

# LEGISLATIVE ASSEMBLY

Wednesday 7 June 2006

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

**Mr Speaker** offered the Prayer.

**Mr SPEAKER:** I acknowledge the Gadigal clan of the Eora nation and their elders and thank them for the custodianship of this land.

## JOINT SELECT COMMITTEE ON THE CROSS CITY TUNNEL

### Establishment and Membership

**Mr SPEAKER:** I report the receipt of the following message from the Legislative Council:

Mr SPEAKER

The Legislative Council desires to inform the Legislative Assembly that, having considered the Legislative Assembly's message of 25 May 2006 regarding the Joint Select Committee on the Cross City Tunnel, it has this day agreed to the time and place appointed by the Legislative Assembly for the first meeting of the Joint Select Committee on the Cross City Tunnel.

The Legislative Council further informs the Legislative Assembly that the following members of the Legislative Council have been appointed to serve as members of the committee:

Ms Fazio  
Mr Pearce  
Ms Rhiannon

Legislative Council  
6 June 2006

MEREDITH BURGMANN  
President

## JOINT SELECT COMMITTEE ON TOBACCO SMOKING

### Establishment and Membership

**Mr SPEAKER:** I report the receipt of the following message from the Legislative Council:

Mr SPEAKER

The Legislative Council desires to inform the Legislative Assembly that, having considered the Legislative Assembly's message of 25 May 2006 regarding the Joint Select Committee on Tobacco Smoking, it has this day agreed to the time and place appointed by the Legislative Assembly for the first meeting of the Joint Select Committee on Tobacco Smoking.

The Legislative Council further informs the Legislative Assembly that the following members of the Legislative Council have been appointed to serve as members of the committee:

Mr Donnelly  
Mr Harwin

Legislative Council  
6 June 2006

MEREDITH BURGMANN  
President

## CHILDREN (DETENTION CENTRES) AMENDMENT BILL

**Message received from the Legislative Council returning the bill without amendment.**

### APPROPRIATION BILL

### APPROPRIATION (PARLIAMENT) BILL

### APPROPRIATION (SPECIAL OFFICES) BILL

**DUTIES AMENDMENT (ABOLITION OF STATE TAXES) BILL****STATE REVENUE AND OTHER LEGISLATION AMENDMENT (BUDGET MEASURES) BILL****Second Reading****Debate resumed from 6 June.**

**Mr PETER DEBNAM** (Vaucluse—Leader of the Opposition) [10.03 a.m.]: This Labor Government has reaped record property taxes and billions of dollars of above-budget revenue over the past 11 years, but its election promises simply have not been delivered. The people of New South Wales want to know where all the money has gone. They know that over the past decade the Labor Government has taxed them to within an inch of their life, but they also know that front-line services are scratching for resources and that the State's infrastructure is run down. Where exactly has all the money gone—all those billions of dollars of property revenue? Before the people of New South Wales allow Labor to run up another \$17 billion of debt over the next four years they want to know what the Government did with that record tax revenue. I will tell them what the Government has done with almost \$400 billion of revenue over the past 11 years, but they really deserve to hear it from the Labor Party.

This election year budget is a classic New South Wales Labor budget. It is an attempt to fix headlines rather than the problems. Instead of an economic rescue plan for New South Wales, Morris Iemma is trying to sneak out a political re-election plan for Labor. New South Wales needs a plan to repair the State, not Labor's lagging political fortunes. After 11 years of Labor mismanagement the Government faced two choices in preparing this budget. A budget strategy of bold honesty was one choice—that is, it had an opportunity to detail the depth of the State's problems, to confront them head on and to introduce a program that provides real solutions. The second choice was a budget strategy of denial and deception—that is, a budget of fiction that Labor hopes will get it through the election. Labor took the easy option. With Labor, spin always comes before substance. The election year budget we saw yesterday is a budget of denial, deficit and debt. Labor still has not admitted to the people of New South Wales where all the money has gone.

In fact, the three pillars upon which this budget is built—the Government's forecast of economic growth, its claim that it will rein in expenses growth and its claim to be cutting taxation—are deceptive. Labor has delivered another fairytale budget in an election year. The first critical piece of fiction in this budget is the economic outlook for New South Wales. Economic growth forecasts for future years are overstated and the inevitable failure to meet them will mean more deficits. Last year the Government's final demand forecast of 3.5 per cent was revised back to 2.5 per cent in the mid-year budget review. It remains at 2.5 per cent, a full 1 per cent below the original budget forecast. Gross State product [GSP] forecasts are even more unreliable. Last year the Government forecast GSP growth of 2.75 per cent and then revised that back to 2 per cent. It is now forecasting 2.5 per cent for this year and 3.25 per cent in the medium term. These forecasts are clearly highly ambitious, and given that the Government's GSP forecasts have been higher than the actual results for the past five years and the State economy's poor performance, we know that its growth forecasts will simply not be achieved.

The second fiction is the Government's claim that it is cutting taxes. Despite claiming credit for budget tax cuts, the Labor Party has simply cut or removed taxes it has imposed in recent years. The Labor Party wants to be applauded for simply backing down on its own extravagant tax grabs. The reality is that government tax revenue will continue to reach record levels. According to the budget, the Government will receive a record \$42.2 billion in taxation revenue next financial year, including a record \$5.8 billion in payroll tax and a record \$1.9 billion in land tax.

The third fiction is Labor's claim that it will cut general expenses in 2007-08. That has to be the biggest fiction in the budget. The Government claims that it will return the budget to a surplus of \$378 million in 2007-08. It claims it will achieve that by reining in growth in expenses. That is simply unbelievable. Despite general government expenses growing by an average of 5.8 per cent over the five years to 2007-08, the Government desperately claims that growth in general government expenses will fall to just 1.9 per cent in 2007-08, rising again to 4 per cent the following year. It is obvious that the Government has massaged that 1.9 per cent figure to conjure up a budget surplus forecast in 2007-08.

Why? Because given the election year \$696 million deficit the Government knows that the credit agencies will scream if serious deficits are projected for two years running, let alone for three. Credit rating

agencies are already questioning the Government's ability to deliver promised spending cuts, with Standard and Poor's yesterday expressing concern over the budget projections and noting that the Labor Government has always had "difficulty with cost control". The reality is that this Government has never demonstrated any ability to rein in its expenses. Based on its previous record, the 1.9 per cent expenses growth in 2007-08 is more likely to come in closer to 4 or 5 per cent. A 5 per cent result would deliver a State budget deficit of approximately \$1 billion in 2007-08. Such a projected series of deficits would likely trigger a review of the State's triple-A credit rating. At the very least the rating agencies would place New South Wales on credit watch.

Let us understand the real state of affairs in New South Wales. In responding to the budget this morning I will outline more details on how the Coalition will tackle the problems Labor has left in New South Wales. But let us first take a look at the real state of the New South Wales budget and economy and examine some statistics and indicators not mentioned in the Treasurer's Budget Speech. According to the Australian Bureau of Statistics [ABS], New South Wales had the lowest economic growth of all the States and Territories at just 1.1 per cent for 2004-05 compared with the national average of 2.3 per cent. Notably, Victoria achieved a 2.3 per cent growth versus our 1.1 per cent. South Australia achieved a 2.6 per cent growth and the Australian Capital Territory managed a 3 per cent growth, undermining the Labor Government's claim that only the resource-rich States are doing better than New South Wales.

The latest ABS data shows that New South Wales has the highest unemployment rate of all the mainland States, at 5.6 per cent, which is well above the national average of 5.1 per cent. Our employment growth over the 12 months to April is the lowest of all the States at just 0.28 per cent compared with the national average of 0.98 per cent or almost 1 per cent. Employment in Victoria is growing at 0.93 per cent, three times faster than in New South Wales, while in Tasmania employment is growing more than five times faster than in New South Wales. Dwelling approvals and commencements in New South Wales are at their lowest level in more than three decades and this is having a major impact upon the New South Wales economy and the State budget. The latest Sensis small business survey yesterday showed small business confidence in New South Wales has plummeted 24 percentage points in the three months to April, with 7 out of every 10 small businesses in New South Wales not expressing confidence about their prospects.

It is clear that over the past 11 years the New South Wales economy has gone from being the economic engine room of Australia to being a dead weight under Labor. The Labor Government's legacy will be a decade of squandered opportunity, a decade of waste, a decade of decline. Economically New South Wales should be the strongest State in Australia, not the weakest. But as the national economy has grown over the past decade, the New South Wales economy has slowed to a halt, and one has to ask why that has happened. Put simply, New South Wales Labor has never had a genuine commitment to sound financial management or investment.

The economic rot set in early in the Government's life. After a few early disputes with his spending Ministers, Treasurer Michael Egan realised he could not rein in the high spending Ministers in the Cabinet. So Michael Egan decided that rather than do what good Treasurers do and rein in spending, it was easier to simply out-run the spending Ministers. His strategy was straightforward: it was to take every opportunity to raise taxes and charges in New South Wales in order to keep revenue in front of the growth of expenses. New South Wales became the highest taxing State in Australia and in the property boom that naturally produced surpluses in some years.

When the property boom delivered record amounts of revenue, what did the Government do? Did it see it as an opportunity for restraint, discipline and investment? No. The Government went to each Minister at the end of the year and asked them what top-up funds they needed. As a result, all financial discipline went out the window, and billions of dollars were poured into bad projects and a burgeoning bureaucracy. A dangerous culture took hold in the New South Wales public sector where spending Ministers refused to take responsibility for managing their portfolios within their budget, expecting the Treasurer to bail them out whenever necessary. If the Government had actually exerted proper financial discipline through this period, New South Wales would have been better off by billions in windfall surplus revenues. All it had to do was live within its budget. An effective Treasurer would have protected that windfall revenue, not blown it. Remember, the State budget underpins everything a government does in providing services and delivering infrastructure, but the budget has to stay healthy to perform for the people of New South Wales.

Let us spare a thought for the long-suffering residents of New South Wales and the challenges they face every day courtesy of their State Labor Government. Without the infrastructure and services they need and deserve, the people of this State are forced to struggle every day. Getting to work is a daily battle. The trains, buses and ferries are failing. Driving may be the only alternative, but is a soul-destroying experience in traffic

that barely crawls along congested roads. Working parents regularly get home after the kids have gone to bed, and sometimes might not see them for days—even more so now that the Government's new train timetable has slowed down trains and increased travel times. Many hardworking families have worked hard to buy an investment property, but now it seems hardly worthwhile. The land tax bill just gets bigger every year and there seems no logic to the valuation other than the Government simply filling its coffers year after year. And the backbone of our economy, the courageous small business owners who support themselves, their families and provide jobs and security for other families are not rewarded but penalised through a payroll tax system that stifles enterprise and kills any desire to create new jobs.

As I travel around New South Wales the question I am repeatedly asked is the same old one: Where has all the money gone? Since coming to office in March 1995, New South Wales Labor has received a massive \$394 billion in revenue, including \$48.6 billion in payroll taxes and \$13.5 billion in land taxes. Labor failed to deliver to the people of New South Wales when the economic times were good and the budget was in surplus, so why should the people of New South Wales believe Labor will deliver now that the economy has slowed and the budget is in deep deficit? Now, after all that money has gone, Labor is about to borrow billions more and then promise it will spend it responsibly.

The headline in the *Daily Telegraph* of last Wednesday said it all: "Broke Iemma Buys Votes". Today the *Sydney Morning Herald* sums it up as "Spin now, pay later". Those are two headlines Labor was not able to fix. Responsible borrowing is always an option for disciplined governments, but Labor is borrowing \$7.6 billion in an election year to meet commitments that could have been funded from general revenue if it had been managing responsibly over the past decade. In fact, the last budget of this New South Wales Labor Government and the last budget of the Unsworth Labor Government have many similarities.

When Labor left office in 1988 in New South Wales after 12 years in office, it left a public sector debt of \$46 billion and a net operating deficit of \$1.2 billion. Debt servicing had tripled over Labor's last five years from \$503 million to \$1.4 billion in the 1980s. In 1988 Labor's last legacy was a truly appalling record of financial administration. History is repeating itself now in the final desperate acts of this Labor Government. Our children cannot protest today but they will be saddled with Labor's debt in years to come. The essence of this budget is full denial. After 11 years of spin and deceit, New South Wales Labor is incapable of getting its priorities right and understanding what is genuinely needed to rebuild New South Wales. For every problem, Labor has a press release ready and a media event organised. Solutions are discussed, promises are made, glossy pamphlets are printed and television advertisements are booked—but nothing ever happens.

[Interruption]

This is obviously starting to hurt a few of the Labor members. In many cases this failure to act makes the long-term problems worse.

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

**Mr PETER DEBNAM:** Despite repeated warnings about the fundamental problems within the health system, Labor failed to invest in hospitals. The result is a health system in crisis and hospitals that are forced to cancel surgery because they cannot pay their bills. Despite repeated warnings about the problems of Middle Eastern crime, Labor failed to take action to boost police numbers or crack down on Middle Eastern criminals.

**Mr Alan Ashton:** John Howard is bringing them in here. For 10 years he has been bringing them in here.

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

**Mr PETER DEBNAM:** The honourable member is very sensitive on that Middle Eastern crime issue because it is running riot in south-west Sydney. Despite repeated warnings about the problem of Middle Eastern crime, Labor failed to take action to boost police numbers or crack down on Middle Eastern criminals. As a result, we had the December revenge attacks, and Middle Eastern gangs still today fearlessly rule the streets of south-west Sydney. Despite repeated warnings about Sydney's dwindling water supplies, Labor failed to support recycling. As a result, our dams are at dangerously low levels and we continue to suffer Labor's desalination debacle. Despite repeated warnings about the problems of dioxins in Sydney Harbour, Labor failed to clean up the pollutants or warn the public about the dangers.

Despite repeated warnings about the funding crisis facing New South Wales' preschools, Labor failed to increase funding or assistance to help this critical sector. As a result, New South Wales now has the highest preschool fees and the lowest participation rates in Australia, and our children are missing out. Despite repeated warnings about the dangers faced by children at school crossings in New South Wales, and despite kids being knocked down, Labor failed to act. As a result, we have no effective warning signs for motorists and children are still being injured or killed. When Labor finally made an announcement, we discovered that it was uncoded and unfunded in the budget, and Treasury said to the Minister for Roads, "You had better cut some other programs to provide that \$300 million.

**Mr Barry O'Farrell:** Whatever it takes.

**Mr PETER DEBNAM:** As the Deputy Leader of the Liberal Party says, this Government trained at the knee of Graham Richardson. Its motto is simply "Whatever it takes." Despite repeated warnings about the housing affordability and supply crisis, Labor continued to increase taxes and levies, forcing investors and jobs to leave the State. As a result, we have a housing sector in freefall and a significant impact on the State economy. Despite repeated warnings about the worsening budget position, Labor failed to rein in its spending or cut taxes to encourage growth. As a result, the budget is in deep deficit, the New South Wales economy is the slowest in Australia and we are losing jobs and investment to other States, and the Government now has to borrow billions of dollars.

Tough decisions are needed and we will be asked how we will deal with the problems Labor will leave in New South Wales. We need to be honest about the dire state of the New South Wales economy and the State budget. Tough decisions will need to be made to fix Labor's mess. Labor does not make tough decisions; it runs from them. First, we will reintroduce proper financial management and accounting practices to the New South Wales public sector. New South Wales Labor pays lip service to these concepts while at the same time letting expenses run out of control. Responsible financial management is not just a luxury that the Government can adopt when times are good and the coffers are full; it is a constant discipline that must underpin all decisions of government.

This is what a New South Wales Coalition Government will deliver. Under a Coalition Government spending growth will not exceed revenue growth. Reining in spending will ensure the triple-A rating is maintained and the surplus restored. We will attack waste and mismanagement throughout the public sector, and we will ensure resources are used where they are needed. Taxpayer-funded political advertising will not be tolerated. Last weekend, while the State infrastructure continued to crumble, the Government spent more than \$100,000 on full-page political advertisements in major newspapers to promote its party political infrastructure plan. Last weekend, while public hospitals struggled to cope with a shortage of nurses, the Government advertised for three more senior health bureaucrats with combined salaries in excess of \$626,000—that is for three of them. Over the past decade the Government has spent almost \$1 billion on advertising and another \$1 billion on consultants—

**Mr Adrian Piccoli:** How much?

**Mr PETER DEBNAM:** It spent \$1 billion on advertising and \$1 billion on consultants, instead of investing in front-line services such as New South Wales' preschools. Despite the projected deficit and the need to borrow billions of dollars, this budget shows that Labor has no intention to cut waste or spending on itself. According to the budget papers, the Premier's Department budget will increase by 9 per cent, the Cabinet Office will rise by 12.7 per cent and, for all portfolios under the Premier, the budget has increased by \$88.3 million to \$538.2 million. It seems the only place experiencing jobs growth in New South Wales is the Premier's own department! There is something particularly obscene about a government going into debt while at the same time spending more and more money on itself.

The Premier might prefer to keep his well-paid backroom bureaucrats, but I would prefer to put that money into front-line services. Today I announced that a New South Wales Coalition Government will abolish the Cabinet Office and transfer its essential functions to the Premier's Department, which itself will be downsized. All savings from this measure will be transferred to front-line services. We want less spent on waste and bureaucrats, and more invested in front-line services. Honourable members will remember the figures—\$88 million extra for the Premier's Department in an election year and \$8.8 million extra for preschools. That is why today I reaffirm our commitment to a recruitment freeze on non-essential backroom bureaucrats to free up resources for more front-line services.

Through natural attrition we will reduce the number of backroom bureaucrats throughout our first term of office and I commit the Coalition to investing savings generated by the recruitment freeze—which is millions of dollars a day, every day—into front-line services and staff. The Labor Party can run its scare campaign across the State, and some Labor members in the House this morning are the ones doing it, simply telling lies in their electorates about what the Coalition is going to do in regard to downsizing the bureaucracy in New South Wales. Well, run your scare campaign but the people of New South Wales want dramatic action to rein in the cost of this bureaucratic Government.

In December the half-yearly report will be released and that will be a critical indication of the state of the budget three months from the election. I will make a further financial statement at that time, including the details of a commission of audit that will be established if we win the election in March. Today I also reaffirm our intention to embark on a program of decentralisation to get more services out of Sydney and into regional New South Wales. In exchange for fewer backroom bureaucrats the people of New South Wales will get better hospitals and schools, better law enforcement and better transport under a Coalition Government.

We have already committed \$362 million over four years to the preschool sector to boost participation and reduce fees, funded from cuts to government advertising. That is four times more funding than the Government has promised in its budget, but its priorities are different to ours. The Government wants to spend the money on political advertising to help its re-election chances; we would prefer to spend the money on preschools to help young families. So far as advertising and consultants are concerned, honourable members should remember that between now and the State election in March, this Government will spend a little under \$100 million on government advertising.

**Mr Thomas George:** How much?

**Mr PETER DEBNAM:** It will spend \$100 million on government advertising—promoting the Labor Party. It will spend almost an equivalent amount on consultants. How do we know that? We know it because every single year for the past 11 years it has spent almost \$100 million on political government advertising, and almost \$100 million on consultants. That is going to happen again, and that is before taking into account the millions of dollars the unions are going to provide to the Labor Party for television advertising during the election campaign. The Government will be sucking, vacuuming, those millions of dollars out of the union movement straight into the Labor Party's election advertising campaign. I think we can pretty well guarantee that between today and the election in March honourable members are going to see something north of \$100 million in political advertising by the Labor Party promoting what it is doing in New South Wales, as it sees it. It is simply spin. The Labor Party will spend a lot of taxpayers' money and a lot of union money in that nine-month period.

Taxation is another clear point of difference between Labor and the Coalition. Labor sees high taxes as a way of life: we see them as an impost on growth. Since he became Premier, Morris Iemma has introduced 15 new taxes and charges, with a revenue value of about \$700 million per annum. In contrast, we have led the agenda on tax reform by forcing the Government to start to cut back some of the State taxes that have risen so dramatically in recent years. Every time the Government has acted to reduce a tax, it has been in direct response to pressure from the Coalition and the community. When the Government stupidly introduced the vendor duty, we immediately committed to abolishing it, and the Government was forced to abolish it in August last year.

We opposed Labor's land tax grab and called for restoration of an indexed land tax threshold and a much fairer land tax system which re-establishes confidence in the valuation system. Eventually the Government responded. We said we would cut WorkCover premiums, and the Government in turn announced a cut. We pioneered a better deal for the clubs of New South Wales, with our announcement last year that the clubs tax would be frozen at the 2005 level. Eventually the Government responded with its own deal, which gives some relief to the club industry but does not go far enough. We committed to significant cuts to payroll tax, and the Government responded—but only in a token fashion. We have led the way with proposals that are good for the community and good for the economy, and we have forced the Government to act. But more needs to be done.

More tax reductions are needed urgently to restore confidence and growth to the New South Wales economy. However, we need to do more if we are to reclaim our position as Australia's leading State of economic growth. New South Wales Labor mugged the housing sector by slugging tax after tax on the property sector. Today I am announcing a major new economic initiative that will provide a much-needed stimulus to the property sector and the New South Wales economy—the Coalition's Housing and Homebuyers Rescue Package.

A New South Wales Coalition Government will implement a new Housing and Homebuyers Rescue Package to stimulate and rescue the New South Wales housing sector. This package will stimulate building activity and improve affordability for new homebuyers and renters, and it will also give manufacturers greater confidence to keep jobs and activity in New South Wales. The Coalition Housing and Homebuyers Rescue Package includes two significant measures to provide immediate stimulus to new home building activity in New South Wales. Firstly, we will extend the First Home Owners Grant for first home buyers purchasing new homes from the current \$7,000 up to \$10,000. This grant will apply for two years, commencing in the 2007-08 budget. It will apply to homes of up to \$500,000—consistent with eligibility for the State First Home Plus Scheme.

Secondly, we will establish a stamp duty concession of \$4,000 to investors buying new homes in New South Wales where the purpose of the property is to provide rental accommodation. This concession will apply for two years, commencing in the 2007-08 budget, and will be available for homes up to \$500,000. And, further, in order to boost the development of new skills, and retain those skills in New South Wales, the Coalition will exempt employers from paying the cost of WorkCover premiums for apprentices over a four-year period. This measure will apply to all apprentices, including those in the housing and construction sector. It will be phased in, commencing in the 2008-09 budget year. In the first two years, premiums will be halved, with the full exemption being delivered by the 2010-11 budget. Apprentices will remain covered by WorkCover, as they are now, but the exemption will bring New South Wales into line with Victoria, where employers do not pay those premiums for apprentices. These measures to rescue the housing sector are expected to generate additional revenue that will offset the initial cost.

The most fundamental responsibility of the State Government is to provide high quality services to the people of New South Wales. That responsibility is the cornerstone of the Coalition's plan to rebuild New South Wales. I have already reaffirmed that we will redirect \$362 million from government advertising and consultants to improve frontline education services by investing in preschools. Today I am announcing another plank in the New South Wales Coalition plan to boost frontline services—this time a major new initiative to boost frontline health services. The New South Wales Coalition will invest \$207.8 million over four years to bring nurses back into our hospitals. This is an area in which Labor has clearly failed. The latest available figures show that 1,285 nursing positions were vacant in the public health system. By failing to attract nurses back to nursing, and then keep them in our health system, the Labor Government has failed the community.

Families rely on well-staffed hospitals to provide quality care when it is needed. Over the past eleven years the Government's failure to address this critical shortage of nurses has been exacerbated by the closure of around 3,500 hospital beds. In contrast, the Coalition recognises that the rebuilding of our hospitals relies on bringing nurses back. Put simply, they are the backbone of the system. Without sufficient nurses, hospital beds are closed and fewer patients are admitted for treatment. This means longer waiting lists, jammed emergency departments, more ambulance delays, frustration, anger and disenchantment. And if there are not enough nurses, those brave few left are run off their feet, doing double shifts, struggling for resources, treating sicker patients, yet finding they are unable to provide the kind of quality care that attracted them to nursing.

The Coalition is committed to bringing nurses back into our hospitals. We will recruit more nurses and keep them in our public hospitals by recognising their worth, providing training that involves more hospital time and giving them the support they need and the recognition they deserve. This morning I will outline some of the detail of the Coalition's plan. The shadow Health Minister, Jillian Skinner, will talk about it in more detail in her speech in response to the budget.

The overall commitment in the nurses package is \$207.8 million over four years, to be spent on the following new initiatives: \$28.3 million will go towards improving nursing degree courses by ensuring a greater amount of time is spent in clinical practice in hospitals or other health settings and investigating the opportunities for accelerated degrees to be offset by nursing internships; \$4 million will go towards increasing retraining opportunities for registered and enrolled nurses wishing to re-enter the work force; \$8.8 million will go towards appointing an extra 50 clinical nurse educators over our first term to enable recent nursing graduates to receive a greater degree of mentoring; \$85.3 million will go towards funding for 500 more nurses in our first term of government, and this promise is a commitment above and on top of the existing vacancies for full-time nursing positions; \$81.4 will go towards establishing an additional quarantined fund to enable individual hospitals to negotiate benefits to meet the particular needs of nurses at that workplace.

We will give nurses more recognition and control by maintaining senior nursing management positions, ensuring they are underpinned by strong support positions; and establishing Nursing Staff Councils to give nurses the same clout and direct access to the Health Minister as doctors' Medical Staff Councils; and we will

ensure that there is nurse representation on each local hospital board. This plan is a major new initiative towards the vital goal of rebuilding the New South Wales hospital system. It is a commitment to secure the future of nursing and it is a major plank of the Coalition's unwavering commitment to restore frontline services for the people of New South Wales. Funding for these measures to boost frontline services will be provided by savings generated from downsizing the Premier's Department, reducing bureaucracy, and cutting "political" expenditure such as on advertising and consultants.

Let me now turn to the critical issue of infrastructure. Rebuilding New South Wales infrastructure and providing for our infrastructure needs is a nation-building exercise for now and for the future. A commitment to world-class infrastructure is a commitment to the community now and to the future generations to come. The Labor Government has had 11 years of wasted opportunities on infrastructure. It is now time to start to rebuild New South Wales, and it is time to get it right. Unlike Labor, we are listening to what people say about how and by whom infrastructure is delivered. Labor's greed on infrastructure deals has sold off local facilities like local streets—in order to squeeze millions of dollars out of private sector bidders. People are questioning why public sector infrastructure deals have created a raft of multi-million-dollar corporate middlemen before the infrastructure is even built. We need to get back to basics on infrastructure deals that deliver public value on public projects and open their books for taxpayers on where the money is being spent.

A New South Wales Coalition Government will introduce a series of structural and administrative initiatives in our plan to kick-start infrastructure renewal in New South Wales. First, we will ensure there is a clear public infrastructure plan for metropolitan Sydney and New South Wales that sets out priorities and projects for the near and long term. This will include State and Federal projects. I stress again: we went to the 1999 election with a commitment to establish that transparency and that accountability in a web site that shows all the infrastructure projects in New South Wales: the ones that are approved and not approved, the ones that are financed, how they are financed, where the timescales are, when they will be started, and when they will be finished. That is a massive shift of power from the bureaucracy to the people of New South Wales. We will do it. This Government has failed to do it.

Achieving this requires the full authority of the Premier, and the responsibility for setting and implementing the State's infrastructure strategy will rest with me. Silo-based infrastructure decision making will end, as will separate road, transport, utility and other empires intent on their own agendas. We will use the best of the successful Olympic Co-ordination Authority model to deliver a whole-of-government approach for major infrastructure projects to ensure that significant developments do not suffer unnecessary bureaucratic delays.

It is also critical that the private sector remain involved in infrastructure delivery. Unlike Labor, we see the private sector as a partner, not the enemy. We believe there is much greater scope to involve the private sector in public infrastructure and planning. To achieve this we will establish an infrastructure development round table, which I will chair and which will comprise relevant Ministers, department heads and business leaders. We will invite representatives of New South Wales universities to participate in our infrastructure development round table. This will ensure that the underutilised intellectual and innovation capital of universities in New South Wales is integrated into the economic development of our State.

We will also adopt the best of the Partnerships UK model of public-private interface in a Partnerships NSW entity. Its job will be to determine the best finance vehicle for each project on its merits across a spectrum of options, from full Treasury debt funding through to full private funding. We will ensure that each project is funded in a way that delivers optimum public value and outcomes for taxpayers and the community by allocating risk and responsibility appropriately in any partnership. For far too long this Government has viewed infrastructure provision as a political and bureaucratic process to be managed purely for electoral outcomes. We get lots of glossy documents with grandiose titles and lots of media opportunities, but no planning certainty and no framework to guide responsible development. The Government has produced a long series of infrastructure and planning grand plans over the past five years: lots of announcements, lots of media, lots of talk, but little positive action. Instead of political outcomes for New South Wales Labor, the State needs some real construction outcomes to help rebuild it.

By taking the approach it has over the past 11 years, the Labor Government has lost an historic opportunity to start to rebuild New South Wales, to reform the public sector, and to restore our economic strength. The election year budget that we see from the Premier and the Treasurer is not a budget to secure the future of New South Wales—it should be. It is not a budget that brings discipline to New South Wales financial management—it should be. It is not a budget that brings genuine reform to the public sector—it should be. And despite all that it is not, there is one thing this budget definitely should be—Labor's last. Keep in mind though,



this is not Labor's real budget, this is a pretend budget. Labor wants to hide its real budget until next year, after the election on 24 March. Then, if re-elected, it will cancel its election promises and it will raise taxes, just like it did after the last election.

In summary, after 11 years this Labor budget is simply more promises, promises, promises—a few months before the State election. The election year budget is fundamentally flawed because the Premier is still in denial about the dire state of the economy and the unravelling structure of the budget. It is a budget of denial, deficit and debt. The people of New South Wales still want Labor to come clean on where all the money has gone. The people of New South Wales do not need any more excuses from Labor and they do not need any more promises from Labor. Let us just fix the problems, not give Labor another four years to blame someone else. Labor has admitted it has run out of ideas and run down the State.

I love this State. New South Wales has been very good to me. It has provided enormous opportunity for my family and me, but now the people of New South Wales are being denied opportunity because of the 11 years of economic vandalism that has brought our State to its knees. People said to me last year, "I hope you win." Now they say to me, "You have to win." We need to restore a sense of optimism in New South Wales. We need to restore a belief that New South Wales can lead Australia. We need to restore a belief that the public sector in New South Wales can deliver world's best services and infrastructure and that we can deliver growth to provide the jobs our children will need. The situation can be turned around. We need to lift standards in public administration and restore New South Wales to leading Australia, but the only way we will get positive change in New South Wales is to change the Government.

**Mr ANDREW STONER** (Oxley—Leader of The Nationals) [10.46 a.m.]: Let me start by echoing the comments of my colleague the Leader of the Opposition. The Carr-Iemma Labor Government's twelfth budget will be remembered as the D-Day budget. It showed a government in denial, a budget in deficit, and \$17 billion of debt for the next generation. Most importantly, the budget is disappointing for country New South Wales. Country New South Wales harboured hope that the Iemma Labor Government would not continue the Carr Labor Government's mantle of being the most Sydney-centric in the history of New South Wales. Perhaps it was a vain hope, given that it is a case of the same horse, different jockey, with the same Sussex Street operatives calling the shots.

Yesterday country people were let down by a budget that failed to give regional and rural New South Wales their fair share. They were let down by an amateur performance by an amateur government. They were let down by a government that clearly believes that if issues do not make the Sydney news cycle they are of no concern. Country New South Wales was let down because this Government delivered a re-election plan when what New South Wales desperately needs is a rescue plan. Yesterday I asked the Premier a simple question. I asked him why in the next financial year he could find \$40 million for his derided desalination plant when he could find only \$8.8 million for community preschools. The expansion of the community preschools sector has been delayed for another two years.

The Premier's answer said spades about this Labor Government. His response to my question was to ask the Opposition what it would do and how it would fund expansion of community preschools. It was an answer by a government that is out of its depth and out of puff, a government that has armies of spin doctors but still does not have the vision and drive to turn New South Wales around. For the Premier's benefit let me say this: The Liberal-Nationals Coalition has a strong and detailed plan. A Liberal-Nationals government will commit a fully costed and fully funded \$362 million over four years for our community preschools.

This much-needed money will go towards providing a funding boost to help put downward pressure on fees, raising the participation of four-year-olds to nearer the 95 per cent rate in other Australian States and providing capital upgrades for important facilities. The Liberal-Nationals Coalition will fund community preschools by cutting the money currently wasted by the Iemma Government on political advertising and consultants, such as the money spent on full-page advertisements in the weekend press, and in Monday's *Australian Financial Review* and *Daily Telegraph*—an advertisement that is all about spending in Sydney. The Liberal-Nationals Coalition would have spent that money on front-line services and infrastructure.

It is all about priorities. In the course of the past 10 months the Iemma Labor Government has clearly demonstrated its priorities. It is a Government more focused on spin than on substance, and on pursuing the whatever-it-takes strategy of the Premier's political mentor, Graham Richardson. The Liberal-Nationals Coalition believes in genuine solutions. We are about providing good government and delivering the right outcomes for taxpayers in this great State, because when you deliver the level of services and infrastructure that

people expect and deserve, the results speak for themselves. In other words, if you fix the problems you do not need to fix the headlines.

The next time the Premier tries to stonewall an answer to a question without notice by parading reams of glossy brochures before the House, as he did yesterday, he should ask himself one question: Why am I spending so much money selling an inadequate response to a serious problem when the money could be used to fix the problem? I turn now to the state of the New South Wales economy. The Government has shown itself to be completely and horribly out of its depth: a ministry of grey-suited political hacks who have been wrenched from the depths of Sussex Street and forced onto the New South Wales public. Nowhere has this been made clearer than in yesterday's disappointing budget.

We all know that the most fundamental building block of a budget is a well-performing economy. When the economy is strong, business is growing and people are employed, which means that revenue will naturally increase. Therefore you can deliver the level of government services that people expect and deserve. It is all about raising the standards. But the Iemma Labor Government does not have the first block in place. New South Wales has the lowest economic growth rate of any Australian State or Territory. It has the highest unemployment rate of any of the mainland States, and housing approvals and commencements are at their lowest levels in 20 years. Worse still, this desperate Government seems hell bent on denying the situation. I will read a little of the transcript of Steve Price's interview with the Treasurer yesterday afternoon.

**Mr Kevin Greene:** He's your mate, isn't he?

**Mr ANDREW STONER:** He is now, actually. He has come around to my way of thinking. Steve Price said, "I'm not exaggerating, I'm just dealing with the facts. We have the highest unemployment rate, the lowest growth rate, and we're the highest taxed State in the Commonwealth. They're all facts, aren't they?" Michael Costa said, "But they are facts that have little significance. They have little significance in economic terms." That makes for great listening—a desperate denial from a Treasurer out of his depth. The Iemma-Costa combination is fast becoming the Laurel and Hardy of Australian politics and, as a result, New South Wales has gone from being the engine room of Australia to being a dead weight around the neck of the national economy. No-one feels the brunt of this more than country people. The March 2006 small area labour statistics showed that unemployment in western New South Wales, the North Coast, south-eastern New South Wales, and the Riverina was significantly higher than in Sydney, all as a result of a decade of the trashing of regional economies and a policy of centralisation by the Carr-Iemma Labor Government.

The problems run deeper than the headline figures. The budget goes to the very credibility of the Labor Government. Yesterday, in his first budget as Premier, Morris Iemma announced he had put the State into hock. It is true that few economic commentators would argue against the proposition that at times governments can, and should, borrow money. However, it is the size and timing of the debt and a deficit that must be brought into question. Already parallels are being drawn between the Iemma-Costa Government and the disastrous Kirner-Cain Government in Victoria. Many will recall that the Kirner-Cain Labor Government left a legacy of around \$50 billion in liabilities in Victoria. Including the borrowing announced yesterday, New South Wales now has total liabilities close to \$50 billion. Adding to concern about the size of the debt is its timing. There is no explicable reason as to why the Government should be forced to borrow funds or run deficits at all.

On Monday the Institute of Public Affairs, an independent organisation, released a report highlighting that New South Wales had received a massive revenue windfall over the first decade of its regime but had squandered it. It is like the morning after a bad party. After a decade of unprecedented economic growth we have woken up with nothing to show for it but a hangover. When I travel across regional and a rural New South Wales looking at the state of services and run-down infrastructure, the question on everyone's lips is: Where has all the money gone?

Country people are not just disappointed with the budget because it highlighted a State economy that has been run into the ground, they are disappointed because, as I alluded to earlier, the Government has its priorities all wrong. For the past three months we have heard the New South Wales Treasurer whinge and bleat about not getting his fair share. The people of country New South Wales now ask the same question of him. One-third of people in New South Wales live outside the Labor Party's version of NSW—Newcastle, Sydney and Wollongong—and they expect to see one-third of Government revenue spent outside those metropolitan areas.

Country people want to know when they will finally get their fair share. This Sydney-centric Labor Government seems to have forgotten that country people pay taxes, too, and plenty of them. In health, major new capital works such as new hospitals planned for country New South Wales comprise less than 25 per cent of total spending. In police, major new capital works such as police stations planned for country New South Wales comprise just over 10 per cent of the funding. There is no new money for country roads, on which too many people are dying in accidents because of the poor state of our roads, which is a major factor. There is not even any money for promises made prior to the last State election. I instance the Alstonville bypass, which members for Ballina have been fighting for for years; the Grafton Bridge, which members for Clarence have been fighting for for years; and the Oxley Highway, which members for Oxley have been fighting for for years. There is no money to restore the timber bridge replacement program, and that is an absolute disgrace.

Mayors from shires throughout the State have been in town this week and their number one concern is funding for local roads and the restoration of the timber bridge replacement program. Recently with the honourable member for Murrumbidgee I was in Deniliquin, where I met a group of country mayors who told me of trucks having to deviate up to 90 kilometres because of the state of the bridges in that part of the world. It is a disgrace. Although the Government will spend billions of dollars on CityRail and buses, not one cent has been allocated to reopen the Casino to Murwillumbah railway line. It is an absolute disgrace. Country people deserve access to public transport, too. There is no mention of reopening the grain branch lines closed by the Labor Government, the consequences of which are tens of thousands of heavy truck movements on country roads.

However, for many country people the area of most concern was the Iemma Labor Government's failure to address water in rural and regional New South Wales. Premier Iemma has promised \$645 million for water for the greater Sydney region but has only allocated \$70 million for the rest of New South Wales under the Country Towns Water Supply and Sewerage Scheme. Premier Iemma has managed to find more than \$43 million for a desalination contingency plan—a so-called third line of defence of Sydney's water management—but he has cut the Country Towns Water Supply and Sewerage Scheme funding by more than \$15 million in this budget. I put to the Premier that although this Government is providing Sydney with first, second and third lines of defence against drought and is pursuing fanciful ideas about desalination plants, country New South Wales is literally drying up. Pejar Dam, in Goulburn, is empty, and in the south of Queanbeyan almost 6,000 property developments are in limbo because Labor cannot secure water supply. These stories may not be on the Government's radar because they do not make the Sydney news cycle, but they are happening and they are serious.

I commenced my contribution by saying that New South Wales needs a rescue plan. If the Iemma Labor Government has got something right in this budget it is that New South Wales needs a new direction—a real new direction that starts with a Liberal-Nationals Coalition Government. We have the energy and the plans to turn this State around and make New South Wales the premier State once again. Our plan to turn New South Wales around begins with the economy. Let me echo the comments of the Leader of the Opposition by saying that to date the Liberal-Nationals Coalition has driven the taxation agenda in New South Wales. We announced that we would abolish the vendor tax. The Government then followed suit. We announced that we would deliver a fairer land tax system. Again the Government followed suit. We announced a new deal with our clubs. The Government again followed suit. We are driving the agenda from the Opposition benches.

Today the Liberal-Nationals Coalition extended our rescue package for the New South Wales economy to the housing industry. Our housing and home buyers package will stimulate home building right across New South Wales, including rural and regional New South Wales. We will extend the stamp duty concession for first home buyers purchasing new homes from \$7,000 to \$10,000 for two years, commencing in 2007-08. This will give young people the break they need to get started in life—the break they need so they can focus on important things, such as family. We will establish a stamp duty concession of \$4,000 to investors buying new homes for the purpose of rental accommodation. This will again apply for two years, commencing in the 2007-08 budget. It will mean new homes for towns like Broken Hill and Orange, where housing is currently in short supply. It will also mean new jobs for tradesmen and labourers and, in turn, more money on the kitchen tables of many good New South Wales families.

The Coalition's policy will give the housing industry in New South Wales the kick-start it needs. It is the type of forward-thinking policy that was non-existent in yesterday's Labor budget. It is the type of fresh approach that has eluded this tired, arrogant and out-of-touch Labor Government. Today The Nationals and Liberals Coalition announced that it will exempt employers from paying WorkCover premiums for apprentices. There is a skills crisis happening right across New South Wales and we are taking the first step in addressing it. The shadow Minister for Skills Development and Training and Deputy Leader of The Nationals flagged this

idea at a conference a few weeks ago with training companies that take on apprentices. It was received with applause. It is good policy and it will deliver good outcomes.

One issue that is consistently raised when I travel across New South Wales and talk to people is the state of our hospitals and the lack of access to medical attention in rural and regional New South Wales. This sentiment was accurately captured through the ABC *Four Corners* program on Monday night. I wish to outline some of the comments made by one regional doctor, Dr Kevin Coleman. He said:

In terms of access to services, it is definitely third world, there is no question of that. There aren't many places in Africa where you do not have access to a midwife. I'm talking about Southern Africa; I worked there for ten years. And I can tell you that in rural South Africa, there is better access to midwifery services and caesar than there is in rural NSW.

**Mr Donald Page:** What a disgrace!

**Mr ANDREW STONER:** It is a disgrace. It is a new low in the delivery of health services throughout country New South Wales. The State's health services are being benchmarked against some of the poorest and most destitute nations in the world. That is why the Liberal-Nationals Coalition has a clear and effective plan to bring nurses back into our hospitals. It starts with an investment of \$207 million over seven years. This will be used to improve nursing degrees by increasing the time spent in clinical practices; provide retraining opportunities for registered and enrolled nurses wishing to re-enter the work force; provide funding for 500 more nurses, many for country communities; and provide 50 new clinical nurse educators.

