecting and acknowledging the work of his predecessor in erecting churches and other benevolent institutions, undertook as one of his special concerns the social and cultural development of his parish with the systematic cultivation and promotion of the spiritual treasure of the Greek Orthodox tradition. He carries on this work to this day.

Archbishop Stylianos was instrumental in creating closer contact between Orthodox and non-orthodox churches in Australia and with Australian universities. He has made an enormous contribution to the study and

learning of theology. The establishment of new churches and other benevolent institutions continues to this day under his leadership. As I said, his election as Archbishop of Australia 30 years ago was unanimous. He often takes part in major academic conferences and has repeatedly represented the Ecumenical Patriarch in the World Council of Churches General Assemblies. From the beginning of the Theological Dialogue between Orthodox and Roman Catholics, Archbishop Stylianos was head of the Patriarchal Delegation and unanimously elected as the Orthodox co-chairman.

Before the Theological Dialogue, Archbishop Stylianos served as a member and co-chairman of the Patriarchal Delegation in the International Dialogue with the Anglicans. He has published widely in dogmatic and systematic theology and, to date, has written 16 collections of poetry. Since 1975 Archbishop Stylianos has taught Orthodox theology and spirituality at the University of Sydney. In 1986 he was appointed Dean of the Theological College of St Andrew, which was established during his time and where he lectures in systematic theology. Apart from other honorary distinctions, he was honoured with the International Award Gottfried von Herder in 1973 and the Award for Poetry from the Academy of Athens in 1980, and received an honorary doctorate from the Lublin University in Poland in 1985.

I reiterate my support for the bill and my support for and acknowledgement of the outstanding contribution that the Greek Orthodox Archdiocese of Australia has made not only to the lives of many Greek Australians but to the lives of those who follow religion and support community activity. Echoing the comments of my colleagues who have spoken previously on this bill, I commend it to the House.

[*Debate interrupted.*]

DISTINGUISHED VISITORS

Mr ACTING-SPEAKER (Mr Paul Lynch): I acknowledge the presence in the gallery of Professor Goroslav Keller, Consul-General of the Republic of Croatia.

GREEK ORTHODOX ARCHDIOCESE OF AUSTRALIA CONSOLIDATED TRUST AMENDMENT (DUTIES) BILL

Second Reading

[*Debate resumed.*]

Mr CHRIS HARTCHER (Gosford) [8.45 p.m.]: I join Mr Acting-Speaker in welcoming the Consul-General of the Republic of Croatia, proud as we all are to see Croatia liberated from the Communist yoke. The Greek Orthodox Church dates from the great day of Pentecost when the Holy Spirit descended in tongues of fire upon the assembled Apostles. Apostle Paul carried the Christian faith into Greece and Greece was converted. In the fourth century the Roman Empire divided into east and west and the great patriarchate of Constantinople was established, together with the great patriarchates of Rome, Antioch, Jerusalem and Alexandria.

Since then the Greek-speaking community has followed loyally the instructions given to them by St Paul and the other apostles. Their faith is based upon the Holy Scriptures and the seven great Ecumenical Councils dating from the regional councils of Nicaea, Ephesus and Chalcedon and finally the tragic separation from the Latin Church, which occurred under Patriarch Photios in 1042 AD. The Greek community is represented through the Orthodox Church, which has become the enduring link between Greece and its glorious history. The link was made firmer and permanent by 500 years of Turkish persecution when the Turks sought and successfully destroyed the entire ruling class of the Greek community, levelled the people to peasantry and left only the Orthodox Church as the representative of their Hellenistic spirit, culture and language.

Honourable members will be pleased to note that there were Greeks on the First Fleet. The Orthodox Church dates in Australia not only from the late nineteenth century, but from the very foundation of Australia itself. The church has been well served in my electorate of the Central Coast with the establishment of a church at Mangrove Mountain. So strong has the community become under the wonderful Vlandys family—Paul Vlandys is president of the Orthodox community on the Central Coast—that the Church is now looking for a further site in The Entrance area. It would be wonderful if a satisfactory site were found in the Tumbi Valley area and a second Orthodox Church is established to carry on the great traditions of orthodoxy on the Central Coast.

We all yearn for the days when the Orthodox Church—in its manifestation of the Armenian and Coptic churches, or in its manifestation of the Greek, Russian, Bulgarian and Serbian-Macedonian churches—and the Western tradition of the Catholic and Protestant churches can be reunited in one church so that the Christian religion can have a physical manifestation in a united church and not be, as it is now, so sadly divided. This legislation is important in that it reflects parliamentary support for the church in ensuring that land owned by trustees can be transferred to the Archdiocesan trustees without the payment of stamp duty. But more than that, it acknowledges the importance that the Greek community has played in our national life. As I said, the Greeks came out here with the First Fleet.

Large numbers of Greeks came out here before the First World War, but the great migration of Greeks, especially from the Ionian and Aegean islands, occurred only after the Second World War. It occurred only after the terrible civil war, which tore Greece apart between 1946 and 1949, when the communists attempted to subvert liberty and to destroy democracy in Greece and were, of course, overwhelmed under the Truman doctrine with the support of the United States of America and Great Britain. I am sure, Mr Acting-Speaker, that you strongly support the heroic struggle of the Greek people against communist tyranny.

Mr ACTING-SPEAKER (Mr Paul Lynch): Order! I call the honourable member for Gosford to order. If he continues with that line of fantasy I will call him to order for a second time.

Mr CHRIS HARTCHER: The large numbers of Greeks that came out here in the 1950s were extremely hardworking. As I said, they were largely from the Ionian and Aegean islands and they developed a great sense of community. They demonstrated an extraordinary work ethic and a determination to ensure that the second generation—and now, of course, the third generation—of Greeks who have come to Australia could become mainstream loyal Australians. They have done that, preserving their own traditions as a community and preserving their own sense of identity, above all through their involvement in the Orthodox Church, which has been the custodian of their national tradition, faith and language. The bill is an acknowledgement of the Orthodox Church. It salutes the role that the church has played in keeping the Greek community cohesive, and it acknowledges the fact that the Orthodox Church and the Greek community have played a wonderful role in the development of or great multicultural society.

Mr BOB DEBUS (Blue Mountains—Attorney General, Minister for the Environment, and Minister for the Arts) [8.52 p.m.], in reply: I acknowledge the support for this bill by members from both sides of the House. I confirm that it is as important for its symbolic recognition of the role of the Greek community, and the Archdiocese in particular, in the society of New South Wales as it is for the practical purposes for which it has been introduced, which is to ensure that property transactions within the Archdiocese are not subject to stamp duty. I acknowledge particularly the contribution of the honourable member for Upper Hunter, who spoke about the relatively recent visit of the Greek President to this Chamber. As I have told him, I was very moved by his speech, which was made, as I recall, on behalf of all of those of Greek descent in this Parliament, of whom there are now a startlingly large number. I note that Minister Orkopoulos has left the Chamber, but he asked me to pass on his best regards to those opposite who have spoken in the debate.

The bill continues the longstanding Government policy of assisting churches to organise their financial and property affairs by sponsoring legislation in relation to corporate property trusts. The bill has been introduced at the request of the Greek Orthodox Archdiocese and it is appropriate that I add, by way of conclusion to the debate, my acknowledgement of the work of Archbishop Stylianos, who I have the privilege to meet at least once a year at the ceremony to begin the law term in which he proudly takes part. A substantial number of the members of the Greek community also take part to celebrate the role of lawyers from amongst their number who have become successful and, indeed, outspoken, in the practice of their profession in New South Wales. It fair to say that there has never been a bill before this House that passed with more unanimous applause and support than this one, and I therefore confidently commend it to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

FIRST STATE SUPERANNUATION LEGISLATION AMENDMENT (CONVERSION) BILL

Second Reading

Debate resumed from 8 November 2005.

