

LEGISLATIVE ASSEMBLY

Wednesday 2 April 2008

Mr Speaker (The Hon. George Richard Torbay) took the chair at 10.00 a.m.

Mr Speaker read the Prayer and acknowledgement of country

BUSINESS OF THE HOUSE

Notices of Motions

General Business Notices of Motions (General Notices) given.

PRIVATE MEMBERS' STATEMENTS

Question—That private members' statements be noted—proposed.

HAWKESBURY HIGH SCHOOL

Mr RAY WILLIAMS (Hawkesbury) [10.03 a.m.]: On 14 March I had the pleasure of attending the twenty-fifth anniversary of the opening of Hawkesbury High School. Hawkesbury High commenced on Thursday 3 February 1983, when 126 year 7 students arrived in Ironbark Drive Wilberforce. They were by greeted by 11 members of staff who upon their appointment to this brand new school had begun preparations weeks earlier. However, for two members of that staff the life of the school had begun months earlier. Mr Ray Walton was the founding principal and Mr Harry Ruhnau was the first deputy principal. Ironically, Mr Ray Walton had been my Industrial Arts Master when I attended Riverstone High School in the 1970s.

By the end of November 1982, the Department of Education had spent \$1.2 million on Hawkesbury High School. The site had been obtained, the grounds cleared and the buildings had been installed. However, there was something rather unusual about the school. The site was temporary and all the buildings were demountables, complete with a demountable canteen. In fact, as late as November 1982 the *Hawkesbury Gazette* was calling the school the "Wilberforce Demountable High School". The then local State member of Parliament, Mr Kevin Rozzoli, was worried that the children might spend all 13 years of their schooling in temporary buildings. The archives show the principal, Mr Walton, had brainstormed ideas for the number of houses and their colours. The final selection was Deerubin, Errighi, Narara and Willaree—all names of riverboats on the Hawkesbury. The Student Representative Council was established with Telona Hadley-Peace and Wayne Pigdon as the first presidents. We must remember that the school was made up entirely of year 7 students, so this was a huge responsibility for those two young leaders.

Over the next few years the school grew quickly, adding a new year 7 each year. Of course, as the school grew so did the staff and it was in those years that Mr Wyeth, Mrs Simmonds, Miss Grainger and Mr Andrews joined Hawkesbury High. A most significant year for Hawkesbury was 1988. In the year that Australia celebrated the bicentennial of European settlement, Hawkesbury High came of age—with its first students reaching year 12. Of the original 126 students, 45 year 12 names are recorded in the presentation night program. While the Bicentennial Air Show was taking place on Richmond Air Base these students were preparing for the school's first Higher School Certificate, after which Leanne Smith was named dux of the school.

At the same time new building work was underway. The department spent \$7 million for a permanent home for the school at Freeman's Reach. The school was promised buildings that blended with the rural surroundings and these would be finished by September 1988. This date did not materialise due to bad weather, and what weather it was! The Hawkesbury River flooded twice in 1988—first in April and then in July. The same thing happened in April 1989. These floods affected not only the building works but also the life of the school. Most students lived around the school on the northern bank. However, the buses were situated on the opposite side of the river, as were many of the teachers.

In the first flood Mr Walton travelled to school via Mount Victoria and Bell, arriving mid-morning only to face the same long drive home in the afternoon. Of course, teachers who lived on the northern bank reported

to work at Hawkesbury High School. And so, with the sun shining and the river rumbling by, there were more staff than students at school—a very unusual situation. Finally, on Wednesday 19 April 1989, 644 students moved to the new school site at Freeman's Reach. Later in the month members of the parents and citizens association had their first meeting in the new school—they were delighted saying that it might be the first time some students had been housed in permanent buildings since they had commenced school.

The last year of the twentieth century, 2000, was a significant year. The Olympic Games came to Sydney. Lucas Walker had the honour to escort the Olympic torch and students and staff helped out with the celebrations. Hawkesbury provided a number of dancers for the opening ceremony as well as caterers and results runners. Mr Walton and Mr Ruhnau had retired by then and Mr Rob Phillips was principal with Mrs Cheryl Dwyer as the new deputy. Student Representative Council presidents had become school captains with Carrie Rogers and Robert Hayes doing a great job in that position. Year 12 had grown to 62 students, and spirit days were introduced. With the focus on sporting prowess, Tandii Green had the privilege of taking part in the Pacific School Games. Back at school, students were awarded school sporting blues for outstanding performances in athletics, rugby league, netball and softball.

Those are just some of the many great years in the history of Hawkesbury High School, and there have been many since. Well over 3,000 students have now passed through the gates of Hawkesbury High School during the last quarter of a century, and we are now finding a second generation of Hawkesbury students amongst us. As one year 11 student recently said, her mum is in the student photos displayed in the library. The history of Hawkesbury High School for the past quarter of a century has been preserved thanks to the efforts of its students and teachers. I especially thank Mr John Varley, the head history teacher, who provided this information on behalf of the school. I congratulate Hawkesbury High School on its twenty-fifth year celebrations and wish it all the best for the future.