This fully costed, fully funded policy is the first step in the Liberal-Nationals Coalition plan to bring country health up to scratch, to raise the standard. It is the first step in ending the gulf that has emerged between country and city health services under this city-centric Labor Government. The Coalition's policy is reflective of the type of fresh new ideas the Liberals and The Nationals will release in the lead-up to the March 2007 election. Let me conclude by saying this budget is both unbelievable and undeliverable. It is a budget of denial, deficit and debt.

**Mr Daryl Maguire:** And deceit.

**Mr ANDREW STONER:** And deceit, as the honourable member for Wagga Wagga adds. It cuts to the very core of the credibility of the Iemma Labor Government. Just when New South Wales needed to be rescued, this Government again simply focused on its re-election chances—and no-one will wear the failure of leadership more than country New South Wales. Country communities are out of jobs, out of water, out of local health services and, from yesterday, out of patience with this incompetent, city-centric Labor Government. The amateur performance yesterday showed that Premier Iemma and Michael Costa's understanding of the bush runs no deeper than a taxpayer-funded visit to the Royal Easter Show. The budget confirmed that this tired, arrogant and out-of-touch Government needs to go. The Premier and Treasury got one thing right: New South Wales does need a new direction—and in March 2007 it will get it, from a Debnam-Stoner Government.

**Debate adjourned on motion by Mr Alan Ashton.**

## **BUSINESS OF THE HOUSE**

### **Budget Bills: Suspension of Standing and Sessional Orders**

**Mr GRAHAM WEST** (Campbelltown—Parliamentary Secretary) [11.07 a.m.], on behalf of Mr Carl Scully: I move:

That standing and sessional orders be suspended to provide:

- (1) upon the Order of the Day being called on for the resumption of the adjourned debate on the Appropriation Bill and cognate bills, the questions on all the remaining stages of the bills be put forthwith without consideration of the Committee of the Whole; and
- (2) a member supporting the Government may move a motion without notice at a later time, "That this House take note of the budget estimates and related papers for 2006-07."

**Mr BARRY O'FARRELL** (Ku-ring-gai—Deputy Leader of the Opposition) [11.08 a.m.]: The Liberal-Nationals Coalition strenuously opposes the motion. In 1856, when the Parliament was first brought together, this Chamber devolved itself into a committee of supply and went through estimates on a line-by-line basis. What we will see with the 2006 budget—the budget delivered in the sesquicentenary of responsible

Government—is a budget that passes through the lower House with less than 24 hours scrutiny. That includes the period between when we went home last night at 10.35 p.m. and the time we arrived here this morning at 10 o'clock.

Yesterday we had the longest Budget Speech in the 15 years since times were recorded in *Hansard*, but we will now have the shortest budget debate that has occurred in this Chamber in the Parliament's 150-year history. Once again it makes a mockery of this Government paying any sort of lip-service to the idea of being a responsible government in New South Wales, and of this Chamber being a Chamber in which government is not only formed but is accountable, through us as parliamentarians, to the people of New South Wales. I remind honourable members that this motion is being forced on us because the Government moved the budget from what was to be a sitting week last week to this week. It then cancelled last week's sitting, and it refused the express request of the Leader of the Opposition to add an additional sitting week next week.

If there had been an additional sitting week next week to replace the sittings last week that were cancelled, two things could have occurred. Not only could there have been proper consideration of the budget this week and next week; but there could also have been greater scrutiny of the budget during question time. Like the decisions to move the budget back a week and to refuse the Leader of the Opposition's request for an additional sitting week, the motion is simply another example of the Government cutting and running. The Government is not responsible. It hates being held accountable to anybody, yet this budget desperately requires a degree of accountability as we get into the months leading up to the next election campaign.

This morning the Leader of the Opposition and the Leader of The Nationals demonstrated why this budget, of all the budgets delivered over the past 11 years, requires scrutiny. This is a mission impossible budget. It says one thing but will deliver another if the people of New South Wales have the misfortune to have a Labor Government returned after the next election. We need to work out how it is possible that next year there will be forecast expenditure growth of 1.9 per cent, yet Labor's average over the past 11 years has been 5 per cent. We would like to see that magic pudding trick: say one thing and do another. As honourable members know, as the people of New South Wales know to their cost, and as the people who use trains, hospitals and education know to their great distress, the Government has been unable to meet either its expenditure budget or its revenue budget for every year it has been in office. Yet it is saying to us, "Look, we will spend more money this year but we will be back in surplus next year and the year after because we will make all these expenditure cuts."

The Government needs to be held accountable for such issues raised in the debate on the Appropriation Bill and cognate bills that would normally occur. Why will the Government not allow that to occur? Because the greater the scrutiny, the greater the budget starts to unravel and fray! When the Leader of The Nationals was interviewed on radio 2UE yesterday he devastatingly highlighted the Treasurer's failure to understand the significance of some fairly major economic facts about unemployment, growth rates and how New South Wales compares to the other States. That is why the Government was keen to ensure that the Treasurer was not allowed to answer questions on his budget in this place. There is nothing behind the budget except the Graham Richardson approach of "whatever it takes"—put into the budget document whatever it takes to try to get members opposite re-elected in their seats.

The people of New South Wales will not be fooled for an eleventh time. They understand that, just as no previous budget has delivered what was claimed by any Treasurer who has delivered a Budget Speech, this one is the least likely to do so. This budget promises to do everything possible at a time when New South Wales is in deficit. This one promises to do everything that everyone wants to be done at a time when the State's finances are completely and utterly destroyed. This motion deserves to be defeated by every member in this House because it is an attack on every member. Members opposite should rightly be raising electoral issues in relation to the budget.

[*Interruption*]

The budget estimates show that the promised station upgrades in the Georges River electorate—perhaps the honourable member for Georges River will be the honourable member for Oatley after the next election—have been delayed once again. The Opposition vigorously opposes this motion, and we will always oppose it. It is a rort, and a rort designed to protect a rotten budget. [*Time expired.*]

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

**The House divided.**

**Ayes, 49**

Ms Allan	Mr Gaudry	Mr Orkopoulos
Mr Amery	Mr Gibson	Mr Pearce
Ms Andrews	Mr Greene	Mr Price
Ms Beamer	Ms Hay	Ms Saliba
Mr Black	Mr Hickey	Mr Scully
Mr Brown	Mr Hunter	Mr Shearan
Ms Burney	Ms Judge	Mr Stewart
Miss Burton	Ms Keneally	Ms Tebbutt
Mr Campbell	Mr Lynch	Mr Tripodi
Mr Chaytor	Mr McBride	Mr Watkins
Mr Collier	Mr McLeay	Mr West
Mr Corrigan	Ms Meagher	Mr Whan
Mr Crittenden	Ms Megarrity	Mr Yeadon
Mr Daley	Mr Mills	
Ms D'Amore	Mr Morris	<i>Tellers,</i>
Mr Debus	Mr Newell	Mr Ashton
Ms Gadiel	Ms Nori	Mr Martin

**Noes, 36**

Mr Aplin	Mrs Hopwood	Mrs Skinner
Mr Armstrong	Mr Humpherson	Mr Slack-Smith
Mr Barr	Mr Kerr	Mr Souris
Ms Berejiklian	Mr McTaggart	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	
Mr Fraser	Mr Piccoli	
Mrs Hancock	Mr Pringle	<i>Tellers,</i>
Mr Hartcher	Mr Richardson	Mr George
Ms Hodgkinson	Ms Seaton	Mr Maguire

**Question resolved in the affirmative.**

**Motion agreed to.**

**APPROPRIATION BILL****APPROPRIATION (PARLIAMENT) BILL****APPROPRIATION (SPECIAL OFFICES) BILL****DUTIES AMENDMENT (ABOLITION OF STATE TAXES) BILL****STATE REVENUE AND OTHER LEGISLATION AMENDMENT (BUDGET MEASURES) BILL****Second Reading**

**Debate resumed from an earlier hour.**

**Motion agreed to.**

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

**SYDNEY CRICKET AND SPORTS GROUND AMENDMENT BILL****Second Reading**

**Debate resumed from 25 May 2006.**

**Mr GEORGE SOURIS** (Upper Hunter) [11.23 a.m.]: I have pleasure in leading for the Opposition on the Sydney Cricket and Sports Ground Amendment Bill. I am pleased as well, as a former Minister for Sport

and Recreation, to have had carriage of the Sydney Cricket and Sports Ground Trust at a time during which the chairman of the trust was none other than former Wallaby captain and former chairman of Australian Rugby Union Sir Nicholas Shehadie, in whose honour a grandstand at Aussie Stadium is named. So I am honoured, on behalf of the Opposition, to have carriage of this important bill.

The purpose of the bill is to enable lands dedicated for public recreation purposes to be used for additional purposes with restrictions. The Sydney Cricket Ground is in need of refurbishment and ground improvements, including a grandstand-rebuilding program with a new hill grandstand expected to commence construction in February 2007 at the conclusion of the forthcoming Ashes and international cricket season. In the past the trust has unsuccessfully explored the possibility of private sector involvement in this.

The bill has generated quite a level of discussion within the Coalition, particularly on the question of the name the new stand will carry. I can relay to the House that the Coalition is split somewhat between the three potential choices—the Doug Walters Stand, the Hill Grandstand, as some of the accompanying literature seems to call it, and a third name commemorating the contribution of another great cricketer. The Hill Grandstand did not get too many votes but the existing name, the Doug Walters Stand, surely is the favourite. I was humbled to hear the comments made by Doug Walters when he was interviewed about the possibility that his name would no longer be carried on one of the grandstands. He very generously said that he had enjoyed a period when his name was on a grandstand and he was well satisfied with whatever choice the trust made. That is further to the credit of the man.

It is intended that the proposed amendments will broaden possible uses of specific areas, subject to certain restrictions on residential and tourist or visitor accommodation so as to ensure the character and amenity of the site is maintained. The first stage of the redevelopment is to seek expressions of interest from the private sector to redevelop the existing gold members car park site. Funds generated from this stage will partly offset the estimated cost of the grandstand and the full staged redevelopment. The balance of funds needed will come from trust resources and borrowings, bearing in mind that the trust has reduced its debt from the initial \$62 million—in the dollars of those days—to the current \$6.9 million. As well, the trust has a capital investment program over those years of more than \$160 million from its own resources.

The hill grandstand—as I will call it for the purposes of this debate only—which will add seating for almost 3,000 people, is expected to cost \$65 million in an overall \$180 million strategy. The present Act permits the Minister, in consultation with other Ministers, to approve a wide range of developments for public recreation purposes. However, the amendments will empower the Minister for Planning to authorise additional land uses through a State environment planning policy [SEPP] after the concurrence of the Minister for Tourism and Sport and Recreation. Once additional users are authorised, the proposals will then be subject to the State's environmental planning policies, provided that prior approval has been given by the sports Minister. The bill permits potential residential development only over the gold members car park, and prohibits hotel accommodation in the hill area. It also permits the grant of a lease for these permitted uses other than on lands dedicated for public recreation. The bill authorises the use of partnerships and joint ventures. There are also a number of mechanical provisions to update the original 1913 Crown Lands Act and its successor in 1989.

I appreciate the efforts of the Sydney Cricket Ground and Sports Ground Trust in briefing the Leader and Deputy Leader of the Opposition, the shadow Minister for Infrastructure, and me. The trust was represented by chairman Rodney Cavalier, Mr Alan Jones, the Hon. Michael Cleary, and general manager Mr Jamie Barkley. I commend the work of the trust, including both present and past members. The present trustees comprise Mr Rodney Cavalier, AO, who is chairman, Mr John Cloney, the deputy chairman, Ken Catchpole, OAM, the Hon. Michael Cleary, AO, Kerry Chikarovski, a former member of this House, as was the Hon. Michael Cleary, Catherine Harris, PSM, Alan Jones, AO, Geoff Lawson, OAM, Colin Love, LLB, John McCarthy, QC, Rod McGeoch, AM, LLB, Phil Green, Kaye Schofield, Tony Shepherd and Paul Warren.

**Ms Sandra Nori:** What about Ken Catchpole?

**Mr GEORGE SOURIS:** I mentioned him; I would not have missed out the greatest halfback Australia has ever had. The bill deals with the hallowed turf and heritage buildings that comprise the world-famous Sydney Cricket Ground. It is one of the best cricket grounds in the world and the adjoining Aussie Stadium is undoubtedly the best ground to hold rugby and football matches in Australia. The stadium was purpose-built for those codes. The history and heritage of the precinct is in safe hands with the composition of the trust. I can say with strong conviction that under the administration of trustees of such high calibre, the heritage and history of the Sydney Cricket Ground and precinct are secure. I am pleased that the plans may include the relocation of the

famous scoreboard, which is presently mostly concealed by seating. I am pleased to note a proposal to relocate the scoreboard to the Paddington entrance, where it will once again assume either an operational role to display promotional material or, when a match is in progress, its traditional role as a scoreboard. To once again see the famous scoreboard in operation will enhance the heritage and history of the site.

I urge the Government to consider some other important issues, particularly transport. I hope the trust will consider expanding the capacity of the gold members car park, possibly with additional underground levels. Car parking on Moore Park will one day be put back on the agenda and the provision of car parking spaces under the park will need to be considered. In an effort to relieve traffic congestion in the Surry Hills, Paddington and Moore Park areas the Government should consider the urgent need for high-capacity light rail linking Central railway station and/or Circular Quay with the Sydney Cricket Ground, Aussie Stadium, the Hordern Pavilion, Fox Studios and Centennial Park. Further, the Government should focus on days when more than one event is scheduled in the area, such as a cricket match and horseracing at Royal Randwick. Recently the Waratahs staged a home game on the same night as the Sydney Mardi Gras.

**Ms Tanya Gadiel:** Have you been to both?

**Mr GEORGE SOURIS:** The crowds met in the Flinders Street area.

**Mr Alan Ashton:** And you just watched them passing by.

**Mr GEORGE SOURIS:** I was there. I will not tell you in which direction I was walking. Regardless of the final plans for the upgrade and development of the lands, I have complete confidence in the trust ensuring that these historic grounds retain their heritage and place in the history of cricket and the football codes that borrow the sacred turf. The bill does not specifically approve development. It permits the trust to enter the planning process with a broader scope of potential development proposals than is currently permitted in the Act. Honourable members would appreciate that although many potential developments have been canvassed and artist impressions examined, the final proposals that go forward as a result of this enabling legislation will ultimately be a matter for the ordinary planning process, with additional concurrence by, in particular, the Minister for Tourism and Sport and Recreation. The memories of great sporting moments at the Sydney Cricket Ground will remain safely at home under the careful custodianship of the trustees. They will have the carriage of exciting new developments, which will expand capacity and improve facilities for all to enjoy. I commend the bill to the House.

**Mr ALAN ASHTON** (East Hills) [11.34 a.m.]: I appreciate the considered contribution by the honourable member for Upper Hunter, the shadow Minister for Tourism and Sport and Recreation. I am pleased to support the Sydney Cricket and Sports Ground Amendment Bill, which will enable appropriate redevelopment of the trust lands and thereby provide for upgrades to the Sydney Cricket Ground and, potentially, Aussie Stadium. The upgrades, beginning with the replacement of the Doug Walters Stand after the Ashes series, will be cost free to the taxpayer.

The Sydney Cricket and Sports Ground Trust, which was established in 1978, is charged with the responsibility of the care, control and management of trust land and assets that are dedicated for public recreation. The trust's powers extend to the ability to carry out works on trust land, which includes the Sydney Cricket Ground, Aussie Stadium and surrounding land, such as the gold members car park. The proposed amendments will provide a framework for the trust to undertake commercial development to develop, first, the gold members car park for residential accommodation, tourist and visitor accommodation and other commercial uses; second, designated land other than the gold members car park for tourist and visitor accommodation and other commercial purposes but not residential accommodation; and, third, the Sydney Cricket Ground for commercial purposes but not residential accommodation or tourist and visitor accommodation.

Before the trust can undertake any of these developments a State environmental planning policy will be required to specify the uses that will apply to parts of the trust land. The introduction of a policy will require concurrent approval of the Minister for Planning and the Minister for Tourism and Sport and Recreation, and the policy will contain amendments to the current zoning of the relevant parts of the trust lands. I note that the honourable member for Upper Hunter used the interesting phrases "sacred turf" and "hallowed turf". The Sydney Cricket Ground and the former Sydney Sports Ground, now Aussie Stadium, are iconic sporting venues for our national games of cricket and rugby league. I refer to our legendary cricket heroes who played at the grounds such as Victor Trumper, Monty Noble, Charlie Macartney and Fred Spofforth.



They are household names for members on this side of the Chamber and the honourable member for Upper Hunter. I also mention Tiger O'Reilly and the incomparable Don Bradman, and later champions such as Ray Lindwall, Keith Miller, Alan Davidson, Richie Benaud, Doug Walters, the Chappells, Lillee, Thomson and the Waughs, who came from my suburb of Panania. They have thrilled millions of spectators. Although everyone could not go to the grounds to see the players, millions have seen them on television or listened to the matches on radio when the ABC first began broadcasting the games in the early 1920s and 1930s.

The rugby league players who played at the Sydney Cricket Ground and the old Sports Ground thrilled fans as well. I refer to players such as Dally Messenger, Brown, Clive Churchill, Johnny Raper, Reg Gasnier, Langlands—I have mentioned too many St George players—Bobby Fulton, Arthur Beetson, who was a Balmain and later Eastern Suburbs legend, and Les Johns from Canterbury. The great Paul Gibson, who played for more clubs than I have time to mention, even played on the ground. I remind the House of the great rugby league teams of Eastern Suburbs, South Sydney and St George.

**Mr Chris Hartcher:** What about Gibbo?

**Mr ALAN ASHTON:** I mentioned Gibbo. Now he has had several mentions. I said the great Gibbo played there. He played a couple of shockers, according to reports from some of his colleagues. He played for more clubs than Jack Nicklaus had. I mention the great Balmain teams, such as the team that played in the 1989 grand final, which none of us has forgotten, when we were robbed blind. In 1988 Ellery Hanley was smashed. In rugby union there were players like Cyril Towers and Ken Catchpole, whose unfortunate memory would be that his career tragically ended at the Sydney Cricket Ground in a match against the All Blacks.

**Mr George Souris:** Colin Meads ripped his leg out.

**Mr ALAN ASHTON:** I can say that because I cannot be sued now. Colin Meads ripped his leg out from a pack. The list of great players is long: Trevor Allan, who played Rugby Union and Rugby League for Australia; Greg Davis, who tragically died some years ago; Simon Poidevin; the great Campese; the Thornett brothers; the Ellas and later players.

**Ms Sandra Nori:** I have kicked off at the SCG.

**Mr ALAN ASHTON:** The Minister has kicked off there and the Hon. Meredith Burgmann was kicked out. I remember going to the SCG in the early 1970s to protest against the Springboks playing, but I enjoyed watching the game from the Sheridan Stand while I protested. I had two bob each way. That is not uncommon in some political arenas. In recent years Sydney has adopted the Swans, who brought the AFL flag to this city after 25 years. People such as Lockett, big bad Barry Hall, Adam Goodes and Michael O'Loughlin have dragged new fans to the cricket ground.

I believe it was mooted some time ago that test cricket might be moved to Telstra Stadium, which is a wonderful facility. However, it is not the iconic, hallowed turf on which cricket should be played. The traditional home of Australian cricket is the Sydney Cricket Ground. These necessary upgrades, which are designed to provide greater comfort and which will cost the taxpayers nothing because of the way the project has been planned, will attract not only more sports fans but also residents and shoppers. Those who have a spouse who has no interest in sport can watch their chosen sport while their partner enjoys the other facilities. Everyone will be a winner.

The Opposition spokesperson raised my greatest concern with regard to these necessary upgrades. One of my first questions about this legislation related to the future of the Doug Walters Stand. I have met Doug Walters once or twice and have found him to be laconic. He did not reach his full cricket potential because he was out of action when he was conscripted in the 1960s. The Doug Walters Stand was initiated by a large group of people drinking beer on the hill and putting up a calico sign with "Doug Walters Stand" written on it.

The 2,800 extra seats that will be installed will be very costly at \$60 million. However, the trust has not asked the Government for that funding. Having emerged from debt it is now able to finance the upgrade. I do not believe Doug Walters will have any problem with a name change. There have been many great cricketers and the people of Sydney can probably be involved in choosing a new name. Any bloke who could walk out to bat with a lit Rothmans cigarette in the ashtray and after having told his mates in the dressing room to leave it there because he might be back in a moment, or who could leave a winning hand of cards on the table saying he

might be back soon is a legend. The trust has done a great job. Obviously, the trust members will take the interests of the sport, the spectators and the local community into account in whatever it plans. I strongly support the bill.

**Ms CLOVER MOORE** (Bligh) [11.43 a.m.]: The Sydney Cricket Ground and Sports Ground Amendment Bill will allow the Minister for Tourism, Sport and Recreation to approve the use of the land dedicated for public recreation for other purposes subject to State environmental planning policies. It applies to scheduled land, which includes the gold members' car park in the area beyond the Sydney Cricket Ground [SCG] hill. There will be restrictions to prohibit visitor accommodation and residential development, except for the gold members' car park site, where residential development will be allowed. As other honourable members have said, the purpose of the bill is to allow the SCG to upgrade its facility and to build a new grandstand between the O'Reilly and Churchill stands, replacing the Doug Walters Stand.

While I appreciate that the trust is committed to upgrading its facility and is looking for ways of doing that without asking the Government for financial support, I am very concerned about the impact of this proposal. Every member should be concerned about this important legislation because we are talking about the protection of public land. I would like to know why the Labor Party consistently supports development on public land. That is why I am concerned about this legislation, not about improved facilities at the SCG or the provision of a new stand. I am concerned about this legislation because it will permanently alienate public land, increase damage to the parkland precinct and impact on adjacent residential areas. It will allow development of residential property, offices and shops on public land, whereas the current zoning allows exclusively for public recreation.

On many occasions I have talked in this House about the Macquarie bequest. In 1811 the visionary Macquarie made a bequest of 1,000 acres or 405 hectares of land for the benefit of the present and all succeeding inhabitants of Sydney. The land was known as the Sydney Common, and it included what is now known as the SCG. Successive governments have betrayed the Macquarie bequest with continuous encroachment. Now only one-third of the original 405 hectares of the Sydney Common remains open public land—land that the visionary Macquarie set aside for the people of Sydney. The remainder is leased or permanently alienated. Governments have whittled away our parklands. It is as though they do not matter.

We have witnessed the alienation of the former tram shed, which was borrowed for some time but which then became a super centre complex, the tawdry McDonalds proposal of the honourable member for Gosford when he was the Minister—fortunately, that did not succeed—and slicing off part of Moore Park for the Eastern Distributor. By refusing to protect and invest in our parklands, the Government has forced the responsible trust to use land as an income generator, promoting development, large-scale events, commercial and retail activities and alienating land from its original purpose, public access and public ownership. The surrounding residential communities have campaigned over many years to defend the parklands from inappropriate development. Those custodians, including Patrick White and other less well-known people, have fought to protect that parkland.

Inner Sydney residents live in the most densely populated part of Australia. This is the area that will be the focus of the Government's metropolitan strategy. They already have access to the smallest amount of open space of any community in Australia. Many have no backyard or access to private outdoor areas and parklands, which are an essential green lung. They are a refuge and they provide access to essential active and passive recreation. Open space and these facilities are part and parcel of urban consolidation. Both the Federal and State governments have had urban consolidation policies for the past 20 years. It is estimated that the area will attract another 20,000 people over the next 20 years. The Government should be seriously addressing this dire shortage of open space.

The Government should be protecting and expanding open green space. The Minister for Tourism and Sport and Recreation, an inner-city representative, is failing in that regard. The Government should not be selling or developing that land. Once it is gone, it is gone forever. The Government should be working with the trust to establish ways to upgrade the facility and to provide for its future, because it is an important community facility. It should not be agreeing to alienate this land, because it will be lost forever once it is rezoned—and it should not be.

Despite the Government's push for major events and retail and commercial activity in the parklands, it has failed to provide adequate public transport. Cars continue to park on Moore Park, particularly the Kippax Lakes fields, degrading this important parkland and alienating it from the communities, which, as I said, are

growing in number as the Government continues to push development, particularly in the former south Sydney area. What other major world city would allow valuable inner-city parkland to be permanently used for car parking? Where is the Government's plan for the long-needed light rail route from the city to the sporting stadia, to the parkland and on to the racecourse and the University of New South Wales?

During major events visitors' cars hijack on-street parking in the surrounding residential areas. Not only are the people living in those residential areas—many of whom do not have off-street car parking—seriously inconvenienced, but the streets in the area are at an absolute standstill. That not only impacts on those who live there, it impacts on the patrons of the sporting stadia. They go to a match and then have to sit in their vehicles for an hour or an hour and a half when they try to leave the area because we simply do not have a street grid that is able to cope with those numbers of people.

Honourable members only have to take the example of the Melbourne Cricket Ground. The Victorian Government was able to get 80,000 people out of that complex at the conclusion of the opening ceremony for the Commonwealth Games because it had provided responsibly for mass transit. That has not happened here. The Government still has its head in the sand and has failed to acknowledge its responsibility to this growing population in the inner area, as well as to the thousands of people who want to go to Aussie Stadium or to the Sydney Cricket ground on a weekly basis to watch sporting events. They are all stuck in traffic! That traffic can have an impact as far away as the central business district and, consequently, it can have a serious impact on Sydney.

I have spoken in this House on many occasions about the importance of our nature reserves, our national parks, our conservation areas and, in particular, about how precious our inner-city parkland is. The members of this House should defend the principles that Macquarie put in place when he set his vision for the Sydney Common back in 1811. The history of the former Sydney Common is one of continued attempted, and often successful, encroachment. Successive governments have failed the spirit of the Macquarie bequest and are failing to consider the needs of future generations. Support for this bill will be one more step towards undermining that visionary bequest and a failure to provide for the needs of the most densely populated area in Australia, both now and into the future.

**Mr GERARD MARTIN** (Bathurst) [11.52 a.m.]: I will speak only briefly in this debate, first to support the bill and, second, to respond to some of the emotive comments made by the honourable member for Bligh. I speak as a member who represents one of the great Macquarie towns—Bathurst, the first inland city established in 1815. Governor Macquarie laid out a city plan for Bathurst when he arrived there in 1815 and it has been greatly amended since then. In fact, it was Governor Darling who brought it back into perspective and did some later planning. I do not believe that in 1811 Governor Macquarie expected that everything would stay the same for 200 years. The concept developed by Lachlan Macquarie might have changed a little in the past 200 years. That has obviously escaped the attention of the honourable member for Bligh.

We should focus on the impact of this bill. There has been emotive talk about alienating parkland and so on, but we are talking about the gold members' car park. I have not seen many people visiting that area for recreation, unless it was to search for their lost car keys! In regard to what is to happen at the back of the Doug Walters Stand, we are talking about 500 square metres, so no more open space will be alienated. As a cricket lover and someone whose one memorable innings on the Sydney Cricket Ground resulted in a duck—

**Ms Sandra Nori:** Did you play?

**Mr GERARD MARTIN:** Yes, in the Parliament versus the press match. If the Minister had not asked that question people would have wondered what team I represented. The bill is about the survival of the iconic status—I do not like to use the word "iconic" because it has been done to death—of the Sydney Cricket Ground, particularly so far as test cricket is concerned. The Sydney Cricket Ground needs expanded and redeveloped facilities, as has happened at the Melbourne Cricket Ground. So far as planning for transport is concerned it is difficult to compare the Melbourne Cricket Ground and the surrounding topography with that of Sydney. One of the great achievements of the Government has been to successfully encouraging people use public transport to visit the Sydney Cricket Ground. The Government has succeeded in getting people to use mass transport to get to and from the Sydney Cricket Ground by combining the admission price or gate fee with the cost of the public transport fare. Listening to the honourable member for Bligh, one would have thought that everyone travels there by car or by shanks's pony.

I am concerned, as is the honourable member for East Hills, about the disappearance of the Doug Walters stand. That is merely because of an attachment to Doug Walters, but at the end of the day there will be a

new facility that will greatly enhance the comfort of the patrons using the Sydney Cricket Ground. If 500 square metres on the other side is to be used for some sort of appropriate commercial development, that will add to the experience of this important public venue. We have to be realistic and say that this proposal will not—as the honourable member for Bligh would have us believe—have any major impact or alienate open space. I support the bill.

**Ms SANDRA NORI** (Port Jackson—Minister for Tourism and Sport and Recreation, Minister for Women, and Minister Assisting the Minister for State Development) [11.56 a.m.], in reply: The honourable member for Bligh raised a number of issues, not all related to the bill. She talked a lot about Centennial Park, for which I am also responsible. I feel I am under some obligation to set the record straight and to talk about those issues, even though they are not directly related to the bill. The honourable member for Bligh has spoken at length about car parking and about the use of Moore Park for special events. However, it is worth noting that the parklands precinct, which includes Moore Park, provides an economic contribution of \$75 million per year to this State. I do not think that can be ignored. I know the honourable member is concerned about parking on Moore Park, but the reality is that the car parking spaces have been reduced from 10,000 to 3,000 in the past few years.

The total amount of land currently affected by on-grass parking it is less than 2 per cent of the total 360 hectares of Centennial Parklands that are publicly available, and for a period of only 6 per cent of a given year. Digressing from the detail of the bill for a moment, local residents have access to this most magnificent parkland seven days each week, 52 weeks each year. A considerable amount of funding is raised through the foundation. That is fantastic, but a lot of State money has also gone into the parkland over the years. The parkland represents an aggregated investment by all New South Wales taxpayers, past and present, and future. I remind the honourable member of that.

Not too many people drive down from Toomelah, Condobolin or Boggabilla in their BMWs and Mercedes to visit Centennial Park and enjoy the ambience. The parkland is used at times for a car park and events are held there. These create income for the park and also facilitate the working of the precinct. A major sports precinct with two significant venues cannot be left idle without some attempt being made to generate income. It is a massive cost to maintain state-of-the-art sports facilities, stadia, grandstands, and so on. There are only two ways to pay for maintenance: either it comes out of the State's coffers or an intelligent commercial solution is found that might involve a combination of funds from the Government and/or the private sector and some intelligent commercial development. In that way there is more money for other sports facilities or, indeed, for hospitals or schools. One has to have an intelligent and realistic approach to this.

Let us be clear what is being proposed. The bill simply proposes a possibility that the trust may explore. The trust can ask proponents to come forward and put ideas on the table. The trust may get zero replies or it may get 100 proposals. Any proposal will go through the trust's rigorous processes and then it has to come to me as Minister for Sport, responsible for major venues. I will consider the business case of any proposal that the trust has decided might be worth looking at. It may well be that I will look at the heritage considerations of the site. I would want to make sure that any proposal was consistent with the site and so on. If the proposal gets past those tests it then goes to the Minister for Planning to go through that Minister's normal planning processes as well. So there are many safeguards. As the shadow spokesman said, it has all the normal planning processes to go through plus a few more that are not usually seen.

It is quite possible that there may be a proposal for a sports medicine clinic or a child care centre. There may be 100 different proposals that come forward that are not only good for the patrons and the members but also good for the local community—proposals that the local community might welcome and find valuable to improve their amenity. Look at the Melbourne Cricket Ground. It was redeveloped recently in time for the Commonwealth Games. It has a restaurant that operates outside of event times to generate some cash flow. Would it be the end of the world if that happened at the Sydney Cricket Ground? Of course it would not.

Would it be the end of the world if there were well-designed tourist accommodation of some sort so that patrons could enjoy staying there and going to the venue to enjoy a match? Would it be such a bad thing for the tourism industry in this State to be able to sell packages in Brisbane and Melbourne encouraging people to come and spend a weekend in Sydney to enjoy the footy, go to the opera, or whatever people would like to do, and stay near the venue the way people can at Sydney Olympic Park? Are these horrendous suggestions? I do not think so. Let us keep one thing very, very clear. This bill does one thing and one thing only: it simply gives the trust the opportunity to call for expressions of interest, to see whether any organisation or proponent has a decent idea that works for all of us: an idea that meets my criteria and the criteria of the Minister for Planning. There may be zero entrants into the field or there may be 100. We will see.

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

**The House divided.**

**Ayes, 61**

Ms Allan	Mr Gaudry	Mr Orkopoulos
Mr Amery	Mr George	Mr Page
Ms Andrews	Mr Gibson	Mr Pearce
Mr Armstrong	Mr Greene	Mrs Perry
Mr Ashton	Mrs Hancock	Mr Piccoli
Ms Beamer	Mr Hartcher	Mr Price
Ms Berejikian	Ms Hay	Ms Saliba
Mr Black	Mr Hickey	Mr Sartor
Mr Brown	Ms Hodgkinson	Mr Shearan
Ms Burney	Mr Hunter	Mr Souris
Miss Burton	Ms Judge	Mr Stewart
Mr Campbell	Mr Lynch	Mr J. H. Turner
Mr Cansdell	Mr McBride	Mr R. W. Turner
Mr Chaytor	Mr McLeay	Mr Watkins
Mr Constance	Mr McTaggart	Mr West
Mr Corrigan	Ms Meagher	Mr Whan
Mr Crittenden	Mr Mills	Mr Yeadon
Mr Daley	Mr Morris	
Ms D'Amore	Mr Newell	<i>Tellers,</i>
Mr Debus	Ms Nori	Mr Maguire
Mr Fraser	Mr O'Farrell	Mr Martin

**Noes, 6**

Mr Draper  
Ms Moore  
Mr Oakeshott  
Mr Torbay  
*Tellers,*  
Mr Barr  
Mrs Fardell

**Question resolved in the affirmative.**

**Motion agreed to.**

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

**SUPERANNUATION LEGISLATION AMENDMENT BILL**

**Second Reading**

**Debate resumed from 24 May 2006.**

**Mr CHRIS HARTCHER** (Gosford) [12.15 p.m.]: The Superannuation Legislation Amendment Bill amends a number of Acts including the Police Regulation (Superannuation) Act 1906, the State Authorities Superannuation Act 1987, the Parliamentary Contributory Superannuation Act 1971, the State Authorities Superannuation Act 1987, and the State Authority's Non-Contributory Superannuation Act 1987. The principal amendments are to the Police Superannuation Scheme, as a result of the decision of the Industrial Relations Commission in the case of *Berrick Boland v SAS Trustee Corporation*, [1999] NSWIRC at page 488. In the judgment Justice Marks and Justice Schmidt stated:

The appellant Berrick Boland was formerly a police officer who was hurt on duty and who ultimately resigned from the force. He applied for certain superannuation benefits, entitlement to which involved as one step being certified as having a certain incapacity for work. His request was denied and he appealed that decision to this Court. By judgment given on 30 March 1998 Fisher P dismissed his appeal. These proceedings involve an appeal to this Court as currently constituted from the judgment of Fisher P.

The court discussed the circumstances of how the police officer was hurt and the requirement under the superannuation law. In the judgment Justice Marks and Justice Schmidt concluded:

In coming to this conclusion [that the appeal should be dismissed] we are moved to draw attention to our concern about the inadequacy of the drafting of the statutory regime governing this important aspect of public life. The situation is unsatisfactory and regrettable. The legislation should plainly be revisited by the Legislature in order to ensure that a logical, consistent and readily understood regime applies to the important work which police officers perform in this State, particularly that aspect which regulates their circumstances in the event that they are injured in the performance of their duties.

In 1999, under this Government, the Industrial Relations Commission said that the superannuation scheme with respect to injured police officers was unfair. It is now 2006 and the State Labor Government, the so-called friend of the worker, is only now taking action to ensure that police officers injured in the execution of their duty are given a fair go. It is a travesty that it has taken so long; it is yet another example of the careless way the Government views people who serve it. It pretends to care about workers in this State yet when its own servants, the police officers of this State, are injured in the execution of their duty it takes seven years to take action. Even the Full Bench of the Industrial Relations Commission said:

The situation is unsatisfactory and regrettable. The legislation should plainly be revisited by the Legislature.

If it had served the interests of the Labor Party this legislation would have been whipped through in seven days. I hope that the Police Association, which has lobbied for these amendments on behalf of its members, publicises that it took seven years for the State Government to introduce them. Only six months before Parliament is dissolved prior to the 2007 State election, these amendments have finally been introduced. I congratulate the Police Association. It has done a sterling job for its members, as it has done in so many other cases. The association lobbied for this amendment. It contacted the Hon. Michael Gallacher, the Leader of the Opposition in the Legislative Council and the Coalition spokesperson on police, to advise him of its position, and it consulted with him. The Coalition is happy to support the amendment, which is sought and supported by the Police Association.

Anyone who looks at the history of this issue should preface their remarks with condemnation of the Carr and Iemma Labor Governments for the sheer indolence, inactivity and laziness. Ministers should not pretend that they are friends of workers when they care nothing for those who are injured in the execution of their duty. As I said, we support the amendment because the Police Association has assured us it is happy with the proposal and supports the amendment. If it does not work out, and once again the court finds the situation unsatisfactory, the Police Association can be assured that a Coalition government will move quickly to protect the association and its members and look after those who are injured whilst serving the State. And it will not take seven years to do so.

The amendments to the parliamentary contributory scheme allow for the date of election of a lump sum to be deferred, which is consistent with other superannuation schemes. The Coalition does not oppose that. Nor does the Coalition oppose the amendments to the State Authorities Superannuation Act 1987 relating to salary sacrifice and the definition of "salary" in that Act and other relevant legislation. Superannuation is an important aspect of modern life that is strongly supported by the Federal Government.

The recent budget brought down by the Federal Treasurer, Peter Costello, contained many tax concessions for those who are drawing superannuation from a superannuation fund that has been paying tax. It is appropriate that the superannuation law be adjusted and modified in accordance with the Federal Government's taxation changes and requirements. The amendments relating to salary sacrifice are consistent and compliant with the Federal changes. The main issue relating to superannuation is the different treatment of salary sacrifice contributions. An article in the *Australian Financial Review* of 24 May 2006 made the point:

The two varieties of contribution used to be treated differently both on the way into super and on the way out. Under the new plan, the difference between them is just at entry. Only a salary sacrificed contribution is taxed at 15 per cent going in. Both are now tax-free when withdrawn.

The other occasion when an after-tax contribution is better than salary sacrificing is the \$540 offset on a maximum \$3000 payment to your spouse's super.

Superannuation will continue to remain an issue that will need to be regularly adjusted by the Parliament. In presenting the budget yesterday, Treasurer Costa acknowledged that New South Wales is an aging society and that planning for the aging of a whole generation of Australians must be a high government priority at both the State and Federal levels. The Parliament needs to be cognisant of that, and it needs to amend the law appropriately.

The Coalition will support all reasonable measures to improve superannuation for public servants and, where relevant as far as the State Legislature is concerned, for the wider community and the servants of the Crown, especially those who are injured in the execution of their duty. It is extremely sad that it takes seven years for a problem highlighted by no less a body than the full bench of the Industrial Relations Commission to be rectified. I commend the Police Association for its work. I am disgusted by the Iemma Labor Government's incompetence in taking so long to correct and ameliorate this injustice.

**Ms ALISON MEGARRITY** (Menai—Parliamentary Secretary) [12.25 p.m.], in reply: I thank all honourable members for their support for the bill, which introduces changes to superannuation arrangements for New South Wales public sector employees and parliamentarians. No matter how many times the honourable member for Gosford would like to repeat the sad story of how tragic it is that allegedly it is taken seven years to fix the problem, the point needs to be made that over the past 25 years nothing has changed in terms of how eligibility for benefits is determined. Police officers have been treated the same way since 1999, despite the Industrial Court decision. Recent legal advice suggested that legislative amendments should be made. The bill simply reinforces the current practice. It needs to be put on the record that the Police Association asked for these amendments only recently.

If the honourable member is hoping that something will be written up in a journal, I hope that, as usual, the police journal will be full of accurate information, not spurious comments made by the honourable member for Gosford. The amendments to the Police Superannuation Scheme will do a number of things. They will clarify the legislative provisions applying to the circumstances in which claims for invalidity pensions may be made, and introduce commutation provisions that are similar to those applying to public sector employees in the State Superannuation Scheme.

The amendments to the Police Superannuation Scheme also link the availability of benefits to the participation by injured officers in rehabilitation processes provided by NSW Police. The bill introduces the capacity for members of the State Authorities Superannuation Scheme to pay compulsory contributions in that scheme from pre-tax salary. The definition of "superannuation salary" will be extended to accommodate particular circumstances prescribed in regulations. This provides flexibility for both agencies and employees in negotiating different remuneration bases without increasing superannuation costs. Finally, the bill allows members who are eligible for superannuation pensions to nominate the date on which pension payments commence, should they wish to allow time for the payment of lump sum benefits to take effect before the pension payments commence. I commend the bill to the House.

**Motion agreed to.**

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

## **FAIR TRADING AMENDMENT BILL**

### **Second Reading**

**Debate resumed from 24 May 2006.**

**Mr JOHN TURNER** (Myall Lakes) [12.28 p.m.]: The Opposition will not oppose this bill, but it has reservations about some parts of it. The bill, which has a number of aspects, amends the Fair Trading Act to extend the application of the Act to actions outside New South Wales in so far as possible. The premise is that in this modern age, actions by people outside the State relating to consumer fraud and other actions that are actionable through the Department of Fair Trading can impact on people in New South Wales. The Crimes Act gives the department extraterritorial rights to take such action. I understand from the Minister's second reading speech that normally, however, one agency would take action and the other agencies would come in behind it to seek national injunctions against those who infringe upon the consumer rights of New South Wales by coming through the back door of another State. The Opposition agrees with that.

Another aim of the bill is to control the practice of false billing and false advertising when an authority to advertise has not been in place. I have been the victim of that practice on the part of an organisation purporting to hold itself out as a certain body. I got the bill. We were quick enough to realise, however, that we had not advertised with that organisation—indeed, we had no intention of advertising with it. The legislation provides that if people are to send out these unsolicited offers for entries in directories, they will have to give clear notification on the document, in 18-point font, "This is not a bill. You are not required to pay money."