Mr CHRIS HARTCHER (Gosford) [8.55 p.m.]: This bill embodies the State Government's desire to transfer the First State Superannuation Scheme to the Commonwealth. As a result of this legislation the scheme

will cease to be a State-controlled and State-regulated fund and will become a Commonwealth-regulated fund. The bill provides for the retention of the First State Superannuation Act 1992 to prescribe the circumstances under which compulsory employer superannuation contributions are to be paid to New South Wales public sector employees. It also makes consequential amendments. Superannuation has become enormously important in the individual lives of Australia's working community and also in the development of our national economy. Superannuation funds form the largest pool of funds in the community from which industry draws investment, and enormous amounts of money are now held through the various superannuation organisations.

Superannuation is, and for many years has been, regulated and controlled by the Commonwealth, and the regulation of the Commonwealth has been extremely effective. The prudential requirements of the Commonwealth have been implemented successfully. There have been no major superannuation financial liquidity crises. There has been no major superannuation fund collapse. Generally the industry under Commonwealth supervision would appear to be well regulated and successful and, as a result of that, there is enormous public confidence in superannuation and people are happy to have the employer contributions of 9 per cent of their wages go to superannuation funds.

As a result of the most recent legislation, which allowed a choice of funds, many Australians now have an even greater level of control as to where their superannuation contributions are invested by being able to choose which fund shall administer their superannuation. That has the effect of allowing hundreds of thousands, if not millions, of Australians to prepare to fund their own retirement without seeking recourse to the welfare of the State through the pensions scheme. It also has the effect, as I said earlier, of ensuring that a very large pool of funds is available for national investment. The New South Wales Government has acknowledged the reality of the whole system being essentially geared to Federal legislation by transferring to Federal control the very large assets of the First State Superannuation Scheme.

The Opposition believes that the New South Wales Government has acted appropriately and responsibly in agreeing to the transfer, and also in allowing people such as nurses, police officers and teachers, when they leave public sector employment, to retain their membership of the fund even though they are no longer public sector employees. The honourable member for Heathcote, in delivering the second reading speech, said that some 30,000 people exit the New South Wales public service each year, an extremely large number given that the public service is about 250,000 strong: it represents a turnover of almost one-eighth each year. It is important that these people, if they are to exercise their own choice—which is now the underlying theme of superannuation, given the fundamental free enterprise principle of freedom of choice—are able to retain their membership of the First State Superannuation Scheme even if they are no longer employed in the public sector.

Accordingly, the Coalition does not oppose the bill; indeed, we acknowledge that it is important. The fact that not many members of Parliament will speak to the bill tonight in no way diminishes its importance. It is the fact that legislation such as this, which is not contentious, does not draw a lot of parliamentary debate. However, it is important that we acknowledge that the legislation is significant and that the schemes themselves are significant. It is also important that we acknowledge that the First State Superannuation Fund, as the custodian of the funds of hundreds of thousands of public sector employees, both past and present, plays a hugely important role in the entire superannuation scheme, which itself plays a major role in providing for the retirement funds of an ageing community and also provides that pool of investment that is necessary for the development of Australian industry and Australian commerce so that our great country can continue to prosper.

Ms DIANE BEAMER (Mulgoa—Minister for Western Sydney, Minister for Fair Trading, and Minister Assisting the Minister for Commerce) [9.02 p.m.], in reply: I thank honourable members for their contributions to this debate. It is the intention of the bill to allow First State Super to cease being exempt from the public sector scheme regulated by New South Wales law and to become a Commonwealth-regulated scheme. This change will enable the First State Super Trustee Corporation to change the scheme's trust deed and rules so that employees who move between public and private sector employment—essentially nurses and teachers—may continue as First State Super members when they leave the public sector.

The change will enable First State Super to compete for members on an equal footing with industry and retain retail funds in the current choice of fund environment. Unions NSW has formally endorsed the proposed changes and the trustee has developed a communication strategy in consultation with Unions NSW. First State Super will continue as a not-for-profit scheme. There is no adverse change for members. Conversion means the

scheme will be more portable, giving it the potential to retain members, which in turn will help keep administration fees low. For the most part, the Government concurs with the observations made during the debate. I commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

SHOPS AND INDUSTRIES AMENDMENT (SPECIAL SHOP CLOSURES) BILL

Second Reading

Debate resumed from 8 November 2005.

Mr CHRIS HARTCHER (Gosford) [9.04 p.m.]: This is the third time in the history of the Carr and Iemma governments that legislation of this nature has been presented to the Parliament. The argument that the Coalition advanced in 1999 and 2004 remains unchanged: there is no necessity for this legislation. This matter could be rectified by a simple application, or possibly a number of applications, by the Shop Assistants Union to the Industrial Relations Commission—which is what every other union in the State would have to do.

The reason this legislation came before the Parliament in 1999, in 2004, and now in 2005, is that the Shop, Distributive and Allied Employees Association declines to appear before the Industrial Relations Commission to seek amendment to its various awards or to seek to negotiate with Coles and Woolworths, its two principal employers, the various enterprise agreements it has with them. Instead, the union simply uses its enormous political muscle to come to the New South Wales Labor Government and say, "We want special legislation. We are too lazy to do the work ourselves. We own you, we own Johno Johnson, we own Tony Burke, and we own Greg Donnelly. They are our personally chosen handmaidens in the Legislative Council, each of them picked by the shop assistants union." When the shop assistants union wants something, it simply rams it up to the Government.

Every other union in the State would have to go to the Industrial Relations Commission. Every one of them would have to lodge its application, engage its lawyers, prepare its case, and present its witnesses. But instead, in 1999, 2004, and now in 2005, the Government introduces a specific bill to embody the will of the shop assistants union. The obvious point that the legislation makes is that it does not apply to small shops because they are not unionised. The shop assistants union could not care less whether small shops remain open. It simply wants to make sure that Coles, Woolworths, David Jones, Myers—all the big chains where it has its members—are forced to close on Christmas Day, Boxing Day and New Year's Day.

The legislation provides for the compulsory closure of all those shops on Christmas Day, Boxing Day and New Year's Day. But small, non-unionised shops can stay open as long as they like; the legislation applies to union members and union members only. When people join the shop assistants union, they join not so much a union as a brotherhood or sisterhood. It is a brotherhood or sisterhood that will ensure that, come hell or high water, you will not have to work on Boxing Day—

Mr Anthony Roberts: You won't have to work.

Mr CHRIS HARTCHER: The honourable member for Lane Cove is being a little unfair in saying, "You won't have to work." Union members will not have to work on Christmas Day, Boxing Day or New Year's Day. Christmas Day has been a public holiday since the First Fleet arrived in 1788, and Boxing Day and New Year's Day have been public holidays for many, many years. The significance of this always has been that people who have to work on those days receive, under their awards or agreements, double time or double time and a half. They get extra financial benefits and extra incentives to work on those days.

