

# LEGISLATIVE ASSEMBLY

Tuesday 5 September 2006

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**Mr Speaker (The Hon. John Joseph Aquilina)** took the chair at 2.15 p.m.

**Mr Speaker** offered the Prayer.

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

## DEATH OF STEVE IRWIN

### Ministerial Statement

**Mr MORRIS IEMMA** (Lakemba—Premier, Minister for State Development, and Minister for Citizenship) [2.15 p.m.]: Like all honourable members, I was stunned to hear of Steve Irwin's death yesterday, not just the raw fact of his passing, which was shocking at his age no matter what the cause, but also the fact that he died in such unbelievable circumstances. This was the death of an adventurer, a man who refused to live by half measures and who in the end really did prove to be larger than life. He represented the best of Australia: sunny, bold, optimistic, carefree and with the odd touch of mayhem. But the larrikin façade belied something unexpected: a lifelong conservationist profoundly devoted to the harsh majesty of the Australian landscape and the weird and wonderful animals of our continent. He showed us how to find goodness everywhere, even in the strange and deadly creatures we had all been taught to shun and fear.

Steve Irwin loved this land. He knew its beauty and, at the last, he came to know its terror as well. But he died without fear or fuss, passing his last moments under the Queensland sky, a wildlife warrior to the end. Our prayers and sympathies are with Steve's widow, Terri, and with their children Bob and Bindi. They have lost a husband and father, but, because Steve Irwin shared his life with the nation and with the world, they do not mourn alone and the country itself seems smaller for his passing.

**Mr PETER DEBNAM** (Vaucluse—Leader of the Opposition) [2.19 p.m.]: I join with the Premier in expressing our sympathy to Steve Irwin's family and also to the people of Australia who feel very much that they have lost a friend. The extent of the international concern is surprising many people; but Steve was larger than life, and in death his message is going around the planet like news of another tsunami. Steve Irwin was born to Lyn and Bob Irwin in 1962 in Essendon, Melbourne. He moved to Queensland in 1970 where his parents started the small Queensland Reptile and Fauna Park, which has now grown to become the world-famous Australia Zoo.

Steve began handling crocodiles at the age of nine. Some of us may have heard an old interview this morning when he recounted his extraordinary experience of first diving on a crocodile at age nine, disappearing under the water with it, and seeing the searchlight of his father as he searched the water to try to find him. He was a master storyteller and, clearly, that added tremendously to his fame. From first handling crocodiles at age nine he went on to become a volunteer for the Queensland Government's East Coast Crocodile Management Program. He was an Australian naturalist, a wildlife expert and a television personality, and he was best known as the Crocodile Hunter. He was also owner and operator of Australia Zoo.

Steve was employed by the Australian Quarantine and Inspection Service to promote Australia's strict quarantine rules. In 2004 he was appointed ambassador for the Ghan, the Adelaide to Darwin train. He was also a keen promoter for Australian tourism and enjoyed immense popularity in the United States of America, where he often promoted Australia as a tourist destination. In 2001 Steve Irwin was awarded the Centenary Medal for his service to global conservation and to Australian tourism. In 2004 he was recognised as Tourism Export of the Year. Also in 2004 he was Queensland's nominee for Australian of the Year, which was eventually won by Steve Waugh. He founded the Steve Irwin Conservation Foundation, which was later renamed Wildlife Warriors Worldwide, and he set up an independent charity in that name. He also helped to found a number of other projects around the world.

As we all know, he died suddenly yesterday and shockwaves went around Australia. We certainly felt them yesterday afternoon at about two o'clock, and they continue to travel around the planet, underscoring the fact that literally hundreds of millions of people had followed his story for decades, and undoubtedly will in future years. As the Premier said, our thoughts and prayers are very much with his family.

**Mr ANDREW STONER** (Oxley—Leader of The Nationals) [2.23 p.m.]: The Nationals join with the Premier and the Leader of the Opposition in expressing condolences on the passing of Steve Irwin. He was larger than life; he was a larrikin; he was a fair dinkum Aussie bloke. Steve Irwin was also a real conservationist; he was a man who had a real and genuine love of the Australian wildlife and the Australian landscape. He was not a shrill, extreme green; he was a practical, hands-on conservationist. Steve Irwin contributed enormously to our nation in other ways: for example, in relation to a very successful quarantine campaign run by the Federal Government. That is an issue certainly important to Australian farmers and the campaign was extremely successful in no small part due to Steve Irwin's presence. He also contributed to giving Australia a huge profile on the international tourism scene. He was our best-known tourism ambassador bar none. Steve Irwin was a great Australian. His is a great loss, not just to his wife and family but, indeed, to all Australians.

**Mr SPEAKER:** In view of the widespread sorrow that has been expressed by the Australian people, I ask members to stand as a mark of respect.

*Members and officers of the House stood in their places.*

## **STANDING COMMITTEE ON PARLIAMENTARY PRIVILEGE AND ETHICS**

### **Report**

**The Clerk** announced the receipt of the report entitled "Review of the Proposed Amendments to the Code of Conduct and Draft Constitution (Disclosure by Members) Regulation 2006", dated September 2006.

## **PETITIONS**

### **Hornsby and Berowra Train Station Parking Facilities**

Petition requesting adequate commuter parking facilities at Hornsby and Berowra train stations, received from **Mrs Judy Hopwood**.

### **Bus Services 326 and 327**

Petition asking that the Government urgently reinstate the former timetables of bus services 326 and 327, received from **Ms Clover Moore**.

### **Pets on Public Transport**

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

### **North-west Rail Link**

Petition requesting the planning and construction of the North-west Rail Link, received from **Mr Michael Richardson**.

### **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**.

### **Whale Protection in Australian Waters**

Petition calling for protection of whales in Australian waters, received from **Mrs Judy Hopwood**.

**Snowy Hydro Limited Sale**

Petition opposing any future sale of Snowy Hydro Limited, received from **Mr Daryl Maguire**.

**Newnes and Ben Bullen State Forests Trail Bike Activities**

Petition requesting trail bike activities be moved from Newnes and Ben Bullen State Forests to Sunny Corner pine plantation, received from **Ms Clover Moore**.

**Gardens of Stone Reserve**

Petition requesting the reservation of the Gardens of Stone stage two park proposal to preserve the area's outstanding scenic, historic, scientific and recreational value, received **Ms Clover Moore**.

**Shoalhaven Local Area Command**

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

**Model Farms High School Hall**

Petition requesting the provision of a school hall for the Model Farms High School, received from **Mr Wayne Merton**.

**National Art School**

Petition opposing proposed changes to the National Art School, received from **Ms Clover Moore**.

**Parkinson's Disease Funding**

Petitions requesting funding for Parkinson's-specific support services for people living with Parkinson's disease, received from **Mr Greg Aplin** and **Mrs Judy Hopwood**.

**Chatswood Community Health Centre**

Petition requesting that the Chatswood Community Health Centre be renovated and retained, received from **Ms Gladys Berejiklian**.

**Shoalhaven Mental Health Services**

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

**Breast Screening Funding**

Petitions requesting funding for BreastScreen NSW, received from **Mrs Judy Hopwood** and **Mr Michael Richardson**.

**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**.

**Sunflower House, Wagga Wagga**

Petition requesting funding to facilitate the operation of Sunflower House, Wagga Wagga, received from **Mr Daryl Maguire**.

**Cammeray Open Space Rezoning**

Petition opposing the rezoning of 2 Vale Street, Cammeray, from open space to residential C, received from **Ms Gladys Berejiklian**.

**Community-based Preschools**

Petition requesting adjustment of funding to ensure viability of community-based preschools, received from **Mr Steven Pringle**.

**HMAS *Canberra* Artificial Reef**

Petition requesting that HMAS *Canberra* be sunk in Jervis Bay for scuba diving purposes, received from **Mrs Shelley Hancock**.

**Recreational Fishing**

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

**CSR Quarry, Hornsby**

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

**Private Native Forestry**

Petition requesting a review of the draft code of practice for private native forestry, received from **Mr Adrian Piccoli**.

**Edinburgh Road, Castlecrag, Traffic Conditions**

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

**Kincumber Public School**

Petition requesting the installation of flashing warning lights at Kincumber Public School, received from **Mr Chris Hartcher**.

**LEGISLATION REVIEW COMMITTEE****Report**

**Mr Allan Shearan**, as Chairman, tabled the report entitled "Legislation Review Digest No. 10 of 2006", dated 5 September 2006, together with minute extracts regarding "Legislation Review Digest No. 9 of 2006".

**Report ordered to be printed.**

**JOINT COMMITTEE ON THE OFFICE OF THE VALUER-GENERAL****Report**

**Mr Richard Torbay**, on behalf of the Chairman, tabled report No. 53/04, entitled "Report on the Third General Meeting with the Valuer-General", together with the transcript of proceedings.

**Ordered to be printed.**

## QUESTIONS WITHOUT NOTICE

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### PAEDOPHILE PAROLE AND CHILD PROTECTION

**Mr PETER DEBNAM:** I direct my question to the Premier. Given that he said, "It is completely understandable that parents and the community want to know where criminals of this nature live and work", why does he put the privacy of paedophiles ahead of the safety of children by refusing to tell families about paedophiles living next-door?

**Mr MORRIS IEMMA:** It is completely understandable that parents and the community would want to know where these criminals live and work. However, what we do not want is the criminals driven underground, disappearing without a trace and police losing track of them. How does that protect children and families? When police lose track of them if they are driven underground, how does that protect children? In fact, it has the opposite effect. It just goes to show what a risk the Leader of the Opposition is to the people of New South Wales. On all of the expert advice, he set himself up as the person who knows better than the police, and on Sunday or Saturday—

**Mr Peter Debnam:** Point of order: The Premier does not know what he is talking about. The evidence actually suggests that it works. He has no idea how it works in the United States. It actually works and we put up a better plan. He has got none.

**Mr SPEAKER:** Order! There is no point of order. The Leader of the Opposition will resume his seat. This is question time; it is not a debate. If the Leader of the Opposition wants to debate the matter he can do so by way of substantive motion.

**Mr MORRIS IEMMA:** The Minister for Police advises me that in America approximately 130,000 offenders are not on the register. Where are they? They are out there in the American communities—and are children safer as a result? No, of course not.

**Mr SPEAKER:** Order! The Deputy Leader of the Opposition will come to order. The Minister for Police will come to order. The Leader of the Opposition will resume his seat.

*[Interruption]*

**Mr SPEAKER:** Order! The Minister for Police and the Leader of the Opposition will resume their seats.

*[Interruption]*

**Mr SPEAKER:** Order! I will not tolerate constant calling out across the Chamber and members carrying on private conversations. I call the Leader of The Nationals to order. The Premier has the call.

**Mr MORRIS IEMMA:** The available research and expert advice says that taking that action will drive them underground. They take the risk of not registering, so the registration rates go down. They go out into the community, the police lose track of them and the community does not know where they are. That is the available research and the expert advice. Under our existing sex offenders' register New South Wales police have the authority to notify members of the community if they believe a registered offender is posing a threat to the community. They already have that power.

**Mr SPEAKER:** Order! The Minister for Transport will come to order.

**Mr Peter Debnam:** Point of order: The Premier is making reference to expert advice. Table the advice. Let us see the advice you are getting from your Labor mates.

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

**Mr MORRIS IEMMA:** I put on the record this statement:

I have the strongest reservations about an open Megan's law approach, particularly because the royal commission has made such strong recommendations in this regard that weigh very heavily with us.

That was by the honourable member for Epping on 8 June 2000. The Hon. Michael Gallacher placed on record on 20 June 2000 the following:

The Opposition places on record the strongest reservations about an open Megan's law approach, particularly given the strong recommendations by the royal commission.

**Mr SPEAKER:** Order! The Minister for Police will come to order.

**Mr MORRIS IEMMA:** Under our existing sex offenders register New South Wales police have the authority to notify members of the community if they believe a registered offender is posing a threat to the community. They already have this power. Under the existing program, which has more than 2,000 offenders on the register, police know where they live, where they work and what cars they drive.

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

**Mr MORRIS IEMMA:** The approach has not worked in the United States of America. The available research shows that it does not increase child safety or reduce repeat offenders among child sex offenders. There are strong concerns that community notification may actually increase the threat to children, exposing them to additional danger. The police royal commission of 1997 recommended against the introduction of such a law.

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

**Mr MORRIS IEMMA:** Hetty Johnson from Bravehearts—perhaps Australia's most authoritative voice on child sex abuse—said this on Saturday about the proposal:

It makes the offenders more dangerous, not less dangerous, because it drives them underground, forces them into hiding.

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

**Mr MORRIS IEMMA:** The Leader of the Opposition sets himself up because he claims he knows better than the police—and Saturday was just the latest example.

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

**Mr MORRIS IEMMA:** The Leader of the Opposition, who calls the police commissioner a clown, said that on day one he would round up 200 people on the basis that he does not like the colour of their skin, where they live or what they look like. We have three examples of the risk the Leader of the Opposition poses to the people of New South Wales because it is never "us and them", the Government working in partnership with the police to keep the community safe. The Leader of the Opposition will pit us against the police commissioner and the police because he knows better. He would round up 200 people without any evidence, without any basis for a charge; he would simply round them up because he thinks they should be rounded up. We saw the latest example on Saturday when he proposed legislation similar to Megan's law. The Leader of the Opposition has ignored expert advice from the police and the recommendations from a royal commission. He would drive child sex offenders not to register, which would imperil the safety of our children.

### **MOTOR VEHICLE SMASH REPAIRS**

**Mr TONY STEWART:** My question is addressed to the Premier. What is the latest information on a resolution to disputes within the motor vehicle repair industry and related matters?

**Mr MORRIS IEMMA:** I thank the honourable member for Bankstown for his work in this area. There have been longstanding tensions between smash repairers and the insurance industry.

**Mr George Souris:** Insurers!

**Mr MORRIS IEMMA:** The insurance industry. The honourable member for Upper Hunter should listen because this is a good decision for small business.

**Mrs Jillian Skinner:** Speak for yourself!

**Mr MORRIS IEMMA:** Does the honourable member for North Shore not support small business? Insurers want to minimise their repair expenses and maximise profitability, and repairers want to maximise their work and revenue. But consumers cannot be caught in the middle.

**Mr John Turner:** Point of order: The standing orders clearly state that a member cannot pre-empt debate on a bill before the House. Today the Minister for Fair Trading gave notice of a motion to bring in a bill to amend the Fair Trading Act 1987 in relation to a code of conduct for the motor vehicle and repair industries, and for other purposes. Clearly, the Minister is pre-empting debate on a bill before the House.

**Mr Carl Scully:** To the point of order: The honourable member for Myall Lakes well knows that any Minister, including the Premier, is entitled to be asked to give broad information about a subject matter that relates to a notice of motion for a bill.

**Mr SPEAKER:** Order! The Leader of the House is correct. There is ample precedent for the Premier's remarks. Although a notice of motion for a bill may have been given, any member is able to provide additional information on the bill, provided the detail of it is not debated. At this stage I have not heard the Premier mention the bill.

**Mr MORRIS IEMMA:** That is why I told the House in May that the insurance industry and the Motor Traders Association needed to come up with a model that protected consumer choice, gave repairers a fair go and provided insurers with value for money. The Government said that if they did not work it out, then we would legislate to make it happen. I am pleased to say that a result has been achieved. All sides have made progress in this matter. This is the result of hard work on the part of honourable members of this House, including the honourable member for Bankstown—I place on record his work in this area—the honourable member for Blacktown, the honourable member for Northern Tablelands and the Minister, who have actively facilitated negotiations between the NRMA and the Motor Traders Association.

The negotiations have delivered the NRMA's agreement to suspend penalties for underquoting to obtain a competitive advantage. The insurer then worked with the MTA in the development of a new process, which both parties agree is fair, to prevent this. The NRMA has agreed to offer its customers the freedom to choose a repairer at no extra cost. Web-based repair management will be used only for superficial or non-structural damage, and the NRMA will base its criteria on quality, not just price. The Government is continuing to take proactive measures to ensure that we have a sustainable and fair industry, and one where consumers can have faith in the system. To do that, our voluntary codes will also become enforceable.

[*Interruption*]

My only reference is that the voluntary codes will become enforceable, and that is a good thing. Members opposite may not agree, but we think it is a good measure. This dispute was in nobody's interests, but the Government insisted that the insurers needed to take heed of consumer need, and we embarked on this direction to ensure that there was a fair and balanced outcome for all parties. James McCall from the MTA told ABC Radio this morning:

I think everybody has won out of this situation.

As I said, a number of honourable members and the Minister worked hard to achieve the balanced approach that Mr McCall endorsed on radio this morning. The smash repair industry negotiations that resulted in this agreement are yet another example of the Government's commitment to small business—a commitment that is sadly lacking in members opposite, who repeatedly refuse to stand up for small business. The only thing our hardworking small business owners and operators can expect from members opposite is negativity and arrogance at every turn—the kind of negativity and arrogance towards small business shown by the honourable member for Coffs Harbour during his recent visit to Cooma. The *Cooma Monaro Express* of 22 August gave an account of the honourable member for Coffs Harbour's visit to Cooma. At least one individual was not over the

moon about the visit. The account referred to the Chamber of Commerce and Industry Chair, Cath McGraw, and read in part:

I thought that someone who is Shadow Minister for Small Business really didn't have a lot to say about small business ...

Mrs McGraw ... believes that his announcements ... were only aimed at winning votes ahead of the next election.

*[Interruption]*

**Mr Barry O'Farrell:** What's on your mind, Morris?

**Mr MORRIS IEMMA:** Good policy. The account continued:

It's just that what he was saying was all motherhood stuff. He could have talked a bit more about what he was planning on doing for small business.

Of course he did not. Why? Because the Opposition has no credible plans. Just like all the other policy announcements on the run there is no detail, no credibility, let alone any idea how it is ever going to pay for any of the \$20 billion-plus commitments it makes. That was an opportunity lost in Cooma for the shadow Minister to outline a coherent plan to support small business. That is in stark contrast to what the Government is doing—getting on with job, standing up for small business, standing against Canberra's petrol prices and interest rate rises, and delivering workers compensation premium cuts, tax cuts. The arrangement with the NRMA on the motor vehicle smash repair industry, is the latest example of how the Government is standing up and delivering for small business, which is in stark contrast to the Opposition.

#### **PUBLIC LIBRARY INTERNET FILTERING TECHNOLOGY**

**Mr ANDREW STONER:** My question is directed to the Premier. Does he believe the protection of children should be put ahead of the rights of paedophiles and perverts? If so, why has he refused to install Internet filtering technology in all New South Wales public libraries?

**Mr MORRIS IEMMA:** What the Opposition announced on Saturday imperils community safety and the safety of children.

**Mr Andrew Stoner:** Point of order: Standing orders dictate that the Minister asked a question at least attempt to answer it. The Premier never got anywhere near the question. It was about libraries, unsupervised Internet access and filtering technology. I ask you to direct the Premier to answer the question.

**Mr SPEAKER:** Order! The Leader of the Nationals asked the question and the Premier has answered it.

#### **RAIL SECURITY**

**Mr MATT BROWN:** My question without notice is addressed to the Deputy Premier, and Minister for Transport.

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

**Mr MATT BROWN:** What is the latest information on improving security on our rail system and related matters?

**Mr JOHN WATKINS:** The Iemma Government is taking public transport in a new direction with a massive investment in building a stronger rail system—one that is safer, more reliable, cleaner and more secure. Today I can advise the House of recent successes in improving security and fighting graffiti and vandalism on the network. Rail graffiti and vandalism is ugly, offence and expensive to fix. New South Wales taxpayers ultimately cop the clean-up bill upwards of \$15 million per year. That is why the Premier announced in May a joint operation between RailCorp and NSW Police to target graffiti and vandalism backed by \$500,000 over a year. The rail vandalism task force's 12 police officers and dedicated intelligence analysts work closely with RailCorp's 600 transit officers to build on the success of Operation Chalk. Their hard work is paying off.



Since the task force started work, 92 offenders have been arrested in relation to 264 offences. Successful operations include the arrest of three gang members for 71 offences in south-west Sydney, the arrest of a rail vandal for more than eight graffiti offences in the Wollongong area and the arrest of 12 offenders for malicious damage and rail offences during a three-day operation in the inner west. RailCorp advises me that a further 26 cases remain under investigation. These are outstanding results and I commend task force members and rail transit officers for their efforts.

I can also advise the House of two further security initiatives for our rail system. The first is a \$1 million investment in improvements to the rail management centre. That is rail's equivalent of the air traffic control tower. The money is being spent to boost the capacity to monitor and respond to security incidents. The second is a new electronic key system to restrict access to the working area of trains. It will protect train crews from unauthorised entry and from the threat of vandals seeking to steal traditional train keys. The trial of the state-of-the-art electronic locking system took place in the Hunter and we will now look towards progressively rolling it out to other trains. These new measures are part of the Iemma Government's \$120 million investment in protecting our rail network. We will do all we can to make our rail system more secure and continue the fight against graffiti and vandalism. Unlike the Iemma Government's transport improvements, the Leader of the Opposition is apparently hard to sell. That revelation by the honourable member for Clarence appeared in today's *Daily Examiner*, which stated:

Debnam hard to sell, says Cansdell.

**Mr SPEAKER:** Order! Government members will come to order.

**Mr JOHN WATKINS:** They should, Mr Speaker, because there is more. In the article the honourable member for Clarence went on to say:

Peter Debnam has no off-the-cuff flair, no pizazz.

That is a bit harsh and the honourable member should not have said it, but if the Leader of the Opposition wonders what "pizazz" means, he need go no further than a Google search. It will provide him with the answer. The Leader of the Opposition has proven to be the guru of Google. Remember the catchphrase that the Leader of the Opposition used throughout his speech in reply to the budget—deficit, debt, denial. It was found to be nothing more than a rip-off from a United States of America Senator. He has been at it again and he has been caught out again.

**Mr SPEAKER:** Order! The Leader of The Nationals will come to order. The Minister for Aboriginal Affairs will come to order.

**Mr JOHN WATKINS:** I am embarrassed to speak about this, but truth demands that it comes out. Remember the Leader of the Opposition's big claim that on day one he will do everything. Let us recap. Should the Coalition win the 2007 election, he has firmly committed that the following will all occur on day one, Sunday 25 March. They would abolish the Roads and Traffic Authority [RTA] on day one, with no known alternative, and stop the trains by sacking rail staff. He will also reverse every Cross City Tunnel road change on day one, while at the same time digging up the central business district for a tram loop, but he does not know where it will go. On day one he would resume the Casino to Murwillumbah rail service immediately, despite \$150 million needing to be spent on the rail system to bring it up to scratch. Cashless toll booths would be installed on the Sydney Harbour Bridge and in the Sydney Harbour Tunnel, despite no location in the world ever going fully electronic in one go. He would put filters on the M5 East tunnel on day one and a flyover at the Pacific Highway-Myall Way intersection.

It is not over yet; we are only at midday. As the RTA staff are cleaning out their offices on day one, it is hard to know what road staff will be there to deliver the promises, but we will leave that to one side. He will then go on to upgrade Mona Vale hospital, and at Orange hospital new machinery will be installed on day one. There would be a Redfern-Waterloo development on day one. Then, despite international software shortages, Smartcard integrated ticketing would start immediately on public transport—you guessed it—on day one.

**Mr Peter Debnam:** Point of order: It will be a busy day, but a productive one.

**Mr SPEAKER:** Order! There is no point of order. If the Leader of the Opposition wishes to pursue this matter he may do so by way of substantive motion. Our day is not long enough.

**Mr Barry O'Farrell:** Point of order: I draw your attention to standing orders 135, 138 and 139. The Minister is the Minister for Transport. The question was about transport. What he is now talking about is not relevant. Secondly, Standing Order 139 says that questions should not be debated. Mr Speaker, this is your chance to uphold those three standing orders.

**Mr SPEAKER:** Order! I draw the Minister's attention to the relevance of his answer. However, I noted that his answer contained several issues related to transport. I ask him to restrict his answer to transport matters.

**Mr JOHN WATKINS:** The Leader of the Opposition then turned his mind to the police and the police integrity testing system, which is a bit complex. The good Lord took seven days—

**Mr Barry O'Farrell:** Point of order: We know that the Minister for Transport is a former Minister for Police, and he will be a former Minister for Transport after March, but Standing Order 135 says that he can only be asked questions about his public portfolio.

**Mr SPEAKER:** Order! The point of order has some validity in relation to questions the Minister can be asked. However, I am not sure that that restricts the Minister's answer. I draw the Minister's attention to Standing Order 135.

**Mr JOHN WATKINS:** Now, there is a man with pizazz, the Deputy Leader of the Opposition. The police integrity testing system would be in on day one, but we would not have a police commissioner because the Leader of the Opposition has decided that he will sack him on day one. While all of this is occurring the Leader of the Opposition will have travelled to Orange, where he has already promised to spend day one.

**Mr Brad Hazzard:** Point of order: The Government has been in office not just on day one; it has been there 4,180 days, and it has not fixed the trains, it has not fixed the buses, it has not fixed the schools. Government members should be very pleased that we are going to fix these things so quickly once they have left office.

**Mr SPEAKER:** Order! The honourable member for Wakehurst having been a science teacher, I take it that his mathematics are correct. However, we will verify that at a later stage.

**Mr JOHN WATKINS:** The Leader of the Opposition treats people in the electorate as fools with this day one rhetoric. The real question is: Is this the rhetoric of Peter Debnam, or did he again type into his computer, "Please help me find a policy slogan to cover the fact that I actually do not have any policies"?