Many large organisations have been targeted, and the Minister's second reading speech referred to the fact that millions of dollars had been reaped through this corrupt and illegal practice. I do not know how far the bill will go towards stamping out the practice, because when one door closes another door seems to be opened by these unscrupulous people. That takes me to the scams that are operating around the place, but I will confine myself to advertising.

Large corporations, government bodies and newspapers with a circulation of 10,000 or more will be exempt from this part of the bill. I am a little concerned—and perhaps the Minister will address this in her reply—about the provision that says that for a newspaper organisation to be exempt it must have a circulation of 10,000. Many newspapers in my electorate have a circulation of far less than that. For example, the *Great Lakes Advocate* has a circulation of 1,500 or 1,800 and, similarly, the circulation of the *Gloucester Advocate* would be quite small. But I presume they would be caught under the corporate provisions of the exemption in the sense that they are owned by Rural Press, which circulates a large number of newspapers. Indeed, that large public company would publish millions of newspapers a year. The provision should be clarified so that smaller newspapers do not have to go through the authority rigmarole that is required under the Act if they are not granted exemption.

I want to speak briefly about the amendments to section 20. Although we will not oppose them, I will put some concerns on the record. First I will go through the areas of no conflict. There is a provision empowering the Commissioner for Fair Trading to order the sale, destruction or disposal of items in the possession of the commissioner that are obtained under search warrant and are no longer needed and cannot be returned to the custody of any person. Apparently that provision does not exist at present and it is creating problems within the Office of Fair Trading.

**Ms Diane Beamer:** Storage problems.

**Mr JOHN TURNER:** As the Minister said, there are storage problems, and I can understand that. I presume that all due diligence would be undertaken in relation to that provision to ensure that people who are entitled to the items are properly sought out and have their property returned to them if it is at all feasible. Another provision of the bill seeks to rationalise advisory councils, with regard to both the number and size of them. I note that some councils, when they are formed, would have a membership of between 6 and 16, and some between 5 and 15. I presume this gives the Minister some leeway as to whom she selects for the advisory councils. Obviously a council would not need to have 16 members, but perhaps a number in between to ensure it has quality membership.

I raised this matter with a number of organisations to obtain their views. The Master Builders Association contacted me and advised that applications for positions on the ministerial council closed in March and that no advice was received that a new home building council was to be created under the Home Building Act at that time. It seems that we may have this legislation back to front. I am not sure why applications for positions on the ministerial council closed in March given that the legislation is before the House in June. In December 2003 the home building advisory council was reconstituted as a result of the Grellman inquiry, and future meetings were consequently identified as meetings of the reconstituted council. Grellman recommended the establishment of the warranty scheme board and the home warranty advisory council.

The trade notes that it has not received any notice as to the function of the proposed new home building council and whether it will include the function of a home warranty advisory council, as recommended by Grellman. Perhaps the Minister will determine whether the recommended home warranty advisory council will be part of the home building council in due course. I have not received anything from the Motor Traders Association in relation to the proposed changes to the Council of the Motor Vehicle Repair Industry Authority and the establishment of the Motor Trade Advisory Council. I trust that the Government has consulted with the organisations that will be affected by that. Perhaps the Minister will clarify that in her reply as well. I return to the part of the bill that is of concern to me. Including the provisions of section 9 (1) (c) and section 9 (2) in section 20 means that the director general may investigate a matter that is the subject of a complaint received under section 9 (1) (c), or may refer the matter to a public authority or other body that the director general considers best able to take action or provide advice in relation to the complaint. Section 9 (2) of the Act provides:

(2) The Director-General shall:

- (a) keep under critical examination, and from time to time report to the Minister on, the laws in force, and other matters, relating to the interests of consumers, and



- (b) report to the Minister on matters relating to the interests of consumers that are referred to the Director-General by the Minister,

and, for those purposes, may conduct research and make investigations.

The powers under section 20 are quite significant, and the proposals in the bill will enhance those powers. I am concerned that the functions of the director general as set out in the wording I have just enunciated—particularly in section 9 (2) (b)—could lead to the use of coercive powers in certain instances. There does not appear to be any restraint on that other than that the powers can only be issued and used by the director general or his or her delegate. There have been examples of zealous inspectors operating under the powers currently available to them, and those examples have been enunciated. I intend to touch on some of them in a moment. I do not want to see inspectors and employees of the department assuming bovver boy tactics in relation to traders. This is what is known as fair trading, and there must be a balance between the consumer and the trader in this area.

I have received many complaints where a trader has been prejudged and deemed at fault, and the powers under the Act have been used indiscriminately and in an agitating manner. In 2004 I made representations to the then Minister for Fair Trading, the Hon. Reba Meagher, about a real estate agent in my electorate—whom I do not intend to name—who unwittingly was drawn into a dispute. His late father and another person were involved in a real estate transaction. The other person felt aggrieved and made a complaint to the Office of Fair Trading. The department contacted my constituent, who then travelled to the Newcastle office to assist the department in its inquiries. He supplied full copies of sales files and all other necessary information to a departmental officer. The officer said that if he needed further information he would contact my constituent and make mutual arrangements in that regard.

Three weeks later two other departmental officers arrived unannounced at my constituent's real estate office. Only one officer identified himself by business card. At the time my constituent was not in the office. However, his wife was present, together with a number of clients of the firm, including two tenants of properties administered by the business. I point out that the office is in a small country town, where everybody knows one another. In front of the clients and the tenants, and without asking for the name or job description of my constituent's wife, the two officers read from a schedule and demanded documents. My constituent's wife, who was acutely embarrassed because of the presence of clients and the personal nature of the matter, asked the officers to write down their requirements. She said that she or her husband would attend to the inquiry and the officers could return later and collect the documents. The officers acted in a demanding, demeaning and unsatisfactory manner. In a letter to me my constituent wrote:

What I find insulting is that unsubstantiated allegations were canvassed publicly in a small country office.

The town has a population of only 1,100. The letter continued:

The conduct of the investigators from the Department of Fair Trading is completely unwarranted considering I have fulfilled all requests of the office.

That case study is relevant to my concerns about the amendments in the bill. I have received assurances from the Minister's office that the provisions will be carefully monitored and it is hoped that such situations will not occur. I note that the honourable member for Londonderry, the Chairman of the Legislation Review Committee, has also received assurances from the Minister's office about these provisions. The case I referred to is not an isolated incident. In my capacity as the shadow Minister for Fair Trading I was approached by a person who had technically breached the Act. I cannot give too many details about the matter because it is before the court.

A leading auctioneer, who had 30 to 40 years experience in the business and an unblemished record and had lectured on auctioneering, was required to undertake a bridging course of a couple hours duration. He had been exempted from the accreditation course. He understood that on completion of the bridging course he would be able to conduct auctions. In my view, he could conduct auctions anyway. The paperwork from the department was not processed in the required time. He conducted an auction and was found to have technically breached the Act. As I said, I am limited in what I can say about the matter. This person was treated in the same manner. The heavy hand of the department came down on him and officers turned up at his office at odd hours making demands.

Such conduct by the department is not conducive to fair practice. Fair trade means a fair trade between the consumer and the trader. I do not believe that principle is operating at the moment. To give a third example—again in my electorate and similar to the situation that occurred with the real estate agent in the small country town—a man selling toys was raided when his shop was full of customers. During the raid the

departmental officers made loud allegations about him. He conducted himself in a manner that he thought was correct and proper. When he was told there were banned toys on the shelves, he immediately removed them. A short time later he was revisited by the officers, who went into his storeroom where they had observed the retailer put the toys and charged him for having the toys on his premises. We do not want to see that type of conduct. The Opposition's concerns about that part of the bill are fair and reasonable.

Although similar provisions operate in Victoria, it does not necessarily follow that it is good law. I have recounted three stories where there has been a zealous reaction by the Office of Fair Trading. However, the Minister has advised the chairman of the Legislation Review Committee that the provision will be carefully monitored and excessive use of the power will be contained. The Opposition will not oppose the bill but my colleague the honourable member for Wagga Wagga will speak to it and, I regret to say, highlight some areas in which the department has been zealous in its actions, and express his concerns about the provisions I have referred to.

**Mrs BARBARA PERRY** (Auburn) [12.46 p.m.]: I am pleased to support the Fair Trading Amendment Bill. The role of the Office of Fair Trading is to serve the consumers and traders of New South Wales. The office safeguards consumer rights, and advises businesses and traders on fair and ethical practice. About five million requests for Fair Trading services are received each year via phone, counter, mail and electronic channels. On more than 30,000 occasions a member of the public has sought help with marketplace disputes, and 74 per cent of those disputes have been successfully negotiated. More than 14,000 compliance-related activities have been conducted. The legislation that underpins all this activity is the Fair Trading Act 1987, which is the principal legislation that protects New South Wales consumers from deceptive, dishonest and unfair commercial conduct. The Act also sets out the functions and powers of the Commissioner for Fair Trading, and advises on the establishment of ministerial advisory councils.

The amendments will enhance the efficiency and effectiveness of the Commissioner for Fair Trading and her staff in carrying out their work on behalf of the people of New South Wales. I wish to speak in support of the proposals relating to the commissioner's powers. The functions of the Commissioner for Fair Trading are set out in section 9 of the Fair Trading Act. One effect of section 9 is to enable the commissioner to take action to remedy breaches of legislation. The Act provides investigators appointed by the commissioner with powers of entry and inspection, the power to search and seize under the authority of a search warrant, and the power to obtain information, documents and evidence.

The power to obtain information cannot be used in support of any of the other functions of the commissioner. For example, when an officer of the Office of Fair Trading is working to resolve a complaint from a consumer, there may be no suggestion that the trader has acted in contravention of the law. The officer seeks to obtain information from the trader in order to negotiate a resolution to a dispute, but must rely on the good faith of the trader to supply the information. I am happy to say that in the majority of cases traders are co-operative, but there are instances where a power to demand information would assist in achieving a fair outcome.

The proposed amendments to section 20 will permit the commissioner to exercise the power to obtain information, documents and evidence in relation to matters that are the subject of a complaint received under section 9, or matters that are the subject of investigations into the laws in force and other matters relating to the interests of consumers carried out in accordance with section 9. As the honourable member for Myall Lakes said, the Victorian Fair Trading Act is a precedent. However, the Minister has given an assurance that this new power will not be used lightly.

The bill provides that the commissioner can delegate these powers to an officer. In the case of the Office of Fair Trading, only the senior officers in the customer service, compliance or policy fields will have such a delegation, and circumstances in which the power is used will be clearly defined. Of course, in most instances that power will not be needed. Traders generally co-operate with the Office of Fair Trading in resolving disputes with consumers. These powers become essential to the commissioner when a rogue trader disregards the interests of consumers and refuses to allow the Office of Fair Trading to conciliate and negotiate a solution to a consumer's complaint. The amendment will ensure that the commissioner has the powers she needs to act in the interests of New South Wales consumers. I commend the bill to the House.

**Mr DARYL MAGUIRE** (Wagga Wagga) [12.50 p.m.]: Having had a business retail background for 23 years before coming into this place, I take a particular interest in fair trading, as all retailers and businesspeople should. The Office of Fair Trading is an important agency on which consumers rely, and

business executives and business operators must comply with its orders. The shadow Minister has led for the Opposition and outlined our concerns about certain aspects of the bill. I read the Minister's second reading speech very carefully and I will refer in particular to the proposed amendments to section 20, which relate to complaints received under section 9.

On 2 March this year I raised in this House a problem with a company called Manton Auctioneers Pty Limited. By way of a private member's statement I drew to the attention of the House a matter concerning Marcia Sutton, who is a constituent of mine. In March 2004 she obtained from Victorian company Manton Auctioneers Pty Limited estimates of between \$23,300 and \$28,800 to sell her antiques in Victoria. Company director Colleen Wilcox failed to place reserve prices on the antiques, as promised, and claimed that the antiques were sold for \$7,220, less her commission. On that occasion I stated that several letters of demand from Marcia Sutton's solicitor had failed to result in any payment for the items and the Office of Fair Trading was unable to resolve the matter.

I will further enlighten the Minister and her department on the actions that have been taken by Marcia Sutton to obtain justice and, in fact, her dues in the form of the money collected for the sale of her goods. I hope the Minister can tell me whether this legislation will help her department to address the concerns I raised in that private member's statement. In response to my statement Minister Milton Orkopoulos said that he would take up the two issues I referred to: representations to the Minister, and uniformity in consumer protection laws and legislation relating to auctioneers. I hope this legislation addresses those issues. Further to my private member's statement, Marcia Sutton has written to me providing an update. She states:

March 2004 Estimates were given by Manton Auctioneers Pty. Ltd. of between \$23,300 and \$28,800 to sell my antiques.

The Director Mrs. Colleen Wilcox claims *without proof* that she sold the antiques for \$7,220. (*less her commission*) She failed to place the reserves as promised.

Several letters of demand from the solicitors failed to receive any payment for these items.

Fair Trading Office unable to resolve the matter. Application to the CTTT was made resulting in A Court Order for Manton's to pay me the money by 8/10/04. This Order has been ignored by Colleen Wilcox.

Court Order registered at Wagga Wagga, then registered at Frankston Victoria, with costs and interest to the 16/11/05. This Court Order now totals \$11,963.91. The Sheriff was paid \$165.00 to seize property. Mrs. Wilcox said she didn't have anything to seize. Because of bankruptcy laws the sheriff had to leave. I paid the sheriff to seize the company vehicle, valued at over \$40,000 it cannot be seized (*under finance*)

Tax Office couldn't help regarding GST payment on items sold because of privacy laws.

Several letters to Fair Trading and the CTTT regarding my attempts to enforce the order, their answer was that they had dealt with the matter, and suggested the Local Court.

Several letters to the Attorney General asking for assistance. Their reply suggested The dept. of Fair Trading and the Sheriff.

Prime Ministers Office suggested I contact ACCC and ASIC.

ASIC have decided (*without reason*) that they will not investigate this company. According to ASIC information on (*Phoenix Companies*) it is against the law to register another Company leaving the previous one in debt. Mrs Wilcox now operates her auctions under her new Company (*Wilcox Auctioneers Pty. Ltd.*) Again ACIC have decided (*without reason*) not to investigate.

A company solicitor started action to wind up Manton Auctioneers, all correspondence was ignored by Colleen Wilcox. It will cost thousands to proceed with this action, at the end of which we would find that the director has removed all assets.

Mrs Sutton has contacted my office on several occasions. Her letter continues:

I contact detectives regarding fraud, May 2005. My statement was taken at Wagga then transferred to Hastings Victoria. The detectives there said they have to prove that Colleen Wilcox intended to commit fraud.

I have over the past 20 months attempted to contact Mrs. Wilcox and ask for my money, because of these attempts she then used the courts to take out an intervention order against me at further expense to me I travelled to Melbourne to have it successfully revoked.

Mrs Sutton has also contacted her Federal member, Mrs Kay Hull, who suggested that she write to the Hon. Mal Brough and the Hon. Chris Pearce, who in turn suggested she contact the Australian Securities and Investments Commission [ASIC]. The Hon. Philip Ruddock suggested that she take local court action, which she had already taken. Mrs Sutton's letter continues:

I wrote to the Ombudsman regarding ASIC the Ombudsman (*without giving a reason*) said ASIC would not be further investigated regarding my complaint. According to Mr. Hamilton-Smith from the Ombudsman's Office he considered Manton's actions as theft.

I have again written to the Ombudsman regarding ASIC information on (*Phoenix Companies*)

I have written to The Office of Fair Trading (**Compliance Branch**) regarding willful disobedience during the hearings, and for disobeying the Court Order.

I have made an application with the CTTT against the Director for not complying with the Order. (although I was told I cannot do this I have a hearing date set for the 25/1/06) I have to convince the Member to continue with a hearing against the director.

I need to provide this information to enable the Minister to tell me whether she can take action against this company, which I deem as operating fraudulently. Who knows how many other actions have been taken against this new company, which was clearly out to deceive Mrs Sutton. Another letter from Mrs Sutton states:

Further to my problem with Manton Auctioneers, My application with CTTT against Colleen Wilcox and her conduct as a director was finalized on Wednesday 25/1/06 without success to continue, as it cannot be separated from the finalized matter the company, as the judgment has already been made.

I have lodged a complaint with Fair Trading compliance Branch in regards to Colleen Wilcox Willful disobedience of the Court Order.

And her conduct during the hearings, by referring to the CTTT Act 2001 Numbers 42 and 71.

Colleen Wilcox provided information to the tribunal in the form of an Affidavit and Declaration, knowing the information was false and misleading.

Some Companies in Victoria are permitted to operate without assets, Insurance, or a Licence, (as it is with Manton's). Colleen has now allowed Manton's to go into liquidation (Worrells in Victoria are appointed) copy enclosed.

This is a deliberate attempt to of course pay debts, I believe. She has removed all assets from Manton's. She now operates as I said as Wilcox Auctioneers.

Marcia Sutton's concerns with regard to this legislation are just. This woman has explored every avenue and approached every department available to her to try to recover the funds due to her. In a further update on 2 June she wrote:

Thank you for your correspondence in reference to The Minister for Fair Trading Ms. Diane Beamer 30/5/06.

That was a reference to the Minister's second reading speech relating to this proposed legislation.

My concerns are that I have been issued with a CTTT Court Order knowing it is impossible to enforce, due to Companies being permitted to operate without a Licence, Insurance, and without Assets ...

No penalty in place for deliberately failing to comply with a Court Order ...

False and misleading statements provided to the Tribunal by Mrs. Wilcox in her Affidavit and Declaration without supporting evidence, has been addressed in my letter to the Compliance Branch (waiting on a reply) ...

Contempt of Court is also a crime CTTT Act 2001 42. information from Mr. Chris Lacy (Diane Beamer's Office)  
I have been advised to contact the Police regarding this matter.

If I understand the Hansard, amendments will be made with the issue regarding Misleading Deceptive and Unconscionable conduct.

Mrs. Wilcox has not been held accountable for her Misleading and Deceptive Estimates.

As a consumer with little knowledge of Court proceedings, it is difficult to be aware of one's rights during the hearings ...

In summary through dealing with the matter extensively over a two year period, I have been dealing with the Respondent (Mrs. Wilcox) who blatantly indicated to me that she knew how the "system" works and I would be wasting my time pursuing any money owed to me.

From what I have [sourced], there are already penalties in place but sadly it appears these penalties are only there to frighten people into fulfilling their obligation to society.

Those that contend and boast that they know how the "system" works (*are the winners*)

Advice had been received from the Ombudsman that only a certain amount of cases can be dealt with due to lack of resources and finance. Here again the "system" come into play. ...

Mrs Sutton also expressed her gratitude for the assistance provided to her so far. [*Extension of time agreed to.*]

I know that my contribution has been lengthy. I apologise for that, but the information I am providing is necessary to enable the Minister to give a clear and accurate response in relation to the intent of the changes to sections 9 and 20 regarding the investigation of official complaints to the Commissioner for Fair Trading. I remind the Minister that the details of this case are recorded in *Hansard* and the matter has been ongoing for some time. Will this legislation enable the Minister and her department to retrospectively review this case and take action to ensure that it is dealt with? The legislation is designed to give the Department of Fair Trading the ability to conduct investigations in other States.

If further complaints are made to the department about Manton Auctioneers, or Wilcox Auctioneers, the name by which it now trades, will this legislation enable the department to investigate those complaints and take action in New South Wales or Victoria to ensure that this kind of an ethical trading does not continue? Mrs Sutton has lost a lot of money; and she has gone to an enormous amount of trouble and expense to seek redress. Despite the fact that she has approached all departments, Ministers and commissioners in an attempt to address this problem she has not been able to achieve justice. Will this bill do that? Will the changes to sections 9 and 20 achieve an outcome if complaints are lodged in future about this company, or others trading across borders?

**Ms VIRGINIA JUDGE** (Strathfield) [1.04 p.m.]: I am pleased to support the Fair Trading Amendment Bill. I commend the Minister and the hardworking staff in her department for bringing this bill before the House. In essence, the bill deals with two issues. First, it extends the net of the legislation so that it can apply extraterritorially to protect consumers and small business operators from unscrupulous traders. Second, it seeks to reduce the advisory bodies from five to four. There has been a considerable amount of overlap with regard to the two bodies that deal with motor trading, for example, membership. The legislation will allow that to be finetuned so that duplication can be avoided. The Office of Fair Trading has an important enforcement role in ensuring fairness in the New South Wales marketplace and protection of consumers and small business from unscrupulous traders.

The principal legislation that underpins this activity is the Fair Trading Act 1987. The amendments will enhance the effectiveness of the Act. We live in a world in which economic activity is increasingly national and global in scope. Sadly, scams cross borders and regulators also have to be able to operate across borders. In 2004 the State and Territory Fair Trading and Consumer Protection Ministers agreed there was a need to overcome the legal and logistical complications in taking action against traders with national operations or operations in other jurisdictions. The Ministers proposed to reduce duplication of regulatory effort by States and Territories and enhance collective action to address consumer interests nationally. That has to be a step in the right direction.

To achieve that end, the Ministers agreed to the principles of seeking nationally beneficial outcomes and enhanced co-ordination with respect to compliance, investigation and enforcement action. New South Wales is an active participant in co-operative strategies to deal with traders who engage in unlawful conduct in several jurisdictions at once. However, New South Wales has been at a disadvantage because of the limited territorial reach of the Fair Trading Act. For example, a trader engaging in unlawful practices had an address in Sydney but traded in all States. In taking action against the trader, the New South Wales Office of Fair Trading sought to obtain an injunction with national application, but, as the Fair Trading Act was interpreted as applying only to New South Wales, the injunction granted was limited to New South Wales.

The bill will remedy that situation by extending the operation of the Fair Trading Act to conduct that occurs outside New South Wales but has a relevant link within New South Wales. The amendment will bring the New South Wales Fair Trading Act into line with the fair trading legislation of the Australian Capital Territory, Queensland, South Australia, Tasmania, Victoria and Western Australia, all of which have provisions giving them operation outside of State or Territory borders if there is a sufficient link with the State or Territory. Proposed section 5A makes it clear that the Fair Trading Act applies extraterritorially to the full extent of the Parliament's legislative power and that it extends to conduct either in or outside New South Wales that is connected with goods or services supplied in New South Wales, or affects a person in New South Wales, or results in loss or damage in New South Wales.

The Fair Trading Act 1987 establishes a number of statutory bodies that provide advice to the Minister and Commissioner for Fair Trading in relation to a number of areas within the portfolio. The proposed amendments will retain three existing advisory councils—Fair Trading, Property Services and Retirement Villages. Recently the hardworking Minister for Fair Trading attended a Cabinet meeting in my electorate. She took the time to speak to residents of a retirement village in the electorate about some of the proposed changes. It was a very successful meeting. Having digressed somewhat, I return to the bill. The bill will abolish the

Council of the Motor Vehicle Repair Industry Authority and amalgamate that council with the Motor Trade Advisory Council to form the Motor Vehicle Industry Advisory Council. Membership numbers are also rationalised, with each advisory council to have not fewer than six and not more than sixteen members. Those reforms to the ministerial councils will ensure that they function more efficiently and are better able to meet their obligations under the Fair Trading Act. I encourage all honourable members to support the bill.

**Ms ANGELA D'AMORE** (Drummoyne) [1.09 p.m.]: I support the bill, particularly the aspects regarding false billing and the power of the Office of Fair Trading to destroy items. False billing is an example of scam activity that has led to the implementation of a national strategy to identify and act against major operators with a view to closing down their businesses. False billing, also known as invoice fraud, is the practice of fraudulently demanding payment for unsolicited advertising in a publication or trade directory. Operators target small businesses and trick them into paying for advertising services they never ordered. False billing is prohibited by fair trading legislation in all States and action has been taken against operators who purport to publish sham journals with names such as "National Firefighters", "Safety Gazette", "On Patrol", "National Disaster Relief News" and "National Police Bulletin".

Running a successful prosecution against these fraudsters is extremely resource intensive. In an attempt to reduce the level of false billing and make prosecution of false billers easier, Queensland and Victoria have amended their fair trading legislation to include provisions additional to those applying in New South Wales. The bill will adopt similar provisions. The proposed amendment to section 58 provides that a person shall be taken to be demanding payment if they send an invoice or other document stating the amount of a payment or the price of goods or services, unless the document contains a prescribed statement at the top of the first page, in upper case and not less than 18 point font, which states, "This is not a bill. You are not required to pay any money."

The inclusion of such a clear and prominent statement is expected to reduce the likelihood that small businesses will inadvertently pay for unsolicited goods or services or unauthorised directory entries and, therefore, act as a disincentive to false billers. The requirement to include the statement will also facilitate the prosecution of false billers who fail to comply by making it easier to prove that the false biller demanded payment for unsolicited goods and services or unauthorised directory entries. The introduction in New South Wales of the requirement, also under section 58, to have written authority for placing an entry in a directory dramatically reduced the level of false billing in relation to directories. However, that requirement did not apply to the publishing of advertisements, and false billers have taken advantage of this regulatory gap. In 2003 Victoria closed this gap by aligning the requirements for publishing an advertisement with those for placing an entry in a directory.

Proposed section 58A will harmonise with the Victorian provisions by providing that it is an offence to assert the right to payment for certain unauthorised advertisements. Proposed section 58A mirrors the provisions in section 58 with regard to directory entries, so that a person is prohibited from demanding payment for publication of an advertisement unless that person has obtained written authority to publish. Proposed section 58A contains the same exemptions as those that apply in Victoria. They ensure that newspapers and other legitimate publications that carry large numbers of advertisements are not subject to time-consuming written authority requirements.

The other amendment that I wish to refer to relates to items held in the possession of the Office of Fair Trading. In 2004 the Government amended the Fair Trading Act to empower investigators, under the authority of a search warrant, to enter and search any place for evidence of a contravention of the Act and to seize anything that is connected with any such contravention. Once these items are no longer required as evidence, they are returned, if possible, to whomever had lawful possession of them. If it is not possible to return such items to the custody of any person, they are retained by the Office of Fair Trading, as there is no power to destroy or dispose of these items. Proposed section 19A provides for anything seized under the authority of a search warrant to be sold, destroyed or otherwise disposed of if it is not required as evidence and cannot be returned to someone who had lawful possession of it. The proceeds of any sale are to be paid to the Treasurer for payment into the Consolidated Fund. Proposed section 93 contains the same provisions in respect of anything obtained in the course of an investigation, other than anything seized under a search warrant. I commend the bill to the House.

**Ms DIANE BEAMER** (Mulgoa—Minister for Western Sydney, Minister for Fair Trading, and Minister Assisting the Minister for Commerce) [1.13 p.m.], in reply: I thank the honourable member for Auburn, the honourable member for Strathfield, the honourable member for Drummoyne, the honourable

member for Myall Lakes, and the honourable member for Wagga Wagga for their contributions to the debate on this important bill. In reply I will address a number of issues raised by the honourable member for Myall Lakes and the honourable member for Wagga Wagga. The honourable member for Myall Lakes raised concerns about the expansion of the power of the commissioner to obtain information. Although the commissioner already has some power to request information, that power does not extend to all of her functions. The amendment in the bill will provide the commissioner with the power to request information to assist her in carrying out all of her duties.

As has been mentioned, the amendment mirrors provisions contained in Victorian legislation. It is a power of last resort and will be used with great discretion. Generally, traders co-operate with fair trading investigations. That means that this power will rarely need to be used. It is important to note, however, that information that is obtained through this process will be inadmissible in any criminal proceedings. The Government believes there is a clear consumer interest in the commissioner having this power—that is the reason for this amendment—but it should be made clear that it cannot be used as a tool in criminal proceedings.

The honourable member for Myall Lakes also raised concerns about the circulation of 10,000 copies per week or more of a publication. That relates to listed corporations and their subsidiaries that have an audited accreditation of 10,000, not only an individual country newspaper. The honourable member for Myall Lakes asked why advertisements have been placed regarding advisory councils. The advertisements were placed in anticipation of this bill being enacted. Membership of advisory bodies has ceased and we want to make sure that we can quickly transition into the new advisory councils that are to be set up.

The honourable member for Wagga Wagga outlined the circumstances of one of his constituents. The person involved may be assisted by some of the provisions of the bill that extend the power of the Fair Trading Act outside New South Wales to cover cases where consumers in New South Wales are affected by the conduct of people in another State. The Office of Fair Trading can co-operate with Victoria to investigate cases such as that mentioned by the honourable member for Wagga Wagga. There are certainly some sad cases in which people with outstanding litigation against a person who has gone bankrupt cannot retrieve their money from that person. However, it appears that most of the complaints made by the honourable member for Wagga Wagga should be addressed by the Australian Securities and Investments Commission. I suggest he continue to rigorously pursue, through his Federal colleagues, the avenues he spoke about.

The Fair Trading Act is the principal statute protecting New South Wales consumers from deceptive and dishonest conduct. The amendments in the bill that will outlaw false billing and allow the Office of Fair Trading to take action against conduct that occurs outside New South Wales will increase the level of protection provided to New South Wales consumers. The other amendments contained in this bill will assist the commissioner and her staff in carrying out her functions more efficiently, ensuring New South Wales consumers are provided with the protection they deserve. I commend the bill to the House.

**Motion agreed to.**

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

## **COMMITTEE ON THE OFFICE OF THE OMBUDSMAN AND THE POLICE INTEGRITY COMMISSION**

### **Membership**

**Mr ACTING-SPEAKER (Mr John Mills):** I report the receipt of the following message from the Legislative Council:

Mr SPEAKER

The Legislative Council desires to inform the Legislative Assembly that Ms Rhiannon has been appointed as a member of the Committee on the Office of the Ombudsman and the Police Integrity Commission in place of Mr Breen.

Legislative Council  
7 June 2006

MEREDITH BURGMANN  
President

## **LOCAL GOVERNMENT AMENDMENT (WASTE REMOVAL ORDERS) BILL**

**Message received from the Legislative Council returning the bill without amendment.**

*[Mr Acting-Speaker (Mr John Mills) left the chair at 1.09 p.m. The House resumed at 2.15 p.m.]*

**EAST TIMOR INTERNATIONAL DEPLOYMENT GROUP****Ministerial Statement**

**Mr CARL SCULLY** (Smithfield—Minister for Police) [2.20 p.m.]: I wish to advise the House that the Australian Federal Police have approached the New South Wales Police Force regarding the deployment of 15 police officers from our State to participate in the international deployment group to East Timor. It has been with some sorrow that we have witnessed the unfolding of the tragic events in East Timor during the past few weeks. As good neighbours it is incumbent upon Australia as a nation, along with the States and Territories, to assist in times of trouble. The Government considers such a contribution appropriate in the current circumstances and I have today advised the Commissioner of Police of the Government's approval of, and support for, this request. It is envisaged that the deployment will take place as soon as the necessary operational arrangements are put in place between the commissioners of the New South Wales Police Force and the Australian Federal Police. I would expect that either by late this month or early next month.

**PETITIONS****Pensioner Travel Voucher Booking Fee**

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

**South Coast Rail Services**

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

**Oolong Rail Level Crossing**

Petition opposing the closure of the Oolong rail level crossing, received from **Ms Katrina Hodgkinson**.

**Bus Service 311**

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

**Galston High School Bus Services**

Petition requesting an additional bus route to Rouse Hill and Kellyville estates from Galston High School, received from **Mr Steven Pringle**.

**Dunoon Dam**

Petition requesting the fast-tracking of plans to build a dam at Dunoon, received from **Mr Thomas George**.

**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**.

**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**.

**Uniting Church Congregation Rights**

Petition supporting amendments to the Uniting Church in Australia Act (1977) NSW to ensure that the moral and legal rights of a congregation, disaffiliated from the Uniting Church, are protected, received from **Mrs Shelley Hancock**.



### **Tallowa Dam**

Petition opposing the construction of a pipeline from Tallowa Dam north and the raising of the dam wall, received from **Mrs Shelley Hancock**.

### **Jervis Bay Land Rezonings**

Petition requesting a moratorium on further land rezonings within the catchment of Jervis Bay, received from **Mrs Shelley Hancock**.

### **Shoalhaven Local Area Command**

Petition requesting additional resources for the Shoalhaven Local Area Command, received from **Mrs Shelley Hancock**.

### **Snowy Hydro Limited Sale**

Petition opposing any future sale of Snowy Hydro Limited, received from **Mrs Shelley Hancock**.

### **Beacon Hill High School Site**

Petition requesting the reopening of the Beacon Hill High School site and its buildings for public education purposes, received from **Mr Brad Hazzard**.

### **Holbrook Public School**

Petition requesting funding for the installation of airconditioning in all learning spaces at Holbrook Public School, received from **Mr Daryl Maguire**.

### **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**.

### **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**.

### **Breast Screening Funding**

Petition requesting funding for breast screening to allow access for women aged 40 to 79 years, received from **Mr Steve Cansdell**.

### **Shoalhaven Mental Health Services**

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

### **Sutherland Hospital Management**

Petition requesting the retention of a full-time general manager and the re-establishment of a local community-based hospital board of management, received from **Mr Malcolm Kerr**.

### **Manyana Residential Land Rezoning**

Petition opposing the proposal by Kylor to rezone residential land in Manyana, received from **Mrs Shelley Hancock**.

### **East Darling Harbour Project**

Petition requesting design changes to the East Darling Harbour project to minimise the effects of excessive high rise adjacent to the waterfront, received from **Ms Clover Moore**.

### **Community-based Preschools**

Petition requesting increased funding to community-based preschools to enable them to maintain parity with preschools administered by the Department of Education and Training, received from **Mrs Shelley Hancock**.

### **Lismore Fire Service**

Petition requesting the provision of a permanently staffed fire service in Lismore, received from **Mr Thomas George**.

### **Shoalhaven City Council Rate Structure**

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

### **CSR Quarry, Hornsby**

Petition requesting a public inquiry into Hornsby Shire Council's acquisition of CSR Quarry in Hornsby, received from **Mrs Judy Hopwood**.

### **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**.

### **The Rock/Bullenbong Road Upgrade**

Petition requesting funding for the immediate upgrade of The Rock/Bullenbong Road, received from **Mr Daryl Maguire**.

### **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**.

### **Spit Road Clearway**

Petition requesting that there be no extension of the clearway on Spit Road, received from **Mrs Jillian Skinner**.

## **BUSINESS OF THE HOUSE**

### **Reordering of General Business**

**Mrs JILLIAN SKINNER** (North Shore) [2.25 p.m.]: I move:

That General Business Notice of Motion (General Notice) No. 21 [Hospital Funding] have precedence on Thursday 8 June 2006.

I take this opportunity to address the House on the reasons why precedence should be given to my motion, which states:

That this House notes that:

- (1) hospitals are having to cut corners because of budget shortfalls.
- (2) nurses and other staff are overworked and morale is at an all time low.

It is appropriate that this matter be debated tomorrow because the honourable member for Bathurst is calling out obviously in support of the nurses in his area. Indeed, the nurses in his local hospital and his local community are unhappy because the Government has refused to include in the upgrade of that hospital the hydrotherapy pool that the community has been promised for a long time.

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

**Mrs JILLIAN SKINNER:** This is about a lack of resources in the budget, particularly for nurses. Members opposite would rather drown me out because they do not want to support the hardworking and committed nurses working in our hospitals.

**Mr SPEAKER:** Order! The honourable member for North Shore will be heard in silence.

**Mrs JILLIAN SKINNER:** That is why the Coalition has today announced a nurses policy, with a package of \$200 million—

*[Interruption]*

**Mr SPEAKER:** Order! I am trying to assist the honourable member for North Shore but she is not assisting herself.

**Mrs JILLIAN SKINNER:** I knew that members opposite would be pleased; so is Professor Judy Lumby, the Executive Director of the College of Nursing, who kindly came here today to say that this fabulous package went beyond anything the Labor Government has provided, and to endorse our view that nurses are the backbone of the hospital system. No matter what the Government says about opening beds, it cannot do so unless it has nurses who are not only prepared to join the public workforce but also are prepared to stay. Currently there are 96,000 nurses in New South Wales and only 36 per cent of them choose to work in our hospitals.

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

**Mrs JILLIAN SKINNER:** That is the reason nurses, such as those at Royal North Shore Hospital, are marching down the street, waving placards and complaining that the Government has cut out their career path. The Government has chopped out nurse management positions in our hospitals. Our policy would put them back.

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

**Mrs JILLIAN SKINNER:** Our policy would employ extra nurses and give them a greater say on boards and important hospital committees.

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

**Mrs JILLIAN SKINNER:** Government members are noisy because they do not want to hear this. They would rather have nurses continue to suffer the low morale that is endemic throughout our public hospital system.

**Mr CARL SCULLY** (Smithfield—Minister for Police) [2.28 p.m.]: Hold the front page! After 11½ years, the Coalition has finally come up with a policy. Congratulations! Well done! I thought the honourable member for North Shore said, "I move that this be withdrawn from the notice paper because of a fantastic health budget released by the Treasurer yesterday." If that were the motion, I would say yes because the health budget is fantastic. How dare members opposite pretend otherwise! We will not waste the time of the House. Indeed, the 29,000 public servants that a Coalition government would sack on 27 March would include nurses. Nurses would have to be included; that is the only way to do it.

**Mr SPEAKER:** Order! There is too much noise in the Chamber.

**Mr CARL SCULLY:** If the honourable member for North Shore wants to move a motion condemning the Commonwealth—

**Mr Barry O'Farrell:** Point of order: My point of order is relevance. This is simple campaigning. Clinton Maynard said that he would challenge the Premier.

**Mr SPEAKER:** Order! I suggest that the Deputy Leader of the Opposition restrict his campaigning to outside the Chamber, which is used for debate.

**Mr CARL SCULLY:** This motion is on the Darnick level. The Opposition record on health is appalling. Its record on wrecking train stations is appalling. It ought to be moving a motion condemning—

**Mrs Jillian Skinner:** Point of order: My point is one that members on the Government side often take. The Leader of the House is starting to get into the substance of the motion. He should be talking about the reordering.

**Mr SPEAKER:** Order! I uphold the point of order.

**Mr CARL SCULLY:** This cannot be right. The Commonwealth cut \$704 million from New South Wales health funding over five years under the Australian health care agreement. That cannot be right. Is the Opposition condemning John Howard for that? This is fantastic—a \$307 million increase from last year, 9.8 per cent. We have a health budget bursting with money.

**Mr Brad Hazzard:** Point of order: Will you please direct the Minister to speak to the reordering instead of waffling?

**Mr SPEAKER:** Order! The Minister will resume his seat. His speaking time has expired.

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

**The House divided.**

**Ayes, 37**

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 McTaggart	Mr Stoner
Mr Constance	Mr Merton	Mr Tink
Mr Debnam	Ms Moore	Mr Torbay
Mr Draper	Mr Oakeshott	Mr J. H. Turner
Mrs Fardell	Mr O'Farrell	Mr R. W. Turner
Mr Fraser	Mr Page	
Mrs Hancock	Mr Piccoli	<i>Tellers,</i>
Mr Hartcher	Mr Pringle	Mr George
Mr Hazzard	Mr Richardson	Mr Maguire

**Noes, 52**

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

**Question resolved in the negative.**

**Motion negatived.**

**COMMITTEE ON THE HEALTH CARE COMPLAINTS COMMISSION****Report**

**Mr Jeff Hunter**, as Chairman, tabled report No. 12/53, entitled "11th Meeting on the Annual Report of the Health Care Complaints Commission", dated June 2006.

**Ordered to be printed.**

**QUESTIONS WITHOUT NOTICE**

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**STATE BUDGET EXPENSES GROWTH**

**Mr PETER DEBNAM:** My question without notice is directed to the Premier. Given that over the past five years the average expenses growth in the Government's budgets has been 5.8 per cent and that Standard and Poor's noted yesterday Labor has always had "difficulty with cost control", how does the Premier explain getting expenses growth for the year 2007-08 down to 1.9 per cent?

**Mr MORRIS IEMMA:** We have always known the Leader of the Opposition was inexperienced. That question and his budget speech in reply this morning proves that he is incompetent. In 2007-08 expenses growth is estimated at just under 2 per cent.

**Mr SPEAKER:** Order! The Premier has the call.

**Mr MORRIS IEMMA:** If Opposition members had read the budget papers they would have known that the estimated expenditure for the financial year just ended was \$40.6 billion and the actual result was \$40.6 billion—right on the money. That is how it happens. The Government has already begun to implement its savings measures, which were announced in February in the economic statement, a four-year plan.

**Mr Peter Debnam:** Point of order: My point of order is relevance. My question relates to 2007-08. It says 1.9 per cent.

**Mr SPEAKER:** Order! The Leader of the Opposition is obviously quoting from the budget papers. He will resume his seat.

**Mr Peter Debnam:** The Premier has just said he has already started to cut expenses.

**Mr SPEAKER:** Order! This is not a debate; it is question time. The Leader of the Opposition is out of order and will resume his seat.

*[Interruption]*

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

**Mr MORRIS IEMMA:** Our four-year plan includes 1 per cent productivity savings of \$300 million per year.

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

**Mr MORRIS IEMMA:** If he would stop interfering in the emergency department we would actually get it built. In addition, we can expect expenses to decline in 2007-08 in a number of areas. These too are detailed in the budget, if they had bothered to read it. That is a big assumption! There is a reduction in superannuation expenses of \$260 million. Finalisation of significant budget funded rail projects will reduce capital grants by more than \$200 million. Future rail expansion projects and rolling stock purchases will be provided through debt funding and public-private partnerships. We are winding down the ground water structural adjustment program of \$100 million. One-off costs associated with the New South Wales election in

2006 will not be felt in 2007-08. Those measures add up to approximately 2 per cent. When we factor in the 0.7 per cent in efficiency dividends and the budget result for 2005-06—\$40.6 billion estimated and \$40.6 billion actual—we will deliver. The Leader of the Opposition should answer how he will fund the \$23 billion that is weighing the Opposition down.

**Mr Peter Debnam:** I am happy to answer that.

**Mr SPEAKER:** Order! The Leader of the Opposition can answer at another time, not during question time. He will resume his seat.

### STATE BUDGET

**Ms LINDA BURNEY:** My question without notice is addressed to the Premier. What is the latest information on reactions to the new direction for New South Wales in the Government's State budget?