Clubs stay open on Boxing Day and New Year's Day, hospitals stay open, police stations stay open, and various emergency services stay open. All those services are available to people on those days, and the staff who work there receive a special reward for working on those days. But the shop assistants union says, "We are not interested in allowing our staff to make special arrangements. We are not interested in allowing our members to get paid double time or double time and a half on Boxing Day or New Year's Day. We insist that every shop in which our members are employed is closed on those days, and we will force it through by Act of Parliament. We can't be bothered going to the Industrial Relations Commission. We say, 'Parliament, this is

our will,'" and the Labor Party bends to the will. It is the only union I am aware of that has its Legislative Council spot personally handpicked by the bosses of the union. And, of course, the shop assistants union leads the pack when it comes to financial contributions to the Australian Labor Party. Since 1995 the union has contributed no less than $1,533,000 to the Australian Labor Party.

If one looks at the official figures from the election funding returns and compares that union's figures with figures for all other unions, the shop assistants union is up there at the very top. The only union that would surpass it is the National Union of Workers, but the figures are blown out by the fact that the National Union of Workers arranged a special loan for the Australian Labor Party a couple of years back when the ALP was in financial trouble. Under the Act that loan has to be shown as a financial donation, given the preferential terms that were negotiated between the National Union of Workers and the ALP. But from the straight-out donation point of view, the shop assistants union leads the pack—and it gets its rewards in special legislation and in the right to nominate members of the Legislative Council.

Why should we support this bill? We do not support it. We did not support it in 1999, we did not support it in 2004, and we do not support it now. I have said repeatedly that in many ways the shop assistants union is a very worthy union; it is a responsible union; it is a union that upholds family values; it is a union that seeks to achieve benefits for its members, not just through industrial action but through taxation policy and family-friendly hours; and it is a union that by and large is well managed, and that is to its credit. But it is not to its credit that it uses industrial power to get a result that forces through legislation in 2005, as it forced through similar legislation in 1999 and 2004.

We do not endorse the proposed legislation but we will not divide on this issue. We divided in 1999 and we divided in 2004 but we will not divide tonight for the simple reason that if that is what the Government wants, if that is what the trade union wants, if employers are not particularly concerned about it, and if it is only employees who are members of the union who are missing out on the opportunity to get 2½ times their normal wage or double time on New Year's Day and Boxing Day and they are not particularly concerned, why should we trouble the House with a division this evening? But we will place on record our concern that this Government, which is supposed to serve all the people of this State, bows before an industrial union every time that industrial union wants special legislation. Accordingly, we do not support this bill. Mr Acting-Speaker, I know you will take exception to this remark, but I will say it anyway: You are no friend of the shop assistants union.

Mr ACTING-SPEAKER (Mr Paul Lynch): Order! I call the honourable member for Gosford to order for the second time for casting aspersions upon the Chair.

Mr CHRIS HARTCHER: The Acting-Speaker has a proud record of service to the great Construction, Forestry, Mining and Energy Union [CFMEU]—

Mr ACTING-SPEAKER (Mr Paul Lynch): Order! The honourable member for Gosford will return to the leave of the bill or he will be removed from the House before the vote is taken.

Mr CHRIS HARTCHER: But we are not going to vote on it. There is not going to be a division—

Mr ACTING-SPEAKER (Mr Paul Lynch): Order! The honourable member for Gosford will return to the bill.

Mr CHRIS HARTCHER: —so that is a fairly empty threat.

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

Mr CHRIS HARTCHER: Notwithstanding that, we are not going to divide on this legislation. As I said, we are going to place on record our total opposition to it. We condemn union arrogance, just as we condemn it from the militant left-wing unions, the irresponsible unions like the CFMEU, which are an absolute disgrace—

Mr ACTING-SPEAKER (Mr Paul Lynch): Order! The honourable member for Gosford will return to the leave of the bill.

Mr CHRIS HARTCHER: I am speaking on the bill.

Mr ACTING-SPEAKER (Mr Paul Lynch): Order! The honourable member is not speaking to the bill, and he will not cavil with the rulings of the Chair.

Mr CHRIS HARTCHER: I am speaking on the role of trade unions in dictating policy to this Government, and I reject the bill accordingly.

Mr ACTING-SPEAKER (Mr Paul Lynch): I acknowledge the presence in the House of members of the Australian Lebanese Historical Society, who are guests of the honourable member for Auburn. I note the irony of the presence of an organisation devoted to historical fact in the context of that last speech.

Mr ANTHONY ROBERTS (Lane Cove) [9.14 p.m.]: As the honourable member for Gosford said, the arguments advanced in relation to the Shops and Industries Amendment (Special Shop Closures) Bill remain unchanged from last year. We always know it is Christmas time when the Christmas trees go up, when Santa Clauses are rolled out at local supermarkets and stores, and when this same bill comes up before the House. As the honourable member for Gosford stated, the issue could go before the Industrial Relations Commission, but no, here we go again. The Shop, Distributive and Allied Employees Association [SDA] with its annual donation this year of, I think, $201,000 and an overall donation of $1.5 million since 1995, gets its own special bill. This bill will limit trading on 26 December, Boxing Day, and Sunday 1 January 2006, New Year's Day. Once again, the Government claims that the legislation is designed to ensure that employees have the Sunday off to spend with their families.

This legislation has been introduced because the SDA does not want employees making voluntary agreements with their employer because it believes that is outside the award and will undermine its role. Employees should have freedom of choice and they should be able to make a decision about whether they volunteer for Sunday work and not have it imposed as a legislative fiat by this Government. This legislation will not ensure workers do not work on the Sunday. If that was the case, as the honourable member for Gosford has stated in the past, there would not be such a long list of exemptions, which include audio shops, book shops, chemist shops, confectionery shops, cake and pastry shops, cooked provision shops, refreshment shops, restaurants, takeaway food shops, flower shops, fruit and vegetable shops, garden and plant shops, newsagencies, pet shops, souvenir shops, tobacconists, vehicle service shops, vehicle shops and video shops. Workers in those shops cannot expect to get Boxing Day and New Year's Day off, but workers in big department stores are not allowed to work.

One has almost to be a lawyer to run through all those exemptions to see whether one can work or not. But it divides the shopping industry into two categories and demonstrates once again a schizophrenic attitude to industrial relations on the part of the Government where it is applying in some ways family values to one category and not the other. Who is going to benefit from this? It has been stated time and again that it will not be the work, and not the family, but only the leadership of the Shop, Distributive and Allied Employees Association. As I said previously, and I have said in this House before, this bill will result in confusion over which shops are allowed to trade and which are not. This bill has come about because of the paranoia of this union, which is determined to stop the prevalence of enterprise agreements between employers and employees.

I must put on record that the Howard Government has done, and continues to do, a wonderful job in deregulating the employment market and providing much-needed jobs and assistance to so many small businesses. But as I have stated in the past, as with any other religious holidays, if employees do not want to work on that day they should be able to negotiate with their employer to have the day off to spend with their family or to observe their specific religious traditions.

Mr Matthew Morris: They can negotiate? Yeah, right.

Mr ANTHONY ROBERTS: The member is correct, they can negotiate that. If the employer has a moral objection to staff working on that day either because of its significance as a Sunday or its holiday status as Boxing Day, he or she may, depending on lease conditions of course, choose to close a shop on that day and roster off staff. Instead, the union has decided that this level of freedom in the workplace is uncalled for and is a threat to the unionised bargaining that currently formulates working conditions in the retail sector. As the honourable member for Gosford said, and I think it is important to place on record, the amount of donations from the union movement to this Government since 1995 totals around $15,592,091 since 1995. In fact, this year I think, based on public record, it is $3,446,000.32. So we have a Government that seems to be totally controlled by the faceless men and women from the union movement.