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

**Mr JOHN WATKINS:** New York Governor candidate Eliot Spitzer has a very interesting web site. It is called "On day one". On that web site Eliot Spitzer claims—

**Mr Barry O'Farrell:** Point of order: I refer you to Standing Order 138. If the Minister is going to go down this line I refer him to the first book of Genesis as well.

**Mr SPEAKER:** Order! We have spent considerable time listening to the Minister's reply about one day. I hate to think what it would take to occupy seven days.

**Mr JOHN WATKINS:** New York Governor candidate Eliot Spitzer on his web site "On day one" claims that law and order policy, education funding, payroll tax, transport systems, and business investment will all change in New York on day one. The difference is that Mr Spitzer actually has some ideas; the Leader of the Opposition just has an expensive Internet bill, a worn-out printer cartridge and a repetitive strain injury of the mouse finger.

#### PAEDOPHILE PAROLE AND CHILD PROTECTION

**Mr PETER DEBNAM:** My question is to the Minister for Police.

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

**Mr PETER DEBNAM:** Given the Minister said, "I would be horrified if I had a paedophile next door to me", and given that he has opposed my policy to tell families when a convicted paedophile moves into their neighbourhood, why does he also refuse to tell all police about paedophiles in their local areas?

**Mr CARL SCULLY:** On Saturday the Leader of the Opposition was there with a pitchfork and lanterns driving paedophiles underground, and on Sunday he was supporting fun parks for 15-year-old gang rapists.

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

**Mr CARL SCULLY:** We are not going to allow the Opposition to get away with sending off teenage sex offenders to get bushcraft skills and learn about cooking and horse riding and how to pitch tents. I give the Leader of the Opposition some credit: I do not think he means to be soft on paedophiles. I do not think anyone in this Chamber would mean to be soft on paedophiles. But we have to be considered and rational.

**Mr Peter Debnam:** Point of order: My point of order is relevance. The Government system is soft on paedophiles.

**Mr SPEAKER:** Order! The Leader of the Opposition will resume his seat. He well knows that the Minister is answering his question precisely. The Minister for Police has the call, and the Leader of the Opposition will cease interrupting.

**Mr CARL SCULLY:** Oppositions must take care to be considered and not to just pursue a cheap, opportunistic, populist headline. The Leader of the Opposition is a headline grabber. I have said all along that all of us as parents would like to know if someone next door was a paedophile—of course we would. And I dare say some of us, especially people such as the honourable member for Coffs Harbour, might be tempted to turn the fire hydrant onto them and perhaps graffiti their homes. It might feel good. The Opposition wants to put the names of paedophiles up in lights so that all and sundry know who they are.

**Mr Peter Debnam:** Point of order: I know he will not accept the policy but the question is about police. Why does he not tell all police? He is not currently telling police where the paedophiles are. He is pretending. Police do not know where the paedophiles are.

**Mr SPEAKER:** Order! The Leader of the Opposition will resume his seat. I am sure the Minister heard the question.

**Mr CARL SCULLY:** What feels good for one neighbourhood gives the community a false sense of security. The Leader of the Opposition proposes on day one to implement Megan's Law. After the names of the 2,400 paedophiles are put on the Internet, within hours, if not days, mobs of thugs would form. The names and addresses of 50 British paedophiles were published on the web, not officially by government but by a major tabloid newspaper. Hysteria followed. And worse, there were many cases of mistaken identity. Police had to stand guard outside the homes of people who were wrongly identified by malicious letters and pamphlets.

**Mr SPEAKER:** Order! The honourable member for North Shore will cease interjecting.

**Mr CARL SCULLY:** In one disgusting situation the professional title of a female paediatrician was mistaken for paedophile. "Paedo" graffiti was written across her front door. She was driven out of her home by hysterical mobs thinking that paediatricians must have something to do with paedophilia. Whilst we may think that paedophiles are not quite human beings, they are. Human nature being what it is, if they think that there is a reasonable likelihood they are going to be bashed or assaulted and their cars and property torched they will do what people in this situation did in the United States of America: they will disappear. Of the 540,000 people on the child protection register in the United States 130,000 have disappeared.

Yes, as a parent and a neighbour I would want to know if a rock spider were living next door. However, as a Minister for Police, I will not drive him out. We cannot do that as parliamentarians; we have a broader obligation. We cannot come in here only as parents—mothers and fathers of teenagers and small children—and say that we want to hose them out of our suburbs. We have to know which suburb they go to; we have to know their address; we have to know where they work; we have to know what cars they are driving; we have to know what they are up to; and we have to know whether any children are at risk. The only way we will do that is to

maintain this Government's Child Protection Register, which has almost 100 per cent compliance. That is one of the best compliance rates in the western world. In the United States, when a report was produced—

*[Interruption]*

They would have this research. It is why people like the honourable member for Epping, the Hon. Michael Gallacher, James Wood, Howard Brown, Detective Superintendent Helen Begg and others strongly oppose it.

**Mr Bob Debus:** And Hetty Johnston.

**Mr CARL SCULLY:** Yes, and Hetty Johnston. Honourable members opposite would have a copy of a Californian report that was published in January 2003 stating that 33,296 creatures were not on that State's register. Where were they? The Leader of the Opposition would say, "Not in my neighbourhood!" How does he know? He does not know. That is the crux of the issue.

**Mr SPEAKER:** Order! The Deputy Leader of the Opposition will cease calling out. I call him to order.

**Mr CARL SCULLY:** I cannot believe that the Leader of the Opposition asked me about Lewthwaite. The House needs to know who put him on parole in the early 1970s. Was it a Labor Government or a Liberal Government? It was the Askin Liberal Government that put him on parole because he had been burning schools. He was in gaol for a couple of years, and within three months of being paroled he committed his dastardly deed. I have already informed the House about the Hon. John Dowd. He came in here and said, "The poor little dears; they are expecting to be released. Let's make sure that when we have truth in sentencing people like that can serve a fixed term and then get out." Members opposite let Lewthwaite out twice. They should not ask me about who let him out.

*[Interruption]*

**Mr SPEAKER:** Order! Government members will come to order. The honourable member for Wakehurst will cease calling out. The Minister has the call.

**Mr CARL SCULLY:** The question is ignorant and misleading. Those who manage the Child Protection Register report directly to Detective Superintendent Helen Begg, who, by the way, strongly advises Government not to adopt Megan's law. In every local area command at least two officers have direct access to all the information on the Child Protection Register.

**Mr Peter Debnam:** Point of order: The point of order is again relevance. As the Minister well knows, the police—

**Mr SPEAKER:** Order! The Leader of the Opposition cannot possibly argue that the Minister's answer is not relevant to the question. There is no point of order. The Leader of the Opposition will resume his seat. The Minister has the call.

**Mr CARL SCULLY:** If a person is of interest, a police officer in the local area calls up the Computerised Operational Policing System [COPS]. If the individual concerned is on the Child Protection Register, a warning comes up and his or her address appears. If the officer wants more information about that individual—how the case is being managed and all the other details—he or she can contact the one or two people in the local area command who have access to the information about that individual.

**Mr Peter Debnam:** One or two?

**Mr CARL SCULLY:** It is two. I am concerned about this because the Opposition is endeavouring to project a superficially attractive policy. It looks good, but it is a bit like a present at Christmas. The wrapping looks fantastic, but there is rubbish inside. The packaging on this policy looks good, but when it is removed it is obvious that it is a complete dud; it will not work. The Leader of the Opposition cannot come into this place and pretend to be tough on paedophiles when the direct result of this policy would be to help paedophiles. He cannot wander around with a pitchfork and say, "We are going to ensure that we know where they all are." I am sorry to

say, ladies and gentlemen, this bloke is soft on criminals and paedophiles. He will stick them all in fun parlours and teach them how to pitch tents, to cook, to clean, and help them to gain bushcraft skills.

### YOUTH EDUCATION AND TRAINING

**Mr STEVE WHAN:** I direct my question to the Minister for Education and Training. What is the New South Wales Government doing to improve education and training opportunities for 15- to 19-year-olds?

**Ms CARMEL TEBBUTT:** I thank the honourable member for his interest in young people. The Iemma Government is committed to providing the best possible training and education opportunities for young people. Feedback from the State Plan consultations has already demonstrated significant support for increasing the opportunities for young people to undertake further school, work or study opportunities. The Government is aware of this and is already responding. Young people aged between 15 and 19 are at a crucial time in their life. The Government has already made significant investments to improve education and training opportunities for this group of students. It is a time when they are making decisions about what they are going to do with their future: Will they go to university, undertake further training at TAFE, or go straight into the work force? It is a difficult time, and a time when they need opportunities and support. The Iemma Government is working hard to provide students with that broad support.

In May this year the Government announced an investment of \$18.5 million over the next four years to establish 10 trades schools. These schools will specialise in providing training for school-based apprentices in areas of skills shortages, such as health care, construction, automotive engineering and hospitality. The response to the trades schools plan has been overwhelmingly positive, regardless of whether one speaks to parents, teachers, students, businesses or local communities. The Government is heading in the right direction, but it knows there is much more to do. That is why it has developed a new strategy for 15- to 19-year-olds. The strategy sets a clear direction over the next four years for the education and training of students in this important age group.

The aspirations are simple and straightforward. This Government wants every young person in New South Wales to be engaged in education, training or employment. It knows that that is the key to a secure economic future. The strategy also sets clear and high expectations. The Government wants all students to aim higher. In addition, they will have greater choice and more opportunities with a blend of both academic and vocational experiences that will cater for the diversity of their needs and aspirations. Unlike the Opposition, which has no plans in this area, the Government will support New South Wales students in achieving those expectations. The Iemma Government will use cutting-edge technology to give students access to a broader range of subjects and specialist teachers, whether they live in remote areas of the State or in urban centres.

This Government has brought public education into the computer age by connecting every school to the Internet. Annual funding for technology has increased tenfold since this Government was elected—from \$18 million in 1995 to \$180 million this financial year. That significant investment in technology is evident in this strategy. We will create virtual classrooms so that students can access a broader range of subjects. If a student wants to study a subject that is not offered at his or her school because of the small number of students interested in the area, such as physics, languages and so on, we will link them and their teacher using technology—for example, videoconferencing, email and shared electronic white boards. That will expand their curriculum choices.

In addition, students with a particular interest will be linked to an expert teacher and other students across the State who share that interest. It might be an interest in cosmology, palaeontology, Australian history, environmental science and so on. The students will be able to hear from expert lecturers in those areas. The 15- to 19-year-old strategy will also allow students to study at more advanced levels through online study projects in areas such as extension maths, English, history or in a language area. We will establish a virtual university where students from anywhere in the State will be able to broaden their knowledge and undertake in-depth studies.

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

**Ms CARMEL TEBBUTT:** We are using technology in order to be able to increase the opportunities for students in the 15- to 19-year age group. But we also recognise that not all students in this age group want to pursue an academic path. We recognise clearly the importance of supporting students to undertake a trade or a vocational career. That is why we have introduced the Taste of TAFE Program, which will be a statewide

program in 2007. It is specifically designed for years 9 and 10 students and those students who are interested in a career in the trades or technical area. It will also be important for students who are not sure at this stage which career option they want to pursue.

Combined with initiatives like our vocational educational and training in schools initiatives and the development of our trades schools, the Iemma Government is making sure that young people are well equipped for a trades career. Approximately 40 per cent of our years 11 and 12 students undertake a vocational education and training subject at school. We are investing \$18 million over four years creating 10 new trades schools to give students more training opportunities than ever before. I hear the interjection from the honourable member for Lismore, but he should have a look at what the Opposition is doing.

**Mr Ian Armstrong:** Point of order: The Minister's address is of interest, but it is the same rhetoric the Minister for Education, Rodney Cavalier, used in 1984. Give us something new! Give us a new course.

**Mr SPEAKER:** Order! There is no point of order. The issue is literacy and technology, not history.

**Ms CARMEL TEBBUTT:** I assure the House that not all schools were connected to the Internet when Rodney Cavalier was the Minister for Education. Nonetheless, the fact is that the commitment of this Government to preparing students for a trades education is second to none. Nowhere is the Opposition's callous disregard for young people and lack of planning—

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

**Ms CARMEL TEBBUTT:** —more obvious than in this area. The Opposition has done nothing to hold the Federal Government to account for its failed technical colleges. The honourable member for Lismore interjects.

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

**Ms CARMEL TEBBUTT:** The honourable member for Lismore is upset because an Australian technical college was promised for the Ballina-Lismore area. In fact, the Prime Minister promised eight technical colleges, but do we have a technical college in the Ballina-Lismore area? No, we do not have an Australian technical college.

**Mr SPEAKER:** Order! Government members will cease calling out. The Minister for Education and Training has the call.

**Mr Donald Page:** Point of order: The Minister is misleading the House. There are two proposals for Ballina. One has been rejected but the other one is under consideration.

**Mr SPEAKER:** Order! There is no point of order. The honourable member for Ballina will resume his seat. The Minister for Education and Training has the call.

**Ms CARMEL TEBBUTT:** "Under consideration" is not much help to the students in Ballina. It has taken the New South Wales Iemma Government to set up a trades school in Ballina, because we can no longer wait for proposals that are under consideration. The honourable member for Ballina can take a point of order but, in fact, he wrote to me about the need for an Australian technical college in Ballina.

**Mr SPEAKER:** Order! The honourable member for Ballina will resume his seat and cease calling out.

**Ms CARMEL TEBBUTT:** What was his proposal? Did he stand up to his Canberra mates and say, "Give us a technical college in Ballina. The students of Ballina deserve one. It is an award-winning high school." Did he do that? No, he wrote to me saying that we should adopt the Howard Government's extreme industrial relations agenda and force our teachers onto Australian Workplace Agreements [AWAs].

**Mr Donald Page:** Point of order: The Minister is quoting from a document. I would like her to table the document.

**Mr SPEAKER:** Order! The honourable member for Ballina will resume his seat. It is a matter for the Minister to decide whether she will table the document. The Minister has the call.

**Ms CARMEL TEBBUTT:** It is no surprise that this would be the proposal of the honourable member for Ballina, because we know that the Leader of the Opposition wants to hand the New South Wales industrial relations system to John Howard. We know that the honourable member for Ballina will not protect our teachers, our nurses or the rest of the employees in New South Wales; he will hand over the system to John Howard. And the evidence is very clear. The honourable member for Ballina wanted us to adopt the Federal Government's extreme industrial relations policy in order to get a technical college in Ballina. We will not be bought in that way.

We will stand up for our industrial relations system, and we have established our own trades school in Ballina, just as we have established the six others that have been announced. We will set up 10 trades schools. We cannot wait any longer for the Commonwealth. We cannot wait for the Leader of the Opposition and the Coalition to stand up for students in New South Wales because it will never happen. That is why this Government has announced the strategy for 15- to 19-year-olds, because we recognise the importance of providing clear pathways for adolescent students, and making sure that they are well prepared for the transition to adulthood.

### **RACING NEW SOUTH WALES CHIEF STEWARD ILLEGAL RECORDING ALLEGATION**

**Mr GEORGE SOURIS:** My question is directed to the Minister for Gaming and Racing. When did the Minister first become aware that the Chief Steward of Racing New South Wales had been taping and is continuing to tape conversations illegally? Will they Minister institute an independent judicial inquiry into the matter?

**Mr GRANT McBRIDE:** I am well aware of the allegations made against Racing New South Wales Chief Steward, Ray Murihiy, on the Nine Network *Sunday* program last Sunday. The responsible and appropriate action here is to ensure that Racing New South Wales is investigating, or has investigated, these allegations. Furthermore, I refer any allegations of this nature to both Racing New South Wales and to the Independent Commission against Corruption for investigation. It is, therefore, inappropriate for me to comment any further on that issue. But I would like to reflect on the fact that the honourable member for Upper Hunter asked a question of me. Why? Because he has finally asked a question of me on a policy matter. Since his appointment as shadow Minister for Gaming and Racing in April 2003, the honourable member for Upper Hunter has asked me only two questions without notice about policy in my portfolio.

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

**Mr George Souris:** Point of order: If the Minister is so desperate for a question, he could start by answering this one: When precisely did he know—

**Mr SPEAKER:** Order! There is no point of order. The honourable member for Upper Hunter will resume his seat. The Minister for Gaming and Racing has the call.

**Mr GRANT McBRIDE:** Today, with his third question in his fourth year as shadow Minister, he almost lifted his average to one policy question per year. Perhaps I am being a bit unfair. The absent shadow Minister for Gaming and Racing does have another shadow portfolio.

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

**Mr GRANT McBRIDE:** Let me look at his record as shadow Minister for Sport and Recreation. How many questions has he asked about that portfolio? The answer is zip—over a year as the shadow Minister and he has not asked a single question. Perhaps he has been busy writing policies for The Nationals? Not according to The Nationals web site. I clicked on State Policies this morning and there is nothing there from George, absolutely zip. He has no policy. No questions, no policy and, clearly, no interest!

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

**Mr GRANT McBRIDE:** He has no interest whatever in the success of some of the most important industries in New South Wales, be they clubs, pubs, racing or tourism. He has no interest in the thousands of people employed in those industries.

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

**Mr GRANT McBRIDE:** I thank the honourable member for Upper Hunter for his question.

### LOCAL GOVERNMENT COUNCILLOR EXPENSES

**Mr ALLAN SHEARAN:** My question without notice is directed to the Minister for Local Government. What is the latest information on the Government's plans to tighten local government councillor expenses?

**Mr KERRY HICKEY:** The ratepayers of New South Wales expect the funds raised from their rates to be spent wisely by their councils for the benefit of their local community. Concerns have been raised over many years about how some councillors use the equipment provided by council. High mobile phone charges and excessive spending on conferences and travel are some of the more regular offences. In response to the concerns about inconsistency with council policies on expenses, the Local Government Act was amended on 1 July 2005. This change improved the accountability and transparency of the process.

Since the passage of the amendment, the Department of Local Government has been working on guidelines with the Local Government and Shires Associations and the Local Government Managers Association. Today I am releasing new guidelines for the payment of expenses and the provision of facilities to mayors and councillors. These guidelines will assist councils in preparing their individual policies in a more transparent and accountable way. This will enhance the respect for and the responsibility to ratepayers on the part of their councillors. Councillors will continue to be provided with equipment and other items to help them fulfil their roles as community representatives. This is entirely appropriate, as long as council procedures are followed and the community is informed.

The new guidelines will restore community confidence in our councillors. They set a standard for the councillors to meet and they systematically allow community comment. Councillors must meet the expectations of the local community. Councils are required to consult with their communities about draft policies. Once adopted, they will be required to submit these annually to the Director General of the Department of Local Government.

**Mr Adrian Piccoli:** Point of order: This is a shameless attack on hardworking and honest councillors in New South Wales.

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

**Mr Adrian Piccoli:** He is setting them a standard that he could never satisfy, and virtually nobody on the frontbench could satisfy, when he takes his dog in his ministerial car!

**Mr SPEAKER:** Order! The honourable member for Murrumbidgee will resume his seat. He well knows that that is not a point of order. He has not even attempted to disguise his comments as a point of order. I call the honourable member to order and order him to resume his seat.

*[Interruption]*

**Mr SPEAKER:** Order! I call the honourable member for Murrumbidgee to order for the second time and order him to resume his seat.

*[Interruption]*

**Mr SPEAKER:** Order! I call the honourable member for Murrumbidgee to order for the third time and order him to resume his seat.

*[Interruption]*

**Mr SPEAKER:** Order! I ask the Deputy Serjeant-at-Arms to remove the honourable member for Murrumbidgee.

*[The honourable member for Murrumbidgee left the Chamber, accompanied by the Deputy Serjeant-at-Arms.]*



**Mr KERRY HICKEY:** I remind honourable members that these guidelines were worked through with the Local Government and Shires Association and the Local Government Managers Association. The guidelines will stipulate what expenses can be claimed and what types of equipment can be provided to mayors and councillors.

**Mr Barry O'Farrell:** Point of order: I do not want to defend councillors but I do want to defend the rules of this place. Standing Order 137 precludes the Minister for Local Government from using question time to make ministerial statements. This is an announcement of government policy; it ought to be made after question time so the shadow Minister can respond. The Minister is abusing the standing orders.

**Mr SPEAKER:** Order! I do not regard the Minister's comments as a ministerial statement. He may provide information to the House in relation to a matter of concern to the community.

**Mr KERRY HICKEY:** The guidelines will make it very clear what types of equipment and facilities can be provided to mayors and councillors. Expenses may include telephone calls, travel, conference attendance, training, and, where appropriate, carer and accompanying spouse expenses. The policies submitted by councils will be prohibited from including a general expenses or allowance clause. This is to avoid items outside the policy being accounted for as a general cost. The guidelines do not deal with matters associated with the setting and payment of councillors' annual fees. These are matters for determination by the independent Local Government Remuneration Tribunal. The guidelines will be available to councils and members of the public from today on the Department of Local Government web site.

I acknowledge the excellent work of the Department of Local Government in overseeing the local government sector, work that would be jeopardised if the Leader of the Opposition were to be given the opportunity to slash the public sector. The Leader of the Opposition promised to cut 29,000 positions from the New South Wales public sector. He then attempted a backflip when the community told him they wanted their public services maintained and he now says he will not fill positions vacated through natural attrition. He will slash and burn the public sector. It will mean less oversight of local councils, fewer inspections, fewer promoting better practice reviews, delays in responding to complaints, and limitations on the ability to provide information and advice to councils. Is this really what the Leader of the Opposition and his Coalition want? This is a policy run by extremists in the Liberal Party. We all know their party is in turmoil. What makes them think they can run this great State?

#### **MINISTER FOR ENERGY AND DEPARTMENT OF HOUSING FAIRFIELD OFFICE LEASE**

**Ms PETA SEATON:** My question is directed to the Premier. Given the Minister for Energy claims that he had no idea that his Fairfield housing office deal favoured his own business associates, including a Government board appointee and a director of Westside Property Developments, with whom the Minister shared in multi-million government land deal profits, does the Premier still support him?

**Mr MORRIS IEMMA:** The Minister, yes.

#### **PUBLIC SECTOR JOB CUTS**

**Mr NEVILLE NEWELL:** My question is directed to the Minister for Regional Development. What is the latest information on the impact of the Opposition's plans to slash front-line public sector jobs by 29,000?

**Mr DAVID CAMPBELL:** I thank the honourable member for his concern. Members of Country Labor and the Government are concerned for the future of nurses, teachers and police in rural and regional communities. Last week the Premier exposed the plan of the Leader of the Opposition to axe 29,000 public sector jobs for what it is: a scorched-earth policy that will devastate communities across New South Wales. Despite his flimsy denials, the Leader of the Opposition is fully aware that he cannot meet his \$20 billion spending black hole without axing front-line jobs and services in rural and regional communities. Every time the Leader of the Opposition reaches into his grab bag of promises he comes up with irresponsible and undeliverable commitments. Our front-line public servants are rightly worried about the double whammy of the Leader of the Opposition's 29,000 public sector job cuts plus his refusal to stand up for New South Wales families in the face of the Howard Government's WorkChoices package.

**Mr Andrew Stoner:** Point of order: The Minister is misleading the House. The plan of The Nationals and the Liberals is to put more jobs in the country, not less. Get them out of their ivory towers in Sydney and put them out into the country. The Minister should tell the truth.

**Mr SPEAKER:** Order! The Leader of The Nationals knows that he cannot make a personal explanation under the guise of a point of order. I remind him that this is question time; it is not a debate. If the Leader of The Nationals wants to debate the matter, there are appropriate forms of the House to enable him to do so. I suggest that he do so by way of substantive motion.

**Mr DAVID CAMPBELL:** I will come to the desperate fracture between The Nationals and the Liberals shortly. The Opposition refuses to stand up for New South Wales' families in the face of the Howard Government's WorkChoices package, rising fuel prices and increasing interest rates. More recently, the Leader of the Opposition has tried to distance himself from the 29,000 figure. That is because he knows his glib and immature promises would rip the heart out of rural New South Wales. Yet an article in the 29 August edition of the *Moree Champion* tells a different story. Following a tour of the Nyngan and Dubbo districts by the Leader of the Opposition and Mr Kevin Humphries, The Nationals candidate for Barwon, Humphries told the *Moree Champion* that by cutting 29,000 public servant jobs the Coalition's policy would earn \$3 billion.

The paper reports that Mr Humphries and the Leader of the Opposition also said that country jobs would be secure. Mr Humphries is a funny old fellow; he gets the Leader of the Opposition in all manner of strife. If Coalition candidates have been briefed on this strategy, how can the Coalition claim no ownership? Does the Leader of the Opposition have some secret figure, other than the 29,000, that he is not telling the people of New South Wales about? How exactly does the Coalition plan to deliver 29,000 job cuts but ensure that country jobs are secure?

**Mr SPEAKER:** Order! I am sure that the Minister welcomes the encouragement given by Government members but I urge them to allow the Minister to give his answer in silence.

**Mr DAVID CAMPBELL:** A Premier's Department analysis of the Debnam plan illustrates the extent of the damage this man will wreak on country New South Wales.

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

**Mr DAVID CAMPBELL:** This demonstrates the fracture between The Nationals and the Liberal Party. Is it any wonder they are fighting? There will be 10,000 jobs lost outside metropolitan Sydney, around 2,500 from the Hunter and around 1,300 from the Illawarra. The Debnam plan would see every one of the 7,743 public sector jobs—either created or relocated in rural and regional New South Wales by Labor—axed, plus another 2,257 job axed on top on that. The honourable member for South Coast knows because she attended the consultation on the State Plan with the Minister for Aboriginal Affairs and the honourable member for Kiama. The community values those public sector jobs through the relocation of the Department of Local Government. If she does not stand up to her colleagues, those jobs will be axed.