*[Interruption]*

**Mr MORRIS IEMMA:** Yes, ask Clinton Maynard.

**Mr Andrew Stoner:** A picture is worth a thousand words.

**Mr MORRIS IEMMA:** So too is the grab. Do honourable members remember the "deficits, debt and denial" grab of yesterday? We always knew that the Leader of the Opposition did not have anything between his ears, but we thought that the grabs were his. A sudden eloquence was creeping into the utterances of the Leader of the Opposition yesterday—deficits, debt and denial. He was not speaking in the usual well-modulated, naval tones. I asked my chief of staff where he thought this sudden gift of tongues may have come from, an amazing attack of alliterative illusion. The mystery was handed over to one of the up and coming members of the Stasi. I can report to the House that I have inherited the Stasi from my predecessor, Bob.

**Mr SPEAKER:** Order! I call the honourable member for North Shore to order. Government members will resist the temptation to respond to her.

**Mr MORRIS IEMMA:** I inherited the good old Stasi from Bob. With my background, I have renamed them the SISDE. For the benefit of visitors in the gallery, the full name is Servizio per le Informazioni e la Sicurezza Democratica—the secret service protecting democracy. Over it went to the super sleuth. The up-and-coming super sleuth turns out to be a 14-year-old member of the SISDE. It did not take the lad long to unravel the enigma. Twenty seconds on Google and all was revealed. The quote "deficits, debt and denial" was a pearl of Southern wisdom from South Carolina congressman John Spratt. We can make two points about John Spratt. First, he is a Democrat. So desperate is the Leader of the Opposition that he is now pinching grabs and quotes from the Centre Left of politics. Secondly, a sprat is a little fish. Yes, the Leader of the Opposition is a very small fish in a big pond. Today he had the opportunity to present an economic plan for New South Wales, and barely—

**Mr Andrew Stoner:** Point of order: The point of order is about relevance. I understood the honourable member's question to be about reaction to the Premier's budget, not to the Opposition's response. If you want the reaction to the budget, have a look at this! There it is!

**Mr SPEAKER:** Order! The Premier was responding to the question he was asked. I call the Leader of The Nationals to order for deliberately flouting the standing orders.

**Mr MORRIS IEMMA:** He had an opportunity to outline an economic plan for New South Wales, but we got barely a squiggle or two on a page. We simply got confirmation that he is not only inexperienced but also incompetent. We also got confirmation that should members opposite ever assume the Treasury bench they would send New South Wales broke. The Leader of the Opposition continued to try to cheat his way through. He thinks he can continue to get away with the statement that a Coalition Government would cut the public service workforce by 29,000. He knows there is no chance that he will ever deliver that 29,000 cut.

**Mr Andrew Stoner:** Costa said 68,000. What are you talking about?

**Mr SPEAKER:** Order! The Premier has the call.

**Mr MORRIS IEMMA:** At first it was 29,000 sackings.

**Mrs Jillian Skinner:** That is not right.

**Mr MORRIS IEMMA:** Yes, 29,000. That is how it started. There was a slight adjustment after the embarrassment he felt when the audit was handed down in February. He then said there was a turnover of 29,000 public servants each year, so a Coalition government would simply not replace them as they retired or resigned. It would no longer take the axe to them; it would simply not replace them.

**Mr Barry O'Farrell:** Point of order: My point of order relates to Standing Order 139 and your ruling 11 minutes ago that this was not debating time but question time. I take the point of relevance in relation to the Leader of The Nationals. The question was about the reaction to the Premier's budget. I am happy to share *Illawarra Mercury's* reaction, but he is debating the matter. The State is already broke, Morris.

**Mr SPEAKER:** Order! The Deputy Leader of the Opposition will resume his seat. I call him to order for deliberately flouting the standing orders.

**Mr MORRIS IEMMA:** He thinks he can continue to cheat his way through with the 29,000. What he did not outline today was which hospitals, schools and police stations would lose staff. He has gone from saying he will sack 29,000 public servants to saying he will not replace them as they leave. Does that mean he will not replace the emergency department administration staff who take the pressure off the nurses? When they retire, will he not replace them? Will he not replace the hospital payroll clerks? No. That, of course, is why this morning's speech does not add up and why he thinks he can still cheat his way through. We have always known that he is experienced, but his incompetence was confirmed today. He has no economic plan for New South Wales and he is buckling under the weight of the Coalition's \$22 billion of election promises, and racing towards \$23 billion. The honourable member for North Shore trumpeted that she had finally put pen to paper and come up with two lines of policy—

**Mr Andrew Fraser:** Point of order. I have no props. Standing Order 139 relates to relevance. This answer is not relevant to the question asked, which related to reaction to the budget. The Premier has not addressed the question yet and he has been going on for five minutes. If he wants to answer a dorothy dixer about the good, solid policies proposed by the Coalition, so be it. However, he must at least answer the dorothy dixer.

**Mr SPEAKER:** Order! The question asked by the honourable member for Canterbury was wide-ranging and enables the Premier to provide an answer on a wide range of matters in the budget. The Premier is in order.

**Mr MORRIS IEMMA:** The Government has had endorsement from the Housing Industry Association on measures designed to stimulate investment in jobs. Moody's response is that the State's triple-A rating is stable and the budget is consistent with that rating. Honourable members should compare that with what the Leader of the Opposition said this morning. He once again made promises without mentioning any funding source. He is buckling under the weight of his \$22 billion of election promises. What impact will that have on the triple-A rating and the budget position? The honourable member for North Shore got up 10 minutes ago and attempted to trumpet a two-line addition to the Leader of the Opposition's reply on health policy and nursing recruitment. The promise this morning was for 500 nurses over four years. In the past 10 months the Government has recruited 800 nurses. Members opposite promise, over four years, to do less than the Government has done over 10 months.

**Mrs Jillian Skinner:** Point of order: My point of order relates to accuracy. If he is going to quote the policy, he should get it right. It is about 1,500 nurses.

**Mr SPEAKER:** Order! The honourable member for North Shore is entitled to take a point of order. She is not entitled to debate the answer. The Premier has the call.

**Mr MORRIS IEMMA:** The Government's budget increases health spending by \$800 million and the honourable member for North Shore attempted to trumpet the Opposition's miserable reply by saying that over four years it would recruit 500 nurses, less than the Government has recruited over 10 months. A Coalition Government would invest \$85 million in nurse training, \$120 million less than is already being invested. There was no mention of TAFE training for nurses in response to the Government's allocation of 1,800 TAFE places over the next two years.

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

**Mr MORRIS IEMMA:** There was no mention of standing up to Canberra and insisting on more university places for nurses. The riding instructions have come. The Leader of the Opposition had an opportunity this morning to outline his economic plan. All we witnessed was confirmation that he is incompetent and that if members opposite ever got to the Treasury bench they would send New South Wales broke.

### COUNTRY TOWNS WATER SUPPLY AND SEWERAGE SCHEME

**Mr ANDREW STONER:** I direct my question to the Premier. Why would country people believe that next financial year the Government will spend \$70 million on the chronically underfunded Country Towns Water Supply and Sewerage Scheme, when last financial year it promised \$32.2 million but spent only \$7.5 million?

**Mr MORRIS IEMMA:** It is included in the record \$5.8 billion infrastructure investment in country New South Wales. More than 50 per cent of the infrastructure budget is going to rural New South Wales. That is more than the Commonwealth Government spends on the entire nation.

### HEALTH AND HOUSING BUDGET

**Mr MICHAEL DALEY:** I direct my question to the Deputy Premier. What is the latest information on the reaction to the new directions for health and housing in the Government's budget?

**Mr JOHN WATKINS:** The Viscount of Vacluse came into this Chamber this morning with butter on his fingers.

**Mr Barry O'Farrell:** Point of order: In case I infringe the standing orders by referring to the Minister inappropriately, might I suggest you direct him to start his response by having him accord with the standing orders and use members' correct titles. You will recall on a previous occasion, three occasions, you sought to impose—

**Mr SPEAKER:** Order! I uphold the point of order. The Minister will address members by their proper titles.

**Mr JOHN WATKINS:** The Leader of the Opposition came into this Chamber this morning with butter on his fingers and egg on his face because he had been up all night cooking up the magic pudding of a budget response. I am amazed that he had time to take off his apron before he came in here at 10 o'clock this morning. The introduction of Norman Lindsay's classic work, *The Magic Pudding*, reads:

The Magic Pudding is a pie, except when it's something else, like a steak, or a jam donut—

—or the Leader of the Opposition's budget response. The introduction continues:

or whatever its owner wants it to be. And it never runs out. No matter how many slices you cut, there's always something left over. It's magic.

But Norman Lindsay's story is far more believable than the budget response from the Leader of the Opposition this morning. Yesterday the Leader of the Opposition was challenged in this place to come forward with a plan in response to the Iemma budget, to come up with an idea, policies, and directions that were real and believable. Well, the magic pudding would have been more acceptable than the tripe he trotted out this morning at 10 o'clock. I can only describe the Opposition's health budget announcement as underwhelming: nothing about surgery, not a word on emergency department performance, cancer—ignored, silent on preventative health, not a cent for dental health, no new or redeveloped hospitals mentioned, and a very limited response to the work force challenge facing health. In its focus on nursing, the Opposition's package consists of things the New South Wales Government is already doing. The Opposition's nursing grab bag exemplifies the kind of muddleheaded thinking we have come to expect from the Leader of the Opposition and the honourable member for North Shore. Let us look at what they are offering. There is \$28.3 million over four years to improve the nursing degree program.

**Mr SPEAKER:** Order! There is too much conversation in the Chamber. I call the honourable member for Murrumbidgee to order for the second time.



**Mr JOHN WATKINS:** But that will not create a single new university training place in this State. If the Leader of the Opposition were serious about the work force challenge facing nursing, he would join with the Iemma Government's criticism of the Federal Government not funding extra nursing places in New South Wales. The Opposition's package includes \$85 million over four years for nurse retraining, recruitment and retention strategies.

**Mr SPEAKER:** Order! The honourable member for Murrumbidgee will cease calling out.

[*Interruption*]

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

**Mr JOHN WATKINS:** This morning the Opposition spoke of \$85 million over four years for nurse retraining and recruitment. It sounds positive, but it would in fact be a reduction from the \$140 million this Government is spending on nursing recruitment and retention over four years. It goes on. The Opposition has said it will spend \$8.8 million to recruit 50 clinical nurse educators over four years. In fact, a more realistic costing of that promise is \$10.4 million, and that leaves the Opposition 17 nurses short of its promise before it is even elected. They are the rubbery figures that the Opposition throws around in this Chamber. The Leader of the Opposition also committed to recruiting 500 additional nurses over four years, with just 50 recruited in the first year. That sounds ambitious until you realise that the Government has recruited 797 nurses since August last year.

The Opposition will recruit 500; we have recruited 797 since last August. The Opposition will recruit 500 over four years; we have recruited 800 in eight months! Once again it has the numbers wrong. Based on the Opposition's planned phase-in, a more accurate costing would be \$100.5 million, leaving it about \$20 million short. They are the \$207 million worth of commitments the Leader of the Opposition offered this morning. But wait, there's more! There were extra, uncosted announcements, including an additional layer of nursing management and the establishment of nursing staff councils. I find it hard to believe that that would be cost neutral, as the Opposition policy document suggests. In addition, the Leader of the Opposition has committed to install a whole new layer of health bureaucracy with the reintroduction of local hospital boards, at an estimated cost of \$40 million—\$40 million to be spent re-establishing hospital boards with none of it going to front-line health services.

Then we have some airy-fairy promises about first home buyer grants and stamp duty concessions on rental investments. It is a very interesting idea, but where is the detail? I am advised that extending the first home buyer's grant alone would be worth \$116 million a year, and \$4,000 stamp duty concessions would cost at least \$35 million and affect around 8,000 purchases, but, Mr Magic Pudding Man said that all of this would be self funding! I think he really means self raising. Amazingly, the budget response from the Leader of the Opposition said absolutely nothing about public transport, which the Iemma Government is proud to say it has put right at the front of its funding commitments. Yesterday I detailed a 14.4 per cent increase in overall transport spending, with an 18 per cent increase in rail spending and a 40 per cent increase in rail capital spending. They are huge increases.

**Mr SPEAKER:** Order! The honourable member for Murrumbidgee will cease calling out.

[*Interruption*]

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

**Mr JOHN WATKINS:** Today the *Daily Telegraph* reported: "Station upgrades are just the ticket" and published a photograph of a lovely young woman with a child. She said this was what she wanted. We have learned from the Premier today that the Leader of the Opposition stole his budget response from an American congressman, interestingly named John Spratt—"Jack" to his mates. It is more evidence of fairytales having influence on the Opposition's policy development. The Leader of the Opposition has said our funding priorities are all wrong. The Leader of the Opposition repeated Jack Spratt's line four months later, thanks to a Google Internet search. I can picture him last night, up in his office, thinking: I have to get a budget response ready for tomorrow. I will go to Google and type something in. What he typed into Google was, "Please help me reply to a budget. I'm totally lost." and out comes Jack Spratt and the response we heard. Last month you admonished me, Mr Speaker, for using the terms "The Duke of Double Bay" and the "Earl of Edgecliff" when referring to the Leader of the Opposition. I was wrong and I am sorry for that.

**Mr Barry O'Farrell:** Point of order: Before the Rooster from Ryde or the Ratbag from Ryde repeats it, would you please reinforce your warning?

**Mr SPEAKER:** Order! I have already warned the Minister during his reply. The same applies to the Deputy Leader of the Opposition.

**Mr JOHN WATKINS:** I have just said I apologise, and I am not crowing about it here. Of course, given his unabashed plagiarism, instead of saying that last month I should have said he is in fact the doyen of duplication, the ubermaster of unoriginality, the guru of Google searchers, and Demidenko Debnam. The Leader of the Opposition said repeatedly this morning—no doubt stolen from somewhere else—that tough decisions will need to be made. With his ongoing performance, that is exactly what his party colleagues are thinking.

#### MENTAL HEALTH CAPITAL WORKS BUDGET

**Ms GLADYS BEREJIKLIAN:** My question is directed to the Premier. Given that the Government has cut the mental health capital works budget by more than 50 per cent this year, and given that the Government has spent only 16 percent of what it said it would on non-acute beds in Coffs Harbour, Newcastle, Shellharbour and St George, why is the Premier being deceptive and dishonest in claiming to be responding to the New South Wales mental health crisis?

**Mr SPEAKER:** Order! Before the Premier answers that question I draw the attention of the honourable member for Willoughby to the wording of the question, particularly the claims about deception and dishonesty. That is not appropriate. I will ignore those words and allow the question, but I will not allow similar questions in future.

**Mr MORRIS IEMMA:** We have to sympathise with the honourable member for Willoughby. She made a promising start as the shadow Minister for mental health when appointed by the former Leader of the Opposition. There were signs then of bipartisan support for the Government and other mental health groups in working to break down stereotypes and stigma in mental illness until that day last year when she strode into the House and asked a question about the Association of Relatives and Friends of the Mentally Ill [ARAFMI] funding for mental health. Unfortunately, she has not recovered since asking that question about funding cuts for ARAFMI and finding out that it was a Commonwealth grant that had been cut. She has barely been sighted on mental health ever since.

**Ms Gladys Berejiklian:** Point of order: My point of order relates to relevance. Why has the Premier cut the mental health capital works budget by 50 per cent?

**Mr SPEAKER:** Order! There is no point of order. The honourable member for Willoughby will resume her seat. The Premier has the call.

**Mr MORRIS IEMMA:** Go back and do some more research on ARAFMI. Poor Gladys, she has barely been sighted since: negative about everything and positive about nothing. Now she asks a question about the mental health budget. Three hundred mental health beds have been opened over the past three years, and there are 300 more to come—a \$934 million investment over the next five years. Yesterday, for the benefit of the House, I tabled the mental health plan for the next five years. Where is the honourable member for Willoughby's plan on mental health services? There isn't one.

And was there a mention of mental health in the Leader of the Opposition's budget reply this morning? No. The reason is that that is where he is going to make his savings. That is where he is going to fund the spendometer from, as it races towards \$23 billion. And the other place he will get his funds from is disability services, because he made no mention of disabilities. There was also no mention of community services this morning—and no wonder, because the Opposition has got plenty of form in ripping funds out of community services.

**Mr SPEAKER:** Order! The honourable member for Willoughby will stop calling out.

**Mr MORRIS IEMMA:** Who ditched the Richmond Report when that lot were last on this side of the House? Who took community support away from the mentally ill between 1988 and 1995? When deinstitutionalisation began in 1986 and 1987 and the transfer of support and resources had started, who took it all away? Who considered it a waste of investment? Nick Greiner. Who confined the Richmond Report to the

dustbin? The Greiner Government. The honourable member for Willoughby asks questions about mental health funding and services, yet when a couple of hours ago her leader had a chance to outline a plan for mental health services he could not bring himself to say the words, let alone outline any plans for what he would do to tackle one of the nation's top three health challenges. The honourable member for Willoughby, who is—

**Ms Reba Meagher:** Confused.

**Mr MORRIS IEMMA:** The Minister for Community Services says "confused". One could say "dazed and confused". But the honourable member for Willoughby has no notion of what it is she would do in mental health except criticise every single initiative. She criticises everything and is positive about nothing. What input did the honourable member for Willoughby have into the budget reply speech of the Leader of the Opposition this morning? I bet she had no input at all, but I do not blame her for that, because he probably did not ask her for any input. That is how much of a priority he attached to mental health. The Leader of the Opposition would not have asked the honourable member for Willoughby for input.

### POLICE BUDGET

**Ms VIRGINIA JUDGE:** My question without notice is directed to the Minister for Police. What is the latest information on reaction to the new direction for policing in the Government's State Budget?

**Mr CARL SCULLY:** The Leader of the Opposition would have to be regarded as the Joseph Biden of the New South Wales Parliament. Do members remember what Senator Biden did? He was a lovely character. He was a democratic presidential candidate from Delaware. According to the *Washington Post* Joseph Biden:

was driven from the nomination battle after delivering, without attribution, passages from a speech by British Labor party leader Neil Kinnock. A barrage of subsidiary revelations by the press also contributed to Biden's withdrawal: a serious plagiarism incident involving Biden during his law school years; the senator's boastful exaggerations of his academic record ... and the discovery of other quotations in Biden's speeches pilfered from past Democratic politicians.

People who steal ideas from someone else are driven by the public into the shameful dustbin of history. From here on every utterance from the Leader of the Opposition must be questioned. We must put a question mark on the Leader of the Opposition. Nothing can be believed. He is the Joseph Biden of New South Wales politics.

I will now go from the plagiarist to the ungrateful. The ungrateful Leader of The Nationals has the gall to say the Government has not put sufficient funds into country New South Wales. I will get my glasses out to read from the Budget Papers because sometimes the devil is in the detail and we have to check the fine print. Armidale—\$4.1 million; fantastic. Dubbo—all those awful things the Opposition said about the Government, but I look at the fine print and it says \$10 million. Then Lismore—the honourable member for Lismore is all right; he has already said thank you, so he is not ungrateful. I am not putting up with this. From the miserable sod from Orange there have been no thanks, no phone call, no press release, no "Thanks Carl", nothing, and he is getting \$4 million.

**Mr Chris Hartcher:** What about Wyong police station, which you promised would be ready and which is now put back until 2010? Tell us about Wyong.

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

**Mr CARL SCULLY:** I am happy to list the metropolitan areas. Burwood is getting funding, Windsor is getting funding and, after a blistering public campaign—I could not handle the pressure—Wyong is getting a police station. I am happy to make a commitment that if the honourable member for Gosford resigns I will bring on the capital works. Is that a deal?

**Mr SPEAKER:** Order! The Minister will address the Chair.

**Mr CARL SCULLY:** I had better check with the ICAC. I do not know whether I can do that but, subject to the ICAC saying it is all right, I am happy to do it. That is the only way I can get rid of this low life—I am happy to bring on capital works in Wyong. The Leader of The Nationals says he will thank the Government if it provides funding for Kempsey but then he condemns us. When one reads the fine detail of the police budget it is nothing short of fantastic.

**Mr SPEAKER:** Order! The House will come to order. The Minister will address the Chair.

**Mr CARL SCULLY:** Kostya Tszu's advice to the Leader of The Nationals would be not to box without a helmet. I have been to Yamba more times than members opposite can count. I was listening to the Leader of the Opposition's reply to the Budget Speech and I thought there might be some commitment regarding law and order. Every week the Leader of the Opposition bags the cops and says, "This is a major issue for the election, a platform upon which we will be driven into government in Macquarie Street." All he did in his budget reply was bag the cops. In three-quarters of an hour there was only one reference. He hopped into the cops on Middle Eastern crime. I am in regular contact with Ken McKay, for two reasons: first, to get feedback on the good work they are doing and, second, to let him know that every single Government member of Parliament appreciates the work being done by the Middle Eastern Crime Squad.

In fact, last week alone nine of these ratbags and grubs were arrested, and over the past few weeks more than 30 have been arrested. Yet all we get from the Leader of the Opposition is criticism and complaints. But there is no commitment on the numbers because he knows that the Government has made a major commitment on the number of police that will go towards authorised strength in January next year. The Leader of the Opposition gives no thanks to the Government for the commitment it has made on death and disability. New South Wales police now have the most comprehensive protection for injury and workplace accident, and worse, compared with any other State and Territory in the nation.

I am happy to go through every single item in detail, but I do not think I need to because members on this side of the House know that police appreciate the support that not only the community gives them but also the Government gives them. They have done fantastic work. As I have said before, Opposition members hate the fact that crime is not going up; they almost pray each morning that crime will go up. When the crime statistics come out and they are stable or falling, they weep into their Weeties. They want the crime statistics to go up. The Leader of the Opposition has given a commitment to close single-staff stations. I know the honourable member for Maitland is very concerned—

**Mr Peter Debnam:** Point of order: That is a lie, and the Minister knows it. The Minister knows very well that what I have committed to is extra policing resources in single-officer police stations.

**Mr SPEAKER:** Order! The Leader of the Opposition will have the opportunity to challenge that assertion at another time. This is not debating time. The Leader of the Opposition will resume his seat.

**Mr CARL SCULLY:** Who has the better integrity on the truth? I will stand in the court of public opinion against the Leader of the Opposition any day. And what is worse, having stolen someone's ideas he did not even know he had done that. If he were just a speech pickpocket he may have fessed up, but he did not even know he had stolen someone's ideas. That is disgusting! The other concern I have is that he has made a commitment to abolish government advertising. It is a nice little bit of spin. He thinks it is Warnie leg break; he can throw it out over the back of his wrist like a googly.

**Mr SPEAKER:** Order! The Minister will address the Chair and respond to the question he has been asked.

**Mr CARL SCULLY:** The Leader of the Opposition has made a commitment to abolish government advertising. I would like to know whether he is going to abolish road safety campaigns.

*[Interruption]*

He will? That is disgraceful.

**Mr Peter Debnam:** Mr Speaker—

**Mr SPEAKER:** Order! I assume the Leader of the Opposition is seeking to respond to the Minister.

**Mr CARL SCULLY:** Apologise! Can we believe you?

**Mr SPEAKER:** Order! The Minister will address the Chair.

**Mr Peter Debnam:** We are going to cut Labor Party political advertising and put police back on the roads.

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

*[Interruption]*

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

**Mr Peter Debnam:** The Minister is an idiot.

**Mr SPEAKER:** Order! The Leader of the Opposition will resume his seat. The Minister for Police has the call. I remind the Minister that there have been only six questions and the period allocated for question time has almost expired.

**Mr CARL SCULLY:** Before the Leader of the Opposition accuses any members on the Government front bench of being idiots, members on his side need to look into a giant mirror.

**Mr SPEAKER:** Order! The House will come to order. The Minister for Police will address the Chair.

**Mr CARL SCULLY:** In the pursuit of a Warnie leg-break type spin, the Leader of the Opposition has made a commitment to abolish government advertising, which will include road safety. Most importantly in this area, he will ban advertising for police recruitment—a disgraceful position. You snivelling snake!

### **TAMWORTH HOSPITAL BUDGET ALLOCATION**

**Mr PETER DRAPER:** My question is to the Premier. Yesterday's budget included a \$100,000 allocation to plan a new hospital for Tamworth. Will the Premier advise the House what outcomes this funding will deliver to the residents of Tamworth and surrounding communities?

**Mr MORRIS IEMMA:** It is good to get a question from the local member, a member who actually supports the redevelopment of his hospital—unlike The Nationals candidate, who went on Prime television and said that the hospital should not be redeveloped. It is good to get a question from a member who supports his local hospital and wants to see improvements.

**Mr SPEAKER:** Order! There is too much audible conversation in the Chamber from both the Government and Opposition benches.

**Mr MORRIS IEMMA:** I can inform the honourable member that redevelopment of the hospital is listed as a priority for development in the State infrastructure strategy released last week. The \$100,000 in the budget includes planning funds for this major upgrade. The redevelopment of the hospital is in addition to the \$10 million Walcha Hospital and health service upgrade that will commence this year. The upgrade will be of immense value to Tamworth and surrounding areas, firmly cementing Tamworth's role as a strategic hub in the delivery of health services throughout the Hunter New England Health Service region. It is due in no small measure to the efforts of the local member, who takes a constructive approach to delivering better health services for his constituents and supports the redevelopment of his hospital—unlike The Nationals candidate.

*[Interruption]*

Get a tape of the Prime television interview! We have all seen it. The hospital provides tertiary level burns service for rural New South Wales in association with Concord and Royal North Shore hospitals. It also provides diagnostic cardiac catheterisation services. The redevelopment of Tamworth hospital will provide modern and improved infrastructure to deliver quality health care to the residents of Tamworth and surrounding areas. It will improve access to hospital services, more effectively utilise the resources that currently exist at the hospital, and improve the health outcomes for the people of Tamworth.

*[Interruption]*

That often happens when hospitals are redeveloped—as the honourable member for Coffs Harbour would know from when we rebuilt his hospital.

**Mr SPEAKER:** Order! The honourable member for Coffs Harbour will cease calling out.

**Mr Milton Orkopoulos:** \$80 million.

**Mr MORRIS IEMMA:** That is correct, \$80 million—in one stage, not two stages. The redevelopment will also have other long-term benefits, such as assisting in the challenge to attract and recruit highly skilled medical professionals to the area and providing more services closer to home. That has been a key theme of the Government's improving services for rural New South Wales. I mentioned the last point because it is worth noting that The Nationals candidate went on television and did not support the redevelopment of the hospital.

**Mr Milton Orkopoulos:** Shame!

**Mr MORRIS IEMMA:** It is disgraceful, isn't it? There ought to be bipartisan recognition of the redevelopment of that hospital. Members opposite have forgotten the point that redeveloping the hospital assists in attracting and retaining nurses, doctors and other health care professionals in the hospital.

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

**Mr Adrian Piccoli:** Point of order: My point of order relates to relevance. The Nationals candidate did not say that he did not support redevelopment of the hospital.

**Mr SPEAKER:** Order! The honourable member for Murrumbidgee well knows that he cannot take a point of order merely to debate an answer being provided by a Minister. He will resume his seat. The Premier has the call.

**Mr MORRIS IEMMA:** On Prime television The Nationals candidate said, "Let's get the doctors, let's get the nurses, and let's get the services up front and working as they should be, and then let's look at a new hospital." As if a redeveloped hospital has no effect on attracting and retaining staff!

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

**Mr MORRIS IEMMA:** Another point is that specialists have been recruited to Tamworth. We know why The Nationals candidate does not support the redevelopment of Tamworth hospital.

**Mr Andrew Stoner:** Point of order: The standing orders require that questions asked during question time be without notice. The Premier clearly has a prepared answer. The honourable member for Tamworth is asking dorothy dixers again.

**Mr SPEAKER:** Order! The Leader of The Nationals will stop wasting the time of the House. I place him on two calls to order. He will resume his seat. The Premier has the call.

**Mr MORRIS IEMMA:** Go and take Steve Price's advice! The answer as to why is simple: The redevelopment of Tamworth hospital is one project that would never proceed if members opposite were ever elected to the Treasury benches.

## COMMUNITY SERVICES BUDGET

**Mrs BARBARA PERRY:** My question without notice is addressed to the Minister for Community Services. What is the latest information on reaction to the new direction of community services in the Government's budget?

**Ms REBA MEAGHER:** This budget is the biggest investment in families in New South Wales history. It is about making our community fairer for everybody, particularly those who need a helping hand: vulnerable families, people struggling with a disabled child, and those battling the tragedy of mental illness. The Iemma Government will spend a record \$1.29 billion on community services this year. We will be helping to protect children and strengthen families throughout the State. That is an increase of \$115 million on last year. Labor's commitment to families through the Community Services budget has more than tripled. This year we are continuing the roll-out of our five-year, \$1.2 billion reform to child protection in New South Wales. It means that we will be able to recruit an additional 1,025 frontline caseworkers.

This year we will spend \$308.4 million as part of our reform package. It means that we will be able to provide an additional 300 caseworker positions in the coming year, which helps us build on the 450 additional

caseworkers already provided under the reform plan. We will also spend more than \$23 million on rebuilding and upgrading Department of Community Services [DOCS] offices throughout the State to provide state-of-the-art facilities for families and caseworkers. This will happen in 20 sites across New South Wales, in places such as Albury, Nowra and Taree. This budget is also helping families and the community by providing more than \$250 million in programs such as universal home visiting for new mothers to help with development early in a child's life. Also, more than \$200 million will be spent on prevention and early intervention services to stop problems in families from escalating.

**Ms Gladys Berejiklian:** Point of order: My point of order relates to relevance. The Minister has raised the issue of early intervention. Yesterday she cut \$5 million from the early intervention budget.

**Mr SPEAKER:** Order! The honourable member for Willoughby will resume her seat. I call her to order. Before the Minister resumes her reply, I warn all members that I will not tolerate any further interruptions to answers under the guise of points of order.

**Ms REBA MEAGHER:** The honourable member for Willoughby's next trip to the microphone should be to apologise. She should apologise to the families of New South Wales for not being able to convince her leader to commit \$1 to child protection in New South Wales in his reply to the budget. Next time the honourable member comes here, she should apologise! As I said, we are committing more than \$250 million to child protection to ensure that children and young people are safe from harm. That is an increase of 16 per cent on last year. This year's record funding of more than \$1.1 billion is proof of the Government's commitment to providing the best services possible to promote the safety and wellbeing of children, young people and hardworking families across the State.

But we are also helping to care for those with a disability. Our budget delivers a landmark 10-year plan to provide better services for people with a disability and their families. With more than \$1 billion in additional funding over five years, this represents a new direction for New South Wales. People with a mental illness will be supported by our \$934 million, five-year mental health plan, which places a renewed emphasis on community-based care. But did the Leader of the Opposition respond to this record funding by supporting hardworking families? Not once did he mention the Department of Community Services. Not once did he mention a plan for families. He did not mention families battling with a disabled child or those battling with mental illness. His silence was deafening. Child protection is not an issue for the Leader of the Opposition, and we should look at his record on it. The last Coalition Government cost us 1,000 DOCS workers, including 77 child protection workers. During the last election campaign the Coalition said it would fund its promises by cutting \$700 million from the Department of Community Services.

**Mr Andrew Stoner:** Just because you keep repeating it, it doesn't make it any more true.

**Ms REBA MEAGHER:** It is true. The Leader of The Nationals should be ashamed of himself. When he spoke this morning not only did he offer nothing to the people in coastal and regional New South Wales in terms of child protection and investment in vulnerable families or families with a disability—

**Mr Andrew Constance:** Point of order: I raise a point of order under Standing Order 138. The fact is that the Minister has left a house like this—

**Mr SPEAKER:** Order! The honourable member for Bega will resume his seat. I place him on three calls to order.

*[Interruption]*

**Mr SPEAKER:** Order! If there is a repetition of that behaviour I will not place the member on three calls to order; I will order that he be removed from the Chamber immediately.

**Ms REBA MEAGHER:** I can assure the honourable member for Bega that the families in his electorate will get a much better deal under the Iemma Government than they could ever possibly get from a Coalition that fails to raise the issue—

**Mr SPEAKER:** Order! I call the Minister for Aboriginal Affairs, and Minister Assisting the Premier on Citizenship to order.

**Ms REBA MEAGHER:** The people in the Bega electorate, and indeed the families and children of New South Wales, will get a much better deal from the Iemma Government. Members opposite are cruel and heartless; they do not care about families. Despite repeated invitations for the Leader of the Opposition to reject his savage attack on families in New South Wales, today he confirmed that a Coalition government would cut the Department of Community Services to the bone. He should be ashamed of himself!

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

#### **ROADS AND TRAFFIC AUTHORITY BUDGET AND STAFFING**

**Mr STEVE CANSDELL:** My question is directed to the Premier. Given that his Government has failed to deliver its 2003 election promises such as those relating to the Alstonville bypass and the Grafton bridge, and in the past financial year the Roads and Traffic Authority's staffing costs have blown out by \$15 million and are budgeted to increase by another 10 per cent in this financial year, why would anyone in New South Wales believe the Premier will deliver on the latest hollow election commitments?

**Mr SPEAKER:** Order! That question is a little lengthy, but I will allow it. I remind honourable members that questions should be succinct.

**Mr MORRIS IEMMA:** How can anyone believe that the Coalition can pay for \$23 billion worth of unfunded promises? Honourable members opposite do not have the foggiest idea how they are going to fund any of them. They are going to get 29,000 sackings without sacking nurses, teachers, police officers, ambulance officers, firefighters and community service workers. How can anyone believe what Opposition members say, especially after this morning?

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

**Mr MORRIS IEMMA:** The honourable member should not get excited. He should take a deep breath and ask the Leader of the Opposition where the money is going to come from for Clarence.

#### **RURAL AND REGIONAL BUDGET**

**Mr STEVE WHAN:** My question without notice is to the Minister for Regional Development. What is the latest information on reaction to the new direction for rural and regional New South Wales in the Government's State budget?

**Mr DAVID CAMPBELL:** Once again we get a sensible question and a sensible contribution about regional New South Wales from a member of Country Labor. Hardworking families, primary producers and business owners throughout rural and regional New South Wales have emerged as the big winners in the first Iemma Government budget. Rural and regional New South Wales will receive \$5.8 billion—more than 50 per cent of the capital works and roads maintenance budget—from yesterday's State budget. That is more than the Federal Government has allocated for infrastructure across the whole nation in 2006-07. Members opposite do not want to listen, because they do not understand this. Rural and regional New South Wales alone will receive \$5.8 billion in infrastructure spending out of yesterday's State budget, and that is more than the Federal Government will spend on infrastructure for the whole nation in the next financial year. For example, \$1.84 billion or 65 per cent of the Roads and Traffic Authority's capital and maintenance program budget has been committed to rural and regional roads.

**Mr SPEAKER:** Order! There is far too much audible conversation in the Chamber. The Minister will be heard in silence.

**Mr DAVID CAMPBELL:** Our record spending is estimated to directly and indirectly support approximately 76,000 jobs this year in rural and regional New South Wales. The verdict from rural and regional New South Wales is in, and it is overwhelmingly positive. Rural and regional families need to know just what the shysters on the Opposition benches have in store for them. Nothing!

**Mr Barry O'Farrell:** What does the *Illawarra Mercury* say?

**Mr SPEAKER:** Order! The Deputy Leader of the Opposition will come to order.



**Mr Barry O'Farrell:** What does your regional paper say?

**Mr DAVID CAMPBELL:** The *Illawarra Mercury* says, "Hey big spender". Here it is. "Hey big spender" is what the *Illawarra Mercury* had to say yesterday, so you should sit there and be quiet because, as always—

**Mr SPEAKER:** Order! The Minister will address the Chair. The Minister and other members will not use props. Question time will be concluded in an appropriate way. The Minister will be heard in silence.

**Mr DAVID CAMPBELL:** This morning the Leader of the Opposition made his public response to the Iemma Government's financially prudent, compassionate and deliverable budget. Yesterday the Treasurer made 60 specific references to rural and regional New South Wales, outlining capital projects worth \$5.8 billion, and benefiting hardworking families, primary producers and businesspeople in electorates including Ballina, Lismore, Orange, Gosford, Coffs Harbour, Wagga Wagga, Oxley, Barwon and Upper Hunter, just to name a few.

Unlike the Iemma Government, which has set a new direction for rural and regional New South Wales with this budget, the Leader of the Opposition today adopted the Costello golden rule: just one glib reference to decentralisation. There was not one reference to a plan or a project for rural and regional New South Wales. There was not one measure for the regions, not one cent to upgrade key infrastructure or to promote regional jobs. To add insult to injury, hardworking families in rural and regional New South Wales are subjected to the spectacle of the so-called Leader of The Nationals echoing the views of the Leader of the Opposition, going so far as to parrot his Sydney master's shameful, plagiarised slogan. It is not even policy on the run; it is grab from Google.

The Leader of The Nationals then went out of his way to label the Hunter and the Illawarra regions—so proudly represented in this place by the Australian Labor Party—as mere extensions of metropolitan Sydney. That is a disgrace. One has to ask: What does the former Leader of The Nationals, the honourable member for Upper Hunter, have to say about The Nationals claim that the Hunter is not a regional location? Is there any wonder the honourable member for Ballina is being touted as an alternative leader?

**Questions without notice concluded.**

## **SPECIAL ADJOURNMENT**

**Motion by Mr Carl Scully agreed to:**

That the House at its rising this day do adjourn until Thursday 8 June 2006 at 10.00 a.m.

## **BUSINESS OF THE HOUSE**

### **Routine of Business: Suspension of Standing and Sessional Orders**

**Mr CARL SCULLY** (Smithfield—Minister for Police) [3.46 p.m.]: I move:

That standing and sessional orders be suspended to permit at this sitting:

- (1) the resumption of the adjourned debate and progress through all remaining stages of the Transport Administration Amendment (Travel Concession) Bill;
- (2) consideration of the motion in respect of functions of the Parliamentary Ethics Adviser, from the conclusion of which, until the rising of the House, no divisions or quorums to be called; and
- (3) at the conclusion of Government Business, the House to adjourn without motion being moved.

For the information of honourable members, it is proposed that from 7.30 p.m. this evening the Transport Administration Amendment (Travel Concession) Bill be dealt with, the motion in respect of the functions of the Parliamentary Ethics Adviser be moved and passed, the introduction up to and including the Minister's second reading speech of the Education Amendment (Financial Assistance to Non-Government Schools) Bill, and then a motion to take note of the budget estimates and related papers and subsequent debate.

**Mr BARRY O'FARRELL** (Ku-ring-gai—Deputy Leader of the Opposition) [3.47 p.m.]: The Opposition opposes the motion. For the second time in a row this evening the House will be debating matters at a time that should have been allocated to other bills. I can predict that tomorrow private members' business will be deferred. Therefore I move:

That the motion be amended by leaving out paragraph (3) with a view to inserting instead:

"(3) the introduction and consideration of all stages at this sitting of the Snowy Hydro Corporatisation Amendment (Protect Snowy Hydro) Bill."

It is important to have that bill pass through all stages this evening because the Minister responsible for the privatisation of Snowy Hydro, the Hon. John Della Bosca, gave it away on radio last Friday. When asked by Phil Clark on Radio 2GB whether he would still try to sell Snowy Hydro at a later date, he said, "Well, not right now." The reality is that the Snowy Hydro bill, which members on this side of the House voted against in 1997 when we accurately predicted it would lead the Government to try to sell Snowy Hydro, still allows the Minister responsible, the Hon. John Della Bosca, to sell at a moment's whim. Notwithstanding the action taken by the Prime Minister in preventing the sale of his 13 per cent of Snowy Hydro—an action that forced a backdown by the State governments in New South Wales and Victoria—if this Parliament adjourns this week without amending the legislation, the Iemma Government could still sell Snowy Hydro on another whim.

The Snowy Hydro Corporatisation Bill, which passed through the upper House with the support of the then sole Greens member, allows the Minister to dispose of shares without reference to Parliament. The amendment to the motion would allow the bill proposed by the honourable member for Orange to be debated in this Chamber. The bill is simple. It makes clear that any attempt in the future to sell Snowy Hydro Limited would have to be approved by both Houses of Parliament and the Governor. I expect all members to support that legislation, and I particularly expect the honourable member for Monaro to support the amendment.

If the honourable member for Monaro does not support the amendment, then he does not support the retention of Snowy Hydro Limited in public hands. The bill will provide a guarantee to electors in Monaro and throughout the State that no Iemma Government Minister at a whim will be able to sell that instrumentality. The amendment could not be clearer. It seeks to delete paragraph (3) and insert a new paragraph (3), which will allow the bill to be introduced and pass through all stages this evening. It will allow the House to vote on the bill. We are about to vote on the amendment to the motion.

**Mr SPEAKER:** Order! Honourable members will resume their seats. There is too much conversation in the Chamber.

**Mr BARRY O'FARRELL:** The vote on the amendment will test the honourable member for Monaro and the honourable member for Murray-Darling. It will allow all Government members who allegedly represent Country Labour to show their true intentions. Do they trust the Minister for Commerce to continue to have the unfettered power that was provided by the Parliament in 1997 or will they support the legislation that is being introduced by the honourable member for Orange to ensure that Parliament has the final power about any future privatisation, sale or disposal of the shares in Snowy Hydro Limited? I seek the support of the House.