Mr ACTING-SPEAKER (Mr Paul Lynch): If only!

Mr ANTHONY ROBERTS: Once again we are debating in this House a bill that was custom written for the union movement by the union movement. Many officers of this House represented unions previously and have been heavily involved with the union movement. Again, I do not attack the unions but seek to promote good legislation. This is not good legislation and it should not come before this House each year. It comes each year with the Christmas tree and Santa Claus, whereas it could be very easily worked out, as do other unions, with the Industrial Relations Commission [IRC]. Once again, this is about choice; about enabling people, for example, to work on a public holiday. Many people rely on working on a public holiday.

Ms Diane Beamer: Wait until Howard's reforms come in. Where will penalty rates be then? Let's get real about it. There won't be an IRC to go to, there won't be penalty rates, and you know it.

Mr ANTHONY ROBERTS: Under the Federal Government system there will be greater employment opportunities for every man and woman in this nation. It is also important for families to be able to go shopping together for those post-Christmas sales of items such as clothing for the new school year that they may not have been able to afford before Christmas. This is an attack on the freedom of choice of employers and employees. I cannot understand why this bill is before the House once again. Although I accept that as long as the money keeps rolling in, we will probably see a similar bill introduced again this time next year—and the Opposition will not divide on the bill—I ask for some sanity from the Government and I hope that next year the Shop, Distributive and Allied Employees Association will go to the Industrial Relations Commission like all other unions do.

Mr MATTHEW MORRIS (Charlestown) [9.21 p.m.]: I support the Shops and Industries Amendment (Special Shop Closures) Bill and note with some humour the contributions by Opposition members. Government members understand that in this period before Christmas employees are already gearing up towards working extended hours not only on Thursday nights but on additional nights throughout the week. It is quite reasonable that the Government should seek to ensure that large retail chains are closed on Christmas Day, Boxing Day and New Year's Day. That is in recognition of the level of commitment given by employees in the period leading up to Christmas.

Tonight we have heard accusations about the role of unions in the bill. I do not need to look further than the Opposition benches with respect to political donations from the developer sector going to the Coalition's kitty each election, but this bill is not about unions, it is about providing some relief for employees, who are genuinely stressed by Christmas. They are entitled to a reasonable break and deserve to spend time with their family and loved ones. They need to spend time away from their workplace and spend leisurely hours at home.

We heard tonight about industrial relations. I could speak all night on that issue. Shortly we will see the true impact of the Howard reforms. The Opposition raised the question of penalty rates. We can forget about those in the future because there will not be any. Employees will not have a choice about securing penalty rates. They will all be on the John Howard wage, the flat rate of $3.50 per hour. I am sure no-one would consider that reasonable and acceptable. Employees certainly will not have the entitlements they enjoy now. I am sure that even some Federal Government members would acknowledge that fact on the quiet, if they were honest. Although honourable members opposite have regularly strayed from the leave of the bill, this is not about industrial relations reforms but about ensuring that employees have the break they genuinely deserve, given their working arrangements in the lead-up to Christmas.

I congratulate the Opposition on acknowledging that hospitals will be open and police stations will be staffed. The light is on, but obviously nobody is home. Our police stations should be staffed and hospitals should be open and servicing the community. That the Opposition would think otherwise is quite staggering. Employees appreciate that the Government is taking a proactive approach to ensure that they have a well-deserved break during the festive season. I support the bill, contrary to honourable members opposite, who persist in making this a union debate. Industrial relations will come back to bite them in due course. It is interesting that the Leader of the Opposition is now backflipping with respect to his position on industrial relations reforms. However, I am sure he will get the word from his boss in Canberra to toe the line. I accept that the Opposition will not divide on the bill. It is important that employees are aware that it is the New South Wales Labor Government that is taking into consideration the fact that they need a break during the Christmas period and that we will continue to support them, year after year, to ensure they get what they deserve.

Mr PAUL LYNCH (Liverpool) [9.27 p.m.]: I support the bill. I did not intend to speak, but the utter irrationality and illogical rantings of the honourable member for Gosford compel me to speak.

[*Interruption*]

As the honourable member for Wagga Wagga said, as usual. It is a regrettable fact of life in this House that the contributions of the honourable member for Gosford are usually characterised by very little logic and a great deal of emotion and rhetoric. As usual the member for Gosford came out with his utter obsession about unions. There is something fundamental in the make-up of the honourable member for Gosford that he despises working people and he despises any concept that they might have a right to organise for themselves. He is obsessed with a nineteenth century vision of how the world should operate. The appalling performance he put on tonight is a very good example of that.

The logical absurdity of the Opposition's position is very simple. The Coalition forces in this country at the moment are trying to destroy the industrial relations system. They are trying to destroy the entire concept of arbitrated wages, of centrally fixed wages that have been a feature of our society for 100 years. Yet they come here tonight and what do they say? They condemn the Government and the union for not going to the Industrial Relations Commission! It is absurd. One hand of the conservative movement rants and raves about their agenda and then comes along here and argues precisely the opposite. That, of course, is not unusual for someone like the honourable member for Gosford. He gave a speech earlier tonight dealing with Greek history that was more to do with a Cold War wet dream than any rational analysis. He is the pre-eminent elitist apparatchik and ideologue in this place. The thrust of the argument that somehow or other this Government is a captive of a militant union movement and does everything the union wants has a very great deal to do with the honourable member for Gosford's fantasy world and very little to do with reality.

Ms DIANE BEAMER (Mulgoa—Minister for Western Sydney, Minister for Fair Trading, and Minister Assisting the Minister for Commerce) [9.28 p.m.], in reply: I thank honourable members for their contributions. However, I wish to comment on the contributions of honourable members opposite, which demonstrated absurdity and hypocrisy in the extreme. These same people, who want to take away penalty rates, argued that this bill will destroy workers' rights to get penalty rates on those days. Members opposite will say that we are taking away the right of workers to penalty rates but that we would really like to completely dismantle the system and take away the right of workers to bargain collectively and to negotiate.

The honourable member for Lane Cove said that the proper place for industrial relations disputes is the New South Wales Industrial Relations Commission [IRC]. Let me say once and for all that the Government totally agrees with the honourable member. We want disputes to be heard in the Industrial Relations Commission, not in Howard's body. We want disputes heard by the New South Wales body, which protects workers and employers in this State and which has rational dispute resolution mechanisms. We want them heard not by a body which is dictated to but is supposedly fairer and simpler but by the equitable body that looks after the people of New South Wales. I commend the honourable member for Lane Cove for recognising the New South Wales Industrial Relations Commission, which is an important institution, and for drawing the attention of honourable members to his fundamental belief in the IRC.

I look forward to the honourable member for Lane Cove getting on the phone to his Federal Liberal colleagues and saying to them, "Stop this workers rights demolition. Let us go back to the IRC model." And we will be behind the honourable member all the way. Given his contribution to this debate, I should like to hear what he will do. Let us get this right. We heard much about small shops and the situation in 2004. Small shops appreciated the opportunity not to trade on these days, as was their right, and not to compete against the large shops. Another point needs to be made: for many years Coles and Woolworths have demonstrated co-operation and mutual understanding on this matter. Let us get this right: The policy of this bill is to enable retail shop employees to celebrate the end of year festive days with their families and to accord them a proper holiday respite, while also catering for the consumer needs of holiday travellers.