[Interruption]

**Mr SPEAKER:** Order! The Minister for Regional Development and the honourable member for South Coast will stop debating the issue. The honourable member for South Coast will come to order. The Minister will address the Chair.

**Mr DAVID CAMPBELL:** No regional community would be spared, with Wagga Wagga losing 365 jobs. The Debnam plan would cost Lismore 281 jobs. It would be great to see the honourable member for Coffs Harbour, that great champion of small business, stand up on behalf of shopkeepers, because 253 public sector pay packets will be out the door in Coffs Harbour. We have seen what the honourable member for Clarence thinks of the Leader of the Opposition. His community will lose 214 jobs. What about the construction workers in Albury, who would not have the opportunity to get business off the 167 families who would be out the door there? Will Geoff Provest, the Coalition's candidate for Tweed, stand up for the Debnam strategy? Will he stand by and see 262 public servants in Tweed out the door? Honourable members can be sure that the honourable member for Tweed will not stand for that.

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

**Mr DAVID CAMPBELL:** The honourable member for Tweed will explain to his community what this scorched earth policy means. The Leader of the Opposition cannot be trusted. No-one is fooled by his blatant misleading grabs for headlines, least of all people and their families living and working in our regional and rural communities.

**Questions without notice concluded.**

### **SPECIAL ADJOURNMENT**

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

That the House at its rising this day do adjourn until Wednesday 6 September 2006 at 10.00 a.m.

### **CONSIDERATION OF URGENT MOTIONS**

#### **Medibank Private**

**Mr PAUL McLEAY** (Heathcote—Parliamentary Secretary) [3.44 p.m.]: This House condemns the Howard Government's proposal to sell Medibank Private. The motion is urgent because Medibank Private is Australia's largest health insurer, with almost three million Australian members or 28.7 per cent of the private health insurance market. MBF, the nation's second largest insurer, has only 16.7 per cent of the market. Medibank Private has not received one cent of Federal Government money, but the Federal Government is now preparing to sell off the fund and pocket an estimated \$2 billion in proceeds.

The Federal Treasurer, Peter Costello, and the Minister for Finance and Administration, Nick Minchin, have not offered a single reason for the sale. The motion is urgent because the Federal Government has just released its own research paper compiled by the Federal Parliamentary Library. The research brief suggests that although the Federal Government owns the organisation that manages the Medibank Private Fund, neither the Commonwealth nor fund members strictly own the fund. Although Nick Minchin states that he rejects the opinion in that research, the paper raises serious legal questions about the proposed sale, indicating that Medibank Private members have some legal rights with respect to reserve funds. Indeed, there is division within the Commonwealth Government. Peter Costello said he favoured a public float of the national private health insurer.

The motion is urgent because Senator Nick Minchin said that Medibank Private members will not get anything out of it; that they are simply customers, not shareholders. It is urgent because the Community and Public Sector Union, which covers Medibank Private staff, is opposed to the sale because it believes the sale will be against the interests of staff, health fund members and the broader community. Lisa Newman of the union said that although staff were aware of the potential sell-off, many people were deeply distressed by the announcements.

The Health Services Union, another union, did not merely ask for the opinion of its members. Earlier this year it used a Newspoll survey of 1,200 people, which found that 64 per cent of people were opposed to the sale while only 14 per cent supported it. In addition, 74 per cent of Australians believed that the sale would lead to higher premiums while only 3 per cent believed it would lead to a drop in premiums, demonstrating overwhelming opposition to the sale of Medibank Private. People believed that the sale would lead to only one thing: premium increases. The motion is urgent because the people of New South Wales condemn the Commonwealth Government for the proposal to sell Medibank Private. They do not want it to be sold. I challenge the Opposition to support me in condemning the Federal Government on its proposal to sell Medibank Private.

### Paedophile Parole and Child Protection

**Mr PETER DEBNAM** (Vaucluse—Leader of the Opposition) [3.47 p.m.]: There is nothing more urgent than protecting our children. That is why I foreshadow this motion:

That this House condemns the Iemma Government for failing to protect New South Wales children by not supervising paedophiles in the community.

Ten years ago Bill Clinton signed a law called Megan's law. It was urgent then to protect children, just as it is today. I use some of the words he used on that signing ceremony on 17 May 1996:

...today, the valiant presence of five American parents reminds us that this fight against crime is so much more a fight for peace and for safety for our people, and especially for our children.

He referred to those five parents having suffered more than any parent should ever have to suffer, and said:

They have lived through the greatest pain a parent can know—a child brutally ripped from a parent's love.

The issue was urgent then and it is urgent now. That is why he said:

We respect people's rights, but today America proclaims there is no greater right than a parent's right to raise a child in safety and love ... Today America warns: If you dare to prey on our children, the law will follow you wherever you go, state to state, town to town.

Today, America circles the wagon around our children. Megan's Law will protect tens of millions of families from the dread of what they do not know. It will give more peace of mind to our parents.

That is why we urgently put forward policy on Saturday called Nicole's law. When we did that the Minister for Police made a number of claims. An article in the *Sydney Morning Herald* of 4 September stated:

Mr Scully warned that the US approach of naming and publicising the whereabouts of child sex offenders would drive them underground.

In California, which has a broad definition of sex offender, there's 56 per cent compliance with the requirement to be registered. In states with compatible definitions of sex offender it's around 30 to 40 per cent non-compliance ...

The reality is that the rate of compliance in California is 80 per cent as at April. This is an improvement on the compliance rate for September 2003, which was about 76 per cent. The need for improvement was identified by the California Bureau of Audit, which found that the Megan's Law database contained thousands of errors, inconsistencies and out-of-date information. The major compliance issue is not concern about paedophiles going underground but, rather, the inertia of bureaucracies in keeping information up to date.

Victims groups monitor compliance as a measure of how hard the state is working to maintain its databases. States with higher compliance rates verify information through issuing registered letters and regular visits to stated home addresses. In California registered sex offenders are required to update their information annually, within five working days of their birthday. Some sex offenders must update more often: transients must update every 30 days and sexually violent predators must update every 90 days. The sex offender tracking program—

**Mr Alan Ashton:** Point of order: The Leader of the Opposition is simply reading from copious notes, which is against the standing orders. I simply point out that the House has not determined which urgent motion should be given priority. The honourable member must explain why his motion is urgent, not simply read out facts and figures. I ask you to bring him back to the reasons his motion is urgent.

**Mr SPEAKER:** Order! I remind the Leader of the Opposition of the standing orders. At this stage he is in order and I will allow him to continue.

**Mr PETER DEBNAM:** My motion is urgent. San Francisco police give the public some credit for improving the accuracy of the sex offenders register. The Minister for Police also raised the issue of vigilantism. In 2000 the Californian Department of Justice reported on the release of information to the public via its CD-

ROM. About 56,000 people viewed and searched the database. The incidence of vigilantism was very low. I quote:

Opponents of California's Megan's Law feared that dissemination of this information would result in widespread "vigilante" actions aimed at sex offenders. However, since the implementation of California's Megan's Law, there have only been two minor "vigilante" acts against sex offenders resulting from ... disclosures ...

In 2000 the American Department of Justice pointed out that community notification is for the purpose of public safety and protection, not punishment. The information is already publicly available; it is simply in a more accessible form. The Government does not create the shame; rather, it was the offender's own act that caused shame and not community notification laws. Illegal acts against sex offenders are quite rare and cannot be attributed to the type of community notification laws that exist in many States. The issue of public safety is that posed by the offender to the public, not the other way round. Some States such as New Jersey issue warnings against illegal acts at the same time as issuing information about the offender. Washington holds community meetings. [*Time expired.*]

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

**The House divided.**

**Ayes, 45**

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

**Noes, 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 Pringle	<i>Tellers,</i>
Mr Hartcher	Mr Richardson	Mr George
Mr Hazzard	Mr Roberts	Mr Maguire

**Question resolved in the affirmative.**

**MEDIBANK PRIVATE****Urgent Motion**

**Mr PAUL McLEAY** (Heathcote—Parliamentary Secretary) [4.03 p.m.]: I move:

That this House condemns the Howard Government's proposal to sell Medibank Private.

Medibank Private is Australia's largest health insurer, with almost three million Australian members or 28.7 per cent of the private health insurance market. MBF, the nation's second-largest health insurer, has 16.7 per cent of the market. Medibank Private has not received one cent of Federal money but the Federal Government is now preparing to sell off the fund and pocket an estimated \$2 billion in proceeds. The Federal Treasurer, Peter Costello, and the finance Minister, Nick Minchin, have not offered a single reason for the sale, a single detail of the sale or a single benefit that will be delivered to fund members. They have been silent on every aspect of their plan—apart from Senator Nick Minchin's contemptuous comments about the rights of Medibank Private members, the three million people who have contributed for years to the size and the strength of the fund. In relation to members and policyholders of the fund, Senator Minchin said this earlier this week:

I do want to stress that customers of the fund do not own the fund.

He went on to say:

This is not a mutual, so any entitlement that we might consider for customers would be in their capacity as customers and not as purported owners of this business.

This attitude is an insult to the three million fund members across Australia, who can expect no benefits from the Federal Government's sale of Medibank Private. There is absolutely no evidence to support the sale of Medibank Private outside of another Federal Government grab for cash. Peter Costello and Nick Minchin have made murmurs about the sale of Medibank Private leading to more competition in the private health insurance industry, and potentially lower premiums. That notion was rejected earlier this week by a research note released by the Federal Parliamentary Library. In its main conclusion about the proposed sale the research note found:

In the absence of further information about the details of the sale there is little evidence to support assertions that a privatised Medibank Private would be more efficient, competitive and less expensive for consumers.

*[Quorum formed.]*

This conclusion backs up what we already know about the Howard Government's management of the private health insurance industry. It just cannot be trusted. It cannot be trusted when it comes to private health insurance premiums and it cannot be trusted to deliver any benefits from the \$2 billion sale to policyholders who have built up Medibank Private's equity over the years. One only has to look at its record. The Commonwealth Government introduced a private health rebate in January 1999. By the end of this financial year it will have diverted around \$18.6 billion of funding into the rebate, a rebate that has grown on average by about 18 per cent a year. The fact is the increase in rebate expenditure does not purchase one additional health service. It is largely driven by the increase in premium costs, costs that have been allowed to blow out under the Howard Government.

Over the past five years private health insurance premiums have grown by 33 per cent. This massive growth in premium costs undermines the Federal Government's claim that its private health insurance policies would help contain the rising cost of health insurance premiums. If the Howard Government were serious about limiting premium rises, it would have a fair dinkum debate around capping the premium increases that the rebate would fund. Instead, private health insurance members face rapidly rising premiums and increasing out-of-pocket costs to have treatment at private hospitals. In many cases they may still be encouraged to seek treatment at public hospitals for more complex procedures. Herein lies another reason why the Federal Government should not and cannot be trusted in relation to health care funding.

Between 2003-04 and 2004-05 the average private health insurance premium increase was around 8 per cent, a rate of increase significantly higher than the increase in Australian Government funding to New South Wales under the Australian health care agreement of only 3.4 per cent. These funding arrangements make no sense. The latest data from the Australian Institute of Health and Welfare shows that in New South Wales around 96 per cent of all emergency department attendees are at public hospitals and around 90 per cent of

emergency admissions are treated in the public sector. There are major gaps in private hospital activity that do not and will not divert activity from public hospitals.

The Howard Government had an opportunity through its private health sector reforms to allow private health insurers to cover emergency department care. It chose to neglect this opportunity, which means that pressure on the public hospital system will continue to grow. When the Commonwealth Government introduced lifetime health cover, it did so on the basis it would encourage people to join private health insurance early in life and remain covered. It still argues that the rebate expenditure has reduced demand for public patient care and improved access to services for those who cannot afford private health insurance. The reality is that that is not true. Increased funding has not taken the burden off the public hospital system.

That brings us back to the substance of this motion and the reason it is urgent. The Federal Government has offered no valid reason why Medibank Private should be sold. It has offered no details of how it proposes to sell the fund. It has offered no advice on what benefits will be afforded to fund members if and when the fund is sold. Peter Costello said on Channel 9 on Sunday, "We think it will be good for the industry and good for consumers of private health insurance." Given the record of the Federal Government, it cannot be trusted when it comes to private health insurance. The union covering the staff of Medibank Private does not trust the Government. Australian consumers do not trust the Government. The industry is hesitant.

A Newspoll survey of 1,200 people showed that in response to the question "Are you in favour/against the sale of Medibank Private" only 14 per cent were in favour and 64 per cent were against. On the question of what effect on premiums the sale would have, 44.5 per cent believed in they would rise a lot and a total of 74 per cent thought there would be some rise. A miniscule 2.9 per cent thought that there would be no rise. So the Australian public understands. As late as three days ago Federal Ministers were disagreeing about who would benefit. Peter Costello said that the sale would provide greater benefits for the industry and members if there were a public float rather than simply a sale. Senator Minchin said that members would not get anything out of the sale. That shows that they are divided and uncertain.

Premiums are continuing to increase at double the rate of inflation and nearly triple the rate of increase in costs in public sector hospitals. The premium rises do not provide a single extra medical service. The Federal Government is keen to assert its authority to sell Medibank Private and the lack of entitlements of the members of Medibank Private. The Federal Government should abandon its plan to sell Medibank Private immediately or guarantee fund members a genuine benefit from the projected \$2 billion expected to flow from the sale.

**Mrs JILLIAN SKINNER** (North Shore) [4.13 p.m.]: I start with the ridiculous claim by the honourable member for Heathcote that Senator Minchin has not explained the benefits of the proposed sale of Medibank Private. Last week I attended a function at which Senator Minchin spoke, setting out the benefits he expected that the reforms would bring. He also issued a press release on 26 April, which the honourable member can read on the Senator's web site. Senator Minchin stated:

Under the new arrangements, hospital cover will expand to cover outpatient and out-of-hospital services as well as chronic care management for conditions such as diabetes and asthma. Insurers will also be able to cover disease prevention measures. In future, Australians will be able to insure not only for hospital admissions but also for services to prevent future hospitalisation that can safely be delivered "out of the hospital gate".

These policies will continue to be fully covered by the Government's private health insurance rebate.

I will deal with the benefits of private health insurance as administered by the Howard Government and its impact on New South Wales in particular. Data from the NSW Health web site shows that for 1994-95, when the Labor Government was elected in New South Wales, until 2003-04—I will state later why the figures end there—the number of admissions to government hospitals rose by 7 per cent. The raw figures for 1994-95 are 1,273,963 and for 2003-04 they are 1,364,453, a 7 per cent increase. This compares with the admissions to private hospitals: in 1994-95 the number was 483,579 and in 2003-04 it was 750,506, an increase of 55 per cent. That was a result of the Howard Government's reforms that encouraged people to return to private health insurance.

When the Labor Government was elected in New South Wales the drop-off was phenomenal but the Howard reforms have increased the number of people choosing to be treated in private hospitals, therefore freeing up public beds for those who need public treatment. It has also enabled public hospitals to receive financial benefit from admitting people as private patients. I know there has been a lot of disquiet about that. The New South Wales Labor Government will never talk about this benefit. I had to end my figures in 2003-04

because comparisons for later years can no longer be made as the Iemma Government has changed the reporting criteria. As always, it is a case of cover-up, hiding things, not wanting to be open and accountable. The 2004-05 Department of Health annual report shows public hospital separations rather than admissions while it still reports private hospital admissions.

I can no longer make comparisons, but I think the figures speak for themselves. They were so embarrassing for the Government that it changed the reporting criteria. At the moment more than half of hospital episodes are private episodes, and the rate of growth in private services outstrips public episode growth by more than two to one. Most of the people involved have private health insurance. They would have become public patients in public hospitals putting pressure on stretched resources and on public hospital waiting lists. The Government is already trying to use techniques to artificially reduce hospital waiting lists. Last week in this Parliament I produced a letter that showed that doctors are being told that they can no longer place their patients on waiting lists if they cannot be treated within a certain timeframe. That is an utter disgrace and is condemned by the Australian Medical Association and the doctors all around the State. I am afraid the situation will become much worse if the Iemma Government has its way and discourages even more people from taking out private health insurance.

I for one have had private health insurance for many years and I have used both public and private health cover in the last year when attending hospitals. I had excellent care in both but if I were relying entirely on the public hospital system I would be adding unnecessarily to a system that is already desperate to cope with demand. When I spent a night in the emergency department of Royal North Shore Hospital nurses were coming to my bedside on the half-hour to tell me their stories of woe about the impact of the lack of resources from the Iemma Government on that hospital. They said, "Keep up your private health insurance. Have your elective surgery in the private system if you can because our hospital here just cannot cope." An expert report by Professor Ian Harper of the Melbourne Business School concluded that every dollar of the Federal Government's private health insurance rebate saves \$2 of State and Federal government health expenditure. It is disgraceful and hypocritical in the extreme for the Parliamentary Secretary to raise concerns about the sale of a public institution. He should tell us about the sale of Snowy Hydro Limited.

**Mr Paul McLeay:** We are not selling it.

**Mrs JILLIAN SKINNER:** "We are not selling it", he says with a smirk. Why not? The Parliamentary Secretary should come clean. It had nothing to do with what the Government wanted to do. It was forced into that backdown by the leadership of Prime Minister John Howard.

*[Interruption]*

The honourable member for Drummoyne can speak as much as she likes; she knows jolly well that the only reason her Government reversed its position on the sale of Snowy Hydro was the political pain it was wearing. When the Parliamentary Secretary speaks in reply he might like to tell the House who sold the Commonwealth Bank. I cannot remember. Who was it? I think the honourable member for Willoughby might refer to that in her contribution. The Parliamentary Secretary should ask his colleagues in Canberra who sold the Commonwealth Bank.

I am adamant that there is nothing but good in the Commonwealth Government's handling of private health insurance. We are extremely lucky that so many people have come back to private health insurance cover. The rate dropped to below 30 per cent in New South Wales before the Howard Government's reforms, and it is now nearly 40 per cent or more. Of course, Medicare is predicated upon the belief that a certain percentage of people will be privately insured and will take personal responsibility, if they can, for their own health care. I have chosen to do that, and I hope honourable members opposite, who can afford private health insurance—

*[Interruption]*

Honourable members opposite have as much money as I do. They should not cry poor; that would be hypocrisy in the extreme. They should allow people who cannot afford to pay for private health insurance to have access to public hospitals. They should allow people who have been waiting for years for treatment, including those now hidden by the Government's new waiting list system, to have treatment in our public hospitals. Honourable members opposite are arch hypocrites if they will not allow patients who are in desperate need of public care to have priority. They will not pay their own way and be treated privately. That typifies the attitude of Labor members: they will not take personal responsibility. They get exactly the same salary as I get



and they can afford private health insurance premiums. They should congratulate the Howard Government on the reforms it has made to private health insurance. They should look at the benefits that will accrue with the much-expanded capacity of people to make claims when the Medibank Private sale goes through.

**Ms ANGELA D'AMORE** (Drummoynes) [4.23 p.m.]: The Opposition should join with the Government in strongly condemning Prime Minister Howard's decision to sell Medibank Private. If John Howard and Peter Costello had even the slightest interest in democratic process in government and in consulting with the Australian community they would at least ask Medibank Private to conduct a ballot of its members to get their views on its sale. They will not do that because they know what the answer will be—a resounding no!

Medibank Private is this country's largest provider of private health insurance, covering almost 30 per cent of those who are privately insured. The fact that it is sponsored by the Government gives many in the community additional comfort about their long-term security as members. The Federal Government wants to blow that security apart and sell the organisation to the highest bidder from overseas. It is happy to have overseas private equity snap up all of our national public and business assets—Coles Myer, Medibank Private and so on. There will be no stock market for Australians to invest in if the Liberal Party stays in office beyond the next election.

Private health insurance has long been a measure of additional protection for families and individuals, particularly as they age. Unions have established funds in the past, and they maintain them, and local communities established friendly societies more than a century ago. For those involved it has always been about mutual support and protection being offered on a not-for-profit basis, with available funds re-invested to protect members and their families against unforeseen costs. It has not been about profiting out of a family's desire to be protected against unforeseen health costs. However, that is exactly what Howard wants to do—to make a profit out of that desire. John Howard's action comes at a time when the private health insurance sector's credibility is low in the community. Families are being forced into taking out cover because their tax agents are telling them they will have to pay the additional Medicare levy if they do not. Instead of being a matter of choice, the Federal Government is forcing families into private insurance, and the premiums continue to rise year after year. We now have a triple family budget whammy with rises in interest rates, rises in petrol prices and spiralling private health insurance premiums, not to mention the co-payments even when one is privately insured.

The Howard Government and the Opposition in this House have no idea of the pain being felt in the homes of hundreds of families across the nation. Household budgets are being blown to bits by the Liberal Party. Medibank Private was established by the Fraser Government in 1976 to ensure the private health insurance market remained competitive. Absolutely nothing has changed since then. There is no guarantee that a sale will maintain competitive pressure to ensure that the focus of all funds is on members' and their families' benefits, and on value for money on premiums paid. An unbiased report from the Federal Parliamentary Library released late last week says exactly that—the exact opposite will be the case if the sale goes ahead.

Senator Nick Minchin says there is no good policy reason for the Government to own a health fund. However, the sales pitch has always been about members and their benefits. No logical reasoning can argue that this sale will benefit members. Senator Minchin is being treacherous in his desertion of almost three million Medibank members. If John Howard were serious about improving private health insurance he would have a hard look at the dysfunctional health policy and funding arrangements that he has fostered in recent years. His Government has reduced its investment in public hospital services. Its contributions are running at half the growth in costs required to run the health system and to cater to growing demand.

Despite attempts to force senior citizens into private health insurance, the demand for emergency and inpatient care has grown for these same people. The New South Wales Government is not like the Howard Government; it will not tolerate this short-changing of the New South Wales community. It has allocated record funding to public hospitals through its budgets over the past three years. All the Opposition can do in response is attempt to trawl around looking for any allegations it can make against hardworking clinicians and nurses. Not once has it challenged the Howard Government to spend its fair share on public hospital services in New South Wales—not once! I commend the motion to the House and ask members of the Opposition to have the courage to do the same.

**Ms GLADYS BEREJIKLIAN** (Willoughby) [4.27 p.m.]: Before I address the merits of the arguments presented today, I will make some introductory remarks about the nature of this motion. It typifies what the Government represents: shirking responsibility at every opportunity. This State is in crisis in many areas: economic competence, financial management, transport and infrastructure, and health. The Government has

turned its back on many important issues and it has failed to deliver. Rather than debate an important issue that affects the people of New South Wales—especially given that we have limited sitting days because the Government cannot manage its business and wants to avoid question time at every opportunity—

**Mr Paul McLeay:** Point of order: The Leader of the Opposition tried to explain urgency. The honourable member obviously has no faith in his ability to do so, because she feels the need to do it now. I ask you to draw her attention to the motion.

**Madam ACTING-SPEAKER (Ms Marianne Saliba):** Order! The honourable member will address the motion before the House.

**Ms GLADYS BEREJIKLIAN:** Despite the fact that they do not like this, Government members should hear it. The community is extremely concerned about child protection issues. It is extremely concerned—

**Mr Paul McLeay:** Point of order: The honourable member is flouting your ruling, which drew her back to the motion. It is about the Federal Government's selling of Medibank Private. I ask you to ask her to draw her remarks back to the motion.

**Madam ACTING-SPEAKER (Ms Marianne Saliba):** Order! I uphold the point of order. The honourable member for Willoughby will address the motion before the House.

**Ms GLADYS BEREJIKLIAN:** I would like to know what members opposite were thinking when the Federal Labor Government sold the Commonwealth Bank and Qantas. Government members merely demonstrate their incompetence when they move motions relating to issues that do not directly impact on this State's jurisdiction, particularly when there are so many other issues to debate, and when they criticise a policy that will take pressure off the New South Wales public hospital system. Any level of reform of the health system that will take pressure off public hospitals in New South Wales is a positive measure. By arguing against that proposition members opposite do their constituents a great disservice.

The wider reforms associated with the Federal Government's proposal will enable private cover for out-patient and out-of-hospital services that substitute for or prevent hospitalisation, including wellness and prevention, chronic disease management, outpatient and post-admission services. The focus on wellness and prevention, keeping people out of both public and private hospitals, is a good thing for everybody. Honourable members opposite have failed to see through their Government's political muckraking and to see through the political arguments. They should consider the merits of the proposal. As the shadow Minister for Health has already outlined, at the moment more than half of New South Wales hospital admissions are private admissions, and the rate of growth in private services outstrips public growth by more than two to one.

Most of those people have private health insurance. They would have to become public patients in public hospitals, putting pressure on stretched resources and on public hospital waiting lists. Honourable members opposite do not want to talk about public hospital waiting lists, of course, because they know what a terrible job they have done on that front. As the shadow Minister for Health has said, the State Government is very good at fudging the figures on waiting lists but when it is faced with genuine reform, a proposal that will help to take pressure off public hospitals in this State, it shuns it in favour of political rhetoric. Honourable members opposite should take note of the expert report by Professor Ian Harper of the Melbourne Business School, which concluded that every dollar of the Federal Government's private health insurance rebate saves \$2 of State and Federal government health expenditure.