**Question—That the words stand—put.**

**The House divided.**

**Ayes, 51**

Ms Allan  
Mr Amery  
Ms Andrews  
Ms Beamer  
Mr Black  
Mr Brown  
Ms Burney  
Miss Burton  
Mr Campbell  
Mr Chaytor  
Mr Collier  
Mr Corrigan  
Mr Crittenden  
Ms Daley  
Mr D'Amore  
Mr Debus  
Ms Gadiel  
Mr Gaudry

Mr Gibson  
Mr Greene  
Ms Hay  
Mr Hickey  
Mr Hunter  
Ms Judge  
Ms Keneally  
Mr Lynch  
Mr McBride  
Mr McLeay  
Ms Meagher  
Ms Megarrity  
Mr Mills  
Mr Morris  
Mr Newell  
Ms Nori  
Mr Orkopoulos  
Mr Pearce

Mrs Perry  
Mr Price  
Ms Saliba  
Mr Sartor  
Mr Scully  
Mr Shearan  
Mr Stewart  
Ms Tebbutt  
Mr Tripodi  
Mr Watkins  
Mr West  
Mr Whan  
Mr Yeadon

*Tellers,*  
Mr Ashton  
Mr Martin

**Noes, 36**

Mr Aplin	Mrs Hopwood	Mrs Skinner
Mr Armstrong	Mr Humpherson	Mr Slack-Smith
Mr Barr	Mr Kerr	Mr Souris
Ms Berejiklian	Mr McTaggart	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	
Mr Fraser	Mr Piccoli	
Mrs Hancock	Mr Pringle	<i>Tellers,</i>
Mr Hartcher	Mr Richardson	Mr George
Ms Hodgkinson	Ms Seaton	Mr Maguire

**Question resolved in the affirmative.**

**Amendment negatived.**

**Motion agreed to.**

**SYDNEY CRICKET AND SPORTS GROUND AMENDMENT BILL**

**SUPERANNUATION LEGISLATION AMENDMENT BILL**

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

**CONSIDERATION OF URGENT MOTIONS**

**State Budget**

**Mr GRAHAM WEST** (Campbelltown—Parliamentary Secretary) [4.01 p.m.]: This motion is urgent and deserves precedence because hardworking families always deserve the highest priority in this Parliament. Yesterday Treasurer Michael Costa outlined a budget for New South Wales which is financially prudent and which expands key services for health, education and transport. The Iemma Government's approach is aimed at investing in infrastructure to support growth in the future, reining in government spending in back office areas and modest tax cuts to support business. It is a sensible and responsible budget for the times. Today the Leader of the Opposition made his public response. Everyone was expecting—and I imagine his colleagues were hoping for—a comprehensive plan detailing his approach to managing the State's finances. However, there was no plan, no detail and no explanation. The speech was simply a load of rhetoric. There was talk of discipline and restraint, but that was not backed up by action. The Leader of the Opposition said that now is the time for restraint and honesty. However, in recent months he and his team have been out and about in New South Wales promising everything—

**Mr Andrew Stoner:** Point of order: I take this point of order reluctantly. The Parliamentary Secretary is getting into the substance of the debate. He will get the opportunity when the debate comes on to deal with that substance of it. He should be establishing why his motion should be given priority over mine.

**Mr ACTING-SPEAKER (Mr John Mills):** Order! The Leader of The Nationals is correct, and what he says is partly true. The Parliamentary Secretary will continue to tell the House why his motion should have priority.

**Mr GRAHAM WEST:** The Opposition is promising tax cuts and talking down the State, further damaging business and consumer confidence. History shows that the Leader of the Opposition's party has no record on financial restraint in New South Wales. This motion is urgent because all we have heard from the Leader of the Opposition today is reckless statements. He is talking down the State and is not fit to manage its finances. It is urgent that this House expose the Opposition for what it is: A dangerous sham with no realistic plan to manage the State's finances.

### State Budget Rural and Regional Impact

**Mr ANDREW STONER** (Oxley—Leader of The Nationals) [4.05 p.m.]: This motion is urgent because for the twelfth budget in a row the Carr and Iemma Labor governments have overlooked country New South Wales. This motion is urgent because, once again, Country Labor has sat silently on the backbench while this city-centric Government takes country taxes and gives nothing in return. This motion should be given priority because the one-third of the State's population who live in non-metropolitan New South Wales want to know why only 25 per cent of the health capital works budget has been allocated to country areas. They want to know why capital works for country New South Wales comprise just over 10 per cent of the total police capital works budget.

My motion should be given priority because families on the North Coast want to know why Labor is planning to spend billions of dollars on CityRail and buses, but not one cent will be spent to re-open the Casino to Murwillumbah branch line. They want to know why Labor has promised \$645 million for water for the greater Sydney region, but allocated only \$70 million for the Country Towns Water Supply and Sewerage Scheme.

**Mr Gerard Martin:** Point of order: I ask that you bring the Leader of The Nationals back to the point, which is why his motion should have priority. He should not be going into the detail of the motion. Just for the record, \$2 out of every \$3 of the roads budget will be spent in country and regional New South Wales. The Leader of The Nationals should learn to read if he wants to misread—

**Mr ACTING-SPEAKER (Mr John Mills):** Order! The Government Whip was in order until he started debating the matter. The Leader of The Nationals should read the Parliamentary Secretary's motion and establish reasons his motion should be given priority.

**Mr ANDREW STONER:** Country people want to know why they have been duded in this budget. That is why my motion should be given priority. Country people are at a loss to understand what is going on in this State. Residents of the Monaro electorate are asking why the construction timetable for the Queanbeyan hospital has blown out yet again, with the redevelopment now to be completed in 2009. This motion should be given priority because the budget provides no solutions for Queanbeyan and Bungendore residents with regard to securing water supplies. They want to know why almost 6,000 property developments in south Queanbeyan are in limbo because the Labor Government has seen fit to find \$40 million for a desalination white elephant in Sydney but nothing for their water supplies. That is why my motion must be given priority.

**Mr Matthew Morris:** Point of order: The Leader of The Nationals has spent the best part of his time so far debating the motion rather than demonstrating why it is urgent. In only the last 10 seconds before my point of order did he make any reference to it being urgent. I ask that you ask him to demonstrate why his motion deserves priority.

**Mr ACTING-SPEAKER (Mr John Mills):** Order! The honourable member for Charlestown is correct. However, the Leader of The Nationals is only partly complying with the standing orders.

**Mr ANDREW STONER:** The people of the Tweed want an urgent debate about the Casino to Murwillumbah branch line. They want to know why the Government has ploughed billions of dollars into Sydney infrastructure but not one red cent into the Casino to Murwillumbah branch line. They do not want to hear a self-congratulatory Government motion about the budget and an attack on the Leader of the Opposition. They want to know about the substantive issues. In the Far West people are saying loud and clear that the budget is in the red and Black is on the nose. They want to know why Labor has missed its chance to invest in vital projects for the Far West involving roads and hospitals.

People in the shires of Wakool and Deniliquin want a debate about the Government's failure to fund timber bridge replacements. That is an urgent matter for those good people, because Wakool and Deniliquin have more timber bridges than almost any other shire in Australia, yet this Labor Government cut the Timber Bridges Replacement Program. The motion is a priority for the families of Tamworth because the future of West Tamworth Public School has once again been completely overlooked in Labor's budget. Roads in the Tamworth electorate have also been ignored, with no mention of extra funding for Manilla Road, a major entrance route into Tamworth, or Topdale Road at Niangala. The good people in the electorate of Dubbo would also like to have this motion debated here and now because the budget contains no mention of Dubbo Base Hospital. It confirms that Dubbo police station will not be completed until 2008, and the ambulance station promised by the Premier in 2004 will not be completed until 2007. [*Time expired.*]

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

**The House divided.**

**Ayes, 49**

Ms Allan	Mr Gibson	Mr Pearce
Mr Amery	Mr Greene	Mrs Perry
Ms Andrews	Ms Hay	Mr Price
Ms Beamer	Mr Hickey	Ms Saliba
Mr Black	Mr Hunter	Mr Sartor
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 Corrigan	Ms Meagher	Mr West
Mr Crittenden	Ms Megarity	Mr Whan
Mr Daley	Mr Mills	Mr Yeadon
Ms D'Amore	Mr Morris	
Mr Debus	Mr Newell	<i>Tellers,</i>
Ms Gadiel	Ms Nori	Mr Ashton
Mr Gaudry	Mr Orkopoulos	Mr Martin

**Noes, 35**

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

**Question resolved in the affirmative.**

**STATE BUDGET**

**Urgent Motion**

**Mr GRAHAM WEST** (Campbelltown—Parliamentary Secretary) [4.19 p.m.]: I move:

That this House:

- (1) congratulates the Government on delivering a budget that better supports hardworking New South Wales families;
- (2) notes the failure of the Leader of the Opposition to yet again produce a detailed, costed and credible plan for the future of New South Wales; and
- (3) condemns the Opposition for its reckless approach to spending commitments.

Yesterday the Treasurer outlined a budget for New South Wales that is financially prudent and which, at the same time, expands key services in health, mental health, education and transport. It is an excellent budget that balances the growing needs of our community by reducing government costs where appropriate. It is worth quoting from the Budget Speech:

A budget that meets new challenges with new directions. A budget that leverages the State's sound balance sheet to invest for the future. A budget that achieves more for hard-working families with record spending on health, education, transport and police. A budget that looks after the most vulnerable in our society. A budget that boosts preschools funding, reduces class sizes, and increases the number of hospital beds. A budget that invests record amounts in infrastructure. A budget that provides necessary settings for business to invest. A budget that does all this while cutting taxes by \$3.2 billion over the next four years.

The 2006-07 budget sets a new direction for New South Wales. The budget establishes 10 trade schools to give young people the chance to start an apprenticeship while at school. It creates 10 general practitioner clinics in hospitals to take the pressure off our emergency departments. It includes a record 10-year infrastructure plan to keep New South Wales competitive and a great place in which to live and work, including borrowing to secure our future. Next financial year the Government will spend more than \$1 million an hour every day of every week to improve our hospitals, schools and roads. While we are spending \$9.9 billion in New South Wales alone, the Federal Government spends only \$5.7 billion nationally on infrastructure. The budget includes the Government's respect and responsibility plan, including tough new anti-gang laws and special powers to deal with riots. It creates more childcare places so that every four-year-old in New South Wales will be able to attend preschool for two days a week. As a future parent, the honourable member for Drummoyne appreciates that, and as a parent I certainly appreciate it.

The budget introduces a \$1 billion five-year Stronger Together disability plan to reverse years of underfunding. It introduces a nearly \$1 billion five-year mental health plan with an emphasis on community-based care—a sensational outcome for our community. It includes a \$420 million plan to secure more public homes for the elderly, a practical plan to address urban environmental issues through the new urban sustainability fund, and the purchase of water for our stressed inland rivers. The budget includes a commitment to chase jobs and investment in New South Wales by cutting taxes and red tape and actively promoting a positive business climate with the "NSW. We Mean Business" campaign.

It is a strong and compassionate budget. The international credit rating agency Moody's recently confirmed New South Wales triple-A credit rating. Labor has delivered nine budget surpluses and paid off the last Liberal-National Government's \$12 billion debt. One can imagine Moody's comparing our strong financial record and our excellent plan with the rhetoric of the Opposition. It would be a bit like comparing our approach with Michael Milliken's and his junk bonds in the United States of America. The Opposition has that lack of credibility.

As a consequence of this Government's actions, New South Wales has an exceptionally strong balance sheet. That is why we can now afford to borrow to invest in infrastructure. That is why we can accept a temporary deficit of \$696 million next year rather than ignore the needs of our most vulnerable citizens, who have waited long enough for disability and mental health services. The Iemma Government is delivering on its earlier promises, showing that our statements can be believed.

The one-off deficit is a short-term result of the property market downturn. The budget will return to surplus after one year. I find it hard to believe that the Leader of The Opposition had the temerity to ask where the money has gone. Firstly, we had to pay off \$10 billion of the \$12 billion in debt the former Liberal-National Coalition Government left us. After that we provided for the highest-paid nurses, teachers and police in the nation, computers to every school in the State, and reduced class sizes. We have more than doubled recurrent health expenditure since 1995. We have rebuilt or upgraded every major teaching hospital in the State. We now have 1,500 more police than we had in 1995, with another 750 on the way, and crime rates are now down. We have been rebuilding the child protection system—which was wrecked by the former Government—with a \$1.2 billion funding boost that was announced in 2002.

We are doing all of this while the taxpayers of New South Wales continue to be ripped off by Canberra to the tune of \$3 billion in GST revenues. The Leader of the Opposition was silent again on the GST in his budget reply, again not having the courage to stand up to Canberra. The Iemma Government will never walk away from this fight. Yesterday's Iemma Government's budget introduced no new taxes. The Iemma Government has cut six taxes in just 10 months and announced the abolition of a further five taxes. We have delivered \$424 million in tax cuts in just 44 weeks, and this budget will reduce land tax by \$57 million next year. These tax cuts will return billions of dollars to New South Wales businesses, property investors and home buyers. The tax cuts alone make up more than 70 per cent of next year's deficit.

At the same time, the Iemma Government will continue to cut back on waste and duplication in our back offices so we can focus on improving front-line services for hardworking New South Wales families. Savings include reductions in non-essential Government activities, staff reduction in non-front-line positions,

creating fewer government departments, savings in government information technology services, and a property authority to better manage government property. Today the Leader of the Opposition made his budget reply speech and the contrast could not be clearer: a comprehensive and compassionate plan from the Government and a hodgepodge of false claims and dodgy costings from the Opposition. The rebadged Stasi that the Premier spoke about slipped me an important note that I should bring to the attention of the House.

The Opposition policy is already falling apart. I am advised that the New South Wales Opposition is now urgently issuing corrected policy documents following the budget reply this morning. The corrected policy now inserts new conditions for those who want to apply for a \$3,000 top-up of their first homeowner's grant. The new corrected policy just distributed imposes a cap on the value of the property. At 10 o'clock this morning the policy had no cap, but by question time today a \$500,000 cap had been imposed on the value of the property. One can liken the Opposition in discussing weighty matters to undergraduates who have been out partying all year and have neglected their studies; all of a sudden they realise that their final assessment is due and they look up references and have to cut and paste—

**Mr Barry O'Farrell:** Point of order: The mover of this motion, which is in three parts, is not only being inconsistent but is behaving like a wet lettuce leaf. This is a pathetic attempt to deride the Leader of the Opposition and, like this wet lettuce leaf, it is unappetising and unacceptable.

**Mr ACTING-SPEAKER (Mr John Mills):** Order! There is no point of order. I remind the Deputy Leader of the Opposition about the use of props.

**Mr GRAHAM WEST:** I am not surprised the Deputy Leader of the Opposition is embarrassed, because the Opposition forgot the date for budget day. We have known for a long time when the budget was due. In fact, the Deputy Leader of the Opposition—who is just leaving the Chamber—was the one who complained a fortnight ago that Parliament was not sitting this week because of the budget. The Opposition knew that the day for the budget was approaching and yet Opposition members apparently had no chance to sit down and prepare a policy. That is because they are bereft of ideas. They had no chance to sit down and cost their policies and prepare them. Instead, they quickly rushed out last night and thought, "We have to get a response to this credible budget that the Iemma Government has delivered. What shall we do?"

They cut and they pasted, they cobbled together a document, they threw it out to the public, and now they have realised that it is wrong and has to be thrown out. That is a new world record for policy on the run: issued at 10 o'clock in the morning and corrected by 3 o'clock in the afternoon. Heaven help the people of New South Wales if this Opposition ever gets a chance to run New South Wales. It cannot get its policy documents right—the only policy documents it has released. How can it be trusted to run New South Wales?

We expected a comprehensive plan that details the Opposition's approach to managing State finances. Instead, we got corrections and errata of its only policy. It does not have a plan. How is it going to deal with mental health? How is it going to deal with child protection? How will it deal with growing health costs? How will it deal with expected population growth? How will it keep crime rates down? All that the Leader of the Opposition gave us was a promise to reduce the number of nurses coming into the hospital system, a tax cut that is supposed to be self-funding, and a policy that it has already had to correct and disown.

**Mrs JILLIAN SKINNER** (North Shore) [4.29 p.m.]: It is extraordinary that the honourable member for Campbelltown had the nerve to suggest that people are congratulating the Iemma Government. I remind members opposite of the headline on the front page of today's *Illawarra Mercury*, which was "Costa puts State in red". We thought this was a mock-up. The *Australian Financial Review* headline was "Costa gambles with New South Wales Future", while the headline in the *Sydney Morning Herald* reads "Spin now, pay later". These headlines are from respected newspapers that have followed the life of the Government for a long time. The honourable member for Campbelltown does not respect these papers, but I do. The urgency is about the State budget and therefore I move:

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

"this House:

- (1) congratulates the Leader of the Opposition on his positive policy to bring nurses back to hospitals; and
- (2) condemns the Iemma Government for its failure to adequately fund the hospital system in New South Wales."

I will make some general comment about the Health budget. The New South Wales budget is big talk but little improvement. The Government claims there is a 7.5 per cent budget increase, but that is budget to budget. When one looks at the money spent, takes out the 4 per cent pay increases and the 2.75 per cent inflation rate, only \$217 million is left, yet the Government claims it will have sufficient funds to keep all its promises. What absolute rot! Despite the big talk, funding to build and equip hospitals has actually gone down by \$13.3 million since last year. One need only read the budget papers; the figures are there for all to see.

Many of the projects are merely re-announcements or projects to be finished in the never-never. There are very few projects in rural or regional New South Wales, despite recent publicity about how country people are being disadvantaged. As well, 46 projects are running late, 44 have had increased total estimated costs, and 59 have underspent allocated funds. This is the trickery of this Government. It congratulates itself on allocating \$600 million for capital works, but when the budget is handed down the following year one realises that the Government has underspent by significant amounts, a third in some cases. The promise of an extra 426 beds is a joke when one considers there are now 3,500 fewer hospital beds than when Labor came into office. Even with this commitment, Labor has given itself an out by stating in the budget papers, "This is subject to the availability of new nursing and medical staff."

*[Interruption]*

By contrast, today the Leader of the Opposition and I announced our Bringing Nurses Back policy, which has been endorsed by Professor Judy Lumby, the Executive Director of the College of Nursing, who helped work on the policy, along with members of the nurses union, the New South Wales Nurses Association, and nurses working in the public and private sectors. I thank them for their contribution to this comprehensive policy. As Professor Lumby said this morning, there has never been such a comprehensive policy. I shall outline the policy and correct the deliberate and misleading comments of the honourable member for Campbelltown about Coalition policy. We will commit \$207.8 million over four years to this policy. It is about improving nursing degree courses by ensuring that a greater amount of time is spent in clinical practice in hospitals or other health settings and investigating the opportunities for accelerated degrees to be offset by nursing internships.

*[Interruption]*

We will increase retraining opportunities for registered and enrolled nurses wishing to re-enter the work force.

*[Interruption]*

We will appoint an extra 50 clinical nurse educators over our first term to enable recent nursing graduates to receive a greater degree of mentoring. We will provide funding for 500 more nurses in our first term. The promise is to fund an additional 500 nurse positions over and above the existing nurses vacancies currently being advertised. That is something like 1,800 new nurses. The honourable member for Campbelltown should get it right. I am astonished that the honourable member for Drummoyne, who is a former member of the nursing profession, interjects. Nurses think this is great.

An allocation of \$81 million will be made for an additional quarantined fund to be established at individual hospitals to enable nurses to work with hospital administrators to negotiate benefits to make their workplaces more agreeable. Nurses across the board have told me that morale has never been so low. The recent restructure has resulted in a reduction in senior nursing positions. This has affected the career path of nurses, and they are despondent. Indeed, nurses at Royal North Shore Hospital have rallied in protest at the Government's action. The Opposition will give nurses more recognition.

*[Interruption]*

Madam Acting-Speaker, I find the harping of the member opposite quite distracting. I ask you to direct her to be quiet.

**Madam ACTING-SPEAKER (Ms Marie Andrews):** Order! Members on both sides of the Chamber will listen to the honourable member for North Shore in silence.

**Mrs JILLIAN SKINNER:** I listened in silence to the honourable member for Campbelltown even though he deliberately misled the House by stating that the Opposition would only have 500 new nurses. I urge



members opposite to read the policy and the press release. It is on the Internet. There are 500 additional nurses over and above the 1,200 that are currently being advertised. There will be about 1,800 new nursing positions. These positions will be fully funded. From the feedback I have already received we will attract nurses back into the hospitals. The Opposition will also give nurses more recognition and control by maintaining the senior nursing management positions, not abolishing them, as the Government has done at Royal North Shore Hospital and throughout the Greater Southern area.

I have seen the nursing plan for hospitals at Wagga Wagga, Albury, and the entire Great Southern Area. Nurses are very distressed about positions that have been abolished. The Opposition will ensure that nurses receive strong support as they deliver front-line services. We will establish nursing staff councils that have real clout to give nurses the same influence and direct access to the Minister that doctors' medical staff councils have, and ensure there is nurse representation on each local hospital district board.

All these measures are essential because of Labor's failures. The latest available figures, April 2006, show there are still 1,285 nursing vacancies in the public health system. This number has been reasonably static, yet the NSW Health Annual Report 2004-05 shows that only 36 per cent, or 35,526, of the 98,081 registered and enrolled nurses in New South Wales are willing to work in the public hospital system. Some have retired and some want to come back but they will not do so because they are so disgusted with the working conditions in public hospitals. The average length of stay of nurses in the public hospital system is very short because the environment is so discouraging to hardworking and committed nurses. Over the past 11 years the Labor Government's failure to address the critical shortage of nurses has led to the closure of around 3,500 hospital beds.

**Ms Angela D'Amore:** Rubbish!

**Mrs JILLIAN SKINNER:** It is not rubbish; it is in the Government's own reports. You should read them. The elective surgery waiting list is now currently at 58,461, as shown on the NSW Health web site, compared with 44,707 when Labor was elected to office on a promise to halve hospital waiting lists. My amendment gives honourable members the opportunity to say that they support hardworking nurses and that we will provide them with additional incentives to have a better work force. The Opposition congratulates the Leader of the Opposition on his fantastic response to the budget, and deplores the Iemma Government's lack of commitment to nurses.

**Ms ANGELA D'AMORE** (Drummoyne) [4.39 p.m.]: I am pleased to join the honourable member for Campbelltown, the Parliamentary Secretary to the Treasurer, in this motion of utmost urgency and interest to hardworking families across New South Wales. Today I had the pleasure of welcoming the Premier, the Treasurer, and the Minister for Education and Training to my electorate of Drummoyne, specifically to Dobroyd Point Public School, to announce that a new library, school hall and canteen will be funded in the 2006-07 budget. These improvements are funded from the \$10.7 billion Education and Training budget—an increase of \$518 million or 5.1 per cent over last year. The new library will provide a top-quality resource for young students at Dobroyd Point Public School as they continue to discover the world of reading and research. I thank the principal, Don Readett, the parents and citizens, and the wonderful children who entertained us this morning with their thoughts and singing.

I am also delighted to announce funding for a new school hall and canteen—facilities that were unfortunately destroyed by fire in 2005. The students and parents are looking forward to those facilities being rebuilt. Yesterday's budget is strong and compassionate and provides for hardworking families and lays the foundation for a fairer community—a commitment the Opposition cannot dream of matching. Our strong balance sheet put us in a position to fund record spending to improve and upgrade our schools, hospitals, transport, and water and energy infrastructure. Nothing is more important than the education of our children, and improving physical facilities equates to providing a better learning environment. The students and teachers at Dobroyd Point Public School are among the many worthy recipients of the new direction in funding mapped out in yesterday's budget. The record budget funding demonstrates the Government's commitment to first-class education and school facilities for all students.

This extra investment means more maintenance projects, more training opportunities and more capital works projects for schools like Dobroyd Point Public School and for TAFE colleges across the State. What could students and parents across New South Wales expect from the Opposition? If today's pitiful displays by the Leader of the Opposition and the Leader of The Nationals are anything to go by, they can expect a big fat zero. The Iemma State budget has delivered on key issues that are important to families across New South

Wales. Local property investors in my electorate will be celebrating. They have told me that large fluctuations in land tax liabilities, resulting from volatility in annual land values, are a significant concern. Changes made earlier this year exempted almost 390,000 investment property owners who paid land tax last year from paying tax this year, including the owners of more than 2,300 investment properties in Canada Bay within my electorate.

The Iemma Government has continued to listen, and the further land tax reforms in the budget will be most welcomed by my constituents and, I am sure, the rest of New South Wales. This morning the Leader of the Opposition made a big fuss about health. He knows nothing about the subject. In my electorate Concord hospital—a wonderful hospital with brilliant nurses, doctors and clinicians—will benefit from the \$1.2 billion budget for the Sydney South West Area Health Service. That is an increase of \$98.2 million over last year. Intensive care unit [ICU] beds cost around \$700,000 a year to run, and they are staffed by highly trained doctors and nurses, and supported by sophisticated life-support equipment. In addition to ICU beds, more than \$1.4 million has been committed as part of the budget for seven more beds to enable our doctors and nurses to treat more patients more quickly. This is on top of the high-dependency beds that we received last year, and I am sure the nurses and doctors at Concord hospital will welcome these additional beds.

This budget supports hardworking New South Wales families better. It delivers a fair deal for the most vulnerable people in our community. I commend the Minister for Disability Services for allocating \$1 billion to assist with disability packages. I am sure that communities such as the Myalla centre will definitely welcome this, as will many residents and families that have come to see me. As a member of Parliament and a future mother, I also welcome it. This budget is prudent, but it sets out a new, exciting direction for New South Wales. This is a budget that the Leader of the Opposition could never and will never deliver. He cannot even produce a detailed, costed and credible plan for the future of New South Wales, and that is of concern to everybody. His willingness to cut 29,000 public sector jobs, which are the backbone of many departments, is a disgrace. The Leader of the Opposition should hang his head in shame.

**Mrs JUDY HOPWOOD** (Hornsby) [4.44 p.m.]: I have pleasure in supporting the amendment moved by the honourable member for North Shore relating to nursing and the importance of nurses. Members opposite are absolute hypocrites when they talk about the confidence that families have in the budget. Families want security in health care, but they do not have that at the moment. All families see are degraded hospitals, stressed staff, and services that are not up to scratch. I join the honourable member for North Shore in congratulating the Leader of the Opposition on the Bringing Nurses Back policy. That policy is a credit to the honourable member for North Shore—the shadow Minister for Health—and the people whom she consulted. Members opposite who cast doubt on the acceptance of this policy in the wider nursing community are casting doubt on some of the leaders in the nursing profession.

The Coalition's policy has been accepted by Professor Judy Lumby. It has also received the credence of the Australian Medical Association. This extremely good policy will return nursing services to the way they should be, the way I remember them. When I talk to the long-suffering, hardworking nurses in the public hospital system they are disillusioned. They do not feel that they are valued or that their skills are being recognised. They have vital skills to give to their patients, and their management expertise is going down the drain. Only last week there was a stop-work meeting at Royal North Shore Hospital relating to the abolition of three divisional nurse manager positions in surgery, medicine and intensive care. These nurses were simply removed, and the nurses below them now have no career path and are therefore further disillusioned.

Apart from decreasing budgets and stress, nurses are afraid about the direction that their profession and their careers are taking. The wonderful Coalition policy released this morning—the Liberal-Nationals action plan, Bringing Nurses Back—recognises that there are 1,295 nurse vacancies. The Government, which created the problem with hospitals and nurses, has a revolving-door policy on nurses. Essentially, the policy on nurses should be about bringing them back. It is not adequate to talk about the education of nurses. We have 98,000 nurses but they do not want to work in the public hospital system.

**Ms Angela D'Amore:** They work in nursing homes.

**Mrs JUDY HOPWOOD:** No. Some 60,000 of them are not working. They are working outside—

**Ms Angela D'Amore:** Some of them are retired.

**Mrs JUDY HOPWOOD:** No. That is not a good enough excuse. There are some 35,000 nurses working in public hospitals and that is not enough to cope with rosters. Nurses in public hospitals have gone

back to task nursing, which is a type of team assessment nursing. They want to undertake total patient care, but they cannot do so because hospitals do not have enough staff. Nurses are frustrated because they are unable to provide care. The most important thing for nurses is job satisfaction and feeling that their patients are being cared for. Nurses are the centre of the hospital system. Without nurses, no new beds can be opened. I note that about 3,500 beds have closed over the past 11 years. That is appalling.

The waiting lists have blown out. Basically, Bob Carr signed in blood a statement about halving the elective surgery waiting lists, which stood at 44,707 in 1995. Now the figure stands at 58,461. It is simply appalling. Elective surgery waiting lists will never be turned around while there are increasing waiting lists for operations. Nurses are the backbone to opening up those beds to allow patients to come into the hospitals, to allow surgeons to do what they do best, and to allow other hospital staff to look after the patients. It is an appalling indictment that we have to put up with garbage and spin from the Government. It is summed up as spin now, pay later. A lot of the promises are costed for expenditure after March next year, when we will face the problem. [*Time expired.*]

**Mr MATT BROWN** (Kiama—Parliamentary Secretary) [4.49 p.m.]: I am pleased to join my colleagues the honourable members for Campbelltown and Drummoyne in this debate. I am appalled to be listening to yesteryear policies from members opposite. The best the Conservatives can come up with on health is: Bring back nurses who have left the system. What about training new nurses? What about supporting university places?

**Mrs Judy Hopwood:** Point of order: My point of order relates to the insult that was just thrown at expert nurses. They are not experts when they first finish their training.

**Madam ACTING-SPEAKER (Ms Marie Andrews):** Order! There is no point of order. The honourable member for Hornsby will resume her seat.

**Mr MATT BROWN:** What a lousy, pathetic policy for our health system: bring back nurses who have left the system. Why not train new nurses who want to get in? There are so many students in my electorate who want to go to university to train to be nurses but they cannot get university places. The best the Opposition can come up with is: Bring back nurses who have left the system. Why not train up new nurses and get them into our modern hospitals?

The Opposition calls our hospitals old. One only has to look at the hospitals in the Shoalhaven, Wollongong and Shellharbour to see the fantastic new hospitals the Government has put its money into. Those hospitals have been enhanced enormously. When the Coalition was last on the Treasury benches, the first promise it broke was to close Kiama hospital. It closed Kiama hospital and ran down our hospitals. The best policy it can now come up with is: Bring back nurses who have left the system and do not worry about training new nurses. That is one of the most inward, conservative and pathetic policies I have ever heard in this Chamber.

**Mrs Judy Hopwood:** Point of order: The honourable member for Kiama is misleading the House. I did not say that education is less important.

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

**Mr MATT BROWN:** This budget marks a new direction for infrastructure investment. In 2006-07 the Iemma Government will spend approximately \$5.8 billion on capital works and roads maintenance in rural and regional New South Wales. That is more than the entire Howard-Costello Federal Government infrastructure allocation. The Coalition's mates in Canberra cannot deliver for rural and regional communities when they are sitting on a \$10 billion plus surplus. Imagine what the dream team of Debnam and Stoner would come up with if they ever got their hands on the New South Wales Treasury. The good news from yesterday's budget extends across all portfolios. For example, \$1.84 billion—65 per cent of the Roads and Traffic Authority's capital and maintenance program budget—has been committed to rural and regional roads. Our record spending this year is estimated to directly and indirectly support approximately 76,000 jobs in rural and regional New South Wales.

Over the next four years the Iemma Government will invest a massive \$41.3 billion in schools, hospitals, roads and transport, and energy and water infrastructure projects across the State. This represents a 45 per cent increase over the previous four years. What does the Coalition offer? Nothing. We have heard not one word from the Leader of the Opposition and the current Leader of The Nationals—I stress, the current

leader. I congratulate Premier Iemma and Treasurer Costa on delivering a prudent but compassionate State budget. For example, the Iemma Government is investing record amounts in the future of students in rural and regional New South Wales—\$3.7 billion for country schools; \$438 million for rural and regional TAFE colleges; \$90 million for new and ongoing capital works; and \$73 million for literacy programs.

**Mrs Judy Hopwood:** But people don't believe it.

**Mr MATT BROWN:** The honourable member for Hornsby says that people do not believe it. One has only to go to Kiama High School to see the massive rebuilding of that school, to see dollars going into better educational facilities in the electorate I represent. In stark contrast, the Opposition would probably try to find teachers who have quit working for the education department, who have retired and moved on to something else, and ask them to come back and teach in schools. That has as much relevance as the Opposition's health policy. At least the Government is looking forward to training our nurses and keeping them under State awards, rather than handing them over to Canberra and its WorkChoices reforms. The Iemma Government looks after nurses and trains them under a better health policy.

**Mr GRAHAM WEST** (Campbelltown—Parliamentary Secretary) [4.54 p.m.], in reply: Once again the Opposition has failed to produce detailed costs and a credible plan for the future of New South Wales. At 10.00 a.m. the Leader of the Opposition said, "Responsible financial management is not just a luxury the Government can adopt when times are good. It is a constant discipline that must underpin all decisions of government." That is fair enough. But his words lacked credibility. We do not have to go too far for proof; we have only to go from 10.00 a.m. to 3.00 p.m., when the Opposition had to correct its housing policy.

**Mrs Jillian Skinner:** Point of order: My point of order is relevance. I hold in my hand three corrections to the budget papers, produced with the budget. Are we now to believe that if there are corrections somebody cannot budget? There are three corrections, so that means the Government is three times as bad as we are.

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

**Mr Andrew Fraser:** To the point of order—

**Madam ACTING-SPEAKER (Ms Marie Andrews):** Order! The honourable member for Coffs Harbour is wasting the speaking time of the honourable member for Campbelltown. He will resume his seat.

**Mr GRAHAM WEST:** I would be embarrassed about the mistake if I were them—their mistake of forgetting to put a cap in their policy. They have had all year to prepare for it. Every year there is a State budget; it is not a new thing.

**Mr Andrew Fraser:** Point of order: My point of order is relevance. The honourable member for Campbelltown talks about mistakes. There is a billion dollar mistake on page 2 of the budget paper.

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

**Mr GRAHAM WEST:** Here was the Opposition's chance to articulate a responsible budget for the future, its chance to show that it has been working all year on the policies it has been promising to reveal. Now what do we get? We get one thing at 10.00 a.m. and a correction at 3.00 p.m. We get a cap in the speech, but no cap in the policy document. We get a statement from the Leader of the Opposition that is not backed up in print. Heaven help the people of New South Wales if the Coalition gets into government. The Coalition cannot even issue a single policy; after all this time it cannot even get it right. Members of the Opposition did not proof-read their documents. It was in the speech but they forgot to put it in their policy. They were up all night working but they could not be bothered to work for the months beforehand to get their policy right.

**Mrs Jillian Skinner:** Point of order: I seek leave to table the corrections to the budget, which will demonstrate that the Government was at least several billion dollars out in its calculations.

**Madam ACTING-SPEAKER (Ms Marie Andrews):** Order! There is no point of order. The honourable member for North Shore will resume her seat.

**Mr GRAHAM WEST:** I have made my point about financial responsibility, and I am glad it has got through to members opposite. The Opposition lacks credibility. It has failed to produce a detailed, costed and

credible plan, and its members are embarrassed by their policy. However, it is not just this policy. In recent months the Leader of the Opposition and his team have been out and about in New South Wales promising everything to every special interest group they have stumbled across. They have made promises that are estimated to cost between \$22 billion and \$23 billion. They have also promised further tax cuts. One must ask the question: Where does the money come from? If the Coalition were in government it would not get the triple-A rating that we get consistently from Moody's and other rating agencies; it would get a failed rating.

The comments by the Leader of the Opposition about the budget and New South Wales continue to be reckless. He continues to run down New South Wales but does not deliver a detailed, costed or credible plan. After months of planning and making promises, Coalition members have to make corrections. They have to apologise for their policies and say, "I'm sorry, we did that last night. We did not do it in the lead-up months. We cobbled it together, we rushed it, and we failed." Once again the Coalition has failed the people of New South Wales. Given its reckless approach to spending commitments, it does not deserve to be elected to government.

**Question—That the words stand—put.**

**The House divided.**

**Ayes, 51**

Ms Allan	Mr Gibson	Mrs Perry
Mr Amery	Mr Greene	Mr Price
Ms Andrews	Ms Hay	Ms Saliba
Ms Beamer	Mr Hickey	Mr Sartor
Mr Black	Mr Hunter	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	<i>Tellers,</i>
Ms Gadiel	Mr Orkopoulos	Mr Ashton
Mr Gaudry	Mr Pearce	Mr Martin

**Noes, 32**

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

**Question resolved in the affirmative.**

**Amendment negatived.**

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

**The House divided.****Ayes, 51**

Ms Allan	Mr Gibson	Mrs Perry
Mr Amery	Mr Greene	Mr Price
Ms Andrews	Ms Hay	Ms Saliba
Ms Beamer	Mr Hickey	Mr Sartor
Mr Black	Mr Hunter	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	<i>Tellers,</i>
Ms Gadiel	Mr Orkopoulos	Mr Ashton
Mr Gaudry	Mr Pearce	Mr Martin

**Noes, 33**

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

**Question resolved in the affirmative.****Motion agreed to.****Pursuant to sessional orders business interrupted.****BUSINESS OF THE HOUSE****Notices of Motions**

**Mr SPEAKER:** Order! It being after 5.15 p.m. the House will now deal with General Business Notices of Motions (General Notices).

**General Business Notices of Motions (General Notices) given.****PRIVATE MEMBERS' STATEMENTS****MS TRANG NGUYEN IDENTITY THEFT**

**Mr MICHAEL RICHARDSON** (The Hills) [5.20 p.m.]: I was recently contacted by a constituent, Trang Nguyen of West Pennant Hills, whose story of bungling and incompetence by the Government was so bizarre that even I, as someone who is used to these sorts of tales, had initial difficulty in comprehending it. In April Ms Nguyen received a penalty notice from the Infringement Processing Unit for a parking ticket incurred

by a vehicle with the registration number APG09Y. One might say there is nothing strange about that, except that Ms Nguyen has never owned a vehicle with the registration number APG09Y. Somehow or other a person unknown to Ms Nguyen has been able to buy a vehicle in her name, using her driver's licence number and her date of birth. This unknown person has subsequently racked up several parking tickets, including one for standing in a "No Stopping" zone, all of which have been sent to Ms Nguyen and all of which, understandably, she has declined to pay. As Ms Nguyen says, the vehicle is registered in her name and there has been no evidence that the Roads and Traffic Authority [RTA] requires or has received any proof that the details provided are genuine.

Following advice from the RTA help line, Ms Nguyen visited the Wynyard branch of the RTA and told them she had no knowledge of the car. She signed a statutory declaration to that effect, and left it with the branch manager. Despite the fact that it should be relatively easy for the RTA to confirm, through the signature on the registration transfer papers, that someone is impersonating Ms Nguyen, it has not deigned to do so. In fact, when Ms Nguyen requested that her name be removed from the computer as the owner of APG09Y, the branch manager advised her that the RTA system does not permit that to happen. Any fines racked up by the fraudster who is impersonating her will, of course, continue to be sent to her address in West Pennant Hills. That could have dire consequences for Ms Nguyen. Any speed camera or red light camera offence committed by the criminal who has stolen her identity will be recorded against her name. It would be quite easy for her to forfeit 12 points in this way—indeed, she could do so without so much as turning the ignition key of her own car—meaning she could lose her licence.

Her continued refusal to pay fines she did not incur could also lead to the cancellation of her licence or a refusal by the RTA to renew her car registration. Indeed, her registration is coming up for renewal this month, so it will be interesting to see what happens. She could then be booked for driving when unlicensed, or driving an unregistered vehicle, or both. If she had an accident her insurance company would not cover her, and so on. The possibilities are both endless and dire. The RTA told Ms Nguyen that they would only remove her name from this other vehicle's registration papers if the police supported her story. So she reported the matter to Eastwood police station. As happens all too often under the Government, the officer she was dealing with went on leave and nothing happened, except that she was advised that the offender cannot be prosecuted because technically he has not lied to any authority, only to the seller. If this is the case, it is arrant nonsense. He would have known that the false information he provided to the seller would then be recorded on the RTA's database.

I cannot see that it would be too difficult for a police officer to establish a prosecution case that would result in a court conviction. If that is not the case, the Government clearly needs to change the law. Because of the brazen way in which this person has been impersonating Ms Nguyen, she feels it is highly possible he may go on to commit more serious offences. Perhaps one morning Ms Nguyen will awake to find police officers surrounding her home, lying in wait for an armed robber. Ms Nguyen tells me she is not just concerned for her own situation; she is concerned about the wider issue of systemic fraud. She said:

It seems to me that such fraud is not an isolated event as suggested by the police. I am convinced that the buyer has been able to obtain my details from an organised team which knows how and where to obtain personal details using illegal means for resale.

I would have thought the police officer Ms Nguyen spoke to would have seized on that possibility, which might potentially lead to an organised crime syndicate. My local police are always telling me of the importance of "intel"—yet here is some intel that has been completely ignored. It is entirely possible that this is not an isolated case, and that there is a group selling licence details to nefarious individuals. I am also flabbergasted that the RTA has no mechanism in place to deal with complaints like Ms Nguyen's. She is not in the wrong and she should not have to run around from agency to agency trying to establish her bona fides. Here is a four-point plan for the Ministers responsible: (1) get Ms Nguyen's name off the data base as the owner of APG09Y; (2) arrest the person who has been impersonating her; (3) put in place a mechanism for dealing with similar complaints in the future; and, (4) break up any syndicate that may be dealing in stolen licence details. I look forward to the Ministers' responses with interest.

### COOKS RIVER REMEDIATION

**Ms CARMEL TEBBUTT** (Marrickville—Minister for Education and Training) [5.25 p.m.]: Today I want to speak about the Cooks River, an important waterway that runs in part through my electorate. Anyone taking a walk along the Cooks River early in the morning will be amazed by the number of people who are out and about, making the most of the walking paths and cycleways. The same is true of weekends. The river's waters and banks provide much-needed open space for the recreational pursuits of local residents. As a result, the health of the Cooks River and its surroundings is of great concern to the residents of Marrickville. That

concern is well founded, as the environment through which the Cooks River flows has been some of the most heavily urbanised and industrialised land in the country. The Government has worked to remedy the situation but there remains a legacy of damage from decades of pollution.

Today I want to acknowledge a new initiative of Councillor Robert Furolo, the mayor of Canterbury. This initiative is aimed at refocussing attention on the Cooks River. I know from my own experience on Marrickville Council that the care and control of the river is complex. The Cooks River catchment overlaps 13 local government areas. Responsibility is shared between local councils, the community and various agencies of the State Government. Co-ordination and collaboration across so many stakeholders presents challenges. Despite some of those difficulties, significant efforts have been made to improve the river and its environs. I am proud of the initiatives that were put in place during my time on Marrickville Council, which made a priority of cleaning up the Cooks River and the surrounding open space. We focused on installing pollution traps, restoring river banks and mangrove habitats, planting indigenous vegetation to attract wildlife, improving bike access and establishing local Landcare groups.