This bill is simple. As the Minister outlined in his second reading speech in the other place, this bill amends the Act to allow a limited exemption for such general shops to open on Monday 26 December 2005 and Sunday 1 January 2006. Under the twin operation of the Banks and Bank Holidays Act 1912 and the Shops and Industries Act, the consecutive Sundays of 25 December and 1 January are normal trading days for many general shops, given that the official Christmas Day and New Year's Day holidays are transferred to the following Monday. I am pleased that we have encapsulated the honourable member for Lane Cove's opinion of the IRC. I am pleased that this bill will enable people to spend time with their families. Coles, Woolworths and

other big traders have demonstrated a mutual respect on this matter. We look forward to allowing people to spend these days with their families. I commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

STATE EMERGENCY SERVICE AMENDMENT BILL

Second Reading

Debate resumed from 8 November 2005.

Mr ANDREW HUMPHERSON (Davidson) [9.33 p.m.]: The State Emergency Service Amendment Bill covers the State Emergency Service [SES]—an organisation that was the subject of debate earlier today, as it is SES Week and the fiftieth anniversary of the establishment of the SES back in 1955. I reiterate comments made in the earlier debate. The SES comprises some 9,000 volunteers in 232 units across the State. The SES, which does an exemplary job, comprises people who are committed and well-trained and who give enormously of their time. They work hard in their communities and give of their time to train, assist and support their local communities in a wide range of ways.

The purpose of this bill is to make a number of amendments, which I understand are supported by the SES and volunteers. The bill acknowledges the volunteer status of the majority of members of the SES. I also acknowledge that status, having visited many SES units across the State, literally in the north, the north-west, the south, the south-west, Sydney, the Central Coast, the west and the far west of the State. What is typical and consistent is that these people are decent, basic members of the community who are committed to serving their community. The years of service that these people have given to their respective communities is extraordinary.

This bill recognises the role of the SES to protect life and property in storms and floods. That is one of its core roles; SES workers are recognised by their distinctive orange uniforms when putting tarpaulins on roofs damaged in storms, heavy winds and rain. The bill removes the civil defence planning function of the SES, on the basis that this is a whole-of-government response and is undertaken by the State Emergency Management Committee. The civil defence planning function derives from the establishment of the SES back in early 1955, and in this day and age it is understandable and reasonable for that function to be removed. The bill will codify the operational hierarchy of the service, and will specifically identify the role of the director general as the State controller for the SES.

The bill provides for SES divisions to be renamed "regions", to use terminology consistent with that of other emergency service organisations, and for division controllers to be renamed "region controllers". It provides for the appointment of more than one SES local controller for a local government area, should it be necessary, to help spread the work load on the volunteers. It will allow the director general to establish an SES unit on his own initiative in response to, for example, population growth or identified hazards or needs and not on receipt of an application, as is the case now. I shall return to that point later. The bill will allow the director general to make arrangements to assist territories that do not have SES units, for example, Jervis Bay.

In the second reading speech the Minister referred to Norfolk Island. I make the observation—based on advice I received this evening—that the intention is to better facilitate the SES assisting other jurisdictions. In some cases the SES could be placed in a position of not acting in accordance with New South Wales legislation. I note that the Volunteer Rescue Association [VRA] is concerned about some of the changes. I understand that the Volunteer Rescue Association has a unit on Norfolk Island. However, we want to ensure that the SES is not put in the position of being unable to assist the territories, including Jervis Bay, where there is no SES unit. The bill will not change the primary functions of the SES.

The SES will carry primary responsibility in a number of areas, for example, rescuing people trapped in motor vehicles, and it will have a primary lead and response role in relation to floods and storms. I refer specifically to the concerns of the Volunteer Rescue Association. I note that the bill, having been introduced only 24 hours ago, has not been in Parliament long enough to enable stakeholders to consider it in detail. However, the VRA has been good enough to contact me fairly promptly. Other stakeholders may be concerned about, or indeed may support, the bill, but the Opposition is not yet fully aware of that.

The VRA's concerns relate primarily to the establishment of SES units. In most cases across the State where SES and VRA units are in close proximity they work well and share members and equipment. On occasions there can be minor difficulties. However, when responding to community need in the event of a rescue or storm, without exception our volunteers, regardless of which agency or organisation they come from, work in a committed manner, co-operatively, with the primary view of looking after citizens who need support. However, there have been some longstanding cautions, as I would call them, on the part of the VRA, with the SES having the potential to have units established that may compete for funds or for members.

In 1990, after a number of meetings initiated by the then Minister for Emergency Services, Ted Pickering, an arrangement was reached between the SES and the VRA where the SES confirmed that it would not pressure VRA units to become affiliated with the SES, that both operational units would co-operate and that there would be no amalgamation or takeover at a local or a broader level. That agreement was signed by the director, Horrie Howard, on 3 December 1990 and has been honoured for the past 15 years. The VRA is concerned and will be seeking assurances, not just tonight but over the coming week or two before debate is completed in the upper House, that there is no agenda or ulterior motive behind giving the director general of the SES power to establish units on his own volition.

I refer specifically to some of the concerns brought to my attention. The point is made by and on behalf of the VRA that many regional and rural communities are served efficiently by police, ambulance, Fire Brigades, RFS and VRA units. Therefore, if there is to be a new SES unit, one needs to consider that in a wider perspective and not simply from an SES point of view. That seems a sensible observation and comment. The community needs to be consulted about whether there is a requirement for an SES unit, as the community will need to support these units through local government and community funding.

The new legislation will lead to friction in those communities where the SES wishes to duplicate existing resources, especially given the resources were built up with considerable community support. Again, that is quite a logical observation. If there is potential for friction, that needs to be addressed now while the legislation is still the subject of debate and discussion. At this point there is no intention to seek to change the legislation in any way but if the reassurances that the VRA needs—and I expect will be offered—are not satisfactory, it may be the subject of further debate.

The VRA has an agreement with the SES regarding non-duplication of units and working together. Overall, this has worked well. The VRA has not been consulted on the new legislation, although it is a significant stakeholder. If this bill were not being fast-tracked through the House—as has occurred in the past 24 hours—but were allowed to lay on the table for five days, this debate would take place next week. The VRA and other potential stakeholders would have a chance to have a good look at the legislation. However, the Minister is not organised. This legislation was not written last weekend. The Minister does not have his act together. This is not the first occasion. There have been numerous occasions when he has introduced legislation with five minutes notice and sought to push it through. If there is a problem with the VRA, it is lack of consultation, and that is the Minister's doing, and nobody else's.

The VRA has a rescue squad on Norfolk Island, which is not New South Wales territory. What are the intentions of the SES in regard to that? I have been given assurances that there is no intention necessarily to establish an SES unit on Norfolk Island, but this bill will facilitate the SES if it needs to assist on request on Norfolk Island or in Jervis Bay. The VRA's final concern is why would the SES director general want to register any group of people as an SES unit regardless of whether its role falls within the emergency to which the principal Act applies? Any interest, social or cultural group could be an SES unit. Again, there needs to be some greater clarity of the purpose behind this.

There may be a need in some areas of the State to establish an SES unit but the wider community would expect that does not duplicate an existing VRA unit that will perform a comparable function. That would draw not only on limited donations from small communities but also on limited volunteer numbers. There is a strong need for assurances not just from the Minister who has carriage of the bill tonight but also from the Minister in the upper House. It would be courteous for the Minister to write to the VRA and any other relevant organisation and clearly put it to them that there is no ulterior motive in this regard.