With the health insurance rebate costing about \$3 billion a year, the savings in government outlays would amount to approximately \$6 billion, much of which would have been spent in public hospitals. Labor has suggested that it wants to abolish the rebate. If it did so, it would add almost \$1,000 per year to an average family's health insurance costs. Instead of attacking the sale of Medibank Private, members opposite should be grateful for the great work done by the Federal Government to rescue the private health sector and keep huge pressure off the New South Wales public hospital system. [*Time expired.*]

**Ms ALISON MEGARRITY (Menai—Parliamentary Secretary)** [4.32 p.m.]: There really should be nothing contentious about the motion we are debating today. The Opposition should join with the Government in strongly condemning the Howard Government's intention to sell Medibank Private without even consulting its members. It is a matter of justice; it is almost a matter of unfair trading. How can the Federal Government just decide to do this? Three million members and policy holders in New South Wales and throughout Australia,

the people who have poured contributions into the fund of the past 30 years to build its equity, have every right to stand their ground and demand to know what benefits the Federal Government will guarantee them from the proposed \$2 billion sale.

Peter Costello said on the weekend that he thinks the public would be interested in seeing a health fund listed on the stock exchange. That shows just how out of touch the Federal Government and, as we have heard today, the New South Wales Opposition really are. What the public want to know is why their private health insurance premiums have risen by 40 per cent since 2001. They want to know why they are paying more for private health insurance without receiving any extra benefits. I do not know about other members, but when I get the notices it appears that services are being scaled down. The fund does not want to increase my premiums but it will scale down the benefits. We want to know why the Federal Government continues to allow private health funds to increase premiums at more than double rate of growth it is prepared to contribute to public hospitals.

But, most of all, members of the public want to know how the proposed sale of Australia's largest private health insurer will affect the premiums for the fund's three million members and other funds right across the sector. We want to know what impact that will have, not only on Medibank Private but also across the board. Australians with private health insurance will take little comfort from any assurances given by Peter Costello or Nick Minchin about future health fund premium increases. I remind the House that this is the same Federal Government that went to the polls on a promise of keeping interest rates low. As we are all aware, that promise has gone up in smoke and put extra pressure on family budgets. And it is the same Federal Government that refuses to offer any hope of relief to motorists facing spiralling petrol costs, another family budget breaker.

**Mr ACTING-SPEAKER (Mr John Mills):** Order! There is too much interjection in the Chamber. The honourable member for Menai is the only member with the call.

**Ms ALISON MEGARRITY:** Private health insurance will, indeed, be the third leg of a losing trifecta for our families. The Federal Government has an appalling track record of management of the private health insurance industry. It has not contributed one cent to the strength and saleability of Medibank Private. The fund's three million members, whose contributions over the past 30 years have contributed to Medibank Private's billions of dollars in reserves, have a right to know how the Federal Government intends to compensate them under its plan to sell the fund and pocket \$2 billion. Perhaps the most damning condemnation of the Howard Government's proposal to sell off Medibank Private comes from an independent report of the Federal Parliamentary Library. The report not only questions the point of such a sale, it also concludes that there is little evidence that privatisation would make the insurer more competitive. The report stated:

... in the absence of further information about the details of the sale, there is little evidence to support assertions that a privatised Medibank Private would be more efficient, competitive and less expensive for consumers.

In the past few days the Federal Government has emerged to ridicule that report, but it has remained silent on any sound basis for a sale and any details of its proposed sale. It has not told Australians who have private health insurance how this proposal—or should I say how this "promise"—is any different from its promises on interest rates and petrol prices. In the absence of any details, we can only judge the Howard Government on its record in private health insurance, and that record shows an average rise of 8 per cent a year in the cost of private health insurance with no corresponding increase in benefits and, not surprisingly, more reliance than ever on our public hospital system.

The Federal Government is asking the Australian public, the three million members of Medibank Private, to take it on trust. It has not earned such a right. The credibility of the Federal Government has taken a battering on interest rates and petrol prices, the credibility of the private health insurance sector is low in the community and, as we all know, premiums continue to rise year after year and thousands of families across the nation are feeling the pain. I support the motion before the House and ask Opposition members to have the courage to do the same. [*Time expired.*]

**Mr PAUL McLEAY** (Heathcote—Parliamentary Secretary) [4.37 p.m.], in reply: I thank honourable members who participated in the debate. I would like to reflect on a few of the comments that were made, particularly the opening remarks of the honourable member for North Shore, who said that she recently heard Nick Minchin give a talk about the benefits of the proposed sale. I remind honourable members that the motion asks the House to condemn the Howard Government for its proposal to sell Medibank Private. The motion does not seek to condemn the virtues of private health insurance, it seeks to condemn the Federal Government's proposal to sell Medibank Private. The honourable member for North Shore said she would refute my statement

that from the outset no reasons were given for the sale. She did not do that, but she spoke about some of the reforms in the private health insurance industry.

The Federal Government recently announced a number of reforms to private health insurance: the sale of Medibank Private, Australia's largest health fund, which it considers to be a reform; changes to lifetime health cover, which will remove the penalty loading for people who join a fund after the age of 30 and remain members for 10 continuous years; broader health cover, which will mean that firms can develop products for non-admitted care; and a pay requirement for funds to provide standard product information and improved informed financial consent.

At this early stage the New South Wales health Minister and I are generally supportive of plans to allow funds to meet the demands generated by changes in the models of care. Currently, people can receive treatments on a non-admission to hospital basis, such as chemotherapy and dialysis, yet private health insurance cannot cover the cost of these treatments unless the person is admitted to a hospital. This proposal may help address an anomaly in the private sector that allows funding arrangements to dictate care decisions. However, there is a risk that broader health care cover may lead to an American style of managed care that allows funds to dictate the type of treatment patients receive. I think it should be clinical needs, not financial considerations, that drive the care of patients.

There are a few other disappointments in the reforms. The broader health cover does not cover non-admitted emergency department care because that is where the real pressure on public hospitals is: the number of patients admitted through emergency departments. The honourable member for North Shore talked about a 7 per cent increase in the number of patients in public hospitals. Why then did the Commonwealth Government increase our funding under the Australian Health Care Agreement by only 3.4 per cent?

**Ms Angela D'Amore:** Ripped off again.

**Mr PAUL McLEAY:** As the honourable member for Drummoyne says, once again ripped off by the Federal Government, even when it acknowledges our statistics. The honourable member for Drummoyne argued that the Government should first ask the members of the fund whether they want it sold—not an unusual supposition. If we look at the Newspoll results that the Health Services Union [HSU] provided, clearly the answer is no. The honourable member also discussed the virtues of the hardworking nurses, doctors and support staff and the State's commitment to public health.

The honourable member for Willoughby claims that the New South Wales Parliament does not have jurisdiction over this issue. This side of the Chamber has a proud history of condemning the Howard Government and I am sure we will continue to do so, should the need arise. The honourable member for Willoughby talks about the burden of public health. The Australian Government has argued that rebate expenditure has reduced the demand for public patients; however, New South Wales has found this not to be true. We have found that separations funded by private health insurance were significantly below the private health insurance coverage levels of 43 per cent and account for only 35 per cent of separations and only 8 per cent of public hospital separations.

The honourable member for Menai said the public wants to know if the sale of Medicare will benefit the members and is it in the members' interests? The answer is no. Even the parliamentary library acknowledges that there is no evidence of a benefit to members. So Minchin and Costello have provided no reason for sale except that they want the money. It is a cheap money grab and will not lead to any better health outcomes nor, more particularly, member outcomes.

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

**The House divided.**

**Ayes, 50**

Ms Allan	Mrs Fardell	Mr Oakeshott
Mr Amery	Ms Gadiel	Mr Orkopoulos
Ms Andrews	Mr Gaudry	Mrs Paluzzano
Mr Barr	Mr Gibson	Mr Pearce
Mr Bartlett	Mr Greene	Mrs Perry
Mr Black	Ms Hay	Ms Saliba
Mr Brown	Mr Hickey	Mr Shearan
Ms Burney	Ms Judge	Mr Stewart
Mr Campbell	Ms Keneally	Mr Torbay
Mr Chaytor	Mr Lynch	Mr Tripodi
Mr Collier	Mr McLeay	Mr Watkins
Mr Corrigan	Mr McTaggart	Mr West
Mr Crittenden	Ms Megarrity	Mr Whan
Mr Daley	Mr Mills	Mr Yeadon
Ms D'Amore	Ms Moore	<i>Tellers,</i>
Mr Debus	Mr Morris	Mr Ashton
Mr Draper	Mr Newell	Mr Martin

**Noes, 27**

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

**Question resolved in the affirmative.**

**Motion agreed to.**

## **REGIONAL AIRPORT SECURITY**

### **Matter of Public Importance**

**Mr DAVID CAMPBELL** (Keira—Minister for Water Utilities, Minister for Small Business, Minister for Regional Development, and Minister for the Illawarra) [4.52 p.m.]: This matter of public importance strikes at the heart of our country. It is of national importance because of a worldwide threat of terrorism. Yesterday's *Daily Telegraph* newspaper reports the Federal Government has confirmed that no screening of checked baggage carried in aircraft holds is undertaken at airports within striking distance of Sydney. This includes airports like Newcastle, Coffs Harbour and Ballina. What is most alarming is many regional airports allow luggage onto flights without security checking. This potentially fatal flaw happens not only in New South Wales but interstate as well. For example, the *Daily Telegraph* reports this happens at major airports such as Hobart, Launceston and Townsville.

Airport security is a national issue. It is a responsibility of the Howard Government. It is the Howard Government that is failing country communities and airline passengers. It is now five years since we were shocked by the unspeakable horror of the terrorist attacks on New York. Even today the World Trade Center site is a moving memorial. But it is also a reminder that we can never be too vigilant, yet the Federal Government still fails to protect Australians from this threat. With millions of Australian and international visitors moving around our State and country, it is absolutely essential that the Commonwealth be held accountable when it comes to regional airport security. Just a matter of weeks ago the airport chaos created by the terrorism threat in the United Kingdom highlighted just how seriously we need to be about our airport security. What more evidence does John Howard need to start taking regional airport safety seriously? He has no excuses. There is no

room to be complacent. Here in New South Wales we mean business and the Iemma Government is making sure our doors are open for business opportunities.

The Federal Government's lack of interest in regional airport security directly impacts on business in country New South Wales. Regional business needs better transport links. Instead, the Howard Government is blatantly ignoring country business needs. Regional centres are the powerhouses of business in this State and it is vital we have safe air transport for further growth. I have now visited more than 246 locations around the State and I am constantly reminded of the thousands of small businesses linked to tourism. Country hospitality industries rely on effective transport links to Sydney and other major cities. We want to be sure international and domestic visitors travel in safety. They need to travel secure in the knowledge their luggage is being scanned.

Instead, because John Howard does not care, we are third world. The Federal Government's scatter-gun approach to security means regional airports are open targets for terrorism. The Iemma Government directly targets exports as an investment in future jobs, with one in four jobs in country areas being directly linked to trade. Successful trade needs secure and safe air transport. The Commonwealth must protect regional business and industry by providing the service they need to prosper and travel securely. While the Iemma Government is investing \$10 billion per year on infrastructure—that is \$27 million a day on roads, schools, hospitals, electricity, water and the rail network—the Federal Government is failing to deliver on its responsibilities to protect New South Wales and Australian lives.

The Federal Government needs to make sure our network of 37 regional airports is secure and that those who use air transport can do so with safety. Regional airports are an essential tool for businesses and the community in country towns. The Federal Government needs to stop dithering and must act immediately. What will it take to make the safety of Australians a priority? Last week, instead of being concerned about airport security in his region, the only concern of the honourable member for Ballina seemed to be quibbling about semantics. It is a shameless waste of time and effort. Instead of looking at the real issues like protecting innocent lives, he has chosen not to stand up to the Howard Government. He has failed to stand up against his Canberra masters, preferring instead to do nothing, just as he has done nothing for his constituents over petrol prices, the GST and other critical issues like interest rates. While the honourable member for Ballina and his fellow Nationals quibble about silly things like what is the definition of a region, we are getting on with the job of making sure country communities share in the economic benefits being generated by the hardworking Iemma Government.

What have The Nationals done to demand better country airport security at regional centres in New South Wales? Why have they not demanded that the Federal Government listens to them? Is it because John Howard believes, as does the Leader of the Opposition, that The Nationals are totally irrelevant? Why has the Leader of the Opposition not demanded better regional airport security? Is it because he so rarely travels to the regions or is he failing country communities and businesses because, like his Nationals colleagues, he has no influence in Canberra? Why has he not been out there forcing his Federal colleagues to see they are risking people's lives and livelihoods? Is it because he knows the Federal Government does not support him?

The Leader of the Opposition has plenty to say when it comes to being critical of the Iemma Government. But he has not any ideas or plans of his own especially when it comes to protecting hardworking families! The Federal Government's promised upgrade to regional airport security is not happening fast enough. The local council spent a great deal of money on Dubbo airport terminal but the Federal Government is doing nothing about security, such as scanning passengers, hand luggage or checked luggage. The same applies to Albury and Wagga Wagga.

**Mr Peter Black:** Broken Hill.

**Mr DAVID CAMPBELL:** The honourable member for Murray-Darling interjects to remind me that scanning does not occur at Broken Hill either. People may well join an aircraft and take some silly action that would place in jeopardy the safety of passengers, crew or communities in the flight path. The list goes on. There are 37 regional airports throughout New South Wales with no protection from the Commonwealth. The Commonwealth Government has about \$12 billion in surplus, yet it has not put in place a strategy to measure the necessary sense of security. Nor has it put in place the infrastructure required to ensure the security of passengers, freight and communities where an aircraft might be hijacked. And who knows what might come of it!

Earlier today I had a discussion with the honourable member for East Hills, who has similar concerns about Bankstown airport in the heart of metropolitan Sydney. We have heard absolutely nothing from The Nationals or the Liberals in this place about these issues. Regional airports are classified as military bases so they are Commonwealth property, and as such the Commonwealth is responsible for country airport security. But yesterday the Howard Government confirmed that it has failed to protect us. Of the four million people who used domestic and regional airports last financial year, only those boarding at Christmas Island and Norfolk Island had checked baggage screened. As I said, not all regional airports screen carry-on luggage, and the failure to screen checked luggage has raised serious security concerns.

Unchecked luggage could contain anything. We simply do not know what risk we face each time we board a regional airline. When will the Federal Government take country security seriously? Until it does, it seems that the Federal Government and the city-centric New South Wales Opposition believe safety for those flying in regional areas simply does not matter. But security for those flying in country areas matters, and the Commonwealth's failure is threatening everyone in our State. As I said, everyone in our community is at risk because one is never sure what might occur on a flight from a regional location. I call on the New South Wales Opposition to stand up for New South Wales, regional businesses and regional families. The Opposition should join our call on the Commonwealth to invest in security at the 37 regional airports throughout rural and regional New South Wales.

**Mr DONALD PAGE** (Ballina—Deputy Leader of The Nationals) [5.02 p.m.]: Security at airports in New South Wales, whether they be metropolitan or regional, is of great importance. Undoubtedly, since the events of September 11 2001 the importance placed on passenger screening and security checks has increased markedly. It must be noted that airport security at regional airports is primarily the responsibility of the Federal Government and local councils, which for the most part own and operate regional airports. The Federal Government invited aviation expert Sir John Wheeler to undertake a review of aviation security in Australia last year. The subsequent Wheeler report made 17 recommendations, including recommendations for regional airports. Following the report's release, the Federal Government implemented all 17 of those recommendations. Importantly, it must be noted that the Wheeler report did not recommend the introduction of baggage screening at regional airports. Sir John Wheeler said:

It is neither practical nor desirable to expect 100 per cent security at regional airports. The sheer diversity of Australia's regional airports makes the challenge of common standards of security an impossibility. Any protective security enhancements should be undertaken in accordance with local threat and risk assessment and not instituted on the basis of what is sometimes media-driven scaremongering.

Since September 11 2001 the Federal Government has spent more than \$1.2 billion on new transport security measures, including security programs and procedures for 176 regional airports around Australia. To follow the Labor line that every single bag on every single flight at every single airport should be screened would mean that hundreds of airports around Australia needed to install equipment costing an average of \$4.5 million per airport, before considering the annual running costs. This cost would need to be met by local councils, which generally own and run these airports, and the travelling public. Given the lack of traffic at many of these airports, the extra cost per ticket would run into thousands of dollars in many instances. Therefore, the level of security at an airport is determined through a risk assessment process; security measures are tailored to suit the individual airport and the relevant circumstances that prevail.

It is obvious that regional airports do not experience the same level of passenger and airline usage as larger metropolitan airports. Therefore, security measures in place at regional airports will not be the same as those in place at larger airports with greater usage. But security is not just related to volumes of traffic; it is related to risk. The fact is that the risk is lower at regional airports, which is precisely what Sir John Wheeler said in his report. The Federal Government takes a realistic and multilayered approach to aviation security across Australia. The security structure is intelligence driven, risk based and outcomes focused. Every regional airport servicing public transport aircraft has a Transport Security Program that is based on a thorough risk assessment and covers all security procedures at the airport.

The security arrangements that are mandated at Australia's regional airports are based on the level of airline service and best advice from intelligence and enforcement agencies. This means that all appropriate layers of security are being put in place based on size and scale of the airport, the type of aircraft that service the region and the risk assessment. Should it become necessary—this is important—to install further security measures following advice from the concerned agencies, it will be done in consultation with the airport operator, which is usually the council, and the airlines. I am advised by the Federal Government that when an airport operator believes that the introduction of additional security measures is required, they can submit a request to

the Federal Government to apply for added security. All regional airports, therefore, have the option of introducing screening, in consultation with the airlines and the Federal Government.

It is important to be aware that Australia's aviation security regime consists of numerous layers of operational security measures, many of which are not immediately visible to the travelling public. Whilst passenger screening is the most obvious security measure, there are many others in place. Security measures at regional airports include strengthened access control, improved lighting, fencing and surveillance, hardened cockpit doors on all regional aircraft with more than 30 seats, security awareness training initiatives, and the regional rapid deployment team, which conducts regular deployments to regional airports. All baggage on regional commercial flights must also be fully reconciled against passenger manifests.

Of course, security measures at regional airports would be increased if the national security level was to increase or intelligence about a specific threat was received. The Federal Government has invested heavily in security at airports in regional Australia, with the regional aviation industry receiving direct assistance of approximately \$87.5 million to comply with aviation security requirements. As part of this, the Federal Government has committed \$36.5 million through the Regional Airport Funding Program to assist a number of regional airports to implement a range of basic security measures, including fencing, lighting and alarm systems. In conclusion, security at regional airports is important. However, it needs to be undertaken in accordance with a threat and risk assessment, as Sir John Wheeler said in his report. If the Federal Government or a regional airport perceives an increased level of risk, there is provision for extra security to be put in place to meet that increased risk.

The Minister for Water Utilities, Minister for Small Business, Minister for Regional Development, and Minister for the Illawarra, who has been critical of the Federal Government, has done nothing in terms of improving security. If he is serious about security he should consider improving security on trains that come into the city from regional areas. Instead of bagging the Federal Government, the Minister should think about measures the Government could take to reduce the level of risk of terrorist attack in a city, which might emanate from a regional source. The point is clear. Sir John Wheeler, who is regarded as a world expert on aviation security, gave the Federal Government a comprehensive report containing 17 recommendations. All of those recommendations have been implemented by the Federal Government. In relation to regional airport security, it is worth repeating what Sir John Wheeler said:

It is neither practical nor desirable to expect 100 per cent security at regional airports. The sheer diversity of Australia's regional airports makes the challenge of common standards of security an impossibility. Any protective security enhancements should be undertaken in accordance with local threat and risk assessment and not instituted on the basis of what is sometimes media-driven scaremongering.

It is a question of assessing the risk and the threat. The assessment of the risk and threat, to date, from regional airports in New South Wales and around Australia is that it is not sufficiently high as to require every piece of baggage at every single airport to be screened on every single flight. Considering the cost involved and the risk assessment, the Federal Government and many local governments that own and operate these airports perceive that the risk does not justify the type of security measures to which the Minister has referred. However, if there are increased risks and increased threats, and the assessment is made along those lines, provision is available for the Federal Government to support regional airports to ensure they have better security than they do at the moment.

Let us hope and pray that we do not have a problem with security at regional airports. Most of us who come to this place from regional electorates fly out of regional airports. I think it has occurred to all of us at different times how easy it would be for someone of malintent to get on an aircraft and take it over. Having said that, it has not happened—but that is not to say that it cannot happen. If there is any real chance of that happening the Federal Government, through the appropriate authorities, would increase the risk assessment and take measures at those airports, particularly the larger regional airports, to ensure that the appropriate security measures were put in place.

**Mr GERARD MARTIN** (Bathurst) [5.11 p.m.]: I support the comments of the Minister for Regional Development in support of his matter of public importance. In doing so, I shall raise a couple of matters. I was a little deterred by the lack of passion and feeling from The Nationals spokesman, the honourable member for Ballina. We are not arguing about Sir John Wheeler's credibility internationally in regard to aircraft security. However, Government members are prepared to say that we do not agree with him when he says it is not desirable to have the same level of safety at regional airports. We think it is. It is no good for the honourable member for Ballina to say that the responsibility lies with local councils. We are talking about national security.



The regional transport system plugs into the national system, which plugs into the international system. There must be an adequate level of security all the way along that chain.

All the big regional airports should be brought up to that level of security, perhaps through a staged program of implementation, notwithstanding what Sir John Wheeler might have said about it not being desirable. No-one thinks the current security measures are desirable, but we need to work with them. Security at country airports should have the same degree of emphasis as security at city airports. In particular, I refer to Bankstown airport, which receives many charter flights coming into Sydney. What the Minister said and what I am saying is different from the material we just heard from the honourable member for Ballina. His speech was obviously emailed or faxed to him by the Federal Minister and he has just read it verbatim. You are not interested in the facts; you are just interested in reeling out the excuses from Canberra.

**Mr ACTING-SPEAKER (Mr John Mills):** Order! The honourable member for Bathurst will direct his remarks through the Chair.

**Mr GERARD MARTIN:** We will strip that away and talk about the real threat in country and regional areas. We want our airports to be treated the same as city airports. New South Wales has 37 regional airports, most of which offer direct flights to Sydney. Therefore, it is the Federal Government's responsibility to improve security at those airports and to do so in a staged and proper manner. Baggage handling and security would be a good place to start. I am not talking about airports that have hundreds or dozens of flights a day—some of these airports may have only two, three or four flights a day. However, it is important that those airports have an enhanced level of security that fits in with national policy.

We are five years down the track from September 11. It took the Federal Government about two years to get the import of that event and to get rolling on doing something. Most people now believe that there is a heightened risk of a terrorist attack. A lot of the media say that it will happen in Sydney, but there is no reason why it could not happen across regional New South Wales. According to surveys that have been conducted across New South Wales, more than half of us believe that threats from terrorist groups such as Al Qaeda will only get worse in the next few years. Three-quarters of the people believe that we are losing the fight against terrorism. Despite what Sir John Wheeler said about it not being desirable to have the same level of airport security in regional areas, we would say that the evidence says it is—it is no good waiting until something happens.

The lesson of September 11 five years ago is that we should be rolling forward. As the Minister said, security at regional airports should be at the same level and treated with the same degree of seriousness as it is at major capital city airports. What further evidence does the Federal Government need, or do Opposition members need to start taking regional airport security seriously? A clear majority of people believe it is extremely important for people in regional areas. Coalition members supposedly have friends in government in Canberra, and they should be taking that message strongly to Canberra. Instead of paying lip service, they should be joining the Minister for Regional Development, who is probably the most travelled Minister in the history of this State. As a result of his portfolio, he knows what is going on at regional airports. We should support his call for increased security at regional airports.

**Mr DAVID CAMPBELL** (Keira—Minister for Water Utilities, Minister for Small Business, Minister for Regional Development, and Minister for the Illawarra) [5.16 p.m.], in reply: I thank the honourable member for Bathurst for his support. I thank the honourable member for Ballina for his contribution to the debate. However, he did not rise to the challenge and call on the Commonwealth Government to support this Government's call on the Commonwealth to listen to the people in regional and rural New South Wales. As Country Labor members and Independent members know—I note that the honourable member for Tamworth has been listening to this debate with a great deal of interest—members of The Nationals will not stand up for regional and rural New South Wales. They are pretty much city-centric.

If I may quote the honourable member for Lismore, New South Wales Coalition members "need to pick up the phone" and demand that their mates in Canberra stop dilly-dallying on airport security and take immediate action to address this matter. This issue is of critical importance not only to people of our regions but also to people in our cities. The majority of residents want stricter security at airports. However, as we approach the fifth anniversary of the September 11 tragedies all we have is lip service from the Opposition and the Federal Government. The Federal Government talks tough on terror—we have security hotlines and fancy fridge magnets that cost megabucks, but do we have screening of luggage at regional and rural airports? No! That would involve spending money in our regions. That would involve more than just cheap words about a tough stand on terror. That would take real action and a real plan, something the Howard Government does not have. It

is dithering around the edges, leaving country communities exposed. The Leader of the Opposition and The Nationals are complicit in their silence. They will not stand up for the very people they claim to represent. The Federal Government's failure to tighten the security of Australia's regional airports network is a disgrace.

**Discussion concluded.**

## **BUSINESS OF THE HOUSE**

### **Notices of Motions**

**Mr ACTING-SPEAKER (Mr John Mills):** 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**

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### **GEORGES RIVER ELECTORATE SERVICE CLUBS**

**Mr KEVIN GREENE** (Georges River) [5.24 p.m.]: During what is known as the winter recess many members attended the changeover to the various Lions and Rotary clubs within their constituencies. The seven service clubs in my electorate had changeover functions and my wife, Frances, and I attended each of those functions. I recognise the work of our community organisations and acknowledge the new and outgoing presidents for their contributions to our community. I recognise first Linda Robinson from Oatley Lions Club. Linda is retaining her presidency this year.