On the broader stage, the Iemma Government has been actively pursuing a range of initiatives aimed at improving the river. Almost \$11 million has been allocated to improving the river foreshore and catchment area. Councils along the Cooks River have been funded for projects that improve water quality by reducing stormwater pollution. Almost half of that money has gone to Marrickville Council. Some of these projects have contributed to the prevention of more than 21,800 tonnes of pollution entering the State's waterways. Other projects have included funding for the Streets to Rivers campaign, a restoration and education project for the Cooks River foreshore; the installation of pollutant traps and litter baskets; and many community education campaigns, including the Cleanwater Carnivale. The Iemma Government's Estuary Management Program has supported the Cahill Creek Foreshore Restoration Program, the Tempe Reserve Wetlands Project, the Gough Whitlam Park Rehabilitation and the ongoing Cooks RiverLIFE program.

Since 1995 the Environmental Trust has provided grants, including assistance to the Friends of Wolli Creek and the Wolli Creek Preservation Society to undertake bush restoration and wetland preservation. Marrickville Public School has also received a grant to assist with catchment regeneration. The State Government has committed \$2.9 million in funding towards the removal of hazardous steel sheet piling along the Cooks River. The works will make the Cooks River a safer environment for the community through the removal of the sheet piling that was installed between 1950 and 1974 along three kilometres of the river. Sydney Water has also undertaken a major rehabilitation project in the sewers along the lower river area near the airport to restore the sewers' carrying capacity and to reduce the number of wet weather overflows.

The Cooks River Foreshore Improvement Program has committed \$2 million for the river's restoration and to improve its recreational potential. Those efforts have considerably improved the condition of the Cooks River but more remains to be done. While polluting industries have closed or improved their practices, longstanding damage has been caused to the river system by more than a century of industrial use. More remedial work needs to be done. In addition, road run-off, the disposal of chemicals to the stormwater system by households and businesses, as well as mangroves moving further up the river due to increased sedimentation, all continue to have an impact on the health of the Cooks River. The Iemma Government is looking at how to address those challenges, including further co-ordinating its efforts with local government and the community.

In this context I applaud the initiative of Councillor Robert Furolo, the mayor of Canterbury, in establishing a working group to deliver long-term and substantial improvements to the Cooks River. The first task of the working group will be to conduct a comprehensive audit of the river to identify key issues and focus on bringing new life to the waterway. That audit should take into account much of the work that has already been done both to improve the river and to plot future activities that can help to bring new life to the waterway. The future of the Cooks River depends on co-operation between stakeholders. This initiative addresses that need and I am pleased to be joining the group. I look forward to working with technical experts and senior officials from local government as well as other elected representatives to continue to improve the water quality, habitats and recreational values of the Cooks River, in the process benefiting the residents of the Marrickville electorate.

### **RURAL INSURANCE CHARGES**

**Mr IAN ARMSTRONG** (Lachlan) [5.29 p.m.]: I have received a letter from Lester K. D'Ombrian, an insurance agent of many years standing in the town of Forbes. He writes:

Dear Mr Armstrong,

Re: Government Commercial Charges on Business/Rural Insurances

I am writing to you, out of concern expressed to me by an increasing number of clients, regarding the ever increasing charges viz Fire Service Levy, GST and Stamp Duty.



As an example for a Material Loss (Fire & Perils Policy) Commercial or Rural

Say with a base premium of	\$1000.00
Terrorism Charges of (2.04%)	\$ 20.00
Fire Service Levy (34%)	\$ 346.94
GST (10%)	\$ 136.73
Stamp Duty (9%)	\$ 135.36
<b>Total Premium</b>	<b>\$1639.44</b>

The above represents an aggregate government/s surcharge of 63.9% over the top of the base premium, received and retained by the Insurance Company. How a surcharge of this magnitude can be levied is beyond comprehension.

Further it should be noted that these charges, and the formula utilised in their compilation is in itself unfair, if not unethical as the other charges "down the line" viz FSL, GST & Stamp Duty are compound levy on the previous charges and give a "snow ball" effect in the compounding these levies.

In other words, it is double dipping. The letter goes on:

- Example 1     The Fire Service Levy of 34% is based on the basic premium plus the Terrorism Charge and then levied at 34% of that combination.
- Example 2     The GST Charge of 10% is based on the aggregation of the cumulative Charge of the combination of the base premium, Terrorism Charge, Fire Service Levy.
- Example 3     The Stamp Duty Charge of 9% is based on the aggregation of the Cumulative charge of the combination of the base premium, Terrorism Charge, Fire Service Levy and GST.

Further it should be noted and mentioned that the NSW State Government has since the 1 May 2005 increased the Fire Service Levy for Commercial Class of Business from 26% and on the 15 August 2005 increased the same levy to 30% and again on the 20 February 2006 increased the Fire Service Levy to 34% (An overall increase of 8% in the space of less than 10 months).

In conjunction with the above the NSW State Government has increased the Stamp Duty on the 1 September 2005 from 5% to 9%.

I raise the above issues, I am sure out of mutual concern coupled with I'm sure you realise the economic down turn and the prevailing drought.

I await your advice.

Yours faithfully

Lester D'Ombra

A circular has been sent to farm insurance policyholders on behalf of the company CGU. The circular states:

#### **INCREASE IN STATE GOVERNMENT CHARGES/LEVY**

State Government charges/levy have increased recently and may apply to your policy. The changes below are comparing your last year to this year.

#### **FIRE SERVICE LEVY**

Home	14% to 22%	>	increase of 55%
Farm Buildings etc.	20% to 34%	>	increase of 30%

<b>GST</b>	10%	>	no change
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#### **STAMP DUTY**

	5% to 9%	>	increase of 80%
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and is applied on top of the increases above.

I am sure all members would agree that one of the problems following natural disasters—be they fires, floods, wind storms et cetera—that cause claims to be made on insurers is the increasing concern about the number of property owners who are not adequately insured, and in many cases not insured at all. It is universally agreed that we need to encourage people to insure their assets against these disasters that occur from time to time. None of us particularly like paying insurance, but when something disastrous happens we are pleased we did. To increase the current figure of about 55 per cent of homes being adequately insured to, say, 90 per cent, we should not increase the charges so as to make people move away from adequately insuring their properties and protect the community by doing so. I ask that the Government treat this matter seriously, and I look forward to a response from the appropriate Minister.

### DANCING CLASSROOMS AND MENAI PRIMARY SCHOOL

**Ms ALISON MEGARRITY** (Menai—Parliamentary Secretary) [5.33 p.m.]: The success of the popular television show *Dancing with the Stars* and the movie *Mad Hot Ballroom* has drawn attention to not only the fun side of dancing but also to what a great activity it is for building teamwork and exercise habits. Members may be aware that the Minister for Tourism and Sport and Recreation recently launched Dancing Classrooms, an initiative designed to provide children with a fun group activity that will also work as an educational tool. I am pleased to inform the House that Menai Primary School is one of six Sydney schools involved in the program. The objective is to build social awareness, confidence, and self-esteem in children—essentially learning for life. By working with a partner in a dance hold, students are required to exhibit care, consideration and teamwork, all of which are important transferable skills necessary for adult life. The program is part of the school curriculum, specifically the Arts in School Program. The six schools have nominated the program over other options, for example, painting, photography and/or drama.

The 15-week series of 50-minute classes for year 5 students will be held once a week. After the initial 15 weeks the dance teacher and the schoolteacher will select the best 12 students from each class, with a further five weeks of classes provided to 12 finalist students from each school to prepare them for the grand final competition. The featured dances being taught are the quickstep, waltz, tango, salsa, cha-cha and jive. Students are taught also the history and geography associated with each dance. The diverse dance styles are a cultural journey for the children.

Each class in the series introduces a new step, reinforcing what has been learned previously through practice and repetition. However, the main event will be the grand final, which is likely to be held in the Sofitel Wentworth or another city hotel where all people involved—about 300 people consisting of parents, teachers and students—will spend two to three hours of competition and social activities. Each class serves a diverse population of children as there are no prerequisite skill levels. I can report from firsthand observation that the year 5 Menai students danced up a storm at their very first lesson. The program also encourages the teachers to join in lessons as their other commitments permit.

Principal Ian Power and teacher Dan Pillay were there not only for moral support but also were actively involved in assisting the students with the more tricky steps. In fact, when it came to active participation they did not have to ask me twice. Although it had been my intention only to observe and encourage from the sidelines, it was quickly apparent that the children were learning much and having fun in the process. Before I knew it I was doing the same. I only mention that firsthand experience to substantiate the following point: The enthusiasm and maturity of these year 5 students was nothing short of inspirational to me. Yet again the students of Menai Public School proved themselves to be a credit to their families, teachers and the whole local community.

Only a week or so before this event I had visited the school and witnessed some students ably demonstrate the features of an interactive whiteboard. The educational opportunities provided by that relatively new technology are boundless. I walked outside that day to see another large group of students performing in a steel drum band. Whilst I certainly wish the year 5 dancing students all the best in the upcoming competition I also take this opportunity to offer my apologies for not attending tomorrow's lesson because Parliament will be sitting. But whatever happens in the November grand final, the students of Menai are already winners.

Honourable members might be interested to know that every school will select six couples to represent a particular dance style. After all styles are completed the judges will award two schools the bronze level, two schools the silver level and two schools the gold level. So everyone is a winner. There will be a further round-robin competition and then there will be the gold level for first and second places. The students at Menai Primary School have taken to this new way of dancing and competition so well that I am looking forward to watching as they grow and develop their dancing skills.

As well as the dancing and the steel drum band, Menai Primary School offers other great educational opportunities. Local schools all over the Menai electorate are doing similar sorts of things but I point out that Menai, as far as I know, is the only school to offer this sort of trifecta. The teaching staff, the support staff, the office staff, the grandparents I met, all sorts of people support their local school. They are very keen on making sure that Menai Primary School maintains its great reputation. They deserve a big pat on the back for the diverse opportunities offered at a great local public school.

### EASY CARE GARDENING INC.

**Mrs JUDY HOPWOOD** (Hornsby) [5.38 p.m.]: This afternoon I want to talk about aged care in the Hornsby electorate, which has some of the most elderly people in the country according to recent census data.

The patron of Easy Care Gardening Inc., A Service for All Seasons, is Mrs Shirley Stackhouse, OAM. This group provides a wonderful service to the aged not only in the Hornsby area but also in the Ku-ring-gai, Ryde and Hunters Hill council areas of Sydney. A few weeks ago I attended a lunch at the Asquith Golf Club to honour volunteers, and Easy Care Gardening was represented at the lunch. I am well known to this wonderful little team that assists the elderly with their gardening. I received a letter dated 25 May 2006 from Bruce Taylor, Manager of Easy Care Gardening, who stated:

It was most encouraging to see you and the other local parliamentarians/councillors at our volunteer thank you celebration last Thursday. Our Easy Care Gardening volunteers really appreciated your taking the time to be involved, and to show your support in this way.

Your offer to make known the work of these important volunteers in Parliament was also a joy to hear.

We would like to take you up on your offer so, for your information, we enclose details of our gardening service, and of the invaluable work done by our volunteers, over 250 of them.

I do hope your enthusiasm for volunteering will influence others to better understand the importance of volunteering to our Australian community, particularly where seniors are concerned. Thank you once again.

That letter prompted me to speak about Easy Care Gardening, but it is no trial to do so because such groups provide a wonderful service to the aged throughout the Hornsby electorate. I commend Jim Hatfield, who won the Hargraves Nurseryland gardener of the month award for March. That award is presented by Easy Care Gardening, whose employees have toiled for more than 17 years within the community to assist frail aged people and younger people with a disability and their carers to stay in their homes. The group does this by providing low-cost gardening and lawn mowing services to enable these people to retain their independence. The team converts gardens to low maintenance and ensures that garden areas are safe and enjoyable. They recruit support staff and train volunteers in the techniques used to provide services.

In 2005 Easy Care Gardening had 680 gardening clients, 100 lawn mowing clients, five staff and 250 volunteers. It is certainly a service for all seasons. The volunteers include retired housewives, mothers, fathers, grandmothers, grandfathers, full-time workers, students, teenagers who are between jobs and people from groups within the community such as churches, clubs, businesses and schools. There are many benefits to becoming a volunteer. The team considers the work it does to be very healthy because it gives people a sense of achievement, provides an opportunity to meet new friends and creates challenges. I congratulate Easy Care Gardening on its contribution to the community. It is a wonderful service for the aged and infirm that enables people to retain their independence. It allows people who may suffer from illnesses such as rheumatoid arthritis to remain in their homes by providing low-maintenance gardens. It is one of many volunteer organisations that selflessly give to people throughout New South Wales and I commend it for doing so.

### **CENTENNIAL COAL OPEN-CUT MINE**

**Mr JEFF HUNTER** (Lake Macquarie) [5.43 p.m.]: On 10 May I was pleased to be able to advise honourable members that the community of Lake Macquarie had won the fight to stop the proposed Awaba open-cut coalmine being built on the western side of Lake Macquarie. That followed an announcement the day before by Centennial Coal that it intended to withdraw its development application to extract some 19 million tonnes of coal from the proposed open-cut mine over the next decade. In that speech I said that the fight did not stop there, that I would be joining with the local community to ensure that we did not have to deal with this situation again and that the land should be considered for inclusion in the Department of Environment and Conservation's regional conservation plan, which is currently being formalised. I said that I would call on the Minister for the Environment to give consideration to including the land in that plan.

Since then I have spoken with the Minister for the Environment and I have also met with members of the local community. The local community and I are at one in seeking to achieve the inclusion in the regional conservation plan of these lands so that we do not have to again fight a proposal for an open-cut mine. Following the announcement by Centennial Coal, a protest meeting that had already been arranged for 22 May went ahead. Unfortunately, I was unable to attend as it was the official opening of the Parliament. However, some 60 people attended the meeting even though the fight to stop the mine had been won. The organisers advised me that the general feeling was that the work I had done in working with the community had helped win that battle. However, they said a new petition to push to include this land in the conservation plan was being formulated and people would continue to write letters to me and to Minister Sartor and Minister Debus. They planned a trivia night, along with a fun day and street stalls to continue rallying the community to ensure that the land was protected.

Since then I have met with representatives from both the protest groups, Southlake Communities Against the Mine and No Open Cut Mine for Awaba [NOCMFA], to discuss how we could gain environmental protection for this land. Over the past 25 years the community has twice successfully fought and stopped an open-cut coalmine in this area. The local community is not opposed to coalmining. In fact, we recognise our history of coalmining but we do not support open-cut coalmines in the Lake Macquarie area. We prefer underground coalmining and to have the land that would be damaged by open-cut mines protected. The area concerned is a large patch of land. It partially consists of Crown reserves, State forests and land under the control of government authorities. Today I raise the concern of local people, who believe this land should be considered for inclusion in the conservation plan. On 22 May I received a letter from Dianne Sykes, Secretary, Southlake Communities Against the Mine, which stated:

Dear Jeff,

Southlake Communities Against the Mine Inc (SCAM) extends to you its sincere gratitude for your advice and representations throughout the protest opposing Centennial Coal's Awaba/Newstan open-cut mine application. Likewise, we also extend our thanks to Helen and your other staff for their assistance during the campaign.

While the withdrawal of the application is celebrated, SCAM is very conscious of the fact that this is the second time in some 20 years the community has been forced to campaign against an open-cut mine in the same area. The oversight of failing to protect the land at that time has demonstrated that we must now direct our energies to ensuring the subject area is protected in perpetuity as a matter of urgency, particularly as the mine is currently on the market.

We trust we can rely on your ongoing support and representations to assist in achieving this goal in the immediate future.

Yours sincerely

Dianne Sykes

I also received a letter from NOCFMA along similar lines, which invited me to the Awaba Fun Day, which was held last Sunday at the Awaba Oval. A few hundred people gathered over several hours to celebrate the victory and to show their resolve to continue to ensure that the land is protected. I thank Dave Snedden, President of NOCFMA, for organising that day and continuing to rally the local community to try to protect this land. I have written to the Minister for the Environment outlining the threatened and endangered species in the area and highlighting why the land should be protected. I call on the Minister to ensure that the land is included in the regional conservation plan.

### **BOSTOBRICK BORAL PLANT CLOSURE**

**Mr ANDREW FRASER** (Coffs Harbour) [5.48 p.m.]: Tonight I speak about 47 jobs that will be lost in June and July with the closure of the Boral plant at Bostobrick in my electorate and Kempsey in the electorate of the Leader of The Nationals. These jobs will be lost as a direct result of the Government's forest policy. According to a media release dated 5 June 2006 the Construction, Forestry, Mining and Energy Union [CFMEU] voted on a motion of no confidence in the Labor forestry Minister because it recognises, as do I, that these job losses are a direct result of the forest policy. Yet Ian Macdonald has denied that. He has slammed me and the forestry union, saying that there were no job losses and that the issue was not related to forest policy.

The jobs will be lost because Boral upgraded its mill at Herons Creek. That upgrade cost \$24 million and will provide about 22 extra jobs. These days the size of logs being offered from the forest estate is so small that the plants at Kempsey and Bostobrick could no longer efficiently recover timber from them. Boral, in conjunction with the State Government and with a grant of \$10 million from the State Government, undertook a \$24-million extension to its plant at Herons Creek. That \$10 million came from the Forest Industry Structural Adjustment [FISA] package, which provides that if anyone is affected, Boral can access those funds. Yet the Minister is denying that. However, he is not fooling the unions, and he is not fooling the people of Bostobrick, Kempsey and the North Coast.

While Boral has offered these workers a redundancy package, the workers, especially those in Bostobrick, need to access funds to retrain and relocate if possible. It is impossible for them to accept jobs at the Herons Creek mill as it is too far away. It is an hour and a half from Bostobrick, and travelling three hours each day on dangerous roads is not on. The budget notes that there is \$4.1 million remaining from the Forest Industry Structural Adjustment package. As I said, this fund was aimed at assisting displaced workers and helping firms affected by restructuring. Some \$10 million has been given to Boral, which invested \$14 million of its money to handle the small diameter logs and value-add them. However, the Government needs to protect the workers of Bostobrick.

Bostobrick is a timber town. The headline on the front page of the *Coffs Harbour Advocate* of 3 June 2006 was "Death of last timber town". A photograph shows workers sitting outside at the same time as they were given eviction notices relating to their homes. I have spoken to Boral senior management because those homes are on the Bostobrick mill site. Senior management is currently in discussions with the union and the people living in the homes to provide either long-term leases or a sale option that will enable the workers to stay there. There are few jobs in the Dorrigo area. Many of these workers—they are all hardworking—would move or find another form of employment if they could get funding to retrain.

I commend Boral for offering a redundancy package to the workers, but it is not enough. The Government still has \$4.1 million of the \$120 million originally allocated—I think it eventually went up to \$160 million—and the Government and the Minister are obligated to apportion some of that money to assist these workers. For the Minister to say that this is not a result of government policy is laughable. It shows that he has no understanding of what occurred in the forest portfolio prior to his taking over. Dozens of mills on the North Coast have closed. Indeed, Briggsdale and Cascade are ghost towns as a result of the Government's forest policy. Other mills in Dorrigo have closed. The Bostobrick mill is the last remaining mill in the Dorrigo area, and it is finding it difficult to access timber. Indeed, subsidies were provided to cart bigger logs to the mill.

Why can that money, which was provided from the FISA funding, not be given to these workers for retraining and relocation? As the Minister offered a blunt no over the radio, without talking to the union and the local community, it is no wonder the CFMEU passed a motion of no confidence in the Minister, and therefore de facto in this Government and its forest policy over the past few years. I make a final impassioned plea to the Minister: allocate some of that \$4.1 million to the people in Bostobrick and give them a future.

### HUNTER FIRST STATE ELECTION CAMPAIGN

**Mr MILTON ORKOPOULOS** (Swansea—Minister for Aboriginal Affairs, and Minister Assisting the Premier on Citizenship) [5.53 p.m.]: I shall talk about something of importance to not only the voters in the Swansea electorate but also other Hunter members of Parliament. During the 2003 State election campaign a group calling itself Hunter First spent more than \$200,000 to campaign against endorsed Labor candidates. It placed dozens of advertisements in the *Newcastle Herald* and other newspapers in the region, and it promoted all these candidates as if they were Independents. However, all the candidates promoted by Hunter First were endorsed Liberal Party and Nationals candidates. Indeed, Hunter First had the gall not to include in its advertisements the Liberal Party or The Nationals symbols, or even indicate that the candidates were members of the Liberal Party or The Nationals. The \$200,000 spent by Hunter First was wasted because it did not put a dent in the vote of Hunter Labor members.

When we queried the electoral funding return submitted by Mr Hilton Grugeon, a prominent Liberal Party property developer, we found that he had declared that he had spent less than \$20,000, although he had trumpeted that he spent more than \$200,000 to defeat Labor candidates. In the *Sun-Herald* of 4 June 2006 we find that Mr Hilton Grugeon, prominent Liberal property developer, is at it again. This time Hunter First will back Independent candidates. He failed with Liberal Party and Nationals candidates, and now he will promote good Independent candidates against the Hunter members, including me. He will not reveal who else is involved with Hunter First or whether the group is approaching potential candidates. Although he said he will spend more than \$200,000, he will not name the other people behind this shadowy group. We can only conclude that the lot of them must be property developers.

Mr Grugeon has been prominent in the Newcastle media, attacking the State Government and saying that we are locking up areas that could be developed. He has said that we should not have so many national parks and reserves, and that we need to ensure that more land along the coast is available to be concreted to create more subdivisions to make millions of dollars more for him and his friends. I do not believe that Hunter First should be allowed to get away with it. This shadowy group, ostensibly without any other person being associated with it, is approaching Independent candidates of dubious worth, and it is getting away with it. A Liberal Party property developer spent hundreds of thousands of dollars on an election campaign and did not account for it in his electoral funding return, and he is now crowing about doing it again. He failed with the Liberal Party candidates and he will fail again with Independent candidates.

I say to the business people of the Hunter region: Do not be afraid of your political convictions. If you want to support Hunter First, come out and support Hilton Grugeon. But at least have the decency to tell the people of the Hunter region who you are and what you stand for. Do not hide behind one prominent Liberal Party property developer, Mr Big Bucks, who is complaining that he cannot develop coastal lands and parks,

and that the property industry in the Hunter region is being stymied because developers cannot get what they want, which is to put housing and development where they want it. I will be seeking to tighten the regulations in the election funding legislation to ensure that people, especially property developers from the Liberal Party, cannot hide behind Independent candidates and get away with submitting returns that do not show the true level of funding they spend on election campaigns.

### NORTH-WEST RAIL LINK CORRIDOR

**Mr STEVEN PRINGLE** (Hawkesbury) [5.58 p.m.]: On 27 January this year the State Government released its long overdue north-west structure plan, and since then my office and I have been bombarded with letters, emails and discussions from angry residents affected adversely by this plan. This evening I draw attention to two issues that result from the plan. Firstly, some properties are now marked on maps in blue as "Flood Liable Land and Major Creeks". Residents find it difficult to understand how planners that are long remote from this area have come to this conclusion when the land has never had a flood rating attached to it. Baulkham Hills council has no record of flood levels for the properties, but they have been described as being part of a "major creek area."

This is nonsense, a complete joke. Clearly this needs a major rethink as a few keystrokes on a computer and a blue text on a map have devalued the properties severely and thrown the lives of ordinary people into turmoil. Some are considering selling their properties to be closer to their children or have a sea change or tree change. These dreams and plans have to be put on hold, all thanks to this poorly researched document. Prospective buyers are running a mile or only offering ridiculous prices for some of these properties.

The second area of concern is the proposed north-west railway route from Cheltenham to Rouse Hill in stage one and from Rouse Hill to Vineyard in stage two. Stage one, as everyone in the House would know, was due for completion in 2010, but now, like so many other promises, has the never-never completion date of 2017. Even further in the never-never is stage two of the line, from Rouse Hill to Vineyard.

According to a recent letter from the New South Wales Department of Planning, "Detailed Planning is due to commence in 2020." That is hardly a firm commitment to do anything and yet this Government has placed the route on maps and, as a result, has thrown many people's lives into turmoil. This unthinking action is contrary to the principles of natural justice. The New South Wales Department of Planning advises that this is an indicative route only—and so it is—and could be changed at any time in the future. What a joke! There is no certainty at all for residents, and this is causing severe hardship.

As the railway line is not due to commence until 2020 at the earliest, affected property owners will have, for all practical purposes, their land sterilized for at least the next 14 years while the Government decides the exact route—or even whether the railway line will go ahead! With stage one of the line already being seven years behind schedule, there is hardly cause for optimism that stage two will be any quicker.

While the State Government procrastinates, local residents, particularly those in the Hynds Road, Box Hill, area, have their options to sell or upgrade their properties severely affected and their land values drastically reduced, and will find it hard to attract buyers. It is also unfair on future residents or their lawyers who may undertake due diligence. Because there is no committed corridor for the hypothetical Rouse Hill to Vineyard railway line, it does not appear in public searches and as a result people may unwittingly buy in the middle of a railway corridor. The decision to draw some lines on a map for a railway seems inconsistent. The location of schools, hospitals, community centres and churches, all of which are vital for any new community, are not identified at this early stage so why is the railway?

North Western RAIL [Railway Alignment Injustice Lobby] has been formed to fight these injustices and have the Government either commit to the rail corridor it is proposing now and compensate those affected accordingly or remove it completely from the map until the Government has taken the time to undertake the required research and there is an opportunity to make submissions about any proposals on published maps. The Opposition planning spokesman, the honourable member for Gosford, and I completely support this stance and will remove the proposed lines from all maps immediately upon the change of government in March next year.

North Western RAIL does not oppose the railway line. All it wants is some certainty. It is long past time for the Minister for Transport and the Minister for Planning to either finalise the route and compensate affected property owners, or take the speculative route off the map. Surely this is a fundamental duty of government! I commend the North West RAIL committee of Steve Pearman, Chairman; Phillipa Kemp,

Secretary; Carole Haigh, Treasurer; and committee members Andrew Dwight, Kerrie Papa, Bob Goodchild and Karen Clark for their diligence and I look forward to attending their next public meeting.

### **SOUTHERN SYDNEY FREIGHT RAIL LINE**

**Mr PAUL LYNCH** (Liverpool) [6.03 p.m.]: Again I draw the attention of the House to the southern Sydney freight line, a proposal by the Australian Rail Track Corporation [ARTC]. The freight line proposal is for an extra dedicated freight line from Sefton to Macarthur. Within the electorate of Liverpool it runs to the east of the existing rail line. There is a strong argument for an extra dedicated freight line; the difficulty is that this proposal seems to have been done on the cheap. Although it has a price tag of \$162 million, not enough money is being spent on noise mitigation and other related issues.

Since I last raised the matter in this place there have been two bits of good news. One is that the Minister for Planning has agreed, at the request of the Liverpool council and me, to extend the time for public consultation on the environmental assessment by some four weeks. The consultation period and the time in which to make written comments was to have closed on 2 June. That has now been extended by four weeks. In addition, the difficulty about access to the environmental assessment has been partially resolved.

I previously reported to the House that a number of my constituents had reported that the environmental assessment that was supposed to be available via a web site was too large to be downloaded. Certainly that was the experience of a number of my constituents. I note that the proponents have now made available compact discs to my constituents who want to access the environmental assessment but have not been able to. They can be obtained either through the consultants or from my electorate office. I have distributed quite a few already and I am able to distribute more if constituents need them.

One of the other things to happen since I last raised this matter in the House is that the proposals for the redevelopment of stage two of Liverpool hospital have been revealed. One of the issues with the freight line is that it will go through the middle of the Liverpool hospital site. Currently there is a crossing. The estimates I have seen—and I understand they are accurate—are that at peak periods there will be only eight minutes each hour when the railway level crossing can be used. In practical terms, that puts a dividing line down the hospital.

I understand two things are being done to resolve that. One is that it has almost been accepted that the hospital is being separated and there will be access to the facilities on the eastern side of the railway line located within the hospital through Scrivener Street in Warwick Farm. That is, there is an acceptance that the hospital is going to be divided in two as a result of this proposal. There is also a proposal to build a road bridge over the railway line from the western side of the hospital that would then go into a car park area on the eastern side of the railway line. I hope that will be largely funded by the proponents of this freight line. It seems to me that is the appropriate way to deal with it. I have also received quite a number of representations in relation to the matter. One I particularly want to draw to the attention of the House is from Jim Callachor, a representative of the Riverpark Action Group. He makes two requests in relation to the environmental assessment. They are as follows.

(1) The proposed 4 metre acoustic wall separating the apartments in Riverpark Drive from three proposed freight line be extended all the way to Liverpool Station. This would limit noise transmission to the Lighthorse Park precinct.

The park has been earmarked as a major recreational precinct in the years to come and is currently being redeveloped as well as revegetated. This area must be shielded from the additional noise of the proposed freight line.

In addition, many residents (over 700) from Stage four of Riverpark Drive face in a northerly direction onto the park. They would be severely affected by the noise from the freight line.

Many hundreds of residents use the path next to the embankment as a main access to Liverpool station. They would be severely disadvantaged and disturbed by the noise from the freight line.

(2) Proposed landscaping along the rail embankment facing east onto Lighthorse Park be extended in a southerly direction so that it includes all the embankment strip adjacent to Riverpark Drive. It is further requested that the landscaping also includes the degraded road access area at the bottom of the embankment (where the iron fence is located) and around the pylons beneath the Newbridge Road river overpass and onto the back of the Liverpool railway station. This area has been degraded and neglected for many years now and is in need of further improvement and landscaping.

I have also received a number of representations from Liverpool Links Estate and from McGowen Crescent. I note that following the recent redistribution they are more matters for the honourable member for Macquarie Fields, who I know is particularly concerned about the noise impacts of this proposal. The bottom line about this

proposal is that freight trains up to two kilometres long will be travelling at 80 kilometres an hour through urban areas. While it may be appropriate to get as much freight as we can off roads and onto rail, it should not be done in such a way that the amenity of the residents of Liverpool is damaged. A proposal like this should not be done on the cheap.

### **SOCIAL AND COMMUNITY SERVICES AWARD INCREASE**

**Mrs DAWN FARDELL** (Dubbo) [6.08 p.m.]: An issue that is raising intense concern throughout the electorate of Dubbo and, no doubt, New South Wales is the decision in March by the New South Wales Industrial Relations Commission to approve a 3.5 per cent salary increase to employees covered by the Social and Community Services [SACS] Award. The increase caused alarm within many organisations. No-one would begrudge the workers a wage rise. They deserve it and it has been long overdue. But organisations with employees who fall under this award are worried that the rise will severely impact on them.

Community groups in the electorate of Dubbo have appealed for funding assistance to meet the new wage costs, and they are concerned that their pleas are not being heard. The solution put forward is for a 10.5 per cent funding increase over the next three years. If a similar wage increase were thrust upon the business sector there would be a great deal more vocal opposition. However, they would be able to implement a variety of solutions to absorb the rise, such as price rises, company or business restructuring, or a general tightening of the belt.

Community groups with workers under the SACS award do not have such options. Their belt has no more holes. Rather, they could be forced to cut back on essential services that aid the disadvantaged. Following many representations to me, I am in full agreement with the organisations that they are not in a position to meet the wage increase without assistance. I refer to youth and women's refuges, family support and disability services, community legal centres, employment and training services, community and neighbourhood centres, family day care, community transport, and migrant and Aboriginal assistance services. So that the situation does not go unnoticed, community service lobby groups have devised a staged plan of attack to raise awareness of their calls. Letters that I and other honourable members have received are just the beginning.

I want to bring to the attention of the House some of the valuable work the groups carry out. Two organisations that have become real assets in the Dubbo area are the Neighbourhood and Information Centre, which is wonderfully managed by Jackie Wright, and Westhaven Industries. The neighbourhood centre provides a variety of after school care programs, a community visitors scheme, family counselling, a youth outreach counsellor, a home maintenance and modification program, local and regional community transport, holiday programs, emergency food relief, endless community activities, and a pets as therapy project. They are a great source of information for me to provide to people who come to my office for assistance.

The centre has eight employees covered by the SACS award and it does not know how it will cover the wage rise and cope with current expenditure. Whilst the organisation is funded through a variety of departments and agencies, its budget is tenuous at any time, let alone with added burdens. I am in regular discussions with the centre's staff and share their distress. They are scratching to gain suitable funding so that a much-needed childcare program can remain operational.

Westhaven Industries has already experienced major demand on finances through increased operational costs, which they say now run at between 6 and 8 per cent. In addition, wages consume 80 per cent of the budget. Although they recently received a slight indexation in funding, it will not go anywhere near covering an extra 3.5 per cent in wages. The organisation operates in a sector where cost increases far outstrip income. As Gordon Tindall, the General Manager of Westhaven, has said, it is not an organisation that makes hamburgers. It cannot pass on cost increases to consumers to make up the shortfall.

I remind honourable members of the work carried out by disability service groups and advocates. Information on Disability Equipment Access Services [IDEAS], which has committee members spread throughout New South Wales, has an annual salary budget of \$201,000. The SACS award wage increase will add another \$6,385 per year, yet the organisation will receive only \$4,020 under current arrangements. That will leave it \$2,360 out of pocket. The organisations I have referred to and many others contemplate a fairly bleak future. They may have to trade off services to cover their wages bill.

The Australian Community Sector Survey for 2006, which was released on 18 April 2006, confirmed what community service groups have known for some time: there has been an overall growth in client demand



and the clients have more complex needs. The Council of Social Services of New South Wales has reported those facts and stated that if funding is not indexed to meet the wage rise challenge, it fears that even more desperate and disadvantaged people will be turned away from these services or will face much longer waiting lists to access them.

The announcement yesterday that Dubbo Neighbourhood Centre will receive funding for its community transport and volunteer driver scheme was welcomed. Transport services at Wellington, Peak Hill and Narromine have also received funding. I thank the Government for the allocation of that funding in the budget. However, the Government needs to look at other issues faced by agencies that provide services to the community.

### HUNTER FIRST STATE ELECTION CAMPAIGN

**Mr MATTHEW MORRIS** (Charlestown) [6.13 p.m.]: Following on the contribution by my colleague the Minister for Aboriginal Affairs, the member for Swansea, I also want to speak about the Hunter First election campaign. The group's campaign will be led by Big Bucks Hilton Grugeon and his cohort of high-flying super-wealthy developers, whose primary agenda is to ensure maximum development of the Hunter, thereby increasing their rear pocket finances. The opening comment in an article in the *Herald* on 26 May 2006 reads:

Hunter businessmen are planning an attack on safe seats in the region leading up to the State election in March.

That is no surprise, particularly when the businessmen are Hilton Grugeon and his development mates. I am open to competition and an upfront, legitimate campaign. I am happy to do the hard yards and earn my re-election. However, I have a significant problem, as I am sure the rest of the community has, when the Hunter First coalition plans to mislead voters into thinking they are getting something they are not.

After unsuccessfully supporting the Liberals at the last election, this time around the group will focus on Independents. I will give the House a taste of the quality of the Independents that may be part of the Hunter First campaign. At the last Federal election Councillor Paul Scarfe stood as a Family First candidate. He lost that campaign. Then he ran for Lake Macquarie City Council as a Lake Alliance member. He has now declared himself as a candidate for the next State election but, funnily enough, cannot decide whether he will be an Independent or a Liberal. I am worried about the type of Independent candidates we will get in the Hunter.

Councillor O'Brien is another class act. I am sure he will be a Big Bucks Hilton Grugeon supporter and candidate. Here is a sample of 18 more recent Lake Macquarie City Council ordinary meetings. It is interesting to note that Councillor O'Brien has had to declare an interest at 13 of those 18 meetings because he has significant property interests and holds a contract to sell property on behalf of the council. The poor fellow has his roles confused. Is he an elected member of council representing the community, or is he utilising the opportunity to facilitate future business?

Mr Grugeon has comfortably declared in the public arena that he will run a campaign worth hundreds of thousands of dollars. It will be funded by a number of pro-development businessman and, in all honesty, probably Liberal Party members. The campaign will lead people to think that Hunter First is a so-called Independent organisation that advertises and supports candidates for the greater good of the Hunter region. Let us not make any mistake: they have their own political agenda. They will support candidates who will deliver for them and their developer mates for no other reason than to line their pockets with cash.

Across the Hunter region there is and always will be issues that need to be addressed. I am pleased that the budget announced this week is delivering for the Hunter. We are getting our fair share of government funds across the Hunter region. As much as the media do not like to swallow this advice, they should go and do their homework and have a look at projects in the Hunter. We are well and truly getting our fair share.

I am proud to say that my colleagues who represent electorates in the Hunter and I have been working tirelessly to ensure that the Government delivers for the Hunter. I will not cop a misleading misrepresentation of candidates by Big Bucks Grugeon for no other reason than to ensure that the Hunter is fully developed and that land yield is maximised for subdivision, with total disregard for the environment and the amenity we all live in and enjoy. I support my colleague the Minister for Aboriginal Affairs and member for Swansea in calling for a review of the Electoral Funding Act.

### SNOWY HYDRO LIMITED SALE

**Mr ANDREW CONSTANCE** (Bega) [6.18 p.m.]: Last Sunday 300 people gathered in Centennial Park in Cooma to celebrate a fantastic and successful community-based campaign opposing the sale of Snowy Hydro Limited. The event was attended by a rainbow coalition of politicians in favour of and opposing the sale.

Meetings had taken place in Canberra on Thursday night and it was announced on Friday that the Commonwealth Government had decided not to go ahead with the Snowy Hydro sale. Over the past three days we have heard nothing but arrogance from the Premier and the Minister responsible for the sale, the Hon. John Della Bosca.

It was made very clear by those at the rally that they expected the New South Wales Parliament to rectify the mess this week. The Minister should now be able to dispose of the State's 58 per cent shareholding in Snowy Hydro Limited only with the approval of both Houses of Parliament. In response to that expectation, the Coalition sought to introduce the appropriate legislation today, but the Government chose not to accept it. In particular, the honourable member for Monaro chose not to accept it. Since the introduction of that legislation was rejected earlier this afternoon, the honourable member for Monaro has issued a public statement calling on caucus to support a private member's bill that seeks to achieve exactly the same thing—that is, the approval of both Houses of Parliament for any disposal of shares in Snowy Hydro Limited.

That is duplicitous and sneaky, and politics of the worst kind. The honourable member voted against the introduction of the Coalition's legislation this afternoon requiring the approval of both Houses of Parliament for the sale of the State's stake in Snowy Hydro Limited and then walked out of this place and issued a media statement calling for caucus support for his legislation, which would do exactly the same thing. That is a slap in the face for the people who have worked tirelessly to ensure that the Government did not sell Snowy Hydro to private interests.

As the grandson of a grazier and carrier for the Snowy scheme I know that community anxiety about the sale was enormous. People from across the High Country through to the coast—the hundreds of people who worked on the scheme and who retired to the coast—were incredibly passionate about the issue. The last thing we need is sneaky politics about this issue on the part of the honourable member for Monaro. Everyone acknowledges that he was out in his electorate opposing the sale. However, when he came into this place—in which myriad attempts were made to debate and legislate about the issue—he did the opposite.

The honourable member for Monaro's remarks to the local media and his constituents that he was considering becoming an Independent were absolute rubbish. He voted against the Coalition's proposed legislation this afternoon and walked straight out of this place and issued a media release about his intention to seek caucus approval for a private member's bill designed to do the same thing. Why did he not have the guts to support the Coalition's proposed legislation and represent his constituents properly? We have two days left in this session to put the issue to bed once and for all, and to ensure that the Labor Party is held to account for its decision and commitment to partially privatise the Snowy Hydro Scheme.

Sunday's gathering was a terrific event. The honourable member for Monaro, Ms Sylvia Hale from the Greens and I gave a commitment to come to the Parliament this week to do the right thing by the community. We were joined by the Federal member, Gary Nairn, and The Nationals State candidate, David Madew. We were all committed to ensuring that this place has the last word about any decision by the Premier and Minister Della Bosca to flog off the Snowy scheme. This afternoon's action by the honourable member for Monaro is very disappointing and he stands condemned for it.

## **PORT MACQUARIE-HASTINGS UNBUILT ENVIRONMENT**

**Mr ROBERT OAKESHOTT** (Port Macquarie) [6.23 p.m.]: I bring to the attention of the House the unbuilt environment in Port Macquarie and the range of projects being undertaken, including cycleways, the pedestrian plan, walking trails, and the purchase of foreshore land and green and open space, and wish to highlight a list of projects that I and the community would like the Government to consider participating in to protect and enhance the area. Ours is a major growth area, with some of the highest growth rates not only in New South Wales but throughout Australia. The population of the mid North Coast is set to double in the next decade. As a result, the area will be subjected to significant pressure to provide land for both residential use and infrastructure.

The irony is that people are moving to the mid North Coast for its natural beauty, clean water, proximity to the hinterland, and the unbuilt environment. There is a role for both local government and the State Government in protecting, maintaining and enhancing the unbuilt environment. The heritage strategy is an important issue because the Port Macquarie-Hastings area has a unique convict history. It is one of the original convict settlements in Australia, and before that it had a long and strong indigenous history.

The budget includes funding for a cycleway on Pacific Drive, which is the coastal road that runs from town to Lighthouse Beach. It is part of the Australian Ironman course, so the cycleway will be a fantastic addition. The local council, the National Parks and Wildlife Service and the Department of Lands are developing a coastal walkway alongside the cycleway. It will be one of the great coastal walks on the Australian coastline. Money has also been allocated for a pedestrian mobility plan. That is important because the lack of public transport in the Port Macquarie-Hastings area means the community relies heavily on motorcars. At times pedestrians are low on the priority list and any funding that would bump them up the list is welcome.

The budget also includes the \$2 million purchase of the Windmill Hill site. The Coastal Protection Fund was used to purchase one of two houses on coastal foreshore last year. That house has just been demolished and the cleared land will be a fantastic addition to the green and open space on our foreshore. The challenge is to have the final house purchased by government using some of the \$3 million in this year's Coastal Protection Fund budget.