The Opposition has cautious reservations in regard to the caveats that may apply to the establishment of new units at the initiative of the director general. However, we do not have any concerns about the wider reforms and the tidying up in the bill. It is not inappropriate to make some minor changes to the SES. They did not have to occur this week, but again I put on the record the support from Coalition members across the State

for the SES. I reiterate our determination to maintain that support in government. We cannot possibly get by without the volunteers in the SES and other emergency service units. They have done a great job over the past 50 years. We want that contribution to continue for many years into the future.

Mrs KARYN PALUZZANO (Penrith) [9.48 p.m.]: I am pleased to support the State Emergency Service Amendment Bill. I acknowledge that State Emergency Service [SES] members in their distinctive orange overalls are a familiar and reassuring sight in all times of trouble and disaster. I commend the work of the SES in the Penrith local government area. I commend it for what it has done over time from its centre at St Marys and for the work it has done on the Nepean River. From my time spent at the Penrith Lakes Environmental Education Centre I know the work the SES has done with the flood safe program, making sure that students are aware of what to do in times of flood to keep the areas safe. Whether it is filling sandbags, evacuating residents stranded by rapidly rising floodwaters, putting tarpaulins on roofs in storms, freeing road accident victims or assisting police in search and rescue operations, the SES can be relied upon to come to the help of those in need. In particular, I acknowledge the work and commitment of the Penrith SES volunteers during the flooding of the Nepean and Hawkesbury rivers and recent storm damage. Earlier tonight a member, speaking on another bill, referred to industrial relations and the Industrial Relations Commission. We know that the Federal WorkChoices legislation will put volunteers at risk.

Mr Steven Pringle: Point of order: This issue is not within the leave of the bill. I ask that the honourable member for Penrith be brought back to the leave of the bill.

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

Mrs KARYN PALUZZANO: The Opposition cannot understand that annualised working hours put volunteers at risk. Under his or her Australian workplace agreement [AWA] a person may be called on to work 70 hours one week and fewer the next. An SES volunteer would not have the time to volunteer. The Government has a steadfast commitment to providing volunteers with the funding, equipment, accommodation and training they need to support their local community. As I said, the flood safe program undertaken by the local Penrith was admirable and the packages distributed to local schools were well received.

Over the past 11 years the State Labor Government has provided the State Emergency Service with unprecedented levels of funding totalling almost $273 million. As honourable members would be aware, this year the SES is marking half a century of service to the community of New South Wales. It is fitting that in the 2005-06 budget the Government has allocated an all-time high of $40.6 million, which is an increase of $6.3 million over the last year and an increase of $26 million, or 182 per cent, over the last budget of the former Coalition Government. In the 2005-06 budget the Government is helping to mark the State Emergency Service's fiftieth anniversary with funding of $300,000 to assist with the planned celebrations that will recognise the volunteers' invaluable contribution to the State.

As we have seen from the recent wild weather in the central and far west of the State, flood and storm threats are costly natural hazards to the New South Wales community. This bill will formally recognise in legislation the role of the SES to protect life and property in storms and floods. This job could not be done without the SES personnel, many of whom are volunteers. They are the lifeblood of the organisation. I am pleased to confirm that the bill will amend the Act to acknowledge the volunteer status of the majority of the SES members. SES volunteers are trained to national standards in a wide range of skills. There are two main training streams: rescue and headquarters.

Rescue personnel are trained in first aid, general rescue techniques and other skills needed to deal with specific local threats. As I have said, the local skills developed in the Penrith area are river rescue techniques. The SES is supported by Penrith City Council in this area. Headquarters personnel are trained to manage operations and logistics, as well as to work with the media and co-ordinate community education activities. Logistics operations in the Penrith area are located at the St Mary's command centre, which is set up with telephone lines, disaster maps and areas for logistical support. The SES works well with other volunteer agencies, such as the Penrith Volunteer Rescue Association [VRA], which undertakes rescue operations in the Penrith local government area, local police and Penrith City Council.

The amendments contained in this bill will provide clarity by classifying the operational hierarchy of the service, including the role of the director-general as the State controller for the SES. Further amendments will update terminology by replacing SES divisions with regions, which will ensure consistency with the

terminology used by other emergency service organisations. As a consequence, division controllers will be renamed region controllers. The bill also makes commonsense amendments by allowing for the appointment of more than one SES local controller for a local government area should it be necessary to help spread the workload of the volunteers. As I have said, Penrith has a flood-prone river but it also has a large open area that may need assistance following storm damage, such as trees falling on homes which occurred as recently as last year.

The bill allows for the director general to form an SES unit on his own initiative in response to population growth or identified local hazards, not just on receipt of an application. This provision will allow the director general to form an SES unit in response to high-population growth areas, such as the north-west and south-west sectors. The bill also allows for the director general to make arrangements to assist territories that do not have any SES units. The bill will amend the Act to remove the civil defence function of the SES. Civil defence planning is now regarded as a whole-of-government responsibility and is undertaken in New South Wales by the State Emergency Management Committee through the preparation of emergency management plans. The SES will still play an important role in assisting the emergency services and other agencies in the event of a civil defence operation. I am pleased to report that the proposed amendments are supported by the peak body that represents SES volunteers, the State Emergency Service Volunteers Association. I commend these sensible and timely amendments to the House.

Mr ANDREW CONSTANCE (Bega) [9.55 p.m.]: In speaking to the State Emergency Service Amendment Bill, I recognise that many communities on the far South Coast have been served wonderfully by volunteer rescue associations, particularly the State Emergency Service, the Royal Volunteer Coastal Patrol, the Volunteer Rescue Association and the Rural Fire Service to name just a few. This year is the fiftieth anniversary of the formation of the SES. The service was formed in April 1955 following disastrous floods across the State. More than 1,300 volunteers will parade through the main streets of Sydney this week to commemorate SES Week. Although I understand the need for the Government to push ahead with this bill in honour of the SES Week, it is unbelievable that the Government would introduce and ram legislation through this House without properly consulting with all the stakeholders and addressing any concerns they may have about the provisions in the bill.

There is merit to the bill. I know that the volunteers who contribute to the SES on the far South Coast will welcome many of the provisions. I will not go through them, but the Opposition welcomes a number of the provisions in the bill. However, we have reservations about the power of the director general to set up and establish an SES unit without being required to consult with community organisations and stakeholders. I reiterate that point, which was made earlier by the shadow Minister for Emergency Services. I hope this issue will be addressed as the bill passes through the upper House. If there are reservations, amendments could be considered in the upper House.

I am disappointed that the Government is holding a parade this Saturday in honour of the SES but has not felt the need to invite the New South Wales Opposition. This omission is reflective of the manner in which the Government seeks to dominate and control everything in the State in a partisan way. The many volunteers in the organisation deserve a spirit of bipartisanship from the Government. They are not getting it. I hope this matter will be rectified before the event takes place on Saturday.

A number of points have been made in relation to provisions of the bill that have merit and make sense. Recognition of the volunteer status of members of the State Emergency Service goes without saying. Ability to extend the functions of the State Emergency Service to the protection of life and property in storms and floods and the removal civil defence from the functions of the service are also worthy of note. I cautiously welcome the bill. As I said, there are wonderful volunteer rescue organisations throughout the Bega electorate. I would hate the provisions of the bill to result in potential conflict between organisations. I hope the Government consults more broadly over the next few days before the bill is dealt with in the upper House.