Oatley Lions will celebrate its thirtieth anniversary with a major dinner on 22 March next year. Frances and I will again attend. Oatley Lions is well known for the Oatley Lions Festival, which this year will take place on 21 October. I wish Linda well in continuing in her position as president. Another continuing president is Di Whittaker, President of the Georges River Lioness Club. My wife, Frances, represented me at the changeover function as I was attending another function.

**Mr Ian Armstrong:** She probably did a better job, too.

**Mr KEVIN GREENE:** She most definitely would have done a better job. I thank the honourable member for that interjection. Frances is an associate member of the Georges River Lionesses, which celebrated its twentieth anniversary earlier this year. Another continuing president is Anton Bregovic from Hurstville Lions Club. Anton and his committee put together the first St George Festival, held on 23 April. The club is looking to build on the beginnings for next year with a bigger and better festival. Jan Gartrell takes over as president of Hurstville Rotary Club, succeeding Dr Barry Pearson, who had a gap of 40 years between his terms as president. Jan Gartrell will continue the proud tradition of the club.

Hurstville is well known for its antiques fair in February each year. The fair is generously supported by Hurstville City Council. Cliff Felton will take on the position of president of St George Central Rotary Club following the presidency of Bernie Hayward. One of the many functions of the club which springs to mind is the race day at Oran Park. Young children in difficult circumstances are driven around the circuit in race cars by professional drivers. That very successful day is held in December of each year.

Lugarno Lions Club holds its annual spring fair at Gannon's Park on 17 September this year. With good weather, the regular crowd of about 25,000 is anticipated. It is an enormous event to organise. I encourage as many people as possible to attend. Bill Penfold has this year taken over as president of the club from Tony Alifano. Tony did a great job, particularly in organising many functions to bring the Lions clubs together. I am sure Bill Penfold will continue that tradition. St George Hurstville Lions this year will be led by Rosemary Craven, who has taken over from another young lady, Tina Harrison.

St George Hurstville Lions, as with Lugarno Lions, is a great support to me in holding the Hurstville City Council Mayoral Golf Day. Last year about \$30,000 was raised for the Prostate Cancer Institute. Both

those Lions clubs assist us with workers on the day. This year the day will be held on 17 November. St George Hurstville Lions also put together a very successful sportsmen's lunch. This year the guest speaker was the well-known journalist and former rugby league coach Roy Masters.

In speaking of changeovers in both Rotary and Lions clubs I also mention that Geoff Ingram, a member of and great worker for Oatley Lions, has become the zone chairman for Lions in our area. Reg Walker, who was last year's zone chairman, is a member of Lugarno Lions. I am proud to be an honorary member of that organisation. Reg has now moved up to the position of region chairman. It is fantastic to see continued contribution at higher levels from our local Lions club members. I am sure all honourable members would agree with me that our service organisations, Rotary and Lions, do magnificent work within our local communities. I wish all our incoming presidents every success in their new roles and thank the outgoing presidents for their leadership.

### CENTRAL COAST HIGH-VOLTAGE POWERLINES

**Mr CHRIS HARTCHER** (Gosford) [5.29 p.m.]: EnergyAustralia is planning to augment power supplies in the new electorate of Terrigal. This will necessitate high-voltage lines being constructed from Ourimbah to Wamberal. These lines carry 132,000 volts on poles 22 metres high. The community of Wamberal is concerned about the proposed passage of the lines through Wamberal. The community of Matcham is concerned about alternative proposals that would see the lines pass through Matcham. Everyone agrees that electricity supplies need to be upgraded, given the Central Coast's enormous population expansion in the past 20 years. Areas around Kincumber have been subjected to sporadic brownouts, affecting both business and domestic premises. However, there are genuine and strongly held fears that the 132,000-volt lines have the capacity to cause leukaemia, especially among young children. The jury is out on that issue. EnergyAustralia argues there is no cause for concern. However, research conducted in the United States and Europe suggests that there may be. The United States National Institutes of Health found in 2002:

Epidemiological studies ... had shown a fairly consistent pattern that associated potential [exposure to power-frequency fields] with a small increased risk of leukaemia in children and chronic lymphocytic leukaemia in adults ... For both childhood and adult leukaemias, interpretation of the epidemiological findings has been difficult due to the absence of supporting laboratory evidence or a scientific explanation linking [exposure to power-frequency fields] with leukaemia.

The United Kingdom National Radiological Protection Board wrote in 2004:

The epidemiological evidence indicates that exposure to power frequency magnetic fields above 0.4 microT [4 milliG] is associated with a small absolute raised risk of leukaemia in children ...

In June 2005 the *British Medical Journal* wrote:

The electric power system produces extremely low frequency electric and magnetic fields, and since 1979 there has been concern that these fields may be associated with cancer. In 2001, the International Agency for Research on Cancer classified extremely low frequency magnetic fields as "possibly carcinogenic" while others, such as the UK Childhood Cancer Study, dispute the risk.

More than 29,000 children with cancer, including 9,700 with leukaemia, were included in the study—the largest of its kind to date. The children were newborn to 14 years and were born in England and Wales between 1962 and 1995. They were compared with a control group of children individually matched for sex, approximate date of birth, and birth registration district. The distance of each child's home address at birth from the nearest high-voltage powerline was calculated. Children who lived within 200 metres of high-voltage powerlines at birth appeared to have a 70 per cent greater risk of contracting leukaemia compared with those who lived beyond 600 metres. There was also a slightly increased risk for those living 200 metres to 600 metres from the lines at birth.

One case of leukaemia is one case too many. Our children are our most precious resource and the precautionary principle that we apply to the environment must be applied to children's health. The only acceptable level of risk is zero. Yet, the proposed route favoured by EnergyAustralia takes the powerline past Wamberal Public School and Tumby Umbi High School. At this point, I must declare to the House a personal interest. My home is opposite Wamberal Public School and the powerline would pass in front of my home. I object as a resident and as a member of the Wamberal Public School council, but most of all I object as a representative of the residents of Wamberal. My children are no longer at home, so these lines do not pose a risk to them. I may not have a concern as a parent, but as a member of Parliament I have a concern for the children in my electorate.

Another significant cause for concern for residents is the effect on the value of homes of the unsightly powerlines. At a recent public meeting called by the Wamberal Action Group, a local real estate agent with many years experience in the area stated that the powerlines could devalue properties by up to 30 per cent. A suggested alternative route, which would place the line through Matcham, is also unacceptable. It, too, would directly affect a large number of homes. In addition, it would affect the environment because the lines would need to go through various reserves and would cut across the well-known ridgeline. Open space underneath the wires would lead to weed infestation and consequent bushfire hazard.

Community sentiment is evident from the large volume of letters that I and, I am sure, all Central Coast members of Parliament have received. More than 500 people attended a public meeting called by the Wamberal Action Group. I call upon the Minister for Energy to direct EnergyAustralia to go back to the drawing board to develop an alternative plan involving undergrounding the lines and eliminating risk to our children and our community. One of my constituents wrote:

I am the mother of 4 young children ranging in age from 3 months to 6 years. Every day we walk along the proposed power line route to meet the school bus. Most days we will be walking under the power lines to play at the playground which will be under the power line route or to walk to the small set of shops including a fruit barn and a bakery. Our lovely family oriented area will be diminished by the proposed poles.

Another constituent wrote:

I am a home owner and resident in Wamberal NSW. I have two young children and we are all very, very concerned with EnergyAustralia's plans to install high voltage power lines through our residential streets and down the back of the local primary school. I am trying to contact anyone who may listen to our concerns. These power lines are an eye saw and will devalue our entire suburb. They are also recognized by Australian and International studies to increase the likelihood of infantile leukemia and other health problems. Please if there is anything you can do to help us don't let EnergyAustralia jeopardize our homes, health and children.

### MG MY GATEWAY

**Mr GEOFF CORRIGAN** (Camden) [5.34 p.m.]: On Friday 18 August 2006 it was my pleasure to attend the twenty-fifth anniversary dinner of the Macarthur Group of Companies at Campbelltown RSL Club. I congratulate the board on an excellent function and the work it does for our community. The Macarthur Group of Companies was established 25 years ago as Macarthur Group Apprentices. Since that time it has had several changes of name to reflect the changing nature of the training provided. The name changed from Macarthur Group Apprentices to Macarthur Group Training when I was on the board, and then to Macarthur Group of Companies. On the night it was announced that the group had changed its name again to reflect its dynamic growth and diversity of business areas in which it is involved. The group was established in 1981 to train apprentices. In its first year of operation it had one apprentice.

I pay particular tribute—as was done on the night—to two men who have been on the board since day one. I refer to Graeme Bush and Peter Hayward. Both have Order of Australia medals that were awarded in recognition of their service, not only to the Macarthur Group of Companies but also to a variety of different organisations. I particularly mention Graeme Bush, who was also a long-term chairman of the Macarthur Health Service. With the help of the three local councils—that is, Camden, Wollondilly and Campbelltown—the first step was taken to establish Macarthur Group Apprentices. As I said, in its first year of operation the group had one apprentice. The growth area was in training carpenters. It was hard and slow work to establish the company. In the early days it primarily involved small businesses, but that constantly changed with vocational education systems. Macarthur Group Training emerged in the early 1990s and trainees were employed.

The Macarthur Group of Companies formed an important relationship with the ACTU Lend Lease Foundation, which has been a great help not only to Macarthur Group but also to the Macarthur region. The organisation has continued to grow and has forged important relationships with the Redfern-Waterloo Authority, the Army Reserve Trainee and Apprenticeship Program—a scheme promoting unique work options—and the Metals and Engineering Recruitment Scheme [MARS], which is targeting the metals and engineering skills shortages. MARS won the 2005 Innovation Award and I have proudly attended its graduation ceremonies to congratulate the participants on their achievements. I also congratulate the local councils on taking up the cause. They all have trainees, who are often employed by the councils on completing their traineeships. Of course, some move into the broader community.

There is a common misperception that apprentices are still the kids who leave school at the end of year 10. However, these days many employers prefer apprentices to have completed their Higher School Certificate [HSC]. One of the most prominent employers in Macarthur Group Training—Dave Funnell, from Funnell Electrical—insists that all his apprentices have their HSC because he finds that if they do they are better prepared. There has been talk in the media about young people who want to work with their hands leaving school before they have completed year 12. Dave Funnell has found that they are better off if they have reached that level of education. I found that within my own family. One of my sons did the HSC and found his carpentry apprenticeship easy, whereas the other struggled a bit because he left school in year 10.

To reflect the change in training and to move with the times, the group has launched a new brand. I congratulate Chairman Robert Rofe and Chief Executive Officer Naomi Brennan on the excellent work they do in guiding the board members, who are volunteers. The new brand reflects not only the changes in training methods but also the changes in young people and how they approach the job market. The Macarthur Group of Companies is now MG My Gateway. As the chairman said:

MG My Gateway is the portal, the way through for businesses to get the highest level of service they require or to source the very best candidates for their company. It is the way for young people to find out what they are looking for, to be supported through their training and to reach their goal.

I congratulate MG My Gateway and hope that in 25 years I can attend another celebration—not necessarily as a member of Parliament but as a supporter—of its continued growth in our region. The company does a fantastic job.

### STEM CELL RESEARCH

**Mr IAN ARMSTRONG** (Lachlan) [5.39 p.m.]: In my electorate and, I suspect, in most electorates across the State, there is increasing debate about stem cell research. One of the reasons I have taken a major interest in the subject is because of something a very good friend, who has been wheelchair-bound for about 10 years as a result of a farm accident, said to me six months ago. He said, "Ian, if I could just get out of this stinking, rotten wheelchair, what I would give to do that." Knowing this man as I do, and having had exposure over the years to many other people with physical difficulties, I guess that has given me a lot to think about. The current stem cell research issue has sparked a debate that we must have. However, it has been conducted in an environment in which very few people, including me, understand the science or the possible outcomes. I raise the subject tonight to generate discussion amongst members of this House and to get their responses, because I certainly need to know more about the subject before I can make judgments or, indeed, reflect the opinions of the public and those involved in the research.

The debate has been sparked by stem cell research around the world and within Australia, particularly in Sydney's world-class Garvan Institute, which has been at the forefront of Australian research for some years. On a number of occasions I have been a guest at the Garvan Institute. The work it is doing on the enhancement of stem cells to assist people with physical difficulties and other health problems is amazing. What the institute is able to do and how it is progressing its research is quite extraordinary. It is a magnificent institute doing wonderful work in looking to create a better life for many in our community.

It is important to understand that there are two fundamental aspects to the debate: adult stem cell research and embryo stem cell research. The Garvan Institute has made significant progress with adult stem cell research. Essentially, the process is that a stem cell is taken from a person who may have a physical disability. That cell is then enhanced many times before being returned to the body of the affected person, hopefully to strengthen and reunite the affected cells in the region of the disability. People who have been confined to wheelchairs after being the victims of serious car accidents, workplace accidents or farm accidents, have often raised with me the subject of the potential benefits of adult stem cell research. These victims hold out hope that those adult stem cells could one day provide relief and ultimately restore their health and mobility, and their quality of life.

Embryo research requires the use of human embryos, which could lead to the treatment of cancers and other non-physical health problems that humans have developed from time to time. I am deeply concerned about any prospect of human cloning. I am opposed to any thought of a commercial business creating human embryos. As someone in the community who is often exposed to people's physical and mental problems, I have strong views in support of adult stem cell research and mixed views indeed on embryo stem cell research. I am totally opposed to, and in no circumstances would I support, anything that might lead to any form of human cloning. Indeed, I have serious reservations about animal cloning. As someone who has bred animals to national standard

all my life—mainly cattle, horses and sheep—the thought of interfering with nature in that way is objectionable to me.

However, as a layman I would like to become more knowledgeable about the process and the science associated with stem cell research. I believe we need to discuss these things so we can expand our thinking processes and truly reflect our conclusions with the introduction of legislation in this place. I hope that I have set the ball rolling tonight. If any member of Parliament, staffer or anyone else has expertise in this matter and wishes to have a talk about it, I would be delighted to discuss the subject with them. I need to know more to be able to make decisions on behalf of people who are, in many instances, suffering and, hopefully, bring about better health and a better life for them.

#### **TWEED HEADS DISTRICT HOSPITAL CORONARY CARE UNIT**

**Mr NEVILLE NEWELL** (Tweed—Parliamentary Secretary) [5.43 p.m.]: Last Friday I was at Tweed Heads District Hospital to inspect the brand-new purpose-built coronary care unit, which was costed at over \$500,000. Up to nine additional nursing staff are working in this six-bed unit alongside medical and other support staff. It is estimated that more than 600 patients a year will be cared for in this state-of-the-art unit. At the time of my inspection the unit was already at capacity. As stated in budget estimates hearings last week, \$650,000 has been spent to undertake an extra 342 general surgery and 27 additional orthopaedic operations at the hospital. An extra \$300,000 has also been spent for the transfer and treatment of emergency cardiac patients for assessment and cardiac catheterisation at John Flynn hospital, which is just over the border.

That money is being used to drive down waiting lists and save lives. We are cutting costs and putting those savings back where it really counts: into front-line patient care. These initiatives were funded from efficiencies gained through the amalgamation of 17 area health services into eight. Next year the savings are estimated to grow to \$70 million on an ongoing basis. Honourable members may be assured that I will be fighting for a fair share of that for the Tweed, which is one of the fastest-growing regions in New South Wales and the demand on our health services is multi-faceted: there is the ageing population and the sea change population. The Tweed hospital also services a border population, with a large number of patients from Burleigh Heads, to our north on the Gold Coast, down to the south all accessing the Tweed hospital.

The Minister for Health, John Hatzistergos, has visited the Tweed hospital twice in recent months, first to inspect the new surgical and diagnostic equipment that was installed last June at a total cost of \$125,000, and again on 27 July for the sod turning for facilities for BreastScreen New South Wales. The new 8/5 Advance anaesthetic machine, which cost \$100,000, will aid surgery in the hospital's operating suite, and the new \$25,000 cancer probe will be used for the more efficient detection of cancer, particularly breast and skin cancers, and will minimise the need for further invasive surgery. This advanced new surgical and diagnostic equipment, and the increased funding in the 2006-07 budget, are big wins for our community and practical demonstrations of the Iemma Government's commitment to providing first-class health care to people in the Tweed.

Last year 5,139 operations were performed at the Tweed hospital, an increase of 7.3 per cent over the previous year. This new equipment will help the hospital deal with the growing demand for surgery. This high-end technology for providing and monitoring anaesthesia marks another improvement in the level of safety being provided to patients undergoing surgery at the hospital. Murwillumbah Hospital recently installed new diagnostic medical equipment at a cost of \$50,000—a new defibrillator and portable obstetric ultrasound, which will enable expectant mothers to have ultrasound examinations on site. Murwillumbah is performing very well and figures show that from July 2005 to June 2006 a total of 3,307 elective surgery procedures were performed—general surgery as well as ophthalmic, orthopaedic, gynaecological and ear, nose and throat surgery.

From July 1995 to June 1996 the total number of procedures was 1,958, an increase of 69 per cent since the Coalition was last in office. In the 2006-07 State budget the New South Wales Government announced an investment of \$627 million in health and public hospitals in the area administered by the North Coast Area Health Service, an increase of \$61.5 million on last year. That has resulted in an additional six permanent beds at Tweed hospital, five at Murwillumbah hospital and four at Ballina hospital. Only last week there was an announcement of \$18,000 in seed funding for fast-track zones and other models of emergency care for the Tweed to improve waiting time performance by triage categories in New South Wales, specifically in triage categories 3 and 4.

Added to that was the wonderful work done by United Hospital Auxiliaries [UHA], with Tweed Heads District Auxiliary raising \$236,325 this year. I congratulate President Mary Ranger and her team, and also the very small but dedicated Murwillumbah UHA team, which raised \$20,000. It is all a wonderful credit to our health carers and health facilities. That brings me to The Nationals' claim in a recent press release that the hospitals in the Tweed were operating as third-world hospitals. I responded strongly to that ludicrous statement. I repeat today that the irony is that the jobs of the nurses and staff in those hospitals are on the list of 29,000 public sector jobs that will be slashed by the Coalition if it wins office. [*Time expired.*]

### SCHOOL ZONE ROAD SAFETY

**Mr MALCOLM KERR** (Cronulla) [5.47 p.m.]: Tonight I speak on a very important subject I have spoken about on a number of occasions: road safety. I refer particularly to the long controversy in relation to flashing lights in school areas and the need to ensure the safety of schoolchildren by the best available means. I was particularly upset to receive a letter from Solar G Pty Ltd, which operates from premises at 32 Woodfield Boulevard, Taren Point, in my electorate. The letter states:

The RTA have now listed the successful respondents for the upcoming trial of the school zone alert system

Astucia—a big UK vendor that has a very large product range that already caters for the RTA requirements  
PNE—owned by Gregory Australia ... they are a big developer  
Serco—lots of roads and transport experience  
Streetscape Projects—read the Herald lately—

[*Interruption*]

Does the Parliamentary Secretary know about those projects? Has he been reading the *Sydney Morning Herald* lately? Does he want to tell us about those projects? The letter continues:

Technisyst—lots of roads and transport experience  
United Group Infrastructure—huge company with a lot of experience and capabilities

All in all I would have to say we were completely mowed down by the big boys, these companies together probably have more than a billion dollars of turnover between them (United Group Infrastructure has an annual turnover of \$371,000,000).

I wonder where they were for the last 4 years of the trials and why the RTA never used them

It would seem that only large multi national companies were selected and both hard working innovative Australian owned small businesses (Solar G & Hunter Valley Signs)—

That should concern honourable members from the Hunter, as I am sure it concerns the Parliamentary Secretary, who comes from the shire—

—have been discarded with the trash after investing 4 years and large sums of money to R&D on trials of the alert system only to find that the RTA have sucked our intellectual brains dry

The "Expression of Interest" was in 2 parts

Part 1 was a submission to the "Expression of Interest" to demonstrate you could provide the alert system, which Solar G has performed over the last 4 years on previous trials and our submission demonstrated

Part 2 is to participate on the trial for a 2-month period

The final outcome is **only successful trial participants** will be able to tender for the alert system on a major roll out which means large multi national companies have been handed a fast track of 2 months to this project whereas small business has been used for the long term of 4 years and morally abused by the RTA without so much as an explanation.

This is very disturbing. I am sure the way a local firm has been dealt with will be disturbing to honourable members from the Hunter and honourable members from the Sutherland shire. But, of course, the alert system is of great consequence to the people of New South Wales. The Government needs to provide an explanation and to speedily remedy the situation for these small businesses, which have been subjected to a great deal of injustice and suffering.

### DEATH OF JOAN HOURIGAN

**Mrs BARBARA PERRY** (Auburn) [5.53 p.m.]: I draw the attention of the House to a great woman from the Auburn community. Joan Hourigan was a woman of action and strong faith, and was steadfast in her values and beliefs. On 15 July 2006 Joan left this world at the age of 87. As often happens, the mark that Joan made on this world and on all our hearts was not fully comprehended until she was gone. Joan was a woman of great integrity and strength to those around her. I will never forget her support and encouragement for my family and me. She was ardent in her belief that if you are passionate about something you should let people know about it. It was this conviction to be an active member of this community that saw Joan join the Labor Party more than 40 years ago, becoming a life member a few years ago.

Joan relished the opportunity to be a voice for the community, to have her say and to do her bit. This was obviously a strong personal ethic, as evidenced by her contribution to the war effort: as a bootmaker she helped manufacture infantry and riding boots for the soldiers. While the Labor Party was a significant aspect of her life, there was much more to Joan Hourigan. In all her years, Joan was a devoted family woman to her parents, siblings, husband Jack Hourigan—whom she married in 1942—her son Peter, daughter-in-law Beryl, grandchildren Mark and Paul, granddaughter-in-law Michelle, and great grandchildren Matthew and Bailie.

Daughter of William and Theresa Mahoney and sister to Mary, Joseph, Ita and Leo, Joan was born on 11 January 1919 in Werris Creek, New South Wales. In childhood Joan lived in Flemington, and it was at Holy Trinity College, Granville, that she developed a strong faith and affection for the Sisters of St Joseph. In Joan's own words, they taught her the value of her faith. As a young family, Joan, her husband Jack and their son Peter moved to Fairfield, where Jack began a long career in the Australian Society of Carpenters and Joiners Union. In this time Joan developed extraordinarily strong friendships in the Fairfield community.

Her faith remained a constant in her life, giving her strength through times of great sorrow with the deaths of her parents, brothers, sisters and husband Jack, who died in 1981. Joan placed a great deal of faith in God and her family and friends, who also supported her in her grief. Joan indicated in her memoirs that her family and friends were a constant source of joy and motivation. She reminisced that her family gave her life and instilled the value of life in her. It was a legacy that she formed for her descendants—a legacy of faith, passion, enthusiasm and grace.

Almost 20 years ago Joan made the move to the Auburn electorate to make her mark on the great Berala community. In typical Joan style, she set about establishing friendships and involving herself in local community organisations such as the Red Cross, Probus, Lidcombe Catholic Club—also known as Dooleys—Auburn RSL, and the local church community. Joan visited the sick in Auburn Hospital every month, and assisted in her parish. Joan was a woman of extraordinary generosity and compassion, both for her family and the community. My condolences go to the Hourigan family, who are dealing with the loss of a great and much-loved mother, grandmother and great-grandmother. Today I pay tribute to the memory of Joan Hourigan, a much-loved and respected member of her family, church and community, a woman of great strength and warmth for all those she encountered, and a woman with much inspiration to others. She will be missed.

### BALLINA ELECTORATE CULTURAL AND BUSINESS EVENTS

**Mr DONALD PAGE** (Ballina—Deputy Leader of The Nationals) [5.57 p.m.]: I take this opportunity to comment on the wonderful cultural events and business achievements that have taken place in the Ballina electorate during the Parliament's winter recess. Communities within the Ballina electorate have hosted world-class festivals, highlighting the area's unique cultural and artistic nature. However, the Ballina electorate is not just an area with a thriving cultural community. We also have a prosperous and vibrant business community, as was demonstrated at the Ballina Chamber of Commerce's annual business excellence awards, the Lennox Head business awards, and by what I saw during the recent Pollies for Small Business Week.

The North Coast of New South Wales is known for its artistic and cultural flair. This year I had the pleasure of attending the Bangalow Jazz Festival, in which world-class local and interstate jazz acts brought to Bangalow their individual and unique take on the jazz genre. In addition, two weeks ago Bangalow also hosted the Bangalow Music Festival. The festival is a marvellous display of classical music talent and, like the jazz festival, brings many people into Bangalow and the surrounding area, all with a love of good music. I particularly thank Michael Malloy from the Bangalow Chamber of Commerce, who does a wonderful job facilitating many events in Bangalow, including the music festival.



Further east in Byron Bay, the annual Byron Bay Writers Festival has wrapped up its tenth successful year. The sold-out Splendour in the Grass music festival held in July was another success, highlighting the prominence of the Bangalow-Byron area as a hub of live festival entertainment. That comes on the back of the Blues and Roots Festival at Byron Bay over Easter. Recently I had the pleasure of attending the Ballina Chamber of Commerce annual business excellence awards held at Ballina RSL Club. It is interesting to note that 20 years ago the future of the Ballina Chamber of Commerce was in doubt as it only had a handful of members. However, just over a week ago the business community proved what a vibrant and thriving community it has become, with 110 businesses vying for awards and more than 430 people attending the awards ceremony. These awards reflect the diversity and quality of every sphere of business in Ballina, and show that there is a confidence and worldliness among this business community.