The Koala corridor, a unique project through the centre of Port Macquarie, must be protected. I urge the Government to be a party to that project through the Regional Planning Strategy and to consider funding the Koala Strategic Plan that the local council is trying to establish. We have a unique town-based pelican population, but the Pelican Strategic Plan attracts very little discussion. I hope the Government will consider that plan.

I have been talking to Jack Beetson and Mark Rutherford about the Aboriginal cultural centre that the local Birapi community wants to establish just south of Port Macquarie Golf Club. That project will require assistance from the State Government and the local council. We would also like to complete the Googik trail, which is the inland fire trail or share-way and walking trail that passes a few of the heritage sites around the Lake Innes ruins and the Old Canvas Trail, which is the original convict trail from the beach. It is a fantastic addition to the coastal walk. All these projects require support and financial assistance from the Government, and I urge it to take up the offer.

**Private members' statements noted.**

*[Madam Acting-Speaker (Ms Marianne Saliba) left the chair at 6.28 p.m. The House resumed at 7.30 p.m.]*

**JOINT SELECT COMMITTEE ON THE CROSS CITY TUNNEL**

**Membership**

**Motion, by leave, by Mr Matt Brown agreed to:**

That:

- (1) Steven Bruce Scott Pringle be appointed to serve on the Joint Select Committee on the Cross City Tunnel in place of John Harcourt Turner, discharged;
- (2) Kristina Kerscher Keneally be appointed to serve on the Joint Select Committee on the Cross City Tunnel in place of Matthew James Brown, discharged; and
- (3) A message be sent informing the Legislative Council.

**TRANSPORT ADMINISTRATION AMENDMENT (TRAVEL CONCESSION) BILL**

**Second Reading**

**Debate resumed from 6 June 2006.**

**Mr BARRY O'FARRELL** (Ku-ring-gai—Deputy Leader of the Opposition) [7.34 p.m.]: The Coalition does not oppose this legislation but points out that the bill was only introduced to Parliament yesterday and is coming on for debate today. We understand that that is to enable the bill to get to the Legislative Council. But again I make the point that I made in another debate earlier today. The rush would not have been necessary if last week's cancelled sitting had been replaced with another week of sitting next week. It would have provided for better consultation not only in respect of this legislation but also in respect of other legislation that is being rushed through this Chamber. As a result, I have not been able to return a telephone call from the students who have been seeking to lobby members of Parliament in relation to this matter.

I have received a facsimile communication, but it is unsatisfactory to have less than 24 hours to consider the bill, to talk to people about its provisions, and to determine whether we oppose it. Nevertheless, the Opposition will not oppose the legislation, which effectively maintains the status quo in relation to the provision of travel concessions. As noted by the Minister in his second reading speech, the decision of the Administrative Decisions Tribunal overturned longstanding practice, which was that in New South Wales, as in Victoria, travel concessions were not made available to overseas students. I am strongly of the view that the setting of policy, the decision to make policy, is one for this place and one for government; it is not one to be determined by panels, agencies or judiciaries outside this place. That is a view that drives me in relation to my principal position on this legislation.

I have to say, though, that some of the points raised in the written communication from the overseas students are worthy of consideration. The first point they make is that although the Minister's second reading speech referred to an estimate of \$13 million as the cost of providing travel concessions to overseas students, the way in which that figure was reached was not explained. I have seen wildly varying figures, ranging from 135,000 through to 45,000, attributed as the number of overseas students who may be affected by these changes. I certainly hope that when this matter comes before the Legislative Council for debate not only will the issue of the costings be better addressed but also the issue of the exact number of individuals who are affected or not affected by this decision.

There is one other matter I want to touch upon very briefly. The Minister for Transport, who introduced this legislation, was until earlier this year also Minister for State Development. It is clear, both from the tone of the second reading speech and from statements the Minister has made to the *Daily Telegraph*, that he has forgotten the value that the university sector provides to the economy of New South Wales. The Minister may not like the fact that overseas students are a part of the university or training sector, whether in New South Wales or across Australia, but the reality is that they are a significant part. I met recently with the vice-chancellors of universities across New South Wales and that was the point they made—both the significant contribution they make generally and the significant proportion of that contribution represented by the purchase of education services from Australian tertiary and training institutes by overseas students.

That is not recognised in this decision, or by the Government generally, and it is an issue I flag. It is an issue that the Coalition is addressing as a whole in relation to our State development economic policies. That was a matter alluded to by the Leader of the Opposition this morning in his response to the budget. As shadow Minister for Transport I say once again that we do not oppose this legislation because, essentially, it restores the status quo—a status quo overturned not by a decision of this place and not by a decision of government but by a decision of the tribunal extraneous to this issue.

I make the point, as has been made previously, that fee-paying overseas students are excluded from eligibility for half fare travel concessions because, in order to obtain a student visa, they are required by the appropriate Federal department to guarantee that they can cover the cost of all their expenses, education costs and travel for the duration of the course they undertake. It seems to me that if you enter the country on that basis that is the basis on which you remain in the country and you access services here. The legislation maintains a status quo that has existed under successive governments and so is supported by us. However, the Opposition will, in a separate way, seek to assist the university sector in all it does for the economy of New South Wales.

**Mr DONALD PAGE** (Ballina—Deputy Leader of The Nationals) [7.39 p.m.]: As the shadow Minister for Skills Development and Training I have responsibility for universities, among other things. From the Coalition perspective I will make a brief contribution in support of my colleague the Deputy Leader of the Opposition. As he indicated, the Opposition will not oppose this legislation. Last week I met with the vice-chancellors of all the universities in New South Wales and they raised concerns about a number of issues relating to New South Wales universities not being on a level playing field with other universities in Australia.

The vice-chancellors advised me that there are approximately 300,000 students in New South Wales universities, of whom approximately 70,000 are international students. So, approximately 24 per cent of students at universities in New South Wales are overseas students, a pretty significant percentage. The vice-chancellors estimate that the overseas students generate about \$2 billion for the New South Wales economy. If one considers a conservative multiplier effect of around 2.5, overseas students contribute more than \$5 billion to the New South Wales economy. That is a very significant amount.

In addition to their direct and indirect financial and cultural contribution to the New South Wales economy, international students also have the capacity to deliver longer-term benefits to this State. This might

take the form of returning to New South Wales to work after they graduate, or as tourists. Having been educated in New South Wales, in a sense they become ambassadors for New South Wales in their own countries. At the moment New South Wales universities are at a disadvantage compared with those in other States in relation to attracting and retaining international students. This is because New South Wales does not currently offer travel concessions for international students, unlike other States.

Moreover, domestic students are offered travel concessions and a case can be mounted that the current situation discriminates against overseas students. The New South Wales vice-chancellors estimate that overseas students contribute not just in terms of the economy but directly to State revenues as well. They estimate that overseas students contribute about \$100 million directly to State revenues, and I understand that that is predominantly by way of GST revenues that come back to the States. This legislation will put New South Wales on a level playing field with other States, at least as far as travel concessions are concerned.

The New South Wales Government needs to act in other areas as well in order to give New South Wales universities an even chance to compete with interstate universities. There needs to be a closer and more co-operative relationship between the State Government and New South Wales universities, especially in relation to research and innovation. Another area that needs improvement is enabling the children of our overseas university students to be educated without fees in our public education system. We need to develop a close relationship between key government agencies and the universities, particularly agencies that have doctors, teachers, nurses and allied health professionals, all of whom work within the State bureaucratic system and whose graduates are supplied by the universities. We need to have a close relationship between those State agencies and the universities to ensure that the supply of graduates meets the demand for those professions.

As people are aware, in Australia and in this State we have skills shortages, including in the nursing profession and the teaching profession, particularly as many teachers will retire over the next five to 10 years. It is very important that we have a close relationship between the State Government and the universities to ensure that graduates who are coming through the universities will be capable of meeting the demand that our State agencies have both now and in the future. This legislation is just one step in putting our New South Wales universities on a level playing field with their interstate counterparts. Much more needs to be done to improve the situation but this is an important first step. For that reason, as the shadow Minister indicated, the Opposition will not oppose the legislation.

**Motion agreed to.**

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

### **PARLIAMENTARY ETHICS ADVISER**

**Mr MATT BROWN** (Kiama—Parliamentary Secretary) [7.45 p.m.]: I move:

That the functions of the Parliamentary Ethics Adviser as set out in the resolution of the House of 11 December 2002 shall be extended to include the provision of advice to Ministers or former Members, as per the following schedule:

1. the Parliamentary Ethics Adviser must on request by a Minister provide written advice to the Minister as to whether or not the Adviser is of the opinion that the Minister's:
  - (i) acceptance of an offer of post-separation employment or engagement which relates to the Minister's portfolio responsibilities (including portfolio responsibilities held during the previous two years of ministerial office); or
  - (ii) decision to proceed, after the Minister leaves office, with a proposal to provide services to third parties (including a proposal to establish a business to provide such services) which relates to the Minister's portfolio responsibilities (including portfolio responsibilities held during the previous two years of ministerial office),  
 would give rise to a reasonable concern that:
    - (iii) the Minister's conduct while in office was influenced by the prospect of the employment or engagement or the proposal to provide services; or
    - (iv) the Minister might make improper use of confidential information to which he or she has access while in office.
2. the Adviser must on request by a person who has ceased to hold ministerial office within the previous 12 months ("the former Minister") provide written advice to the former Minister as to whether or not the Adviser is of the opinion that the former Minister's:

- (i) acceptance of an offer of employment or engagement which relates to the former Minister's former portfolio responsibilities during the last two years in which the Minister held ministerial office; or
  - (ii) decision to proceed with a proposal to provide services to third parties (including a proposal to establish a business to provide such services) which relate to the former Minister's former portfolio responsibilities during the last two years in which the Minister held ministerial office,
- would give rise to a reasonable concern that:
- (iii) the former Minister's conduct while in office was influenced by the prospect of the employment or engagement or the proposal to provide services; or
  - (iv) the former Minister might make improper use of confidential information to which he or she had access while in office.
3. If the Adviser is of the opinion that accepting the proposed employment or engagement or proceeding with the proposal to provide services might give rise to such a reasonable concern, but the concern would not arise if the employment or engagement or the provision of services were subject to certain conditions, then he or she must so advise and specify the necessary conditions.
  4. The Adviser's advice must include:
    - (i) a general description of the position offered, including a description of the duties to be undertaken, or the services to be provided, based on material provided by the Minister or former Minister but excluding any information that the Minister or former Minister indicates is confidential; and
    - (ii) the Adviser's opinion as to whether or not the position may be accepted, or the services may be provided, either with or without conditions.
  5. Where the Adviser becomes aware that a Minister or former Minister has accepted a position, or has commenced to provide services, in respect of which the Adviser has provided advice, the Adviser must provide a copy of that advice to the Presiding Officer of the House to which the Minister belongs or to which the former Minister belonged.

**Mr BARRY O'FARRELL** (Ku-ring-gai—Deputy Leader of the Opposition) [7.46 p.m.]: The Liberals and Nationals clearly do not oppose this motion. This, of course, is a belated response to the ICAC investigation into a former member of this House, Richard Face. Honourable members who were in this place in the lead-up to the 2003 election campaign know that during that election campaign former Premier Bob Carr promised that proposals like this would be published before the end of that 2003 election campaign. It is a matter of great shame to his final years in office, and to the Labor Party generally, that it took a matter of such public scandal to prompt the Government to put detailed proposals to the Parliament.

Mr Acting-Speaker, as a former member of the parliamentary joint committee on the ICAC you would appreciate that there would be an even stronger mechanism if the Ministerial Code of Conduct were published. You may recall that on a number of occasions during my membership of the parliamentary joint committee I inquired of various ICAC commissioners and officers where I could easily find a copy of the Ministerial Code of Conduct, and I invariably failed to get a response. You will appreciate, given your work with the parliamentary joint committee on the ICAC and the parliamentary joint committee in relation to the Police Integrity Commission, that one of the recommendations that the ICAC has imposed on other agencies across the public sector is not only that there shall be codes of conduct applicable to the behaviour of staff in those agencies but also that those codes of conduct shall be published.

The codes of conduct that are applicable to the ICAC are mainly found in annual reports and other such reports. The Ministerial Code of Conduct is not found in the annual report of the Premier's Department or the Cabinet Office. It is impossible to find a copy posted on the Government's web site. It has proved impossible to get a copy via a phone call to the Premier's Department, the Cabinet Office, or the ICAC. In February this year I wrote to the Commissioner for the ICAC asking for a copy of the current code of conduct applicable to Ministers in the Iemma Government. In response I received a letter dated 17 March. The letter notes that I have raised this matter previously at public hearings of the parliamentary joint committee and says that the only code of conduct the ICAC can provide me with is one that was contained in an ICAC report dated December 1998 entitled "Investigation into Parliamentary and Electorate Travel: Second Report (Analysis of administrative systems and recommendations for reform)".

It is a sad indictment of the Carr and Iemma governments that the ministerial code of conduct is not a public document, unlike codes of conduct, applicable codes under the Independent Commission Against Corruption Act, for every other area of public administration. It is a scandal that even a request to the ICAC for a copy of the current code can only retrieve a copy of a code that is eight years old. That is not the approach the Liberal-Nationals Government will take after the next election. We will publish, expect and maintain the highest

standards of ministerial scrutiny. The public will hear more about this matter before the election campaign begins. It is an issue that goes to the heart of the integrity of the Labor Party throughout its long 11 years in office. Clearly, the Government has turned its back on the issue, notwithstanding this attempt to finally resolve a problem that arose during the 2003 election campaign. That issue was meant to be resolved before the end of the campaign, if the former Premier was to be believed.

**Motion agreed to.**

**EDUCATION AMENDMENT (FINANCIAL ASSISTANCE TO NON-GOVERNMENT SCHOOLS)  
BILL**

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

**Second Reading**

**Ms CARMEL TEBBUTT** (Marrickville—Minister for Education and Training) [7.51 p.m.]: I move:

That this bill be now read a second time.

This bill is about protecting the community interest in our schools. It is about making clear that our collective investment in schools is solely for the benefit of students and it is about making clear what we expect from those schools that seek taxpayer support. The Government has a strong track record when it comes to policy for non-government schools. It is this Government that acted on behalf of parents and the community to raise standards and accountability. Two years ago we reformed the requirements for school registration. Due to the changes that we introduced, the focus is now on the things at schools that make for a quality education every day. We were the first government in Australia to mandate annual reporting by non-government schools to their communities.

Our reforms mean that all schools now give parents meaningful information about how they are performing. We also broke new ground in asking non-government schools to certify annually that they are using their State funding for educational purposes. The basic driver for these reforms has been accountability, not just to parents but to the wider community. The community as a whole has a very significant stake in non-government schools—almost \$733 million annually in 2005-06—and has a right to know how schools are using this investment. In particular, it has a right to know that schools that get taxpayer funding are using it with the best interests of children and young people as their number one priority.

I want to make it clear that this bill is not about restricting choice, nor about restricting the capacity of non-government schools to meet the needs and expectations of their communities. The Government recognises that non-government schools are part of the educational landscape in New South Wales and will continue to be an important element of our system. This bill is about providing clarity and getting the settings right for the future. The bill makes clear what the community's investment in schools is for. It makes clear that the State Government will not provide funding for schools that operate for profit. The basic principle underpinning our State funding framework is addressing school need. We do not and should not fund non-government schools with a view to improving an investor's bottom line.

Our purpose is to assist schools to deliver quality education and to respond to the educational needs of their students. We should do this only if we can be sure that a school is using its resources to further its educational aims. There must be no question that a school that gets public funding will always put these aims first. Running a school is a very significant undertaking, requiring an unwavering, long-term commitment and the input of very substantial resources. Schools have to meet an array of accountabilities and they are exposed to a lot of scrutiny. This bill takes these factors into account. It represents a sensible approach by requiring schools that receive funding from the taxpayer to be not for profit. As a further safeguard, it requires that transactions between schools and their suppliers or service providers are at no more than reasonable market value in supporting a not-for-profit intent.

The New South Wales Government is simply not in the business of dictating which businesses schools should be allowed to deal with. We will not be setting up new bureaucratic obstacles for schools and we will not be adding to regulatory measures that eventually put pressure on fees. It has been suggested that the way a school is organised could, in some situations, give rise to the potential for profit taking. Similarly, the entities that a school deals with could, in some cases, call into question the non-profit status of a school. But at the heart of the issue is how schools conduct their transactions. The New South Wales Government supports school

choice. While our first responsibility will always be to sustain a strong and vital system of public education, we acknowledge the right of parents to select schools outside that system.

As a matter of principle, the Government has no intention of preventing the establishment of profit-making schools if they do not intend to seek funding from the public purse. These schools will still have to meet the full range of standards and requirements for school registration. Parents are the ones who ultimately will decide if this type of school has a role and future in our education system. I can assure the House that there will be no difference at all between the standards expected of these schools and any other non-government school in New South Wales.

I turn now to the specific provisions of the bill. Subsection (1) of new section 21A stipulates that financial assistance may not be paid to a school that operates for profit. This sets out in unambiguous terms our aims and intentions in providing taxpayer funding. It will prevent the State Government from funding schools that are set up for the express purpose of returning a profit to investors. Subsection (2) sets out what "for profit" means in the schools context. Firstly, it clarifies that the bill is targeted at school proprietors. Under the reforms we introduced in 2004, every non-government school must have a proprietor. The proprietor is the legal entity that owns the school. Since the proprietor is legally able to enter into contracts for the school and be accountable for the contract obligations, it is only logical that the provision focus on them.

Subsection (2) states that if any part of a proprietor's assets or income—those that relate to the school—is made over to any other person, the school will be regarded as operating for profit. The use of "person" is intentional and is meant to cast a wide net, since at law a person can also be a corporation or any other entity that can enter into a contract. Subsection (3) sets out some necessary exceptions. Subsection (3) (a) provides for the payment of honoraria or sitting fees to members of a school governing body or the payment of out-of-pocket expenses. Most non-government schools in the independent sector are controlled by governing councils or boards. It is not unusual for the members or directors of a controlling board to receive sitting fees and expenses. This is no different to practice in the government sector.

Many board members put in a lot of hard work, volunteer their expertise and give up much of their time to managing a school. Ultimately, it is a matter for the school community to decide what a director or board member's time and contribution are worth. Subsection (3) (b) ensures that scholarships and prizes that a school awards to students can continue. There is, of course, no intention of targeting this aspect of a school's operations, but we want there to be no doubt that we do not consider scholarships and the like to be "payments" within the meaning of the bill. Subsection (3) (c) specifies that a school can make payments for the provision of property, goods and services in relation to the running of a school, but its transactions must be at no more than reasonable market value.

In effect, this subsection prevents situations where proprietors manipulate or otherwise distort a school's commercial arrangements to derive a benefit for themselves or someone with whom they have a connection. The most common scenario alleged in relation to for-profit schooling is when a school leases land or pays for services at markedly inflated prices. Somewhere at the bottom of the arrangement is a connection or relationship of some kind between the proprietor and that entity or service provider. Clearly under these circumstances it is incumbent on a government to act to protect the taxpayer interest. There is also a consumer dimension—I believe most parents who pay fees would want to know if school money is being siphoned off in this way.

Monitoring is best focused on the prices schools are paying, with reasonable market value as the yardstick. Subsection (3) (d) seeks to ensure that schools that are run by bona fide not-for-profit organisations, such as churches, can continue to trade with other entities that are part of the same organisation. Schools that are run by religious organisations commonly get services from other church organisations. To use an obvious example, the Catholic Education Commission provides a range of services to schools that make up the Catholic community of schools, or dioceses may have arrangements with religious congregations regarding the use of land or the provision of services, or may pay rent for a school that is on land owned by one of the Catholic congregations. What matters is that there is no "profit" in any of this because they all have charitable ends; there is no person being enriched at the end of the chain.

Religious organisations perform many vital services in our community. Running schools is one of these. It is not our intention to disrupt the financial arrangements they have put in place to further their aims in their schools. Subsection (4) provides the Minister with the power to call in information if he or she is of the opinion that a school may be operating for profit. It is appropriate that the Minister have the power to monitor



and, if necessary, enforce compliance with the Government's conditions for granting financial assistance to schools, but it is not the intention of the Government that this power be used capriciously or arbitrarily. I want to put on record that the intention of this subsection is to delineate the discretion of the Minister to investigate when specific concerns come to light about a school. It is not intended to provide a licence for general fishing expeditions.

The provisions will be monitored in two ways. First, we will use the existing annual financial certification process to require schools to declare their not-for-profit status and, second, we will set up a process of sample audits, involving a percentage of schools each year. For existing schools, the provisions will come into force from 1 January next year. For new schools, the amendment comes into effect from when the school is registered. New South Wales has a long tradition of excellence in education and we acknowledge that the non-government sector has made a significant contribution to this tradition. The achievements of all schools, however, are made possible through policy and regulatory frameworks that are established by governments, taking into account the interests of the community as a whole. This bill is an important step on behalf of those interests. I commend the bill to the House.

**Debate adjourned on motion by Mr Thomas George.**

## **BUDGET ESTIMATES AND RELATED PAPERS**

### **Financial Year 2006-07**

**Mr STEVE WHAN** (Monaro) [8.02 p.m.]: I move:

That this House take note of the budget estimates and related papers for 2006-07.

It is with pleasure that I speak on the budget. I shall highlight some of the real positives for the people of Monaro and the region, and I shall talk a little about the background to the budget and the sound and responsible economic management that has been brought to the budget task in New South Wales. The 2006-07 budget is another good Labor budget. It delivers for Monaro; it delivers for many communities that have worked hard and deserve the projects that will get under way with funding allocated in this budget. The Monaro electorate deserves attention from the Government after 15 years of neglect by The Nationals. During those 15 years the electorate of Monaro missed out on a lot of things. Since my election to Parliament I have tried to ensure that the Monaro electorate gets its fair share. I shall refer to a number of the highlights in this year's budget.

This year's budget provides an allocation of \$3.1 million for upgrading Queanbeyan TAFE, which will result in new classrooms and the ability to provide more courses for Queanbeyan. That is important because, like many regional areas in New South Wales, Queanbeyan and, indeed, the Australian Capital Territory are suffering from a skills shortage. During the last Federal election campaign the Federal Government promised to build a new technical college in Queanbeyan. However, it has reneged on that promise. Surprise! Surprise! The Federal Government has claimed that it will not proceed with the Queanbeyan proposal, which needed the support of the local high schools to proceed, because staff at the local high schools want to retain their award conditions. That means that the promise has gone down the drain.

The State Government has picked up the pieces and provided funding in the budget to ensure that the Queanbeyan TAFE is able to provide some of the skills development and training that the region so desperately needs. I will be working to ensure that the project provides benefits, and that the local high schools are able to expand the courses they offer in the future. The office block is an important project that was announced a couple of years ago, after much lobbying by me about jobs and the need to revitalise the main street of Queanbeyan.

A new office block is being constructed to house State Government workers. It will be located on Farrer Place on the main street of Queanbeyan, opposite the courts in the government district next to the showground. The location is perfect. The building will be a huge boost to that end of the main street, which has suffered over the years as the Federal Government allowed the post office to move off the main street. Various shops and other businesses have struggled at that end of the street because of the loss of business. The office block will be a great boost to Queanbeyan. The budget contains an allocation of \$10 million for the office block project, which was billed at \$19 million. However, I suspect that we might get a surprise in the form of slightly more funding.

The Queanbeyan hospital project, which is estimated to cost \$44 million, is of great significance to the area. Some \$8 million will be spent on the project this year. The project is progressing well. Although the

planning process was lengthy, the project is still on track to be completed in 2008 as promised. The current hospital has 37 beds; the new hospital will have 60 beds. It will be a key link in flow reversal from the Australian Capital Territory. Currently, New South Wales pays the Australian Capital Territory about \$50 million a year for hospital services. In most cases, particularly minor surgery, New South Wales could deliver those services much cheaper in our hospitals. We are looking at flow reversal so that we can deliver more services for the same amount of money.

The budget provides an allocation of \$3.292 million for the \$4 million Cooma TAFE project, for which the contracts and tenders have just been awarded. During the 2003 election campaign I made a commitment to provide a new school at Jindabyne, that is, Jindabyne Central School. An allocation in the budget will enable that project to be completed this year. Jindabyne Central School is a combined high school for students up to year 10 and a primary school. That is why it is a central school. Completion of the school will mean that for the first time Jindabyne will have public secondary education. Kids will no longer have to travel by bus for an hour to and from the Cooma-Monaro High School.

The Kosciuszko Centennial Fund is funded through contributions from people using Kosciuszko National Park. The budget contains an allocation for \$1.2 million for projects such as new entry gates on Kosciuszko Road. That is great news for skiers because the new gates should eliminate the queues that form in the morning when skiers are heading to the ski fields. Some \$3.48 million has been allocated to Perisher Range projects, which will eventually lead to expansion of the Perisher Resort, including new sewerage works.

The budget has an allocation of \$3.5 million towards the \$8 million Bombala hospital project, which involves the construction of a completely new hospital. That is a great commitment to health in the area. Bombala hospital will be the third hospital rebuilt by the Labor Government in the Monaro electorate. Another major hospital, Cooma Hospital, was rebuilt by the Wran Government. Of course, none was rebuilt by previous Coalition governments. Two new family houses will be built in Queanbeyan, which is good for the town. Some \$1.5 million of the Arts, Sport and Recreation budget will be spent on staff accommodation and a recreation hall in Jindabyne. Forests New South Wales will receive more than \$2 million to establish more plantations in the Bombala area.

In the budget \$200,000 has been allocated for planning works to duplicate Lanyon Drive from the Jerrabomberra roundabout to the Monaro highway. It is vital to remove the bottleneck, which I have pushed to have put on the agenda for the past couple of years. Indeed, when I was elected as the member for Monaro the then Australian Capital Territory Chief Minister would not talk about the issue. However, we have reached the stage at which a co-operative process has been put in place to upgrade that road.

The toilet block at Monaro High School will be upgraded, which is important for the students of the school. In total the capital works program this year in the Monaro electorate is worth \$147 million. That is a significant achievement for the region. The budget has included projects that I have been working on for some time, that the Government has been working on and, of course, that the community has been working on. It is a steady budget that continues to deliver at about the same rate as the other budgets that have been put in place since I was elected. People want to see consistent efforts from their members, not just a last-minute rush before an election.

The overall position of the budget for the State, despite some of the comments we have heard from members of the Opposition, is very healthy. It is running a deficit of just under \$700 million this year, but we have accumulated surpluses of \$11.3 billion over the past nine budgets and the State is in an extremely good position. That is why we have a triple-A credit rating and why we are able to run for one year a budget deficit. Despite what members of the Opposition say, the Labor Party believes it is important to pay our employees, particularly those important employees who work in hospitals, in the police and in schools, decent wages and employ a lot of them. One of the important things a Labor Government can do is look after the services provided to the people in the electorates we represent. That is why we spend a lot of money on salaries—more than \$20 billion of the \$40 billion budget.

A very important commitment of \$120 million has been made to clear the backlog in school maintenance. I hope some other high schools in the area I represent will see some of that over the next year or so. There has been a greater investment for people with disabilities and mental illness. That is terrific and much needed in the region I represent. The amount of \$9.1 billion has been allocated for electricity upgrades around the State. In the past year we have already seen a significant expenditure from that program in the south-east. That has resulted, for instance, in the Bemboka community, a small community at the bottom of Brown

Mountain, receiving a major upgrade to its electricity supply that will improve the reliability of supply over a long period. It is good news for people in that little community: the Government does not forget them or their infrastructure needs.

The Government has a strong commitment to nurses. There are 39,000 nurses in New South Wales, a massive number, but we continue to recruit nurses to make sure we can staff the new hospital beds that have been opened by the Government. This year the budget for health is \$11.7 billion. That is an increase of \$828 million over 2005-06. That is a massive investment in health services for the people in New South Wales and is very welcome in the region I represent. Like every other region, over the next decades we will face the challenges of an ageing population. Unfortunately, we also face the challenges of a population that is not necessarily as fit as it could be, and that causes long-term health problems that we will need to address with primary health care.

There will be increases in respite and supported accommodation through increases in funding for agencies like the Department of Ageing, Disability and Home Care, which received a \$209 million increase and an 11.5 per cent increase in funding for the Department of Community Services funding, with 200 more child protection workers. That is something the Opposition does not ever support but which is vital for young people in the Monaro electorate. There is a 20 per cent increase in funding for the Rural Fire Service. That is also very important to a rural electorate. There is a massive \$3.3 billion roads program, of which 66 per cent will go to rural and regional New South Wales. The Government has delivered nine tax cuts and two workers compensation premium reductions since Morris Iemma was elected Premier. He has delivered those tax cuts as well as delivering a responsible budget. I welcome the move in the budget to three-year averaging of land tax and simplifying the system of objection to land valuations. Again, that is very important.

I turn now to the framework we find ourselves in that dictates how much money we are able to spend. The Commonwealth-State financial agreements are obviously a key part of that. As we heard the Treasurer say on budget day—and Neil Warren has done a study on this—there is a serious imbalance in Australia bearing in mind the massive revenue-raising capacity of the Federal Government and the responsibility of State governments for the expenditure of so much of the funds. The imbalance of the Federal Government having the capacity to raise money but not passing enough on to the States for them to deliver the services our communities want causes severe problems for all State governments. That is particularly so in New South Wales because of the poor GST deal that has been offered to New South Wales through the Grants Commission formula and which the Federal Treasurer refuses to overrule.

This year the Commonwealth raised total tax revenue, including the GST, of \$272 billion for the next financial year. This is the biggest-taxing government in Australia's history. Of that, GST is about \$40 billion and, of course, we have all heard the figures. New South Wales residents pay about \$13 billion of that and receive only about \$10 billion back—a rip off to subsidise things like cheaper petrol prices in Queensland. Within those constraints our Government is doing a terrific job to deliver responsible budgets. Last year New South Wales net worth was plus \$125 billion. I noticed in this year's budget papers the good news that New South Wales net worth will continue to increase over the next four years because the money New South Wales is borrowing is being invested in productive infrastructure.

If we went down the no borrowing path that the Opposition seems to advocate, it would be like people waiting until the age of 60 to buy their first house because they are not willing to borrow money. New South Wales needs to borrow to improve its infrastructure. We are doing that in a responsible way, and that is why our net worth will continue to increase. It is a real contrast to the Federal Government, which proclaims its economic credentials but has a negative net worth of minus \$9 billion. That highlights the much better management of New South Wales.

In recent days I have noticed the record foreign debt of half a trillion dollars that the Howard Government has allowed to rack up. It is 2½ times as much as it was when that Government came to office. When it was less than \$200 million John Howard ran around with a debt truck proclaiming that it was the greatest crisis to face Australia, but he does not talk about it now because his record is appalling. Presumably he is ashamed to talk about it. He has certainly reduced his Government's debt but he has shifted it on to every Australian. He has shifted it to the pockets of every Australian family. Australian families have never been in such high debt, with household debt at record levels as a result of extremely high housing prices and a number of other matters. Our nation's debt has never been higher. As I said, it is approaching half a trillion dollars. That is an appalling figure that goes to show the Coalition in Canberra has failed to manage properly.

The same thing is being repeated in New South Wales. The Opposition has made almost \$23 billion worth of promises—promises that it could not fund and does not have a hope of funding. Today I watched from my room while the Leader of the Opposition and the Leader of The Nationals made their speeches in reply to the budget. What a waste of time they were. They each spent half an hour bagging New South Wales and making all sorts of claims and then launched into a pathetic little bit of policy, which was unfunded. Much of it was based on so-called savings they intend to achieve by a reduction in government advertising. Their so-called savings on advertising take me back to when John Howard promised to remove the national media liaison unit and cut government advertising at the Federal level.

John Howard was elected and now the Federal Government is the major single advertiser in Australia, bigger than McDonald's and other large corporations. The Federal Government has an appalling record of lying to the people of Australia about that. That will happen in this State if the Coalition is elected to government. In its speeches in reply to the budget, Coalition members promised to simultaneously cut taxes and increase spending. They said they could afford to do so without increasing the budget deficit, which they condemn. Any school student of economics or mathematics knows that statement is ridiculous.

Coalition members are still committed to sacking 29,000 government workers. They say the cuts will be in Sydney. That is rubbish. On my calculations, the figure of 29,000 is nearly 10 per cent of the New South Wales government work force. There are 6,000 government workers in the Monaro electorate. On a pro rata allocation, Monaro would lose 600 jobs. That would be a massive blow to the economies of towns in the Monaro electorate. The Coalition states that the cuts would hit only backroom people. Who are backroom people? Staff of the catchment management authority [CMA] sit in an office. They may be backroom people. They provide a great deal of good advice. [*Extension of time agreed to.*]

The jobs the Coalition proposes to cut would hurt front-line services in my electorate. A massive number of people who perform government services and work for the New South Wales government are front-line workers, such as teachers, police and nurses. Even the so-called backroom people do important jobs. The people who work in the CMA in Cooma do a terrific job in monitoring the health of the Snowy River and advising on the grasslands project. Both of those areas are vital for the future of agriculture in the Monaro electorate.

The staff of the Department of Primary Industries in Cooma perform a vital function. According to the Coalition, they are backroom people. The National Parks and Wildlife Service workers in Queanbeyan are backroom people, but they manage the parks and make sure that programs are in place to eliminate pests and particularly feral dogs. The staff of the Department of Community Services in Queanbeyan and Cooma are vital in the prevention of child abuse and problems with young people. If they were not there, no-one would act on reports of child abuse. The backroom people at the Department of Environment and Conservation and the Environment Protection Authority in Queanbeyan work in conjunction with the mines department on the rehabilitation of the Captains Flat mine. The jobs of many essential workers would be under threat from the Coalition's policies.

I listened today to the speeches in reply to the budget by the Leader of the Opposition and the Leader of The Nationals. I was astounded that they were virtually the same. I would say that the great slab in the middle was the same speech. Recently in Queensland there was debate about the National Party merging with the Liberal Party. It has already happened in New South Wales. They actually have one brain between two people and they used the same speech. I thought it was *déjà vu*: when I looked up the Leader of The Nationals was speaking, not the Leader of the Opposition—but he was giving the same speech in reply. It was intriguing.

**Mr Andrew Stoner:** Why don't you read *Hansard*, you dropkick?

**Mr STEVE WHAN:** As usual, the Leader of The Nationals, who has graced us with his presence tonight, has resorted to using abusive terms. That is typical of his contributions in the House. I am happy to put his interjection on the record because it shows how his brain works. The Coalition's promises are a recipe for disaster. Hopefully, the Coalition will never be in government, because it would put at risk the State's triple-A credit rating. It would ram us into debt. The record of the Greiner Government is that it cut 2,000 teachers, yet still ran deficits. It closed down the Cooma railway line—The Nationals acquiesced, as usual—yet still ran deficits. It failed to address the health needs of Monaro, yet still ran deficits. It was unable to address class sizes—this Government has addressed kindergarten and years 1 and 2, and has continued to do so in this budget—yet still ran deficits.

When the Coalition asks where did the money go, we should look at their record and ask where did the money go when they were in Government. Government workers in New South Wales know where the money under this Government goes. It goes to providing the best possible services for rural communities. I want to highlight the Roads budget for the Monaro electorate. In the 2006-07 budget an extremely healthy \$42.7 million has been allocated to roads in the Monaro electorate. I am pleased with that funding, although I have an agenda to make sure the Government undertakes further works. I hope the Minister for Roads is listening. Road safety works have been undertaken on Kosciuszko Road and the Monaro Highway. Money has been allocated to the first stages of replacing the Native Dog Creek Bridge, and we have received \$600,000 to widen the approaches to the bridge. Since the Labor Government sealed the Monaro Highway all the way to the Victorian border, that route has become an important transport route for B-doubles and other trucks. The Native Dog Creek Bridge is probably the one area that needs to be upgraded.

Funding has been provided for the Pambula River Bridge. I spoke on radio today about that project, about which the honourable member for Bega and I have had some interesting exchanges. That is a \$17 million project, of which the Commonwealth is providing \$5 million. Smaller important projects include \$500,000 to repaint Dalgety Bridge, an historic bridge crossing the Snowy River. The maintenance of the bridge is good for the small town of Dalgety. The impressive bridge, which was built across the Snowy River when it was at its mightiest, is a feature of the town.

Just outside the Monaro electorate, work is being done on Sutton Road. The budget provides the usual grants to councils for vital work on regional roads. The Lanyon Drive, Jerrabomberra, roundabout to the Australian Capital Territory duplication received an allocation of \$200,000. I am pleased to see in the Australian Capital Territory budget, which was also delivered yesterday, an allocation of \$1 million to the Australian Capital Territory part of that project. I would like to highlight that after lengthy lobbying by me, with the co-operation of the Australian Capital Territory Minister, John Hargreaves, who unfortunately had to stand down today, the Australian Capital Territory has managed to allocate funding to upgrade pavement on a section of the Monaro Highway between Williamsdale and the Australian Capital Territory border. Because of problems on that section of road, the speed limit had been reduced to 80 kilometres per hour.

The Government has delivered a responsible budget. We are investing in the future of New South Wales and, importantly, of the people I represent, the future of the Monaro electorate. The Government has delivered on commitments I have made to the people of Monaro. We are delivering better services and reduced class sizes and other important achievements. We have been hampered in our efforts because the Commonwealth Government continues to short-change New South Wales. I have highlighted on many occasions the massive amount of revenue the Commonwealth Government collects and the unfair distribution to the States.

For independent verification, I direct honourable members to the Commonwealth budget web site and a table in, I believe, Budget Paper No. 2 that shows the gains each State has made from tax reform. Most States are listed as having made gains in tax reform. Only one State has not made any gains—New South Wales. That is an acknowledgement from the Federal Treasury that we have not benefited from tax reform. As the State Treasurer and studies from independent experts such as Neil Warren have convincingly shown, we are being duded by the tax system. The Commonwealth Government has taken a formula that was used to distribute a small amount of revenue and applied it to a much larger slab of revenue going to the States. That means that the inequity built into the original formula now applies to a much larger amount, and therefore disadvantages the State to a much greater degree. I commend the budget to the House and thank honourable members for their patience in listening to my contribution.

**Ms GLADYS BEREJIKLIAN** (Willoughby) [8.30 p.m.]: I will outline the impact of the budget on the Willoughby electorate and then refer to the important portfolio areas of Mental Health and Community Services. Yesterday's budget is a demonstration of this Government's lack of economic credentials. The budget is deceitful and dishonest because the Government has not spent what it said it would spend. That is clearly illustrated in the Willoughby electorate. I was relieved that stage-one funding for Chatswood High School's capital works program was finally granted. That funding has been allocated after many years of delay and an enormous amount of lobbying. The Chatswood community is bursting at the seams. The State Government has approved an additional 500 units along the railway line but it has failed to match that planning approval with commensurate infrastructure funding.

I will refer specifically to Chatswood Primary School and Chatswood High School. The parents and the school community—including the local council and the chamber of commerce—have been lobbying the State

Government for years for Chatswood Primary School to be upgraded. The school has a number of demountable units that are encroaching on play areas and other amenities and it is desperately in need of permanent classrooms. If the Government were consistent in its imposition of planning regulations on local communities, it would support that planning with associated infrastructure. To deny both Chatswood Primary School and Chatswood High School much-needed stage-two funding is a huge disappointment and displays a lack of vision by the Government. The primary school has even had trouble having its needs added to the Government's upgrade list. The Government imposes planning requirements on the local communities in an ad hoc manner but does not support them with appropriate infrastructure.

Regrettably, the budget does not display any evidence that the Government will re-establish vital community-based mental health services in Chatswood. About 18 months ago the Government removed local community-based mental health services. Despite the establishment of a working group, there is no evidence that the Government intends to restore those vital services. Their removal has had a dramatic impact on families in my electorate. Many of them have contacted my office over the past 18 months to relay the desperate situation they are in because the State Government is more interested in raising revenue and consolidating itself than delivering community-based mental health care. Another disappointing aspect of the budget is that the Government has again ignored the community's concerns about access to Artarmon railway station. The community has been lobbying to have the Easy Access Program implemented at the station, but to no avail. As a result, the elderly, people in wheelchairs, and people with prams will find it almost impossible to utilise services at the station.

I turn now to the Mental Health budget. The most frustrating thing about this budget is that it demonstrates that the Labor Party has no heart. It simply offers false hope. There is an enormous gap between what the Government says it intends to do and what it has provided in this budget. The Government's promises about mental health care are misleading and once again provide false hope to thousands of people who are desperate to access mental health services in this State. Not a week, or even a day, goes by when honourable members are not contacted by someone in desperate need of vital mental health services. Those services no longer exist because the Government has neglected the mental health sector for more than a decade.

Despite the mental health crisis we are experiencing in New South Wales, the Labor Government under Premier Iemma has not spent the money it allocated in last year's budget. The Premier appeared at the National Press Club in Canberra last week and spoke to the country about his commitment to mental health. However, at his first opportunity to put his money where his mouth is—in this budget—he has been a huge disappointment. That demonstrates his hypocritical approach to this issue: he says one thing and does another. Regrettably, all he has done for people with mental health problems as Minister for Health and now as Premier is to indulge in lip service.

In 2004 the Labor Government announced a \$241-million mental health package over four years and projected that it would spend \$43.2 million this financial year. That information can be at page 2-8 of Budget Paper No. 2. Now only \$20.4 million is forecast to be spent. The Government said last year that it would spend \$43.2 million, but it has revised that figure and will now spend only \$20.4 million. In the two years since it made that promise, the Government will have spent only \$44.3 million, or just 18.34 per cent of its \$241-million commitment. We are halfway through the two-year cycle of the \$241-million allocation and the Government has spent just over 18 per cent of what it should have spent. If the Government were serious about mental health, that \$44.3 million would have been \$120 million by now. That demonstrates the huge gap between what the Government says and what it does.

This budget is an act of great dishonesty on this Government's part. It is making grand promises it cannot deliver. It is not capable of delivering them and it is simply paying lip service. It is not even spending previously allocated money. On that basis, the promise of an additional \$300 million over five years has no credibility. If the Government were serious about the mental health crisis it would have allocated \$60 million this year—that is, one-fifth of the 2004 allocation. Instead, only \$38 million has been allocated. The Premier says that mental health is a priority. However, when he had the opportunity to put his money where his mouth is he underspent last year's budget allocation and he has not acted on the announcements he has made, even as late as last week. If Labor's track record on spending on mental health is anything to go by, this \$300 million will never be spent on people who are suffering.