Mr STEVE WHAN (Monaro) [10.00 p.m.]: It is a pleasure to speak in support of the State Emergency Service Amendment Bill, which makes a number of important amendments to the State Emergency Service Act. It is a pleasure to be able to do so during a week that is so important to the State Emergency Service [SES], with a parade scheduled for Saturday to celebrate its fiftieth anniversary in New South Wales. Before I deal with the fiftieth anniversary celebrations and the debt we owe to the SES volunteers, I want to address some of the points that two Opposition speakers made about formation of SES units, which is dealt with in schedule 1 to the bill.

Schedule 1 [22] amends the State Emergency Service Act by inserting a new section 18, which allows the director general to form SES units. In the past the director general had to be approached by a group of

volunteers seeking to become an SES unit. Under the bill the director general will be able to register a group of persons on his or her own initiative or on the application of an association of persons formed for the purpose of dealing with emergencies to which the bill applies. The Opposition made a number of points about how this would impact on units of the Volunteer Rescue Association [VRA]. I have been informed by the Minister's advisers that the Government can give an assurance that, where a volunteer rescue association unit exists that is willing to undertake the SES functions, the director general of the State Emergency Service will not seek to form an SES unit.

Under a longstanding agreement the VRA units at Cessnock, Narrandera, Corowa and Rylstone, for example, already perform the functions of the SES. I understand the importance of VRA units. There is an excellent volunteer rescue association at Narooma, in the electorate of Bega, which does some terrific work. I reiterate that assurance to the Opposition about the relationship between the VRA and SES functions: the director general will not seek to form SES units where VRA units already exist.

The bill includes a number of important overall initiatives. I noted comments by the Opposition about a lack of proper consultation and about ramming legislation through the House. The bill has been the subject of extensive consultation with the SES and with the volunteers' representatives. It has been possible to address some issues that have been around for some time, which means that the bill provides sensible changes. As the previous speaker for the Government mentioned, the bill will bring the SES into line with a more centralised disaster management framework, which I think we would all agree is necessary at a time when the focus of the States and the Federal Government has been on the response to terrorism and other types of emergencies. In that context the change is obviously a sensible one.

The State Emergency Service provides an important service to New South Wales. In the past three days, with flooding in the Central West and other western parts of the State, we have seen just how important that service is. Earlier today the House debated an urgent motion that sought to congratulate and thank SES volunteers. The number of speakers in that debate was limited and I am pleased this legislation is being debated tonight because it provides me with an opportunity to add my thanks to those volunteers. There are more than 9,000 volunteers in the SES who give up their time to train and prepare to respond to emergencies 24 hours a day, 365 days a year. Those volunteers have done a great job in this State over a long period of time and the State Labor Government has tried to assist them with unprecedented levels of funding.

The 2005-06 budget for the State Emergency Service is at an all-time high of $40.6 million, an increase of $6.3 million over last year and an increase of $26 million, or 182 per cent, on the last budget presented by the former Coalition Government. This year the budget is helping to mark the fiftieth anniversary of the service with funding of $300,000 to assist with the planned celebrations, which will acknowledge the valuable contribution to this State of volunteers. I have spoken to some SES volunteers in the area that I represent, the electorate of Monaro, who are quite excited about coming to Sydney for the parade on Saturday. We have seen parades over the years for cricket teams and, recently, for the Swans football team. They were well-deserved parades for those sporting heroes, but it is fitting that we will see a parade this Saturday commemorating the efforts of many heroes who volunteer their services during times of crisis in this State.

Many of those preparing to travel from Monaro to Sydney on Saturday to take part in the parade are very excited about it. One of them is employed in my electorate office and he literally cannot stop talking about it. They will be thrilled by the response I know they will receive from the people of Sydney and New South Wales on Saturday. The Government's commitment to the SES has been critical in ensuring that the volunteers have the modern equipment and good facilities that are necessary to enable them to do their job efficiently and safely. Obviously the safety of volunteers is of paramount importance.

A number of important investments in SES units have been made in the area I represent. The new SES headquarters in Cooma are nearing completion with the assistance of State Government funding. I have made a couple of visits to the site during the construction phase. It is being built in conjunction with the new fire control centre for the Rural Fire Service. It is a terrific project and the centre will be an emergency management section for the whole region. That is an investment the Government has made in our region to ensure that volunteers in both organisations are able to do their job well. They will be tremendously excited about that because the old SES headquarters were literally about to fall down. The doors were sloping, and there were other problems.

Probably more importantly, the old headquarters were far too easy to break into. Unfortunately, people had broken in and stolen communications equipment. Sometimes it is difficult to understand human nature. The new headquarters will be a lot more secure, and that will ensure that sort of thing does not happen again. There

are a number of State Emergency Service units around the Monaro electorate—at Eden, Bombala, Bungendore, Captains Flat, Cooma-Monaro, Nimmitabel, Queanbeyan, Snowy River and Tallaganda—doing terrific work with better levels of funding and equipment. Over the period the Government has been in office it has allocated $13.1 million for rescue equipment, more than $16 million for personal protective equipment, $6.8 million in subsidies to assist with the purchase of emergency response vehicles, funding for the replacement and purchase of 194 flood rescue boats and 79 sandbagging machines, more than $4 million to build nine new SES division headquarters, and more than $22 million to improve radio communications, paging and information technology.

I have also attended a number of ceremonies to hand over global positioning systems equipment, which is obviously of great use when undertaking rescue operations or searches. We have to say thank you to the volunteers who give up their time to do so much—from the flood recovery work of the past few days to an operation that the Queanbeyan SES was involved in not long ago when they assisted in the search for an elderly man suffering from dementia who had wandered off from his house in his pyjamas and was missing overnight. Ultimately, the search was successful. It could have ended tragically, but the gentleman was found safe and well due to the efforts of volunteers. It was a good outcome. This is an important time for the State Emergency Service. The bill has been introduced after a great deal of thought and after careful consultation with the organisations involved. The Opposition might like to claim that it is being rushed through but the reality is that the people who count were consulted, that is, the volunteers and those who run the organisation. I commend the bill to the House.

Mr STEVEN PRINGLE (Hawkesbury) [10.10 p.m.]: The State Emergency Service [SES] is particularly important in the Hawkesbury electorate, an area that is heavily wooded and is also the home of the famous Hawkesbury-Nepean river system. Until fairly recently, the Hawkesbury and Nepean rivers used to flood regularly. Indeed, I suspect that will happen again. I acknowledge the outstanding contributions of each of the State Emergency Service units that provide services in the Hawkesbury area—in the Baulkham Hills shire, under the control of Peter Hanswood, and in the Hornsby shire, under the control Bob Corbett. Bob Corbett, who has some 30 years dedicated experience, has just returned from the Central West floods. In many ways he symbolises the outstanding contributions of SES volunteers. I well remember the 1991 northern Sydney storms. The storms caused unbelievable damage and Bob Corbett and his team were involved in the clean-up. The roads and the railway were blocked, many trees crushed cars, and a lot of damage was caused to house roofs. As usual, the SES set about methodically clearing roads, tarping roofs, and making people's houses safe. Like most of the other 9,000 SES volunteers, they then became actively involved in similar activities in the hail-damaged eastern suburbs.

State Emergency Service volunteers like to hone their skills. I publicly acknowledge the Hawkesbury SES team, which recently took out the National Rescue Championships. Under the control of Kevin Jones, the team comprises David King, Michael Broome, Malcolm Brierley, Craig Martin, Wayne Barry and Ron Van Els. In addition to the team win, Wayne Barry was named the competition's best first aider, while David King was named the best team leader. This outstanding team also won the navigation section of the competition. The Hawkesbury SES team has won the title in the past and is well known for its expertise in all forms of rescue. The team performs rescue operations from heights, it is the primary road crash rescue team for the local area, and has a fleet of flood boats and regularly assists the community on local rivers.