A week prior to that, the Lennox Head business awards were held and again it was a very successful event. As part of the recent Pollies for Small Business Week, organised by the Chamber of Commerce and Australian Business Limited, I was able to visit three different businesses operating in the Ballina area. First I visited Kimberley Kampers and Karavans in Ballina. Kimberley Kampers, which currently employs 46 local people, has developed and built the new, popular Kimberley Karavan. Confirmed orders are beyond current production capacity and the business is set for a major expansion. A new, larger facility is being planned, allowing Kimberley Kampers and Karavans to provide employment for a further 44 skilled tradespeople. This is an exciting development in terms of new product, innovative design, employment growth, and flow-on benefits to the area. Other local businesses will no doubt benefit in flow-on effects from this thriving business. I hope that the owner can find the skilled workers required.

I also spent some time at Sailfish Marine-Catamarans at Alstonville. Sailfish Marine is an Australian leader in its field, manufacturing aluminium catamarans for recreational and professional use. Currently it employs 14 staff and is another exciting business doing well in the national boat market. Sailfish Marine has identified occupational health and safety paperwork issues and a lack of clarity in this area as main concerns. In addition, I visited Headlands Beach Resort. This Lennox Head accommodation complex is experiencing solid occupancy and the strength of the Ballina-Byron gateway airport is a significant factor. People are now able to fly direct from Melbourne and Sydney to Ballina by jet, further opening this region to visitors.

These three businesses show the strong diversity of business in the Ballina electorate and their confidence in our area. Another business doing well is TP Health, formerly known as Thursday Plantation, which recently celebrated its thirtieth birthday. TP Health began as a two-person band in the bush and created the world's first tea-tree plantation. The business now employs more than 100 people and has 40,000 visitors to the Ballina site every year. TP Health is currently valued at \$40 million and distributes products in over 30 countries throughout the world. It has major plans for expansion.

In conclusion, I would like to mention a very special event I attended at Teven-Tintenbar Public School. On 11 August students were able to take part in a once-in-a-lifetime event—speaking live with an astronaut as his space station orbited over our side of the earth. Students had eight minutes to ask questions of NASA astronaut Jeff Williams via a satellite radio hooked up at the school by some local radio enthusiasts. Speaking with someone in space from a small country school in northern New South Wales was an experience I will not forget quickly and one that I am sure will remain with Teven-Tintenbar Public School students for the rest of their lives.

#### **PORT WARATAH COAL SERVICES HUNTER MEDICAL RESEARCH INSTITUTE SCHIZOPHRENIA RESEARCH FELLOWSHIP**

**Mr JOHN MILLS** (Wallsend) [6.02 p.m.]: Last Monday I had the honour to attend the launch of the Port Waratah Coal Services [PWCS] Hunter Medical Research Institute [HMRI] Schizophrenia Research Fellowship. The new chairman of the HMRI foundation, Bob Kennedy, introduced the launch and my colleague the honourable member for Newcastle was also in attendance. Port Waratah Coal Services has committed \$300,000 to the Hunter Medical Research Institute for a three-year study to investigate factors that lead to the onset of schizophrenia. The PWCS research fellow is Dr Linda Campbell from the University of Newcastle Centre for Brain and Mental Health Research, which is also a member of HMRI's brain and mental health program.

Dr Campbell will study 40 people aged between 12 and 20 years, and 20 of their siblings, who have a common genetic disorder, velo-cardio-facial syndrome [VCFS]. Dr Campbell told the gathering that people with

VCFS have an increased risk of developing schizophrenia. The syndrome affects one in 5,000 children and is one of the most common genetic disorders. The study will aim to identify predictors of who amongst that group is likely to develop schizophrenia in adolescence. By investigating how schizophrenia develops in people with that syndrome, it will also inform the community about schizophrenia in the general population.

Both the HMRI researchers and Port Waratah Coal Services hope that the study will improve the quality of life of people with schizophrenia by assisting in early diagnosis. Schizophrenia affects one in 100 Australians and is the biggest cause of permanent disability for young people. The earlier the problems are identified, the better, because people can be referred to treatment that improves their quality of life and reduces their level of disability. The General Manager of Port Waratah Coal Services, Graham Davidson, was also present at the launch. He said that the company was proud to support world-class local research happening in the region. It is the second research fellowship funded by Port Waratah Coal Services. The first research fellowship was in respiratory medicine.

Christine, the parent of a child with VCFS, told the gathering about the hopes and fears of her family arising from their participation in the research. Terry Lewin, the research management officer of James Fletcher Hospital, gave the gathering an overview of facilities at the James Fletcher Hospital site, where the research is being carried out. The launch was held at Monet's Café, James Fletcher Hospital, which is an excellent example of mental health rehabilitation in the public sector because it provides hospitality work experience to people with mental health living in the community.

I congratulate Port Waratah Coal Services, a leading private company, on its generous support for medical research at HMRI, particularly for identifying this project for support because of its importance for young people in this State. This support by a leading private company is an example of the partnership that makes up HMRI. Led by an independent board of governance, the partnership comprises business and commerce in the Hunter, the community, units of Hunter Area Health Service, the University of Newcastle and clinicians. In 2005 HMRI attracted about \$700,000 in research donations and sponsorship from Hunter businesses. The aim is to increase that sum significantly in the next few years. In addition to funds raised for research from private sources locally, HMRI researchers also attract many peer-reviewed resource grants from the National Health and Medical Research Council and the like, in competition with researchers from institutes and medical schools all over the country. It is a tribute to the quality and renown of HMRI's researchers that it is in the top three among New South Wales' medical research institutes for winning peer-reviewed grants.

Another source of funding for medical research institutes in this State is the former State Government's health research infrastructure grants, which the Government now calls the Medical Research Support Program. The Minister for Science and Medical Research has improved the scheme, has allocated more money and changed the criteria. It is now only required that there be an independent board and that the threshold in peer review grants is passed. In July the Hunter Medical Research Institute announced \$6.6 million of support funding, a 70 per cent increase on the previous triennium. The program is vital to research institutes that can spend peer review grants only on a specific project directly. The State Government money helps pay the cleaning bill, buys the test tubes and builds whatever volunteer bases are needed for trials. I thank the Minister for Science and Medical research for developing, as promised three years ago, a fairer scheme.

### LANE COVE TUNNEL

**Mr ANTHONY ROBERTS** (Lane Cove) [6.07 p.m.]: Tonight I place the facts on the record with respect to the Lane Cove Tunnel. In doing so I pay tribute to the Lane Cove Tunnel Action Group, particularly Dr Kearney; the Mayor of Lane Cove, Ian Longbottom; and not least John Lee, and Peter Brown of Lane Cove Council. On 17 March 2000 council wrote to the Roads and Traffic Authority [RTA] supporting a three-lane tunnel in each direction and two through lanes in each direction on Epping Road. The RTA's 1999 feasibility study for the Lane Cove Tunnel was based on a \$2 toll and two lanes each way to carry by 2016 an estimated 58,456 vehicles per day annual average daily traffic [AADT], which is made up of total traffic per year divided by 365.

Eighteen months later the RTA's environmental impact statement predicted that the tunnel would carry 119,905 vehicles per day AADT by 2016. Less than four years later the RTA signed its contract in December 2003 based on the tunnel carrying 159,500 vehicles per day AADT and 172,300 vehicles per day on an average weekday by 2016. Lane Cove Council was refused access to these traffic volumes because the RTA contract provisions ensured secrecy. Therefore, council was not aware until the contract was tabled in Parliament in November 2005. The contract documents show that the RTA's 2037 traffic projections would be reached

eastbound in 2009 and westbound in 2011. The RTA's hourly projection for the M2 with the Lane Cove Tunnel by 2016 was 2,589 vehicles per hour. In 2002 it had already reached 2,620 vehicles per hour without the tunnel and the M7 link.

Lane Cove council exposed that the eastbound tunnel would need to operate at maximum capacity for 16 hours a day between 5.00 a.m. and 9.00 p.m. on weekdays and the Pacific Highway ramps westbound between 6.00 a.m. and 11.00 p.m. at near capacity. Had council or the community known that this would be the case they would have strenuously opposed the current arrangement. I must put on the record that Lane Cove council exposed that to achieve the projected traffic in the tunnel, traffic on the Gore Hill Freeway and M2-Epping Road would need to more than double current volumes.

Lane Cove council and the community have not changed their views that three lanes are required in both directions in the tunnel and two lanes on Epping Road. The council has reviewed its position in the light of much higher traffic volumes in the RTA contract than predicted in the EIS. Once again we have secrecy, rubbery figures and a lack of planning by the RTA, which has caused the community to review its position. I put these questions to the Minister:

- (1) What are the Roads and Traffic [RTA] estimated projections of heavy vehicle movements through the Lane Cove Tunnel eastbound and westbound for the period 2007 to 2037 inclusive?
- (2) What has the RTA based these projections on?
- (3) How many of these movements will be by heavy duty diesel vehicles?

In his response the Minister referred me to the environmental impact statement prepared for the Lane Cove Tunnel project. I referred back to the EIS prepared for the Lane Cove Tunnel project but I cannot find any details for 2007 to 2037, other than 2016. Again, the Minister needs to answer a number of questions for the community. The Minister needs to further explain why the contract was entered into with heavy vehicle volumes much lower than the RTA's EIS projections. He needs to explain why Connector Motorways expects twice as many trucks on Longueville Road through the Lane Cove shopping centre than on Epping Road east of Mowbray Road. He needs to explain to the community why Connector Motorways misled the Air Quality Community Consultative Committee in its report in May 2006 when it claimed that traffic would be 34 per cent less on the Gore Hill Freeway after the tunnel opened in 2006, which is a reduction in traffic of 68,000 vehicles per day, with data manipulated to exclude traffic to and from the Lane Cove Tunnel and with double counting of traffic leaving the Gore Hill Freeway to Reserve Road ramps. He needs to explain whether such misleading information has been used in any public hearings.

The Minister needs to confirm that the increase in traffic on the Gore Hill Freeway east of the eastern portals will be at least 60,000 in 2006-07 and 110,000 by 2016 or advise what increase in car and truck traffic is required on the Gore Hill Freeway east of the eastern portals to achieve Connector Motorways' weekday traffic projections for 2006 and 2016. My community is facing a disaster. Most people who use this transport corridor will find that they are paying a toll to sit in what will effectively be a car park. Once again, on behalf of my community I raise concerns about the RTA and what it has done with respect to the contractual arrangements, its figures and its lack of planning.

### **DUBBO POLICE AND COMMUNITY YOUTH CLUB**

**Mrs DAWN FARDELL** (Dubbo) [6.12 p.m.]: Today I refer to a wonderful organisation in my electorate, the Dubbo Police and Community Youth Club [PCYC]. In 2000, when I was a Dubbo City councillor, I met the volunteer president of the club, Mr Allan Backhouse. Allan told me that his vision for the club was to meet the needs of our youth in the future. He lamented that council was not represented at the club's meetings. I mentioned to him that a councillor was appointed but that he was not attending the club's meetings. I approached this councillor, Ben Shields, and asked him whether he wished to remain on the committee; if not, I would be happy to take his position. He was eager to get rid of this position as it was not high profile enough for him. Following a resolution at council, I was the appointed councillor. At the time Mr Shields said that the PCYC was only good for football and bingo.

I and others attended many meetings, and we all remained focused on having a new club constructed and the existing building renovated. The new premises are within two months of being opened. At the recent annual general meeting the club programmer outlined all the activities presently being undertaken. The club programmer, Rod Fardell, liaises weekly with the crime management unit, in particular the youth liaison officer and the community safety officer. They work in partnership in an attempt to reduce youth crime. At these

meetings new young offenders and youth at risk referrals are obtained, as well as hot spot locations and any other issues that may arise. The driver education program continues to be a success, with 180 participants per year. The reoffending rate is only 4 per cent. This program is still being well received by the local magistrate and solicitors. Meetings are held every Monday night, with between 10 and 25 participants per session.

The Making a Difference [MAD] youth driving program has been conducted four times in the past year. It is aimed at young drivers, and helps to assist them with vital information to educate them on safe driving practices. It has been a success, particularly the last session, where many parents gave positive and outstanding feedback. Sponsorship for this program has been obtained from the Orana Credit Union. Assistance has also been given by the Dubbo rescue squad and David Dickey in particular, who allows the use of his premises to run the program. The non-attenders breakfast and sport program [NABS] also continues to be a success. The program caters for young people who are at risk of becoming non-attenders at school for various reasons. The participants are all referred from the Department of Education and Training, the Department of Juvenile Justice, the Department Of Community Services and the CMU. The program is also a filter for younger priority one and youth at risk.

The program runs four days a week for eight weeks of every school term. It is funded by community development support expenditure from Dubbo RSL. Sponsorship from Pura Milk is also a huge factor. The NABS program takes a lot of commitment and dedication from the volunteers and club council members involved. The fit and healthy program is designed specifically for young offenders, to assist young persons to lead a healthier lifestyle through participation and education in exercise and nutrition. This runs continuously throughout the year. There is great interagency interaction with the Ted Noffs Foundation located in the area. Drug and alcohol dependency can be a major influence in these young people's lives. The Orana youth program was set up to work at different intervals with young people who are currently in detention. The program involves education sessions on health, nutrition, driving, and drug and alcohol abuse.

Tamborine Rising is a youth in sport program that involves all the seven clubs in the western zone. It involves young offenders who, after 26 weeks of programming, attempt to gain the prestigious Duke of Edinburgh award. One participant has gone on to secure employment and has made massive changes in his life. A major part of the PCYC police time is spent gathering information on the peer assisted study sessions system. At present PCYC police have 10 young offenders and a large number of youth at risk aged between six and 17 years of age. Activities for young offenders and youth at risk are not without difficulty, but the door is always open for young people to make a difference.

The PCYC police have also been involved in operations in conjunction with local police and other agencies. They also work on a weekly basis with other youth agencies. These programs titled Get Smart and Adopt a Cop work closely with the youth liaison officer, Kathryn Duggan, for schools to have a police officer who works with youth issues and obviously breaks down barriers with young people at an early age. The PCYC police have spent a lot of time on grant writing in an attempt to gain new programs and initiatives. One successful grant was the Footy Fever Program. This was originally set up to ensure that young offenders attended school and participated in sport, not in crime. If they did this they would get the opportunity to attend an NRL match and get time with some of their role models. The program has worked so well with many of our youth that it has now been launched statewide with the NRL.

Other programs include the Ur Choice program for under-age drinking offenders, the Caution Ahead Program, which involves educating and creating better choices for second-time offenders, and the Main Activities Program, which is for young offenders and children at risk who attend a school for children with behaviour problems. Other community style programs assisted by youth programmers include the Blue Star Program, Lock Up Day, Roar and Snore, Walgett Mobile PCYC, three on three basketball, Amped up Nights, discos, rugby league sevens. They have also assisted with many other activities. Some of these programs are specifically designed to entice youth to keep away from bad elements and areas and to participate in fun activities at the PCYC. I acknowledge the support of the workers: Kathy Duggan, Mark, Mel, Stacey, Karen, Allan Backhouse, Anne Keane, Robyn Swalwell, Kenny Holmes and many more. If honourable members are wondering what happened to councillor Ben, these days he is busy running the Dubbo branch of the Liberal Party. Presently he is branch stacking and enrolling anyone over the age of 80 years.

### **PORT MACQUARIE ROADS**

**Mr ROBERT OAKESHOTT** (Port Macquarie) [6.17 p.m.]: The Pacific Highway through to the Oxley Highway and what are called the Inner Ring Road and the Outer Ring Road are important to future road

planning in the Port Macquarie electorate. I refer first to the Pacific Highway. In 1996 both the State and Federal governments promised to provide \$2 billion over a 10-year program; in 2006 less than 50 per cent of the Pacific Highway has been completed. Both the State and Federal budgets this year allocated \$320 million to the Port Macquarie electorate—the funding was matched 50:50. I am pleased to report that, once the section of the Pacific Highway from Moreland to Heron's Creek is completed, there will be a dual carriageway from Taree to Port Macquarie.

Last week the Government announced the upgrade of the corridor from the Oxley Highway to Kempsey. The Pacific Highway road works in the Port Macquarie electorate will have a significant impact on improving the safety and efficiency of the local road network. For example, the flyover that is being proposed for just south of the very dangerous Hastings River Drive intersection has flow-on implications for planning in the industrial area. If the flyover is put in place, industrial zonings can be opened up along the highway corridor, which is sensible planning, and that eases the huge pressures currently on the industrial area.

That then allows planning for the widening of Lake Road versus the very expensive and environmentally sensitive option of putting the outer ring road through an east-west corridor through a nature reserve and requiring an Act of Parliament, a secondary option, in my opinion. The fact that the corridor has been selected with the potential flyover, freeing up industrial zoning along the highway corridor, means that planning within the town industrial area can progress, and now is the time for the community of Port Macquarie to debate the long-term future of the industrial area, which is sometimes known as the retail-wholesale area of town. We want to see future growth of industrial land as well as the existing corridor of east-west traffic, and a sensible option looks to be the widening of Lake Road.

I can report at the same time the inner ring road, which required an Act of Parliament approved by Minister Debus, is progressing well. That will have enormous positive implications for traffic flow from the Lighthouse Beach area through to the Oxley Highway, including Lake Road and Gordon Street. That is progressing well, primarily driven by council, but requires an Act of Parliament similar to what has been asked for in the outer ring road proposal, but that is unlikely to be approved by Parliament due to the environmental sensitivity and the widening of Lake Road.

Finally, the well-publicised promise by the Minister for Roads in 2002 for the Oxley Highway is still very much on the table. I am pleased to report to the House that negotiations are progressing. Four more acquisitions are to take place. I was speaking with one of the landowners last week, and he has confirmed that the Roads and Traffic Authority has started a formal negotiation process with him. He is one of the major landowners along that highway corridor. I hope the Government negotiates in just terms with the individuals involved but continues the recent push to complete the acquisitions as quickly as possible for the benefit of the broader community. This Oxley Highway upgrade is critically important to the future growth of Port Macquarie. Basically 10,000 new residents will be living between the Pacific Highway and the current central business district. It is all planned around this Oxley Highway upgrade. I urge the Government to continue to progress that acquisition progress as quickly as possible.

**Private members' statements noted.**

## **CHILDREN AND YOUNG PERSONS (CARE AND PROTECTION) AMENDMENT BILL**

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

*[Madam Acting-Speaker (Ms Marie Andrews) left the chair at 6.23 p.m. The House resumed at 7.30 p.m.]*

## **PHARMACY PRACTICE BILL**

### **Second Reading**

**Debate resumed from 11 May 2006.**

**Mrs JILLIAN SKINNER** (North Shore) [7.30 p.m.]: In leading for the Coalition on the Pharmacy Practice Bill I state at the outset that we consider that it is extremely important to ensure proper, safe, professional handling and dispensing of medications. We strongly support the model of community-based

pharmacies generally owned by pharmacists who are well qualified and well connected with their local communities to perform a valuable service as primary health care providers. The bill repeals the Pharmacy Act 1964 following a National Competition Policy review. The bill is based on a report from a review of pharmacy legislation commissioned by the Council of Australian Governments. It has been long awaited. Other Acts governing health professions were amended in 2001-02, covering doctors, dentists, psychiatrists, optometrists, podiatrists and others.

The objects of the bill include standardising provisions relating to the registration of pharmacists, the making of complaints against pharmacists, and disciplinary proceedings. Only registered pharmacists, partnerships of registered pharmacists or corporations made up exclusively of registered pharmacists may hold pecuniary interests in pharmacy businesses. The only exceptions are in prescribed circumstances such as a remote community when a registered pharmacist would be in charge of the pharmacy but an organisation such as a council may have a pecuniary interest if there is no pharmacist willing to invest in the business.

The bill specifically prohibits a pharmacy business from being co-located with a supermarket so that the public can directly access it from within the supermarket. The bill provides exemptions for the five friendly societies that currently own and operate pharmacies in New South Wales. They may continue to do so with written approval of the Minister, who must be satisfied that the net profits from the pharmacy are applied solely to the benefits of members of the society. A friendly society must not have a pecuniary interest in more than six pharmacy businesses. The bill also provides exemptions for eight corporations—"grandfathered" pharmacy businesses—that owned pharmacy businesses prior to 5 October 1990. The Government, through the Parliamentary Secretary's second reading speech, stressed that "no additional corporate owners can be created and that this category is limited to the eight corporations currently in the market".

The bill was introduced back in May but only comes forward today because some amendments were considered necessary to close some loopholes regarding ownership. These were brought to my attention back in May by the Pharmacy Guild. I acknowledge the presence in the gallery of members of the guild, particularly Greg Hodgson and the executive officer, Ian Campbell. I am very grateful to the guild for its assistance in always understanding a very complex area. I also acknowledge staff from the Minister's office who provided a briefing today and the legal people from the Department of Health. I am grateful for their assistance too.

When the bill was introduced in May the guild alerted me to its concerns that on very close legal examination—I understand after my briefing today that it really does have to be pretty close examination by people familiar with this kind of law—problems were seen. That is why the amendments foreshadowed by the Government have been prepared. As the guild pointed out, under the current Pharmacy Act 1964 there was a strong legal argument that shares in a grandfathered company cannot be sold or transferred to non-pharmacists. This interpretation is consistent with government policy at both State and Commonwealth levels that prescribes that pharmacy businesses should be owned and operated by qualified pharmacists. Nevertheless, Coles Myer acquired shares in a grandfathered corporate pharmacy, necessitating amendments to re-enforce the intent and effect of current legislation.

The amendments the Parliamentary Secretary will move in Committee give effect to this. In March this year Coles Myer purchased all of the shares in Sydney Drug Stores, known as SDS. SDS was one of the grandfathered corporate pharmacy proprietors and is a proprietor of Pharmacy Direct. There has been a lot of discussion about whether the purchase constitutes a prima facie breach by Coles Myer of section 25 (1) of the Pharmacy Act 1964. This transaction has caused concern that the community pharmacy model long advocated by the Pharmacy Act and perpetuated in the Pharmacy Practice Bill may be in some way compromised.

There are eight grandfathered corporate pharmacy proprietors, whose interests date back in one form or another as far as 1940, with one being a publicly listed company, Soul Pattinson. Pharmacy Direct is owned by Sydney Drug Stores Pty Ltd, a wholly-owned subsidiary of Coles Myer Pty Ltd. Soul Pattinson, 160 Pitt Street, Sydney, is owned by Washington H. Soul Pattinson and Co. Ltd, a listed public company. North Rocks Pharmacy is owned by Pharmeasy Pty Ltd, a wholly-owned subsidiary of Advanced Healthcare Group Ltd, and Friendly Societies Pharmacy Ltd, Grafton is owned by Friendly Societies Pharmacy Ltd. The remaining four are owned by pharmacists.

The new amendments will seek to ensure that the corporatisation of the community pharmacy model that has long been championed in a bipartisan manner is protected. The Pharmacy Guild is one of the best health

lobby groups I have ever come across. It has been given a commitment by the Coalition, as I know it has by the Government, to support the community model and the notion that pharmacists are best placed to own and operate pharmacies. As I stated during my introduction, the Coalition regards as extremely important the necessity to ensure the proper safe and professional handling and dispensing of medication. The New South Wales public have been well served by well-educated and community-minded pharmacists and their peak bodies being involved proactively in controlling the inappropriate use of drugs, the safekeeping of medications, and the provision of advice and education to clients about their use.

The Coalition has a long history of support for pharmacy. In June 1989 the New South Wales Coalition Government provided a grant of \$1.3 million to the Pharmacy Practice Foundation of the University of Sydney to establish the first Chair of Pharmacy Practice in Australia. This initiative has had far-reaching beneficial impacts on community pharmacy practice. In government I look forward to working with individual pharmacists through the Pharmacy Guild of Australia, the Pharmaceutical Society and other industry associations to identify further opportunities to enhance the role of community pharmacy.

Over recent years community-based pharmacy has entered new fields. More and more pharmacies have become quality accredited and have become involved in new professional health services. For example, pharmacists have played a very important role in partnership with general practitioners in helping patients to manage the safe use of medications. We recognise the great potential of involving 1,700 pharmacies across the State as one-stop shops for the delivery of better health outcomes—a notion first introduced way back in the 1980s by the Greiner Government. Pharmacies provide a one-stop service for clients to enable them to obtain advice about activities such as health promotion and ill-health prevention campaigns, the location and availability of hospital services, the location and opening hours of general practice medical centres and health support agencies and the availability of other community-based services such as infant home visits, youth health centres and screening services.

Discussions held with the Pharmacy Guild over many years lead me to believe that there are opportunities for community pharmacists to be involved in projects concerning falls management, electronic health records enrolment centres and community-based mental health teams' management of patient compliance with medication. On that score I acknowledge the commendable work done by pharmacists in advising their customers and clients about alternative medications. My local pharmacist is always very proactive in providing expert advice on alternative medications and in ensuring that the prescribed medication does not conflict with other medication that is being taken. I think there is great scope for more of those types of services.

The bill is very important in ensuring that pharmacies are owned and operated by pharmacists. I note that the Pharmaceutical Society of Australia has expressed concern that the bill does not include provision for mandatory ongoing education. The society also raised the right of the board to deregister a pharmacist. I acknowledge the advice from the Minister's office that the bill's provisions at least partly meet those concerns. The society suggests that the board should have the power to require that pharmacists annually provide information about their continuing education and that it should be empowered to suspend a pharmacist registration when suspension is required to protect the health of any person. The society suggests that similar provisions operate in other States, but that has not been demonstrated. Those provisions are not incorporated in the legislation. That may be a matter for consideration at a future date, but for the time being the Coalition is not suggesting that they be included.