The Government's underspending habit is repeated in the capital works budget. This financial year the Government was to have spent \$51 million on mental health capital works. That figure has been reduced to \$21 million—a mere 40 per cent of what should have been spent. I was generous today during question time

when I said it had spent 50 per cent; the figure is only 40 per cent. The Government's figures indicate that people seeking mental health services comprise about 14 per cent of patients in New South Wales, but the mental health sector will receive only 8 per cent of the total health budget. That is simply not good enough.

Community organisations providing critical mental health services will receive only 2 per cent of the mental health budget, thus continuing New South Wales' status as the State providing the lowest level of assistance to community organisations in the country. We have seen the way in which the Government has dealt with organisations such as Lifeline and other non-government groups which provide vital services in the community and have repeatedly come knocking on the door. The Government does not have the heart or the will to assist those organisations.

I will bring to the attention of the House some specific projects that have been massively underfunded, and I am happy to reference each of them. In 2004 the Government announced the provision of non-acute beds in Coffs Harbour, Newcastle, Shellharbour and St George. In the 2005-06 budget the Government promised to spend \$5 million on non-acute beds in those areas but in fact spent only \$800,000, or only 16 per cent of what it said it would spend. The Illawarra Older Persons Mental Health Unit was to have received \$3 million last year, as is reflected in the budget papers, but received only \$100,000. That is shocking! The State Government should not have embarked on a program of reducing mental health services at Rozelle Hospital. That is bad policy and the Coalition certainly opposes it, yet the Government has continued with its relocation project. That timing and cost of the project has blown out by two years and \$26 million. The Government is underspending in areas in which it should be spending more.

I will refer the House to some of the so-called announcements the Premier made recently in regard to mental health. One related to a forensic and tertiary mental health unit at Bloomfield. The total cost of that project is \$34.3 million, but this year the Government has allocated only 3.2 per cent of that sum. In addition, the Government has committed only 6 per cent in this year's budget towards the total cost of \$8.3 million of the Mandala Mental Health Unit in Gosford, a three-year project. New South Wales has the worst record of any State in relation to child and adolescent in-patient services, and those announcements are purely cynical political attempts to get the Government through until March.

If the Government cared about the plight of people with a mental illness and their families it would certainly not have imposed on them a budget as drastic and tragic as this one. The Government has continued to turn its back on community-based mental health facilities. It closed Glebe and Chatswood and downgraded Parramatta, and the budget offers no support for people in the community who cannot access vital mental health services. The Iemma record on mental health has not only been a great disappointment; it has been a colossal deception. The Premier had the opportunity to put his money where his mouth is, but he has proved that he not only is incapable of dedicating the resources that the State needs but does not have the heart to do so.

I now turn to Community Services, a portfolio area for which I was pleased to accept responsibility only recently. When one analyses the Community Services budget it reveals that the Labor Government has massively underspent on its previous commitments. This is, once again, a betrayal of the most vulnerable members of our community. When dealing with sensitive issues it is more appropriate to be honest about the resources being made available rather than offering false hope. In December 2002 the State Government promised an additional \$1.2 billion for Community Services over five years, but four years later \$113 million of that allocation remains unspent. We are four years into a five-year project and already \$113 of that funding remains unspent. That is denying vital services to the most needy.

The Labor Government has also underspent on grants and subsidies to community organisations that receive funding through the Department of Community Services [DOCS]. Funding for 2006-07 has been reduced in real terms. The Government has paid a great deal of lip service to early intervention programs, yet the budget shows that during the 2005-06 financial year, contracted early intervention services were underspent by \$5 million. Today in question time honourable members heard the Minister discuss early intervention but she was not transparent and failed to inform the House that she and the Premier had cut contracted early intervention services and underspent that budget by \$5 million last year alone.

I turn now to preschools. In answer to a question today about community services the Minister failed to outline her commitment over the next four years, especially as it related to the Coalition's commitment. By committing only \$85 million over four years the Iemma Labor Government has failed to improve its response to the crisis in the State's preschools. That is woefully inadequate funding compared with the Coalition's commitment of \$362 million. It is woefully inadequate when one considers the need to ensure the medium-term

and long-term viability of our preschools. Honourable members have heard what Professor Vinson had to say about children starting school without the necessary skills. We have heard the claims of community organisations with expertise in early education that New South Wales is so far behind the other States in participation rates or fees that parents have to pay.

This State has the highest fees and the lowest participation rate, at only 60 per cent, compared with other States, which have a participation rate of well above a 90 per cent. It is dishonest for the Premier and the Minister to claim that the Government's \$85 million package over four years will fix the problem. It will not. The Liberal-Nationals Coalition has done a lot of work and research in this area, and the \$362 million package we have offered will ensure the medium-term to long-term viability of the State's approximately 840 community-based preschools. The Coalition's funding commitment includes \$217 million for preschools funded through DOCS. That will be in addition to existing funding and will provide a much-needed funding boost to DOCS-funded preschools. It will also help to put downward pressure on fees, and \$150 million of that package will enable more four-year-olds to attend preschool at least two days a week. That will raise participation rates of New South Wales four-year-olds to nearer the 95 per cent rate of other States. Communities in greatest need will be the first to receive the extension of access, and \$30 million of the \$362 million will be used to upgrade preschool facilities, with funds to be distributed in consultation with the preschool sector. [*Extension of time agreed to.*]

The Coalition's comprehensive package of \$362 million over four years highlights the Labor Party's woefully inadequate package. Even today, preschool operators have contacted my office to express concern because the Government, in its haste to have something ready for the budget, announced it would provide \$8 million this financial year for emergency relief for preschools. It is apparent to me, as the new shadow Minister for Community Services, that the Government has not done its homework as to which are the areas of most need and is allocating funding on an ad hoc basis. Many preschools have said, "We seem to have missed out. We didn't know where to apply. We did not even have the opportunity to tell DOCS about the bad position we are in. We have had to reduce the number of days we are open. Why is the preschool down the road getting funding and not us? What was the process?"

That has taught me that, regrettably, the Minister and her department have adopted an ad hoc approach and have failed to do their homework in determining which preschools should receive funding. I am sure that many of the schools that received emergency relief do need it, but on what basis was that decided? What criteria were applied? What process was involved to enable all preschools to apply for emergency relief? The process has demonstrated to me that even though the problem of early education and preschools has been brewing for some years—the Minister has been aware of it since her appointment to that portfolio—it was not until the last few weeks before the budget that they decided to do anything.

I have no confidence in the package, and I have no confidence in the ability of the Minister or the department to deliver medium-term to long-term viability to the industry. The Government's offer demonstrates that it does not see value in the unique service that preschools offer the community. I was extremely disappointed by the Minister's answer to a question today about the budget and community services. I do not believe she even mentioned preschools. If she did it must have been only a sentence or two, which once again demonstrates her lack of commitment and attention to this vital policy area.

I have discussed at some length the impact of the budget on mental health, community services and youth. The constant theme apparent to me, as someone who has the honour and privilege of looking after these critical portfolios for the Opposition, is the gap between what the Government says and what it does in areas of most need. It is not only embarrassing that New South Wales is way behind the other States in the delivery of vital mental health services, preschools and child protection, it is also inhuman. It should strike the conscience of every member opposite. It is one thing to be upfront and honest about limited resources but it is another to make a promise that you know you cannot keep. Thousands of people are hanging off every word the Premier says, and they are saying, "How will this affect me? How will this affect my family? Does this mean I can get my son into a hospital? Does this mean I can get my father into a community-based mental health facility?" The Government says, "Yes, we will do all that. We are throwing all this money at these services." But the amount being spent by the Government is only a small proportion of the allocated amount.

Yesterday I was shocked and did a double take when I read in the budget papers that the Mental Health capital works budget has been more than halved. In 2004 when the Premier was Minister for Health he promised 80 additional inpatient beds in certain areas, including St George, Shellharbour, Newcastle and Coffs Harbour. But two or three years down the track the Government has spent only a small proportion of the total allocation



for that project. In 2004 the Labor Government made much of its \$241 million mental health package over four years, yet today—a little over two years on—only a small proportion of it has been spent. It is thoroughly misleading and deceptive to give the impression that the Government is spending that amount of money, whilst allocating only such a small proportion of it.

Worse still, one year the Government allocates a small proportion of the money and claims that is what it is spending, but next year one finds that that small allocation is reduced even further. That is just dishonest and it is a damning indictment of this Government's lack of direction. The Government is obviously trying to redirect itself and claiming there will be a new direction in this and a new direction in that, but regrettably it is old Labor. It is old Labor trying to create the impression that it is strong on social policy. But the figures do not lie, the budget papers do not lie. They are the Government's budget papers, and they reveal that the Government is happy to say one thing but is equally happy to let down thousands of people if it wins it some votes. Consequently, it is letting many people down by giving them false hope.

Irrespective of the announcements, Productivity Commission comparisons do not lie. The Premier's record in mental health compared with those of other States is simply appalling. For example, according to February 2005 Productivity Commission figures, New South Wales has only 14.3 mental health beds in public hospitals per 100,000 people, which is the worst ratio of any Australian State except one. According to the National Mental Health Report in 2005, per capita funding for child and adolescent mental health services in New South Wales was the second lowest of all the States over the reporting period. Tasmania was the only State that provided less funding per capita for child and adolescent mental health services than New South Wales.

In 2005 New South Wales had spent just \$34.90 per capita compared with Victoria and Queensland, which spent well in excess of \$40. It is ironic that the Productivity Commission report highlights our appalling record compared with other States, yet in yesterday's budget the Government could not bring itself to allocate more than 6 per cent of the total cost of child and adolescent mental health care. That is another example of the Government's enormous hypocrisy in this regard. According to the Productivity Commission, of all the States New South Wales has the lowest number of staff in specialised mental health services, only 86 staff per 100,000 people.

In order to attract staff and to keep them the sector has to be properly resourced and the work environment has to be conducive to attracting and retaining the best staff. Why is it that out of all the States, New South Wales has the least number of people employed in mental health per head of population? We have only 86 staff per 100,000 people, yet Victoria, Western Australia, South Australia and Tasmania have well in excess of 100 staff per 100,000 people. New South Wales is well below the national average.

The Government makes these grand announcements that it cannot deliver on, and it has also failed on various reporting requirements. For example, in 2005 the New South Wales Mental Health Sentinel Events Review Committee, after looking at suicide and homicide by mental health patients recently discharged from inpatient units, found that a substantial number of deaths were preventable. The Government failed to adequately respond to that report, which was released last year. This year's report looking at suicide and homicide by mental health patients recently discharged from hospital has not even been released. It was supposed to have been released in March. It is now June. This is a Government that is supposed to care about mental health patients. An independent committee has told the State Government and the community that suicides by mental health patients could have been prevented, yet the Government has not responded to the 2005 report and we do not even have this year's report. The Government needs to explain why this year's report has not been presented.

Lifeline, which I mentioned, is the only 24-hour, seven days a week emergency counselling mental health service in New South Wales. For four successive years Lifeline has sought financial assistance from the Government for its critical services, but its pleas have fallen on deaf ears. Across New South Wales there are 15 Lifeline centres, which last year took more than 200,000 calls through its 24-hour telephone counselling services. I am proud to say the New South Wales Coalition has recognised Lifeline's vital and unique telephone counselling service and has pledged \$1.5 million annual recurrent funding for it. It is of concern that when we asked the Premier why he was not funding the additional requirements for Lifeline's telephone counselling service, he tried to suggest that this was somehow tied up with the Council of Australian Governments' discussions regarding a national helpline. But from what I understand, that national helpline is a referral service. Lifeline provides a very distinct service, a direct counselling service.

Once again the Premier and his cohorts are talking about what they are doing in mental health, but when it comes to supporting the only 24-hour, seven days a week mental health crisis service available, they

deny additional funding for this vital telephone counselling service. The irony is that many area health services ask their clients to contact Lifeline. A non-Government organisation provides assistance to State Government agencies, but the State Government still will not provide the funding it requires. Another matter the Government has not responded to is the Auditor-General's report last year into emergency mental health services, which found that up to 9 per cent of mental health patients who present to emergency departments are forced to leave prior to seeing a doctor.

I raise this issue because the Government has said a lot in the past about its psychiatric emergency centres [PECs]. I was looking through *Hansard* and I noticed that the Premier first announced the introduction of PECs when he was Minister for Health. He said New South Wales would have seven PECs by the end of 2005. It is now halfway through 2006 and he has revised that prediction down from seven to five, and there is still not enough money for those PECs. That is another act of utter hypocrisy: an announcement he made as Minister for Health has still not been fulfilled, and not enough funds have been allocated to deliver what he promised. According to the figures from the National Mental Health Unit, in the past decade New South Wales has had by far the lowest per capita growth in mental health funding of all the States and Territories, at just 23 per cent. This budget is defective and dishonest, and provides false hope. It shows that the Labor Party has no heart or direction. People who are suffering will continue to suffer because the Government cannot manage the economy.

**Ms VIRGINIA JUDGE** (Strathfield) [9.00 p.m.]: In the spirit of bipartisanship I acknowledge the presence in the Chamber of a number of school captains from government and non-government schools, who are guests of the honourable member for Wakehurst. They are sitting attentively behind the Speaker's chair in the oldest Parliament in our great country. These students are Jessica Farahar and Evan Minus from Killarney Heights High School, Ami Sheehan and Michael Bishop from Manly Campus, Lucy Coleman and Codie Asimus from Pittwater House, Karen Muller and James Cripps from St Luke's Grammar School, Jodi Cameron and Justin Sharkey from Cromer Campus, and Mitchell Greenway and Bradley Johnson from St Augustine's College. I hope they enjoy the contributions in reply to the budget. These young people are leaders in their schools. It is an honour to become school captain. I am sure their parents and relatives are very proud of them, but they must remember that with leadership comes responsibility. These young people will one day become leaders in politics or business and take on other professional roles. I know they will maintain and uphold the great roles and values that have made this great nation what it is today.

I turn now to the budget. When I listened to the contribution of the honourable member for Willoughby I thought we had read different documents, because the budget papers I have analysed with respect to what they offer my electorate will deliver tangible results for all sectors of my community as well as for people in marginalised areas, contrary to the claims of the honourable member for Willoughby. One of the outstanding features of this budget under the new Premier is that it is a real budget for people who are sometimes forgotten and sometimes marginalised. It extends a helping hand to those in need by lifting them out of their current circumstances and providing them with the same opportunities that many of us already enjoy.

It gives me great pleasure to speak to the first budget of the Iemma Labor Government, a budget that meets the new challenges with great new directions. It leverages the State's sound balance sheet to invest for the future. This was recently affirmed by the State's triple-A rating given by Moody's and Standard and Poor's. Since Labor has been in office New South Wales has retained that rating. The State has sound fiscal management, which means that businesses want to invest here. The State's triple-A rating is held in high repute throughout the world. It sends a green signal to the business community, reaffirming that the Government knows where it is going and that it is sound.

The budget achieves a great deal for hardworking families, with record spending in the key portfolio areas of Health, Education, Youth, Transport and Police. Health is most important because if one is not healthy one cannot do anything. Education, too, is important because it will open the door and give opportunities to youth and young adults. I will return to those portfolio areas in more detail later. The budget provides for the most vulnerable in society. My electorate of Strathfield has a number of services that cater to people with disabilities. I was particularly pleased with the huge growth in respite care funding from Minister Della Bosca, especially funding for the redevelopment of the Grosvenor Centre in Summer Hill, which will mean so much to families who struggle with a family member with disabilities.

The honourable member for Willoughby might suggest that the Government is not taking action, but when that facility is completed I will extend an invitation to her to come out and see the tangible difference the Government has made. It is all very well to attack the Government, but the Opposition has not put forward a

single policy with respect to health, education, infrastructure or mental illness. The honourable member for Willoughby constantly talks about mental illness. Indeed, I am one of the co-convenors of the Parliamentary Friends of Dementia, a bipartisan group that has a keen interest in anything to do with people who suffer from mental illness. I wondered what policy, what vision or what new exciting direction the Opposition would share with this great State of ours. I waited and waited but there was nothing. I am only a relatively new member and I believed the Opposition must have some imagination or some vision but, sadly, there was none. I rest my case.

The budget provides the necessary settings for business to invest because that is so necessary. Without business we do not have employment, jobs or growth. We have done this while cutting \$3.2 billion in taxes over the next four years. That is a good thing. Everyone knows this is a highly taxed country and people want to pay less tax if possible, but we need taxes to pay for the great services that the country provides. The Government has continued to take a very responsible approach and, in many cases, it has expanded essential services at a time when the State's tax base is recovering from the burst of the housing bubble.

The housing bubble occurred during the reign of a Labor Government, and many people did very well. Properties increased in value. Some friends of mine decided to sell their properties, and they received double what they paid for them within a period of only three or four years. Even my little property, although I have a high mortgage, increased in value. Over time most things are cyclical and settle down. When Opposition members whinge and moan it should be remembered that the Coalition ran six consecutive budget deficits. Therefore, if the Government decides to have a slight deficit for a short period of time, so be it. Imagine the interest we have saved because of our sound fiscal management and savings, nine budget surpluses, and a reduction in the State's debt legacy. The Government is now able to increase its borrowings to fund record investment in infrastructure without jeopardising New South Wales's triple-A credit rating, which is important to the State.

As Moody's said, this reflects the strength and diversity of our State's economy. Moody's does not say that lightly; it is an expert in its field. I am not an economist or an actuary, but that is what Moody's said. If members opposite want to take on Moody's, go for it! However, I defer to Moody's good judgment, and I agree with its statement that this reflects the State's strength and diversity. The Government is determined to hold onto that. It will not put the State on credit watch; it will ensure that it builds on what we have. New South Wales now has historically low unemployment rates, higher than average full-time employment, higher per capita income and strong business investment, and the Government will build on those building blocks to make this State even better than it is at present.

They are general comments about the budget, and I now turn to the Strathfield electorate. I am pleased that the community I represent has received significant funding, particularly for infrastructure. I shall briefly outline some of the projects supported by the budget, which my constituents and I are delighted about. This year the electorate will receive \$6 million for the Homebush turnback under the rail Clearways Program. Recently I saw theodolites on The Crescent, indicating that measurements of the line were being taken and workers were about to get cracking on the project. That will be great in terms of untangling the lines and getting more efficient and on-time train services. Some \$1.5 million has been allocated to improve and upgrade local public housing for families and pensioners. Strathfield is not an industrial seat; indeed, it is very much a family-focused seat.

Some \$7.2 million has been allocated to upgrade the local water and sewerage system. That is not something people can see because it is underground, and people do not realise its importance. Much of my area has old pipes. Strathfield is one of the oldest suburbs in Sydney, and the piping infrastructure needs to be continually maintained and upgraded. One great ticket item that I have been battling away at for three years is Easy Access at Burwood railway station. Some \$750,000 has been allocated to start scoping and design works for that project. I cannot wait for that to get cracking. Also, some \$2.5 million has been allocated to improve local road infrastructure. Strathfield is a busy area. My electorate has about 33 schools, including many excellent government and private schools, and there is a lot of through traffic with people coming into the area to transport their children to and from school. When I was the mayor of the Strathfield municipal area the council conducted a survey, which found that about 80 per cent of the traffic was not local; it was people from other areas.

The Lemna Government will fund key capital works projects, with a record \$41.3 million for four years from 2006-07. That is an increase of about 45 per cent on budgets in previous years. I shall talk a little about my local police station. I was stoked when I saw the line items for major new works in the budget papers. Under police and community safety, the 2006-07 capital works program provides \$111.1 million for asset acquisitions. The capital project will provide functional and cost-effective accommodation where it is needed throughout the

State, improve the safety of our great, hardworking operational police, equip our hardworking police officers to enable them to perform their role effectively, and increase the efficient use of operational and administrative data.

The capital works program provides for the commencement of major new works, at a total estimated cost of \$85.5 million, \$6.3 million of which will be allocated in 2006-07. The building program continues the statewide police station upgrade and replacement program. Additional budget support of \$40 million per annum is being provided to NSW Police for this purpose. Local police will be thrilled about that. In addition, NSW Police will reinvest the proceeds from asset sales in future new building works. The new building works for which funding has been provided to complete planning for 2006 has the great Burwood police station at the top of the list. Burwood police station, which is located about three or four streets away from my little office in Burwood Road, will receive \$17.1 million. Six police stations will receive a major funding injection. I am sure my local area command will be over the moon about that.

The local area command and I have been working and lobbying for a long time for a new station. Recently the Minister for Police kindly visited Burwood police station, after my constantly being a little mosquito and poking him, and trying to push things along, with the support of the local police and the community. The floor in one room at the station had white ants, which had done a bit of damage—we could not walk on certain sections of the floor—and the ceiling of the room in which the detectives work on solving crimes had fallen in. So to get this \$17.1 million is simply fantastic. I am so pleased about that. Kempsey police station will receive \$14.9 million; Wyong, \$14.7 million; Windsor police station, \$12 million; Granville police station, \$16.9 million—good on the Granvillians—and Port Stephens police station will receive \$5.1 million. The honourable member for Willoughby asked what the Government is doing. Those allocations show that the Government is putting its money where its mouth is. One cannot get better than that. Perhaps the honourable member needs to work a bit harder; perhaps she is not doing enough work in her electorate.

**Mr Grant McBride:** You've got to work co-operatively.

**Ms VIRGINIA JUDGE:** You must work co-operatively with the Government. Also, it would be nice to hear an occasional "thank you". That is simply good manners. Does the honourable member for Willoughby have zero dollars in her electorate for anything? Maybe she did not get a single cent for a road, a school or a hospital. I do not know whether she has a hospital in her electorate; I do not know her electorate at all. It is sad because I think it is always better to use honey than vinegar. One must work with people; it is a team effort. And one gives credit where credit is due. I am sure that some dollars have flown into the Willoughby electorate. I would love to hear the honourable member for Willoughby say that. I cannot take her argument seriously. It cannot be that dim and dismal in her area—or maybe she does not have the right approach.

So far I have referred only to the Strathfield electorate in terms of the police budget. I turn now to another good injection of capital funding that will benefit the Strathfillians—the people in Burwood, Homebush, Homebush West, Summer Hill, Ashfield, Croydon Park and Enfield. They will benefit from these tangible dollars. Of course, their taxes provide this funding; it does not come from anywhere else. The money has not come from the sky. Imagine what could be done in my electorate if we could get an extra \$500 million—the Federal Government is shortchanging the decent, hardworking people in my electorate by \$3 billion—or \$1 billion! It would be absolutely breathtaking. Indeed, I could talk for 24 hours about that. But can we get that money? No! That is simply not fair. [*Extension of time agreed to.*]

I thank my colleagues on the other side of the House for supporting my request for an extension of time. Burwood Girls High School has funding for a major new project to upgrade learning facilities, student and staff toilets and to improve the grounds of the school. They will be thrilled about that. Croydon Public School will get a new security fence. David Horan is the most fantastic principal. He is a musician, and honourable members know my great passion for music. He has his own band and I believe they play in Newtown. He has the most fantastic music program, but I digress. That school is a beautiful old Federation building and is absolutely charming.

The school has wonderful vegetation but it is very spread out. Because of the topography of the area the principal was worried about getting a good fence. When I rang him and told him he was so excited, as were the students and parents. Some people will say it is only a fence, but it really means a lot. Small things do count, and we can say that generally speaking in life as well. I commend the Minister the Education and Training for delivering for my electorate. Homebush Boys High School is getting a toilet upgrade, as is Strathfield South High School. Work will continue on the stage one upgrade of Strathfield Girls High School, at a total estimated

cost of \$2.9 million. The stage two upgrade will cost an estimated \$2.8 million. The Education budget is part of our Government's determination to deliver quality education and training facilities that our students deserve and our parents expect.

Easy Access at Burwood station will be a great plus for our frail, disabled and seniors. That will be a huge boost. Finally, about \$2.5 million has been allocated for roads in my electorate. That will improve our local roads, our cycleways and traffic facilities. It is a win for everyone. My three local councils will be thrilled about that because they are getting a good injection of funds. They will also get \$70,000 for cycleways. We have some great new bicycle user groups—Ashbug and Strathbug. I do not know whether we have a Burwoodbug—perhaps it is on its way—but they like to use sustainable transport. What could be better than cycling individually or in a group and having fun? Cycleways are important to local families because they link residential areas, schools, workplaces and wonderful parks and shopping centres, and it is a genuine form of alternative transport that does no damage to the environment.

An amount of \$1.1 million has also been allocated to Ashfield, Burwood and Strathfield councils in 2006-07 under the repair program. Under the block grant scheme for regional roads \$250,000 has been allocated to improve the Paisley Road and The Strand intersection and \$500,000 has been allocated for the improvement and reconstruction work on Railway Parade between Conder Street and Wynne Avenue. Results speak for themselves. The dollars have flowed into the wonderful, vibrant, cosmopolitan, inner-urban electorate of Strathfield that I am hugely honoured and privileged to represent. I thank the Government, the Ministers, the hardworking staff of the departments, the Treasury and all my colleagues for their support.

**Mr Thomas George:** Don't forget us to thank us for your extension of time.

**Ms VIRGINIA JUDGE:** I did thank the honourable member for Lismore and the honourable member for Hawkesbury for agreeing to the extension of time. I needed that time to put on the record how indebted I am to the Government for its support of the community. After all, I am only a spokesperson for the community. Members of the community come to me with issues. I lobby and do whatever I can to make sure that in some way I can make a small difference to their lives, whether it be in health, education, et cetera.

**Mr STEVEN PRINGLE** (Hawkesbury) [9.24 p.m.]: The 2006-07 budget delivered in this place yesterday lacks vision and highlights the complete failure of the Carr and Iemma governments to manage the State's finances and deliver essential services and infrastructure that are required so that the people of New South Wales can enjoy a high quality of life. Instead, after 12 budgets all as we have is a legacy of deficits, debt and destruction. One could add desperation, for it is abundantly clear that the Labor Government is now desperate to do anything necessary to cling to power next March. The \$696 million deficit for 2006-07, backed up by sending the State into debt to the tune of \$17.4 billion, is nothing short of a disgrace.

Our children and their grandchildren will be paying well into the future for the legacy bestowed on them yesterday. They will pay financially and through fewer services. They will pay with fewer jobs and opportunities. I cannot understand how anyone who holds such an important position as Treasurer of the State of New South Wales can frame an annual budget that is so detrimental to the health of the State's finances and, on budget day, sugar-coat its real contents with the usual spin and hyperbole with the clear intent of misleading the public.

Like Mr Speaker, I have the honour of representing an electorate in the north-west region of this great city, a region that has experienced immense growth over the past decade, but has been ignored by the Labor Government. The Government has allowed the region to grow immensely yet has failed to provide an infrastructure blueprint that is fully costed and deliverable within a speedy and realistic time frame. The Government has failed to provide adequate police resources to service the needs of a high-growth area.

The Government has failed to address the region's total lack of transport infrastructure required to move people in and out without disruption to everyday life. It has failed to deliver sewerage connection to the villages of Agnes Banks, Freemans Reach, Glossodia and Wilberforce, despite making a commitment years ago to have the connection in place by 2006. The Government is full of promises but short on delivery. Upon my election to this place in 2003 I have strongly campaigned to have essential capital works completed to deliver essential services in areas such as public transport, roads, education and law and order, among others.

The north-west rail link to Rouse Hill was supposed to be completed by 2010. It has now been put back to 2017. Based on the Government's current record for delivering major infrastructure projects, my

grandchildren probably will not be around to see a train arrive in Rouse Hill. Up until a few weeks ago the Government had not even started planning works required to resume properties for the corridor. As to the proposed extension of the line to connect to the Riverstone line at Vineyard, forget it! The Labor Government seems to have forgotten about it, leaving many residents in the dark and jeopardising their futures by having a line arbitrarily drawn through their properties.

If one were to believe the promises made by the Government in the past residents living in Agnes Banks, Freemans Reach, Glossodia and Wilberforce should have been connected to the sewerage system by now. Instead, residents are still paying the high costs for pump-out—more than \$1,000 per annum. The Government that has failed to deliver the project has the temerity to make another announcement that works will commence to deliver the sewerage connection by 2008.

Many constituents have complained to me about the time it takes for police to respond to their requests for assistance. Some people have waited in distress for more than two hours to receive assistance from our police. This is not the fault of the police, who are underresourced and overworked; it is caused by a fundamental lack of leadership from the top from the Government. Despite the growth in the region the area is still serviced by police in the Hawkesbury and The Hills local area commands. Police in Windsor work out of a series of buildings, some temporary and others dating back to the 1920s. They are old, cramped and not conducive to allowing the police to effectively carry out their duties. Mr Speaker has belatedly been converted to the campaign to have a new police station constructed, and that is welcome.

In 2003 the Leader of the Opposition and I visited the Windsor police station to inspect the problems first hand. The necessity for a new police station was raised following our visit, yet all we have to date from the Government is a vague commitment to upgrade or construct a new police station by 2009, some eight years after the problem was first identified. We do not even know if the Government will construct a new station or merely provide a basic upgrade to give the impression that something is being done. The problem with Windsor police station is a microcosm of what is happening all over New South Wales. We are thrown a few scraps by the Government—call it upgrade, construction or whatever—but no details are given of the costs of the project, a definite timetable for completion of the works or exactly what works will be carried out. All we are given is the usual spin so that the local Labor Party member—in this case Mr Speaker—gets his picture in the local paper and fills his newsletter.

The New South Wales Police Force owns four properties in the Hawkesbury local government area. One of the properties is in Richmond and was itself a former police station. It now sits there complete with the dressings to give passers-by the impression that it is a police station, yet it is only used as a tearoom, a place where members of the highway patrol can drop in to make themselves a cup of coffee or tea. This property and the other three are all in commercial areas and could net a high return if they are disposed of. The revenue from the sales could then be re-invested into building a modern police complex to allow the men and women who put their lives on the line every day in their work to enjoy conditions appropriate to 2006, not 1926. The proceeds could also be used to purchase and construct a new police station in the Rouse Hill-Kellyville area.

Our region is a dynamic one and has a great deal of potential. The Howard Government's economic policies have created prosperity, which is being undermined by the sluggish performance of the New South Wales economy. The economic growth in New South Wales is extremely sluggish. Suffering from the high tax and spend policies of the Carr and Iemma governments, New South Wales had the slowest rate of growth of all the States and Territories at 1.1 per cent. The national average was 2.3 per cent. The budget does little to address the underlying problem of high taxes and charges.

The abolition of the vendor duty, minor payroll tax relief, changes to the methodology for the calculation of land tax and the threshold and a deal with the clubs over the poker machine tax are too little too late. The damage has been done. The bird has flown the nest and found greener pastures. Investment has moved out of New South Wales to other States such as Queensland and Victoria, which have a more friendly investment environment. That has cost essential jobs and created a bleak future for our young people. The Leader of the Opposition, in his reply to the budget, said that we should take a moment and spare a thought for the ordinary, everyday people of this State. If the Labor Government had taken a moment to identify with real people and real issues rather than the army of spin doctors and public relations gurus, it would know that people are suffering.

The Government should put itself in the shoes of the father who is stuck in endless traffic and cannot get home to his family after a hard day's work. It should spare a thought for the elderly person who is unable to

get vital surgery at the local hospital. If the Labor Government had put itself in someone else's shoes it would have known that the public service was bloated and that it needed to cut back on expenditure and stop waste and mismanagement so that savings could be directed into essential services. The belated \$30 million to rectify the school maintenance backlog is again far too little too late. The amount works out at only \$13,000 per school. That is a disgrace. The budget yet again fails to deliver and fails to look after the people of New South Wales. Western Sydney, in particular, is poorly serviced by the budget.

**Mr JOHN MILLS** (Wallsend) [9.32 p.m.]: I am pleased to support the first budget of the Iemma Government. When Morris Iemma was elected Premier last year he said that he wanted to mark his stewardship by improving the lives of those in our community who needed help. That approach is at the heart of social justice, and that is what the Labor Party is all about. We represent workers and others in the community who seek to better their lot in life. We want to improve the lives of everyone in our community. I am proud to be a member of the Labor Party when our new Premier makes such a commitment and delivers in the budget in difficult economic times. He has made important improvements in disability services with an additional \$1 billion program, in mental health services with an additional \$900 million program, and preschool funding with a \$110 million additional program. On many occasions in this place—at the Childhood Obesity Summit and through the Families First program—we recognise the importance of early childhood education in improving the lot of young people who have a difficult childhood and in identifying and helping families who would most benefit from assistance in the general community.

I am proud to say that I support the budget wholeheartedly. With the three additional programs I have referred to, the budget is heading in the right direction and assisting people who turn to government to help them. I believe the whole community will commend this budget for those reasons. As the Treasurer said yesterday, those groups are the most vulnerable in our society. They are the ones to whom we have sought to give a helping hand and provide the largest increases. The Treasurer put the budget into context when he said that the number of people over 65 would double in the next 30 years—I will be in that batch—and referred to the extra demand that would place on health services, disability services, housing and transport. He referred to the long-term budgetary challenges. Both major political parties acknowledge that difficulty.

When we look at the graphs in the budget papers, we should be impressed with the changes that are taking place. Every State's revenue is still too dependent on Federal funding. We need to readjust our concepts about raising taxes and the allocation of expenditure in the different areas of responsibility. The State funds the majority of front-line services required by an ageing population. We are responsible for 40 per cent of total government expenditure. The Commonwealth collects 80 per cent of tax revenue, yet it is only responsible for 50 per cent of government expenditure. Commonwealth grants have been growing at an average of 3.7 per cent over the past four years, but expenditure in Health, which dominates our budget, has been growing at 7.4 per cent a year. Community Services expenditure, which takes a big chunk of our budget, has been growing at 6.6 per cent a year.

State government services are under pressure across the country. At the same time, the Federal Government has a large surplus, \$18 billion in its Future Fund and revenue growth of about 7 per cent next year. I support the move by the Treasurer and the Government to seek structural reform of the fiscal relationship between the Commonwealth and the States before we end up in constitutional chaos. The Government announced last week a \$41 billion commitment to infrastructure over the next four years. That is an increase of 45 per cent over the budget for the previous four years. There has been a significant increase over the previous four-year budget period, which included the Olympics, so infrastructure spending is well and truly going up.

[Interruption]

The honourable member for Coffs Harbour can read *Hansard* tomorrow to see whether I galloped over too many fences. This year the Government will spend a record \$9.9 billion on infrastructure. The infrastructure strategy was put on the Treasury web site last week without the figures and the budget papers have fleshed out some of the figures. A project the Treasurer referred to in his speech which produced a "Hear! Hear!" and "You little beauty" from me was the allocation of \$5.8 million for airconditioning at John Hunter Hospital. The Labor Government said we would do that, and we did.

**Mr Thomas George:** Costa claimed credit for that yesterday, not you.

**Mr JOHN MILLS:** In response to the interjection from the honourable member for Lismore, the Newcastle *Herald* is claiming all the credit. The Treasurer also referred to millions of dollars to continue

improving mental health facilities in Newcastle, with \$29.4 million to improve clinical, hospital and community services at John Hunter, the Mater and Belmont hospitals. The John Hunter Hospital remains in the Wallsend electorate, and after the redistribution the Mater Hospital will also come into the Wallsend electorate. So the member for Wallsend takes a significant interest in that hospital.

**Mr DEPUTY-SPEAKER:** History repeats itself.

**Mr JOHN MILLS:** History repeats itself. The John Hunter and Mater hospitals were in the Waratah electorate during the 1990s. It is also worth mentioning the \$120 million to clear the current school maintenance backlog. I mentioned mental health, disability services and preschools and their importance. The budget delivers a 13.4 per cent increase in funding to the more than 200,000 people under the age of 65 in New South Wales with a severe or profound disability, their families and carers. I will detail some Hunter figures in that respect in a moment. The Premier made a commitment, and the budget contains a \$20-million allocation for rail transport in the lower Hunter, including funds for upgrading the Newcastle rail corridor. The Premier's decision to retain the rail line into Newcastle station was very popular.

The airconditioning of John Hunter Hospital wards was very important in maintaining the Hunter community's faith in the Government. The hospital was opened in 1991 and the architects designed a flow-through system so that during the summer months there would be adequate natural ventilation. I suspect the architects did not imagine the huge volume of electronic equipment that would be used in hospital wards in the future. That equipment generates an enormous amount of heat and, as a result, when the mercury creeps past 30 degrees outside, it can be least 10 degrees hotter in the wards. That is clearly unsatisfactory for staff and patients. It also raises hygiene concerns and is distressing for seriously ill patients who might find it difficult to cope with perspiration and, in some cases, with breathing.

It was important for the Government to find the funds to aircondition that facility, and this year's budget allocates \$5.8 million for the project. The total project cost is \$9.8 million, and the difference will be included in next year's budget. It would be impossible to install the entire system at one time because that would necessitate closing the hospital. The project has been staged to enable the hospital to continue providing services while the work is being carried out.

The Government made a commitment and provided the necessary funding in the budget for the second access road into John Hunter Hospital and construction has already commenced. The 2005-06 budget allocated \$2 million for the project, and this year's budget allocates \$2.2 million more to enable the road to be completed by December 2006. The second access point off Lookout Road will provide greater safety for people accessing the hospital, which is the biggest hospital campus outside the metropolitan area and includes the biggest emergency department in the State. The access road will also relieve congestion on the main road outside the hospital and within the site. That is a important commitment, and I will have a little more to say about it shortly.

A third major item in the capital works program pleased me very much. Again, the Government has responded to strong lobbying by the local community by providing funding for the third and final stage of the upgrade of Callaghan College's Jesmond Senior Campus, the former Jesmond High School. It is a great institution that is now widely accepted in Newcastle as having the best year 11 and year 12 curriculum program in both public and private schools in the Hunter region. It provides a wonderful education opportunity for students in the western corridor. There are two middle schools—Waratah Public School and Wallsend Public School—and Jesmond Senior Campus provides senior college facilities.

When Callaghan College was established the Government made a commitment to upgrade the facilities and this budget allocation will allow the third and final stage to be completed, including the demolition of the last of the Bristols, which are classrooms manufactured from hangars imported from the United Kingdom after the Second World War. They were converted by carpenters and tradesmen into classrooms for the Jesmond High School in the early 1950s when building materials were in short supply. They will be replaced by specialist classrooms and student and staff amenities. I know that that will please people throughout my electorate and neighbouring electorates, because children from surrounding areas also attend the college. I also appreciate the Government's allocation of \$2.2 million for the completion of the new child studies facility at Glendale TAFE. The Jesmond and Wallsend campuses of Callaghan College will get security fences and toilet upgrades will be carried out at Tarro Public School and Glendale East Public School. The Hunter Water Corporation is spending more than \$5 million on works within the Wallsend electorate as part of its overall Hunter program.

Liberal Party members in the Hunter and their supporters claim that the Hunter does not get its fair share of infrastructure budgets. That lie is trotted out every year, particularly during election campaigns. The



Treasurer has stated that more than \$1 billion is being spent this year on infrastructure projects in the Hunter region. That means the electorate is probably getting just a little bit more than its fair share of capital funding per capita. I thank Treasurer Costa for that. I am delighted that the trend established the year before last has been continued and that my electorate will again receive slightly more than its share. I want that on the record so that the whingers and grumblers who criticise the Labor Party and try to put down Labor Party members know that as part of the Labor team we are getting our fair share of infrastructure funding in the Hunter region. The Treasurer acknowledged that all local members of Parliament are working hard to ensure that their regions get their share of the State's record capital works budget, including the road maintenance budget.

The non-Labor Lord Mayor of Newcastle was on radio all day today in the Hunter berating local members of Parliament. He would not name them, but he said he was referring to a couple in particular. Today's *Newcastle Herald* states in reference to the lord mayor:

Newcastle Lord Mayor... said he was annoyed Newcastle did not get much of a look-in with infrastructure funding.

He is misguided; he does not know the truth. He said:

... it demonstrated the lack of political clout by some Labor members... The one significant win for the Hunter was the construction of railway cars, which would provide jobs and apprenticeships.

Of course he is right: it will provide jobs. However, that is only one of the significant wins. He was happy with the proposed health program. Good! He was also happy with the announcement about the Tourle Street bridge. But he was shocked to read that Maitland would receive \$6 million for the planning and commencement of the third Hunter river crossing. Well, blow me down! He seems to have forgotten that \$10 million has been allocated to the Weakleys Drive flyover construction at the commencement of the New England Highway—in the city of Newcastle.

I am sorry, but I think the Lord Mayor of Newcastle is a bit of a dill for coming on in that way. It is quite breathtaking logic, really. State members of Parliament put forward proposals to the Treasurer for funding and the Treasurer funds many of them. I have tonight expressed my pleasure that so many of them have been allocated funding, but one or two of my pet projects missed out and it is probably the case that one or two of the Deputy-Speaker's projects also missed out on funding. Yet the Lord Mayor of Newcastle is saying it is my fault or the fault of either the honourable member for Newcastle or the honourable member for Maitland that some projects have not been funded. I am sorry, but he is a bit of a dill to use that logic.

The non-Labor Lord Mayor of Newcastle is certainly no goody-goody, because he went on to refer to the lack of funding for the inner city bypass, which was needed urgently to reduce stress on other suburban streets. Well, he has to share responsibility for quite a bit of traffic congestion in the electorate of Wallsend because of his council's decision in December 2002 to throw out the Health Department's development application for the second access road into John Hunter Hospital. That necessary work to provide safe access to the hospital and reduce congestion has been delayed by more than three years as a result of the actions of Newcastle City Council, led by Lord Mayor John Tait. I rebut the allegations of the lord mayor and say that he is ignorant. He may well have ambitions to become a member of this place, but he has a lot to learn. I reject his arguments and believe he should be working co-operatively with his local members of Parliament instead of putting us down. I repeat that it is a pleasure for me to support this good Labor budget and I commend the motion to the House.

**Debate adjourned on motion by Mr Thomas George.**

**The House adjourned at 9.52 p.m. until 10.00 a.m. on Thursday 8 June 2006.**

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