As part of the national competition, the Hawkesbury SES team was required to shore up a wall to save a casualty trapped underground. The team then had to move heavy concrete blocks to rescue a casualty trapped underneath a building, and was also involved in a simulated rescue of a parachutist who was caught in a tree. As part of the national competition, the team took part in a rural rescue down a steep 300-metre track where a casualty was trapped under a large rock. The team was also involved in a simulated helicopter crash, in which seriously injured casualties were trapped inside a pitch-black, rubble-filled, smoky area. The Hawkesbury SES team received the award from the Federal Attorney-General, Philip Ruddock. I thank Philip Ruddock for his strong support for the SES.

One of the most important projects in which the Hawkesbury SES team has been involved is the Hawkesbury-Nepean Project, which was started some six years ago. The aim of the project is to ensure that when that inevitable flood comes to the Hawkesbury-Nepean river system, the thousands and thousands of people that potentially will be affected will have adequate evacuation routes and will be adequately trained. The project focuses on community education. The project includes products such as FloodSafe guides, as well as face-to-face activities, including community displays and briefings to interested community groups. One of the major activities in the project is the Hawkesbury Show, in respect of which the Government is now charging for a police presence! Curriculum material in the form of a package for year 9 high school geography students was

also developed as part of the project. Even more importantly, the project involves the use of flood warning systems. A best practice guide has been released within the SES regarding the use of doorknocking as a warning and information-dissemination method. A sophisticated computer-controlled warning message system is also part of the project.

The local SES units have also been actively involved in a computerised geographical information system [GIS] which provides flood intelligence. In almost real time, the inundation area of a flood in the Hawkesbury Nepean Valley is identified. The system is able to catalogue evacuation route flooding points, and data collected by accurate GPS surveys of roads, rural areas, and caravan parks along the lower Hawkesbury River. The future for our local SES is indeed strong. I wish each of the SES units well in Saturday's march through the city. I know they will do a particularly good job in years to come also. The honourable member for Monaro spoke about protecting the Volunteer Rescue Association. We have received an assurance that the Government will not impinge on its turf. I urge the Government to consider a minor adjustment to the legislation so we can allay the concerns of the Volunteer Rescue Association.

Mrs JUDY HOPWOOD (Hornsby) [10.17 p.m.]: The objects of the State Emergency Service Amendment Bill are to amend the State Emergency Service Act 1989 to extend the functions of the State Emergency Service [SES] to the protection of life and property in storms and floods and to remove civil defence from the functions of the service, to replace State Emergency Service divisions with regions and to allow the Director-General of the State Emergency Service to divide the State into regions without the need to seek approval from the State Emergency Operations Controller, to recognise the volunteer status of members of the State Emergency Service, to provide that the director-general be recognised as the State controller for the State Emergency Service and to allow the director-general to make arrangements to assist States and Territories that do not have any SES units, to allow the director-general to appoint more than one local controller for a local government area and to form an SES unit on his or her own initiative, and to make other miscellaneous amendments of a minor, consequential, savings or transitional nature.

I join members in congratulating the State Emergency Service, which was formed in April 1955, on its fiftieth anniversary. State Emergency Service Week started on 5 November. On behalf of the community of New South Wales, each SES member will receive a commemorative fiftieth anniversary medallion in recognition of his or her valued service. Obviously, that is small recognition of the amount of time they dedicate to the service, the interruption to their family life, and the way in which they brave conditions when they are required to assist during a disaster. A book will also be launched this week during the anniversary celebrations. I look forward to purchasing the book, titled *In Times of Crisis*, which provides an invaluable look inside the SES. As has already been mentioned, this week some 1,300 volunteers will participate in an SES parade.

I want to make a few general points about the SES. It is an emergency and rescue service dedicated to assisting the community. The service is made up almost entirely of volunteers and has 232 units located throughout New South Wales. The units have more than 9,000 volunteer members who are easily identified by their distinctive orange overalls. As I have had a lot to do with my local State Emergency Service in Hornsby I know the uniforms are distinctive and the members are very proud of them. While its major responsibilities are flood and storm operations, the SES also provides the majority of general rescue efforts in rural parts of the State. They includes road accident rescue, vertical rescue, bush search and rescue and other forms of specialist rescue that may be required in response to local threats. The service's trained rescuers also support the full-time emergency services during major disasters.

As I have already said, the SES was formed in 1955 following disastrous floods across New South Wales that resulted in substantial loss of life and massive damage to property. The Government realised the need for a body of trained and disciplined volunteers with good local knowledge who would be available at short notice to help the community during such disasters. In 1972 the State Emergency Services and Civil Defence Act was passed by Parliament. That Act remained in force until 1989 when the State Emergency Service Act replaced it. Flood and storm threats are the most costly natural hazards the community of New South Wales faces. In response to these threats, the SES prepares flood plans for communities at risk, assists the Bureau of Meteorology in developing and disseminating official flood and storm warnings, translates official flood warnings into the likely effects and disseminates that information, evacuates people whose properties are threatened or made uninhabitable due to floods or storms, rescues people who are endangered, trapped or injured by floods or storms, resupplies communities and individuals who are isolated due to flooding, minimises damage to properties affected by floods or storms, co-ordinates immediate welfare requirements for affected communities in conjunction with the Department of Community Services and undertakes public education to ensure that those at risk know what they should do to protect themselves and their property.

The SES also provides rescue services and supports other agencies. Bob Corbett heads the Hornsby State Emergency Service. As has been mentioned by the honourable member for Hawkesbury, Bob Corbett has a long and illustrious career in the State Emergency Service. I also mention Lee Lowe, a hardworking member of the team in the face of disasters who is also a good media face to get the story of the State Emergency Service out to the public. My main contact with the State Emergency Service after I was elected was in 2002 when fires swept into the Hornsby electorate from the Hawkesbury electorate. The SES was integrally involved with other services over the four days during which the wildfire burnt its way through the Berowra and Cowan area and up to Brooklyn.

Another member of the SES, Terry Henry, was very involved with the local Hornsby Relay for Life both last year and this year after he lost his wife to cancer. Members of the SES were 24-hour participants in the 24-hour Relay for Life; they had volunteers on the ground at all times. Terry Henry walked for 24 hours with the assistance of his team-mates. That shows the type of resilience and team effort within the SES. Terry Henry walked for 24 hours for two years in a row in memory of his wife, and he certainly had a great deal of support from the other members of his team. I remind the House of the potential issues associated with the Volunteer Rescue Association. Even though an assurance has been given that no SES will be set up where there is a strong Volunteer Rescue Association unit, that issue may have to be looked at in the future. Once again, I congratulate the State Emergency Service on its work, and I look forward to working with the service in the future.

Mr JOSEPH TRIPODI (Fairfield—Minister for Roads) [10.24 p.m.], in reply: I thank all honourable members for their contributions to the debate.

Motion agreed to.

Bill read a second time and passed through remaining stages.

SPECIAL ADJOURNMENT

Motion by Mr Joseph Tripodi agreed to:

That the House at its rising this day do adjourn until Thursday 10 November 2005 at 10.00 a.m.

The House adjourned at 10.26 p.m. until Thursday 10 November 2005 at 10.00 a.m.