**Ms VIRGINIA JUDGE** (Strathfield) [7.45 p.m.]: I support the Pharmacy Practice Bill, which repeals the Pharmacy Act 1964 following a National Competition Policy review of the Act. The bill makes numerous changes to the 1964 Act. One of the bill's central concerns is the protection of the community pharmacy model, which is as it should be. It envisages that a pharmacy should not be differentiated from its pharmacist. The bill is intended to ensure that the ownership of pharmacies remains with professionally accountable, registered pharmacists. A potential threat to this community pharmacy model is the potential co-location of pharmacies within supermarkets.

Co-location could occur when a pharmacy is within a supermarket or when a pharmacy is connected to a supermarket and may be accessed from within the supermarket. The co-location of pharmacies in supermarkets could lead to a pharmacy being pressured to maximise profits at the expense of professional standards, patients' welfare, and the public interest in the safe use of pharmaceuticals, and that would be an absolute tragedy. To avert such a series of events, the legislation prohibits the co-location of pharmacies and supermarkets, in a manner that is consistent with Commonwealth legislation. The recent Commonwealth Pharmaceutical Benefits Determination under section 99L (1) of the Commonwealth National Health Act 1953

prevents the co-location of pharmacies and supermarkets by providing that a pharmacy that is co-located with a supermarket cannot be approved for the purposes of the Pharmaceutical Benefits Scheme.

Professional pharmacists are an absolutely vital link in the chain of effective health care delivery. I am sure that all honourable members in the Chamber acknowledge that pharmacists are public gatekeepers in the access to important drugs and medications. While centuries ago a pharmacist, a chemist or an apothecary may not have been held in the highest regard, today the pharmacist is an esteemed member of the community and is regarded with the utmost respect. A pharmacist does not just perform the mechanical function of transforming prescribed substances into medicine, which would be totally inappropriate. I may be so bold as to say the pharmacists in my great electorate of Strathfield play a role akin to the delivery of primary health care by caring for the health of the community. Perhaps I reveal some bias in claiming Strathfield as the best electorate in the State, though I am sure to be challenged on that score by the Parliamentary Secretary Assisting the Minister for Health and other honourable members in the Chamber.

One of the most important things in life that we value is our health. When we are not healthy and functioning properly, everything else pretty much pales to insignificance. Pharmacists not only sell medicines but also give advice to customers on interaction between medications and possible side effects. During the weeks preceding the introduction of this bill, I spoke to many pharmacists in the community about the potential effects of this legislation. For example I spoke to a pharmacist in Flemington, a pharmacist in a fantastic pharmacy in Rochester Street, Homebush, a pharmacist whose premises are in the Boulevard, Strathfield, who has been in the area for years, a number of pharmacists whose premises are along Burwood Road or down the side streets, and some pharmacists in Ashfield, to name just a few in my electorate.

Pharmacies are not just places where medication is dispensed. It is often the case that patients know the pharmacist by name and vice versa, and local pharmacists offer personal interaction in an environment in which patients feel comfortable and secure. If patients had to obtain their medication from a large, impersonal, cold, predominantly plastic supermarket, they would hate it. In some supermarkets people cannot even find basic products on the shelves. They look for products all the way along the aisles and can never find any staff to assist them. In contrast, pharmacists get to know the people they serve. When my children were young I could explain to the local pharmacist that my daughter had a bit of a cough, and the pharmacist would make several helpful suggestions. That type of interaction and helpfulness builds trust between client and pharmacist.

All honourable members know that small businesses, the backbone of our economy, constitute 80 per cent of the business that is generated in this wonderful State, the engine room of Australia, but they may not know that many of those small businesses are pharmacies. Pharmacists make a meaningful contribution to the economy of this State and employ many people. When I think of the staff in the pharmacy in Rochester Street to which I referred, I realise that while undoubtedly young women are absolutely great, probably more than half the staff of the pharmacy are mature women who have wonderful life experience. Those mature women benefit from the local pharmacy offering flexible working hours and conditions that enable them to combine employment with family life such that, for example, they are able to pick up their children from school. There is something for everyone; it is about getting that balance right.

Pharmacists give vital advice to customers on the interaction of medications and on potential side effects. It is like getting to know a doctor. They can take a history and get to know patients. They know how regular customers usually look and whether they are a bit off colour. Pharmacists are not doctors, but there is a personal element in their dealings that we must preserve. People in our consumer-driven society are becoming disconnected. The more we can protect our valuable pharmacies the better it will be for this State and this great nation.

For the first time in our history, in 2025 we will have more people over the age of 65 than under the age of 65. The local pharmacist may be the only person at the local shopping centre who knows our seniors by name and who makes them feel welcome and part of the community. Of course they are, because many of them have contributed over the years to the establishment of their suburb. Vulnerable people such as the elderly, people with disabilities and people from culturally and linguistically diverse backgrounds need this service. The 2003 census indicates that my electorate has the highest number of residents from southern Asia, north-east Asia and the subcontinent. In Ashfield, 22 per cent of the residents are from Shanghai. They struggle settling into a new country, and getting to know their pharmacist is important. The New South Wales Government is proud to support pharmacies in our community; they do a fantastic job. This important bill will serve to protect and



cultivate the community pharmacy model. I congratulate the Iemma Government for its introduction, and I commend the bill to the House.

**Mrs JUDY HOPWOOD** (Hornsby) [7.55 p.m.]: I acknowledge the extensive and well-informed contribution of the shadow Minister for Health to the debate on the Pharmacy Practice Bill. The bill amends the Pharmacy Act 1964 following its review by the National Competition Council. It makes numerous amendments to the legislation. In particular, it includes a statement of the object of the proposed Act and standardises the provisions relating the registration of persons as pharmacists, the making of complaints against registered pharmacists and disciplinary proceedings in respect of such complaints, in line with the recently enacted legislation governing other health professionals in New South Wales. The bill requires the registration of all holders of pecuniary interests in a pharmacy business, not only owners, as a precondition to the carrying on of that business and requires all such holders to furnish annual returns. It also regulates professional services rooms, being premises on which pharmacy businesses are carried on that involve only the preparation, packaging and storage of drugs for supply to individual patients or to health care facilities.

The bill also prohibits the Pharmacy Board from approving premises for the purposes of carrying on a pharmacy business which are within or partly within, or adjacent or connected to, a supermarket and which the public can directly access from within the premises of the supermarket. It restricts the power to prescribe standards that must be complied with as a precondition to approval of premises to standards for or with respect to the safe and competent delivery of pharmacy services. It allows registered pharmacists to own or have a pecuniary interest in a pharmacy business through a corporate structure, being a body corporate, all the shareholders and directors of which are registered pharmacists. It also makes it an offence for employers of registered pharmacists to direct or incite them to engage in unsatisfactory professional conduct or professional misconduct, in line with similar offences in the Dental Practice Act 2001 and the Optometrists Act 2002. The Parliamentary Secretary's second reading speech, on behalf of the Minister for Health, on 11 May 2006 states:

Professional pharmacists are a vital link in the chain of effective health care delivery and are gatekeepers to public access to important drugs and medications.

Honourable members will be aware of the potentially disastrous consequences that can arise from inadequately supervised access to medications, most notably drugs of dependence, and adverse reactions to individual drugs or drug combinations. We must ensure that pharmacy practice remains committed to the delivery of professional high-quality health care.

The Government is vitally concerned that pharmacy continues to be in a position to serve as a shop-front source of health care services, information and advice. This role includes pharmacy's contribution to delivering methadone and buprenorphine treatments to drug-dependent people under the New South Wales Opioid Treatment Program.

This debate has been a long time coming. These amendments post-date the amendments to many other health-related Acts, including those dealing with optometrists, podiatrists and other registered health professions. The main objective of this bill and the foreshadowed amendments is to ensure that pharmacies remain owned and operated by pharmacists. As stated by the honourable member for North Shore, the Pharmacy Guild is an effective lobby group. It is widely acknowledged that the guild and pharmacists generally have a deep commitment to the care of our community, and the profession is held in the highest esteem. By and large, pharmacies are small businesses and, as such, are part of the backbone of our economy. Because of their dual role as small business operators and health care providers, they face myriad difficulties. They are true community members who have direct links to the community generally and particularly to nursing homes and hospitals. Apart from filling prescriptions, they sell many and varied products, such as vitamins, and administer methadone.

The Quality Care Pharmacy Program is a quality assurance program developed by the Pharmacy Guild of Australia with the assistance of other industry stakeholders. It was launched in 1998 as part of the Pharmacy Guild/Government Community Pharmacy Agreement. Since then, the program has gone from strength to strength, and more than 86 per cent of Australian community pharmacies are accredited. The proprietors of pharmacies that have gained accreditation attest to improved performance of their pharmacy team in delivering a consistently high level of service to the public, to staff empowerment and high levels of productivity, to an improvement in management as a result of properly-documented processes, and to higher levels of customer satisfaction in the quality of the services that the pharmacy delivers. The program has earned a reputation as a dynamic and innovative world-class quality assurance program and it is an important vehicle for industry regulation.

The Women and Young Pharmacists' Committee is aimed at promoting ownership and leadership for women in community pharmacy. The committee was formed by the Pharmacy Guild in 1997 after the guild's national council addressed the need to involve more women and young pharmacists in official pharmacy to ensure that the community is continually refreshed and revitalised. It has been clear that for many years the majority of pharmacy graduates are women and that many outstanding young pharmacists of both sexes are entering the profession and business. It has been equally clear that these young professionals, on whom the future of pharmacies depends, have not been taking up pharmacy ownership or moving into the various related organisations to the extent that would reflect their numbers and importance.

The Pharmacy Guild web site states that it is vital to any profession that young, intelligent, well-qualified and highly motivated people come through to refresh and revitalise the profession. That is especially important in community pharmacies that have such a valuable and trusted relationship with the people they serve. It has been recognised by the guild that some of Australia's most successful pharmacists are women, but today women are underrepresented in pharmacy ownership and pharmacy leadership. It is through the work of the Women and Young Pharmacists' Committee that the role and exposure of women pharmacists can change to more accurately reflect the pharmacy profession.

The committee holds very highly that leadership is a link to ownership. The guild provides for education and encouragement. It recommends participation by woman and young pharmacists. The guild's overall objectives are, primarily, to assist women and young pharmacists to become pharmacy owners, to increase representation of women pharmacists in leadership positions at State, Territory and national level within professional pharmacy organisations such as the guild and the PSA, and to act as a spokes group on women's health and social issues as they relate to pharmacy. I am well known to Patti Payne, who is the branch representative of Women for Pharmacy. Patti has worked extremely hard for many years. The committee has been involved in many activities in promoting its aims, and that is to be commended.

Another aspect that goes hand in hand with the successful passage of the Pharmacy Practice Bill is upholding the tenet of community pharmacy. Related to that is the Home Medicines Review, which was introduced into the medical benefits scheme in 2001 to increase the appropriate use of medications and to reduce the incidence of medication errors, thereby assisting in improving patient health outcomes. Next week in my electorate I will hold an information session about the Home Medicines Review service, which a representative of the Pharmacy Guild will facilitate. I have invited many members of seniors groups and others in my electorate to attend. As people may not take their medications properly or may take over-the-counter medications that should not be taken with their prescription medication, it is most important that knowledge of medicines and a review of what is in a home medicine cabinet are overseen. Pharmacists can pick up on medicine matters in a home that a general practitioner would not be aware of. I look forward to that session.

In conclusion, the Opposition does not oppose the Pharmacy Practice Bill or the foreshadowed amendments. Members on this side of the House look forward to a long and productive association with the Pharmacy Guild, in keeping with supporting community pharmacy philosophy. The Pharmacy Guild and all who work with it are very supportive and protective of the health of the community and will move mountains when need be to make sure that the health of the community is reinforced and enhanced.

**Ms ANGELA D'AMORE** (Drummoyne) [8.05 p.m.]: I support the Pharmacy Practice Bill, which seeks to continue protecting the health and safety of the public in the practice of pharmacy, particularly by providing mechanisms to ensure that pharmacists are fit to practise. The bill provides that the Pharmacy Board has the prerogative to refuse to register a person, or to register him or her subject to conditions, if it is not satisfied that he or she has the requisite competence to practise. Indeed, an explicit canon in the new bill will require that applicants for registration must be competent to practise. "Competence to practise pharmacy" is defined in the bill as possessing sufficient physical capacity, mental capacity and skill to practise pharmacy.

"Competence to practice pharmacy" also means that the pharmacist will have in her or his possession a sufficient capacity for communication, including an adequate command of the English language. However, a second language is always beneficial, especially in an electorate as multicultural as Drummoyne. Many pharmacists in my electorate are not only bilingual, but they also speak three or four languages, which's of great benefit in my electorate. People from non-English speaking backgrounds may not have the best command of English or may not be able to read the instructions for their prescribed drugs. It is a valuable skill for a pharmacist to be able to interpret those instructions for people who cannot read English. The Pharmacy Board will have within its range of powers the ability to conduct an inquiry into a person's competence and, following

an inquiry, the board will be in a position to grant registration subject to conditions or to refuse registration if it feels that competence is somewhat lacking.

The bill also introduces a more vigorous procedure for the annual renewal of registration, such that practitioners will be required to submit an annual declaration to the Pharmacy Board when they seek to renew their registration. Criminal convictions and findings, or any misconduct and subsequent suspension or cancellation of registration in other jurisdictions, or by another health registration board in New South Wales, must be declared under clause 31 of the bill. Recognising the privileged position of pharmacists, the bill carefully defines the concept of unsatisfactory professional conduct because pharmacists possess and supply scheduled medications containing precursor drugs that can be diverted to the illicit drug market. A pharmacist who acts in such a way and profits from it has breached the trust of her or his community and should be held accountable by his or her profession and, if the situation warrants, be struck from the profession.

It is for that reason that the definition of "unsatisfactory professional conduct" in clause 37 (1) includes the excessive or inappropriate supply of precursor drugs. I have a very close relationship with many of my local pharmacists. Being 8½ months pregnant, I have certainly benefited from the after-hours pharmacists who work tirelessly in my community when I have had to check the safety of medications that I was to take. I am sure that many pregnant women in my electorate have called upon their local pharmacist to assist them to make sure that they were not endangering their unborn children or their pregnancies.

I commend my local pharmacists at Destro's Pharmacy, on the corner of Lyons Road and Victoria Road, Drummoyn, who work tirelessly for very long hours to assist the community. As their local member of Parliament, I have benefited from their support and expertise, and I thank them for it. That assistance could never be offered by local supermarkets. We must ensure that we look after our local pharmacists. I am sure that Labor members of Parliament will work closely with our local pharmacists to ensure that occurs. The Pharmacy Practice Bill is an important move towards enhancing the health and safety of people attending a pharmacy in my electorate. I congratulate the Iemma Government and the Minister on introducing the bill. I thank representatives of the Pharmacy Guild of Australia for their expertise, activism and assistance with the bill. I commend the bill to the House.

**Ms GLADYS BEREJIKLIAN** (Willoughby) [8.10 p.m.]: The Pharmacy Practice Bill is an important bill. I acknowledge the enormous contribution that the pharmacy profession makes to communities throughout New South Wales, particularly in the electorate of Willoughby. Pharmacists are highly esteemed in the community. They play an important role in educating the public about important health issues. I thank the Pharmacy Guild of New South Wales and the Pharmaceutical Society of Australia for assisting the Opposition by providing information on the application of the bill.

The bill is long-awaited legislation based on national competition policy principles. It will ensure that pharmacies remain in the hands of pharmacists. Maintaining pharmacies in the hands of pharmacists is a longstanding principle of the Coalition at both State and Federal level to ensure the focus on pharmacy as an important player in primary health care continuum. It is clear from public debate that the community does not want to see the small business professional owner model of community pharmacy taken over by retail chains and supermarkets. That point has been made clear to the Coalition over many years. The objects of the bill are as follows:

- (a) to provide for the registration of persons as pharmacists;
- (b) to regulate the conduct of registered pharmacists;
- (c) to enable the Board to establish a code of professional conduct for registered pharmacists;
- (d) to prohibit persons or entities from indicating that an entity is a pharmacy business unless that entity is permitted under the proposed Act to carry on that business;
- (e) to regulate the carrying on of pharmacy businesses (including providing for procedures for approval of pharmacy premises and registration of holders of pecuniary interests in pharmacy businesses);
- (f) to require registered pharmacists and the holders of pecuniary interests in pharmacy businesses to furnish an annual return to the Board specifying certain information;
- (g) to require registered pharmacists to notify the Board of convictions and criminal findings for various offences, and the courts to notify the Board of certain convictions and criminal findings against registered pharmacists;

- (h) to provide for the making and referral of complaints against registered pharmacists and for disciplinary proceedings in respect of such complaints;
- (i) to provide for appeals against actions of the Board and the Pharmacy Tribunal and for the review of disciplinary action taken under the proposed Act;
- (j) to empower the Board to suspend, or impose conditions on, the registration of a registered pharmacist for the purpose of protecting the public;
- (k) to provide for the referral of matters indicating that a registered pharmacist suffers from an impairment to an Impaired Registrants Panel;
- (l) to provide for the constitution, functions and procedure of the Board, the Pharmacy Care Assessment Committee, Impaired Registrants Panels and the Pharmacy Tribunal;
- (m) to prohibit employers of registered pharmacists from directing or inciting them, to engage in unsatisfactory professional conduct or professional misconduct; and
- (n) to repeal the Pharmacy Act 1964, the Pharmacy (Elections) Regulation 1998 and the *Pharmacy (General) Regulation 1998* and to enact savings, transitional and other provisions consequent on the enactment of the proposed Act.

One point I want to highlight in relation to the State Government's position on this bill is my disappointment that amendments have had to be made to the bill today, when the introduction of the legislation had already been delayed. It is regrettable that the Government did not properly consult with the peak bodies prior to its introduction. I formally place on record concerns expressed by the Pharmaceutical Society of Australia, which has more than 5,000 members in industry, community and hospital pharmacy across New South Wales. In correspondence addressed to all members of Parliament the Pharmaceutical Society of Australia (New South Wales Branch) stated that whilst it was pleased that the old Pharmacy Act 1964 was to be updated, it was concerned that the Government had chosen to ignore a specific proposal put forward by the society that would protect patients' safety by ensuring all pharmacists undertake continuing education prior to reregistration.

The society stated that a variety of pharmacy legislation operating in Australia contains similar provisions, thereby placing the New South Wales legislation distinctly at odds with what occurs around Australia. The society further stated that under the New South Wales bill, as it stood prior to the amendments, once a pharmacist gained registration he or she remained competent at his or her discretion. As the professional body representing pharmacists in New South Wales, the society found that position unacceptable. It believed that, over time, pharmacy standards in New South Wales and public health and safety would be undermined by the proposed hands-off approach. I sincerely hope that the New South Wales State Government has acceded to the concerns expressed by the pharmaceutical society and has addressed this critical issue in the proposed amendments. I look forward to hearing the Parliamentary Secretary's response to the issues raised in this debate.

I reiterate my comments about the outstanding contribution that pharmacists make to the New South Wales community, and the Coalition's commitment to ensuring that pharmacies remain in the hands of pharmacists. I urge the Government to consider the concerns expressed by the peak bodies in pharmacy in relation to aspects of the bill. I support my colleagues in not opposing the bill.

**Mrs KARYN PALUZZANO** (Penrith) [8.14 p.m.]: I support the Pharmacy Practice Bill and acknowledge the Opposition's support in not opposing it. The provisions of the bill clearly and unequivocally demonstrate the Government's commitment to the ownership of pharmacies by registered pharmacists. However, it must be acknowledged that there are eight remaining corporate pharmacy owners whose interests date back, in one form or another, to 1940. I acknowledge representatives of the Penrith pharmacies and those in the lower Blue Mountains that have attended my office to speak about this bill—Theo's pharmacy and Tony Ferguson's pharmacy in Penrith, and all the pharmacies in Glenbrook, Kingswood, South Penrith and Cranebrook who have an interest through the Pharmacy Guild.

If the current holders of those interests have acquired their interest legitimately and lawfully, and if the pharmacy businesses in question are conducted in a professional fashion, there should be no reason for legislation to impact on those interests. The New South Wales Government has not been presented with any evidence that existing corporate pharmacies are conducted in a less than professional manner or in a manner that is contrary to the public interest. Therefore it would be inappropriate to seek to remove those interests. Theo's pharmacy in Penrith offers a sleep apnoea clinic and Tony Ferguson's pharmacy offers a weight loss clinic. Both pharmacies are located in the Penrith central business district and they each link into the community in a different way.

Honourable members may have seen the Panthers football match last Sunday. Unfortunately they did not win. Tony Ferguson has for many years been a corporate sponsor of the Panthers football team, and it is to be acknowledged that community pharmacies add value to their communities. I commend Tony Ferguson for his support of the Panthers over many years. I emphasise that no additional corporate owners can be created, and this category is limited to the eight corporations currently in the market. When Tony Ferguson spoke to me he was concerned about this issue, and I reiterate that no additional corporate owners can be created. Another historical exception is the friendly societies, which have been part of community pharmacy in New South Wales—indeed, in Australia as a whole—for a long time.

The bill recognises that these organisations should be able to continue to provide a valuable professional service to their communities. It should be noted, therefore, that clause 26 (5) of the bill provides that any friendly or other society that was, immediately before the repeal of section 27A (1) of the Pharmacy Act 1964, lawfully carrying on a pharmacy business under that provision may continue to carry on that business. There is no evidence that any existing friendly society has demutualised. The pecuniary interest provisions in the bill will prevent the sale of any such friendly society pharmacy to another person or entity that is not a registered pharmacist, a pharmacist's body corporate or a friendly society. Clause 30 requires that a registered pharmacist should be in charge of the pharmacy at all times.

The regulation of pharmacy has both a national and a State dimension. Reflecting these two regulatory systems, the most recent review was conducted as a joint national review of pharmacy legislation and the Pharmaceutical Benefits Scheme provisions of the National Health Act. The passage of the Pharmacy Practice Bill will finalise this process and provide pharmacists in my electorate with a much-desired period of regulatory stability. I commend the bill to the House.

**Mr BARRY O'FARRELL** (Ku-ring-gai—Deputy Leader of the Opposition) [8.18 p.m.]: I support the Pharmacy Practice Bill, and I do so as a strong supporter of community pharmacy. I welcome to the gallery representatives of the Pharmacy Guild and one of my local pharmacists, Brendan O'Loughlin. Two weeks ago I had the privilege of presenting him with the North Shore Business Awards Best Pharmacy Trophy—not for the first time. The reason I support community pharmacy was again brought home to me in relation to the State Chamber of Commerce's program Pollies for Small Business, in which I participated last month. I spent my day visiting two pharmacies, Michael Cross's Soul Pattinson Pharmacy at Lindfield and Philip Young's Wahroonga Village Pharmacy, which is located in the shopping centre in which my electorate office is located. What comes home to you when you spend any time in a pharmacy—and I encourage the acting editor of my local newspaper to take note of these comments, given the editorial he wrote about the value of the Pollies for Small Business Program—is the enormous gulf between the legislation and regulations that Parliament deals with and the day-to-day circumstances that pharmacists in communities across the State face.

I am grateful to the efforts of both Michael Cross and Philip Young for bringing to my attention some of the inanities that largely relate to Federal regulations. Nevertheless, although the bureaucrats sitting behind the bar of the House tonight believe this legislation has been well drafted—notwithstanding the fact they have had to come into the House tonight with a range of amendments—and whilst I accept that their motives are well intentioned and that their goals are worthy, the reality is that far too often there is a great gulf between reality and rhetoric: the reality of what happens in a pharmacy and the words and clauses that appear in legislation such as this.

For instance, I can tell my friends from the Pharmacy Guild in the gallery that our Federal colleagues introduced the 20-day rule and I was in a pharmacy when the mother of a quadriplegic came in on the nineteenth day. I will not tell you the pharmacist involved because, like mercury through a hand, pharmacists always find a way around these things. But they do so in these situations—I know because I saw it first hand—not because they want to thwart the regulations for any underhand purpose but because they want to, effectively, provide community pharmacy services to the public. I pay tribute to them for that. I also make the point that while I am very pleased about this legislation I will always defend the exclusion of pharmacy from major commercial enterprises.

As a Liberal I believe in free enterprise and competition, but I also believe that neither politics nor ideology has any place in the provision of pharmacy within our communities. The reality is, as I have said privately and as I have said semi-publicly this evening, Michael Cross provides a methadone service through his Lindfield pharmacy. It took me three years as a resident of the suburb to discover that a methadone service is being provided to my constituents. Mr Acting-Speaker, in his usual way, probably thinks I am not a very good

local member, but that is not the case. It is just that the provision of the methadone is done with care, with discretion, and in a way that does not raise the hackles of the local community.

As we all know in this place, the provision of methadone within any community is fraught with danger. I pay tribute to Michael Cross and his colleagues at the Lindfield pharmacy, who provide that service to my constituents with the skill and care that any member of this place would want. Should pharmacy ever find its way into any major retailer, I do not believe that sort of service would be provided. Major retailers would run a million miles from providing that sort of dedicated service to communities, whether in Ku-ring-gai, Campbelltown, or any other part of the State. That is why I feel passionate about protecting community pharmacies and why I am happy to support the main intent of this bill.

I am always happy to support people like Michael Cross and Philip Young, and the dozen or so other community pharmacies stretching from Roseville to Wahroonga and from West Pymble across to St Ives, that help build the fabric of my community and provide services beyond Webster-paks, including home delivery to many of those within our community who are either aged or disabled. I am happy to support the legislation. I think the comments of the shadow Minister for Health were apposite. I am pleased that the Government has finally seen the light in relation to the proposed amendments, and I am happy to commend the bill to the House.

**Mr PAUL McLEAY** (Heathcote—Parliamentary Secretary) [8.23 p.m.], in reply: I thank honourable members for their contributions to the debate. I particularly acknowledge the contribution of the honourable member for North Shore, and welcome the spirit of bipartisanship that she and her colleagues have brought to this debate. As the honourable member for North Shore noted in her speech, the Government will move amendments to the bill in Committee. The proposed amendments will address the concerns of the pharmacy profession that both the current Pharmacy Act and the provisions of the bill may allow the supermarket chain to acquire the remaining grandfathered corporations and thereby obtain a significant stake in the pharmacy market.

The Government's amendments will ensure that non-pharmacists cannot subvert the Government policy that pharmacies should be owned by pharmacists. The concerns raised by the honourable member for Willoughby regarding continuing education were extensively canvassed by the honourable member for Drummoyne in her valuable contribution to the debate. I also thank the honourable member for Hornsby for her contribution regarding health regulation, the community involvement of pharmacists, and the increasing number of women applicants for membership of the guild. I thank the Deputy Leader of the Opposition for his support for the bill, and note his concerns about early proposals. The honourable member for Strathfield showed her comprehensive knowledge of the bill and of her local pharmacies.

I acknowledge the presence in the gallery of Ian Campbell and other members of the Pharmacy Guild, and I understand Si Banks is wandering around the place as well. I thank them for their ongoing understanding and advice. I also acknowledge the presence in the gallery of my local pharmacist, John Kalaf of Sutherland pharmacy.

**Motion agreed to.**

**Bill read a second time.**

### **In Committee**

**Clauses 1 to 3 agreed to.**

**Mr PAUL McLEAY** (Heathcote—Parliamentary Secretary) [8.27 p.m.], by leave: I move Government amendments Nos 1 to 7 in globo:

No. 1 Page 3, clause 4 (1), lines 23–38. Omit all words on those lines. Insert instead:

*pecuniary interest* means a direct or indirect monetary or financial interest and includes:

- (a) a proprietary interest (including a proprietary interest as a sole proprietor, partner, director, member or shareholder, or trustee or beneficiary), and
- (b) any interest that is prescribed by the regulations as constituting a pecuniary interest for the purposes of this Act,

but does not include the following:

- (c) (except in clause 9 of schedule 3) any interest in a pharmacy business that a person has by virtue of the person being:
  - (i) a member of a friendly or other society that has a pecuniary interest in such a business permitted by section 26, or
  - (ii) a member of a listed corporation within the meaning of the *Corporations Act 2001* of the Commonwealth that carries on or has a pecuniary interest in such a business under section 27,
- (d) (except in section 31 (2) and clause 9 of schedule 3) any interest in a pharmacy business that a person has by virtue of the person being a member of a body corporate (other than a listed corporation referred to in paragraph (c) (ii)) that carries on or has a pecuniary interest in such a business under section 27, but only if the person was a member of the body corporate before the commencement of schedule 7.12 to this Act,
- (e) any interest that is prescribed by the regulations as not constituting a pecuniary interest for the purposes of this Act.

No. 2 Page 19, clause 27. Insert after line 10:

**Note.** The definition of *pecuniary interest* in section 4 (1) and sections 25 and 27 of this Act operate to prohibit a person (other than a registered pharmacist, a partner in a pharmacists' partnership or a pharmacists' body corporate or a member of a pharmacists' body corporate) from having a pecuniary interest (including as a shareholder) in a body corporate to which section 27 applies (other than a listed corporation within the meaning of the *Corporations Act 2001* of the Commonwealth). That prohibition, however, does not apply where the person was a member of the body corporate before the commencement of schedule 7.12 to this Act.

No. 3 Page 19, clause 28 (1), line 14. Omit "pharmacists" where secondly occurring.

No. 4 Page 20, clause 30. Insert after line 26:

- (6) A person who is granted supervised registration under section 13 is taken not to be a registered pharmacist for the purposes of this section during the period of that registration.

No. 5 Page 105, schedule 7.12. Insert after line 12:

[1] **Section 3 Definitions**

Insert in appropriate order in section 3 (1):

***Pecuniary interest*** means a direct or indirect monetary or financial interest and includes:

- (a) a proprietary interest (including a proprietary interest as a sole proprietor, partner, director, member or shareholder, or trustee or beneficiary), and
- (b) any interest that is prescribed by the regulations as constituting a pecuniary interest for the purposes of this Act,

but does not include the following:

- (c) (except in clause 6 of schedule 1) any interest in a business of a pharmacist that a person has by virtue of the person being:
  - (i) a member of a friendly or other society that has a pecuniary interest in such a business permitted by section 27A, or
  - (ii) a member of a listed corporation within the meaning of the *Corporations Act 2001* of the Commonwealth that carries on or has a pecuniary interest in such a business under section 25 (2) (c), or
  - (iii) a member of a body corporate (other than a listed corporation referred to in subparagraph (ii)) that carries on or has a pecuniary interest in such a business under section 25 (2) (c), but only if the person was a member of the body corporate before the commencement of this definition,
- (d) any interest that is prescribed by the regulations as not constituting a pecuniary interest for the purposes of this Act.

No. 6 Page 105, schedule 7.12. Insert after line 18:

[3] **Section 40A**

Insert after section 40:

**40A Savings provision regarding new definition of "Pecuniary interest"**

Section 25 does not prevent a person who lawfully had a pecuniary interest in a business of a pharmacist before the insertion of the definition of *Pecuniary interest* into section 3 by the *Pharmacy Practice Act 2006* from continuing to have that interest after the commencement of that definition.

No. 7 Page 113, schedule 8. Insert after line 29:

**20 Savings provision regarding definition of "pecuniary interest"**

Section 25 does not prevent a person who lawfully had a pecuniary interest in a pharmacy business before the insertion of the definition of *Pecuniary interest* into section 3 of the *Pharmacy Act 1964* by schedule 7.12 [1] to this Act from continuing to have that interest.

Firstly I speak to amendment No. 4, which amends clause 30 of the bill to provide that a person who is registered as a pharmacist whilst undertaking the required year of supervised professional practice in pharmacy is not to be considered to be a registered pharmacist for the purpose of being the pharmacist in charge of a pharmacy business. Whilst it is commonsense that a pharmacist who was required to be under the supervision of another pharmacist cannot practically be in charge of a pharmacy business, the proposed amendment addresses what is seen as a lacuna in the bill and removes any scope there may be for doubt and argument in this matter.

I will now address amendments Nos 1, 2, 3, 5, 6 and 7. As honourable members know, the Government is committed to the principle of pharmacist ownership of pharmacies. That commitment is reflected in the bill being debated and is also, to a large extent, the position under the *Pharmacy Act 1964*. Eight grandfathered corporations own pharmacy businesses. Of these eight corporations, seven are private corporations and one, Washington H. Soul Pattinson and Company Limited, is a listed corporation. Two of the private corporations are owned by listed corporations via other private corporations.

Honourable members will be aware that in March this year Coles Myer Limited announced that it had purchased the pharmacy business Pharmacy Direct for \$48 million. Pharmacy Direct is the trading name of Sydney Drug Stores Pty Limited, which is one of the grandfathered corporations. This transaction has caused significant consternation within the pharmacy profession, which is worried that there may be a loophole in both the current Act and in the bill that undermines the principle of pharmacist ownership of pharmacies. The current legislation provides that grandfathered interests that were held before 5 October 1990 are preserved. There is debate about whether the Coles Myer interest in Pharmacy Direct is protected by the relevant provisions. However, the proposed amendments will make it absolutely clear that there is no backdoor mechanism for circumventing the intention of the legislation.

Amendment 1 replaces the definition of "pecuniary interest" in clause 4 (1) of the bill. The current definition provides that an interest held as a member of a grandfathered corporation is not a pecuniary interest for the purposes of the ownership restrictions. The amendment will modify this position so that an interest that is held by reason of being a member of a private corporation that is a grandfathered corporation is a pecuniary interest and, therefore, cannot be transferred to a person who is not a registered pharmacist. The shares in any listed corporation that is a grandfathered corporation or that owns a grandfathered corporation will still be able to be traded freely.

Amendment 2 inserts a note after clause 27 of the bill for the purpose of providing guidance to the users of the proposed legislation, who in many cases are likely to be pharmacists rather than lawyers. The proposed note indicates for users of the legislation that clauses 25 and 27 and the definition of "pecuniary interest" have the combined effect of restricting the issuing or transfer of shares in grandfathered private corporations to registered pharmacists alone. Amendment 3 will ensure that any pecuniary interest that a pharmacist holds in a private grandfathered corporation is to count towards the limit of five pharmacies in which a pharmacist may have an interest. Shares held in any listed corporation that is a grandfathered corporation or that owns a grandfathered corporation will not count for these purposes.

Amendments 5, 6 and 7 ensure that the same arrangement will apply under the current *Pharmacy Act 1964*. Amendment 5 provides for a definition of pecuniary interest to be inserted in the *Pharmacy Act 1964*. Amendments 6 and 7 propose savings provisions to ensure that any non-pharmacist who lawfully held an interest in a pharmacy business prior to the insertion of the definition of "pecuniary interest" into the *Pharmacy Act 1964* is not precluded by these amendments from continuing to hold that interest. I emphasise that these amendments as a package will ensure that the principle of pharmacist ownership of pharmacies is preserved whilst ensuring that any non-pharmacist who lawfully holds an interest in a pharmacy business is not forced to dispose of that interest and that trading in the shares of relevant listed public corporations is not restricted. I commend the amendments to the Committee.



**Mrs JUDY HOPWOOD** (Hornsby) [8.33 p.m.]: The Opposition does not oppose Government amendments Nos 1 to 7. We concur with the intention of the amendments, which is to shore up pharmacist ownership of pharmacy businesses. Amendment No. 1 states:

Page 3, clause 4 (1), lines 23–38. Omit all words on those lines. Insert instead:

***pecuniary interest*** means a direct or indirect monetary or financial interest and includes:

- (a) a proprietary interest (including a proprietary interest as a sole proprietor, partner, director, member or shareholder, or trustee or beneficiary), and
- (b) any interest that is prescribed by the regulations as constituting a pecuniary interest for the purposes of this Act,

but does not include the following:

- (c) (except in clause 9 of schedule 3) any interest in a pharmacy business that a person has by virtue of the person being:
  - (i) a member of a friendly or other society that has a pecuniary interest in such a business permitted by section 26, or
  - (ii) a member of a listed corporation within the meaning of the *Corporations Act 2001* of the Commonwealth that carries on or has a pecuniary interest in such a business under section 27,
- (d) (except in section 31 (2) and clause 9 of schedule 3) any interest in a pharmacy business that a person has by virtue of the person being a member of a body corporate (other than a listed corporation referred to in paragraph (c) (ii)) that carries on or has a pecuniary interest in such a business under section 27, but only if the person was a member of the body corporate before the commencement of schedule 7.12 to this Act,
- (e) any interest that is prescribed by the regulations as not constituting a pecuniary interest for the purposes of this Act.

Amendment No. 2 aids interpretation by inserting the following note in clause 27:

**Note.** The definition of ***pecuniary interest*** in section 4 (1) and sections 25 and 27 of this Act operate to prohibit a person (other than a registered pharmacist, a partner in a pharmacists' partnership or a pharmacists' body corporate or a member of a pharmacists' body corporate) from having a pecuniary interest (including as a shareholder) in a body corporate to which section 27 applies (other than a listed corporation within the meaning of the *Corporations Act 2001* of the Commonwealth). That prohibition, however, does not apply where the person was a member of the body corporate before the commencement of schedule 7.12 to this Act.

Amendment No. 3 tidies up clause 28 of the bill, "Restriction on number of pharmacy businesses in which pharmacists may have a pecuniary interest", by removing a word. Amendment No. 4 inserts into clause 30 a subclause (6), which states:

A person who is granted supervised registration under section 13 is taken not to be a registered pharmacist for the purposes of this section during the period of that registration.

Amendment No. 5 amends section 3 of the Act, "Definitions", as follows:

Insert in appropriate order in section 3 (1):

***Pecuniary interest*** means a direct or indirect monetary or financial interest ...

It then goes on to repeat a definition given elsewhere in the bill. Amendment No. 6 states:

Page 105, schedule 7.12. Insert after line 18:

**[3] Section 40A**

Insert after section 40:

**40A Savings provision regarding new definition of "Pecuniary interest"**

Amendment No. 7 inserts a new paragraph 20. Savings provisions regarding definition of "pecuniary interest", in schedule 8 of the Act, as follows:

Section 25 does not prevent a person who lawfully had a pecuniary interest in a pharmacy business before the insertion of the definition of ***Pecuniary interest*** into section 3 of the *Pharmacy Act 1964* by schedule 7.12 [1] to this Act from continuing to have that interest.

The amendments aim to protect community pharmacies, a model that continues to work, by ensuring that pharmacies continue to be owned by professionally accountable, registered pharmacists. The bill also seeks to prohibit the co-location of pharmacies and supermarkets by removing backdoor ownership opportunities. The Coalition does not oppose the amendments. We hope to work with the Pharmacy Guild and other interested parties in implementing the legislation.

**Amendments 1 to 7 agreed to.**

**Clause 4 as amended agreed to.**

**Clauses 5 to 26 agreed to.**

**Clause 27 as amended agreed to.**

**Clause 28 as amended agreed to.**

**Clause 29 agreed to.**

**Clause 30 as amended agreed to.**

**Clauses 31 to 158 agreed to.**

**Schedules 1 to 6 agreed to.**

**Schedule 7 as amended agreed to.**

**Schedule 8 as amended agreed to.**

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

## **DEER BILL**

### **Second Reading**

**Debate resumed from 30 August 2006.**

**Mr RUSSELL TURNER** (Orange) [8.42 p.m.]: The Opposition will not oppose the Deer Bill, but I want to raise some issues of concern to various deer keepers. The objects of the bill are to clarify the ownership of deer, to regulate the keeping of captive deer, to prevent the release of deer from captivity and to control deer that are not captive. Mr Ian Dowsett, New South Wales President of the Deer Industry Association of Australia, maintains that there has been no proper consultation with the association on these changes. The note from the Department of Primary Industries says there has been two years of consultation and that the Deer Industry Association does not represent the vast majority of deer keepers.

Despite that two years of consultation, the legislation was introduced on 30 August so not much time has been allowed for consultation. I understand the legislation will pass through both Houses as quickly as possible. The association is concerned that when deer are released or escape from captivity farm ownership of them immediately ceases. The association asks whether that will set a precedent in relation to ownership of goats, cattle and sheep when they leave captivity. I do not believe that will be a concern with cattle and sheep, but I have some doubt in relation to goats, given that a lot of goats run wild and from time to time are rounded up and taken into captivity. Generally, deer are still considered to be wild.

The association is also concerned that officers of the department who enforce the provisions of this legislation will not have the appropriate skills in relation to the unique industry of deer farming. I hope the Department of Primary Industries is serious when it says that only experienced officers will attend farms to check on the conditions in which deer are kept, et cetera. A number of deer farmers have operated for many years in my electorate, for example, Ian Dowsett at Neville and the Hansen family—Andrew Hansen, a veterinary surgeon, and his son Tim, who has taken over the farm in the Orange district. They are keen deer farmers and strongly promote the industry. They are concerned about the difficulty in transporting deer to abattoirs and about the small number of abattoirs that will process deer. The Hansens and the Dowsetts have to

transport the deer to Victoria with specially designed trucks that have padding to prevent bruising to the deer. I understand that transportation occurs at night when the deer are quieter.

Deer are difficult animals and only appeal to a certain number of farmers. The Hansens are doing very well processing and selling venison, the finished product, through farmers' markets and specialty restaurants. They do a great job promoting deer in restaurants as an alternative to the more traditional meats. While deer is offered at specialty restaurants, it is not often eaten at home. Orange restaurants offer a diverse variety of food: one can dine on fine food washed down with fine wine.

The bill will help to clarify the ownership of deer, and the industry supports that. The legislation sets out the requirements for keeping captive deer and provides a legal mechanism to control non-captive deer, that is, deer control orders. The uncertainty of ownership of deer has been an obstacle in effective management of them. At common law deer are regarded as wild animals and no absolute property right exists over them. The legislation gives responsible deer farmers absolute property rights over captive deer. It also clarifies that no right of ownership exists over deer once they have escaped or are in the wild. This will give confidence to those undertaking deer control activities. Mr Dowsett is concerned that once deer leave a property they are considered to be wild animals, and under common law the farmer who owned those deer no longer owns them. That is a unique situation, and I was not aware of it until I read these notes this afternoon.

Mr Dowsett is concerned that a farmer could decide that he will no longer keep deer. Indeed, some farmers have been known basically to open the gate and let their deer out. He is also concerned that there may come a time when game hunters will purposely release deer from a farm, knowing that once the deer are released they no longer belong to the farmer; the game hunters are then able to capture the deer and take them home to start farming them or to shoot them. It would be difficult to get a conviction against someone for letting the deer out. Although a person might be shooting the deer, it would be difficult to prove that that person opened the lock on the gate and let the deer go.

The legislation will make it an offence to release deer from an area fenced in accordance with the requirements for keeping captive deer. It will also become an offence to release deer into an area not fenced in accordance with the legislative requirements. The legislation also provides support for organised control programs by requiring owners and occupiers of land in particular areas to ensure that non-captive deer are eradicated. As I said, the Opposition will not oppose this bill, although it has some concerns about it. Those concerns will also be raised in the other place, and we hope the Government takes them into account.

As I said, the Deer Industry Association has expressed concern about the legislation. I understand that the Department of Primary Industries consulted not only the Deer Industry Association—although I understand that that consultation was somewhat limited—but also other industries. The deer industry is responsible. I acknowledge that there are large numbers of deer in the wild and that they destroy native vegetation. They can also damage fences when they try to access farm property containing more vegetation. Concerns about deer keeping have been expressed. I am not saying that deer populations will ever reach huge numbers like those of goats, cattle and sheep, but deer are important in terms of alternative farming and giving those who are interested in running deer a viable industry.

The amount of venison is not huge—I am not aware that a huge amount is exported—but it is an alternative. From time to time farmers look for an alternative that may be more profitable than more traditional farm animals. It must be recognised that deer are an important part of farming in New South Wales and that the industry needs to be supported. As I said, I was surprised that under common law deer that have escaped no longer belong to their owner. Mr Dowsett said that his deer escape at times. Sometimes he is able to recapture them within two or three days; at other times he is unable to round them up for three or four weeks. In the meantime, under common law he does not own the deer; anyone can round them up and take them home, or licensed shooters are free to shoot the deer without threat of prosecution. As I said, the Opposition will not oppose the bill, although we have some concerns about it. Some of those concerns will be raised in the other place.

**Mr BARRY COLLIER** (Miranda) [8.55 p.m.]: I am pleased to support this bill. It is no secret that wild populations of deer in some areas are now at such levels that they are causing significant environmental and economic damage. These deer can cause damage to crops and fences. They compete with livestock for pasture, and in the mating season they have been known to charge and injure livestock. Deer can spread weeds such as blackberry and are also a risk in the spread of exotic and endemic livestock diseases. Deer damage the environment by eating native plants. They compete with native animals for food and damage vegetation

communities. It is clear that we need a way to manage wild deer populations to minimise the economic and environmental impacts.

Among other things, the Deer Bill provides that the Director General of the Department of Primary Industries may make deer control orders for specific areas of New South Wales for a specified period. The deer control order will require land-holders to ensure that deer on their land are eradicated in accordance with the order. It is anticipated that land-holders may meet their obligation to eradicate wild deer by participating in control programs organised under the control order. The director general will be required to consult with key stakeholders before making a deer control order. This arrangement will ensure that the relevant interests and expertise are properly reflected in any decision to make a deer control order.

The bill provides a clear mechanism for controlling problem deer populations. It will be a valuable tool in minimising impacts on the environment and on agricultural industries in New South Wales. In supporting the bill, I remind honourable members that deer are not only a problem for farmers and graziers. Feral deer are a very real problem in Sydney suburbs like Grays Point, a suburb in my electorate. Grays Point lies on the northern side of the Hacking River. On the southern side of the river and to the west of Grays Point lies the Royal National Park. Feral deer are making life a misery for residents in Grays Point, ruining gardens and damaging fences and other private property. Large antlered deer have attacked residents in their own backyards.

The deer are actually living and breathing in the suburb, roaming local streets as far up North West Arm Road as Avenel Road, and east as far as Gynea Bay, causing accidents and so many near misses that it is only a matter of time before we have a fatality. Indeed, in April 2004 a woman driver was killed on the infamous F6 after swerving to avoid a feral deer. As the local member I have continuously raised the problem with the Minister and the council. I do so with both because, as a matter of law, the land manager is responsible for control of the feral deer. The Department of Environment and Conservation [DEC] is responsible for controlling feral deer in the Royal National Park; Sutherland council is responsible for controlling feral deer in suburbs like Grays Point and on local roads under its care and control.

As for Royal National Park, the deer management program is now in its fifth year of operation and essentially involves deer culling by shooting under spotlight. The RSPCA and the Animal Welfare League attend the culling as observers to ensure that animal welfare issues are appropriately managed. The DEC has also developed an injured deer protocol to enable staff to quickly and humanely deal with injured deer. To date, the deer management program has seen the removal of more than 600 deer from the Royal National Park at a cost of up to \$60,000 per annum. As well as the costs associated with shooting under the supervision of the Rural Lands Protection Board, the budget also includes funding for a variety of research programs aimed at improving our ability to control feral deer. The DEC is currently finalising arrangements to trial shooting deer in the Royal National Park from a boat in the upper portions of the Hacking River, including near Grays Point.

The State Government, through the DEC and the Rural Lands Protection Board, is working to assist Sutherland Shire Council in tackling the problem. In 2005 the council endorsed the DEC's proposal to conduct joint operations on the sporting ovals at Grays Point and Loftus. These ovals are part of the Royal National Park but are managed by Sutherland Shire Council on behalf of the DEC. Over the past 12 months, joint operations between the Department of Environment and Conservation and Sutherland Shire Council have produced 11 separate visits to Grays Point sporting ovals, resulting in the removal of 14 deer. I am advised that a contractor was engaged to shoot deer at Swallow Rock, and successfully removed 7 of them. Sutherland Shire Council and the Rural Lands Protection Board are finalising the expansion of their current culling program to include two additional reserves in Grays Point. I understand that a draft memorandum of understanding between the council and the department was approved in principle, allowing council to expand its culling program on its managed lands, utilising the department's staff and equipment but paying for external contractors.

In the light of this assistance, one would think that Sutherland council would be making an all-out effort to control feral deer on land for which it is responsible. But, even after a 900-signature residents petition was presented to Parliament, it took council more than 18 months to come up with this feral animal policy. Despite urgings, the Liberal councillors refused to appoint a full-time feral animal control officer. When it finally came up with a budget of a miserable \$80,000, to be shared across all feral animals, including deer, foxes, myna birds and feral cats in the shire, the councillors could not decide how to spend it. Meanwhile, the deer are living and breeding in the suburb of Grays Point. And, despite having legal responsibility for controlling the feral deer on its own land, Mayor Schreiber on 14 July 2005 wrote to me, wanting the State Government to "take ownership of the issue". Meanwhile, the feral deer continue to live and breed in the suburb

of Grays Point—continuing to make residents' lives a misery, damaging property and causing havoc to motorists on council roads.

In its latest letter the council complains about inadequate funding to control feral deer on council land and wants funding for the council to "protect residents within Sutherland Shire against feral deer that travel from the Royal National Park to residential areas within the Shire". Well, hello! Planet Earth calling Mayor Schreiber: Feral deer have been living and breeding in Grays Point for years. They have established families, even dynasties, there. Deer are not swimming across the Hacking River under cover of night to raid gardens at Grays Point. They are, I repeat, actually living there and breeding in the suburb itself. The deer are not travelling under the cloak of darkness into Grays Point, they are not just visiting children in Grays Point at Christmas time, they are actually living there. If Mayor Kevin Schreiber does not believe me, he can simply ask his opponent for the mayor's job, which is up for grabs at next week's council meeting. I refer to Councillor Ken Johns. Councillor Johns, who actually came from Rockdale, lives at Grays Point and knows only too well the problems that feral deer are causing in the suburb. Clearly, this mayoral aspirant is not doing much about the problem at all.

What makes this plea for more State funding to deal with the deer problem in Grays Point even more farcical is council's letter to me of 28 June. In a plea for more State funding, the letter says, "Council is currently incurring a funding shortfall" and "the program requires an urgent injection of funds to address ... community concerns" about "public safety in ... Bundeena, Maianbar and Grays Point." Shortfall my foot! On 4 July, in his column in the *Leader* newspaper, Mayor Schreiber said he was pleased to see that "Council's sound financial position continues" and went on to say he was proud to have cut the council debt by \$7 million. I think Scrooge McDuck has really nothing on our mayor, Kevin Schreiber! He puts in a miserable \$80,000 to control a community safety problem for which council has legal responsibility, but then approaches the State Government, which is trying to work with him, and puts his hand out for more money because he says he is short—then tells us he has saved \$7 million by debt reduction! That is depression economics at its worst.

Clearly, Sutherland council must do more than simply blame the State Government for the feral deer in Grays Point. Scrooge McSchreiber must spend much more to combat a serious problem in the shire. He must not wait until we have a fatality on a council road. I have a number of issues with this legislation. My concern is that perhaps we cannot place a deer control order on Sutherland shire councillors which, sadly, seems to be the only way—short of voting them out—that we can get the council to take active steps to control the feral deer problem on its land, particularly in the suburb of Grays Point, in my electorate. I commend the bill to the House.

**Debate adjourned on motion by Mr Carl Scully.**

**The House adjourned at 9.04 p.m. until Wednesday 6 September 2006 at 10.00 a.m.**

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