INTERNATIONAL WOMEN'S DAY CELEBRATIONS

Ms CARMEL TEBBUTT (Marrickville) [10.08 a.m.]: I congratulate two fantastic women in Marrickville who were honoured at the International Women's Day ceremony at Parliament House on 6 March 2008: Ms Vivienne Martin, facilitator of Connect Marrickville, a Families First funded community centre at Marrickville West Public School and Ms Sylvana Mahmic, director of the early childhood intervention service, Pathways Early Intervention Service, at Marrickville. International Women's Day began 100 years ago with garment workers in New York protesting about their poor pay and conditions. Though much has improved for women since this time we know that there are still challenges in achieving true equality for women.

At the event in Parliament House, which was hosted by the Premier and the Minister for Women, we heard from Ann Sherry, who outlined that women worked two-thirds of the world's working hours, produced half the world's food and earned only 10 per cent of the world's income. In Australia, while more girls than boys are likely to complete year 12 and more females than males entered into higher education in 2006, the overall graduate salary for females was only 96 per cent of male earnings. Women hold only 11 per cent of executive management positions and 8.7 per cent of board directorships, and we know that women's pay is still less than men's, despite many years of equal pay decisions. These are disturbing statistics and a clear reminder of the importance of marketing International Women's Day and re-confirming our commitment to improving the status of women and achieving full equality.

The theme for International Women's Day 2008 is 100 years of active women in paid and unpaid work. International Women's Day is an opportunity to recognise women for their contribution to our workplaces and communities. This builds the confidence and pride of all women and encourages women and girls to take on leadership roles by publicly presenting role models. I nominated Ms Vivienne Martin as the Marrickville Woman of the Year because I believe she epitomises the qualities we want to promote. Ms Martin is a tireless worker for the community and is committed to equity and social justice. Vivienne's mission is to connect and develop communities, and she has been responsible for a range of projects, including an Aboriginal playgroup, a young parents playgroup, the work opportunity for women's course and parenting courses. She is strongly supported at Marrickville West Public School by the wonderful principal, Ms Ruth Ling.

Anyone visiting Vivienne's centre will find it a hive of activity and business. In a culturally diverse community Vivienne provides the opportunity for people to come together and get to know each other and for their children to play together. In this way she also introduces them to school. It is a wonderful transition to those early years of schooling. Vivienne never stops. Just the other day she excitedly told me about a dad's playgroup she had started on a Saturday so that working dads can come. No matter that she gives up her

weekend, she made sure that this opportunity is provided for working fathers. The day I visited Vivienne to present her award, the happiness and sense of pride from the parents about Vivienne's achievements was lovely to see.

Sylvana Mahmic is another Marrickville service provider recognised in the International Women's Day awards. Sylvana was nominated by the Minister for Disability Services, Kristina Keneally, for her dedication to working with children with disabilities. I have visited Ms Mahmic's service, Pathways Early Intervention. Sylvana's commitment is clear to see. She is calm and gentle with children and parents alike. Sylvana believes in providing support to as many people as she can and has established many innovative services to extend the centre's reach. It was great to see this recognition at the International Women's Day ceremony for two women who work tirelessly helping children and families and building stronger communities. I place on record my congratulations to both Vivienne Martin and Sylvana Mahmic and also to the Minister for Women, Verity Firth, for the awards ceremony.

Many women from right across New South Wales came together for this ceremony, which was attended by members of Parliament and others. It was a great way to celebrate the contribution that women have made. It was a great way to present role models for the community and it was also just a great event that brought everyone together. I can do no better than to quote what Vivienne Martin, who wrote to me after receiving the award, said about the importance of the work she does and, in particular, schools as communities. She said to me, "Schools as communities work. They are such a simple concept and yet so valuable in terms of inclusion, community capital and in creating places families can belong even before their children start school. The facilitator is the alchemist who brings in the partners to make it work according to their particular community." This sums up what Vivienne Martin is all about and why it was so important that she was recognised on International Women's Day as a great achiever.

CATTLE TICK FEVER

Mr GEOFF PROVEST (Tweed) [10.13 a.m.]: Once again, I am 100 per cent for the Tweed. Today I condemn the Iemma Government's poor management of cattle tick fever in New South Wales, and its lethargic response to the latest outbreak of the virus currently spreading across Tweed properties. For members of the House who are unaware of this outbreak, I will give an overview of the situation at hand, which has been described by graziers as having potentially the same repercussions to the cattle industry as equine influenza did to the horse racing industry. Late last week it was revealed that a dozen cattle belonging to Tweed graziers Robert and Sue Harnett had died on their Burringbar property from the lethal cattle tick fever spreading down the Queensland border. As a result of this outbreak their farm had to be quarantined and their milking facilities had to cease production. The strain that these cattle contracted was babesia bovis, the worst of the three strains contractible from cattle tick fever.

Soon after this outbreak was reported in the media, allegations were made by local farmers against the New South Wales Department of Agriculture that the department had attempted to keep secret an earlier outbreak of the virus, which occurred on a property at Carool, west of the Tweed. It has been further reported that cattle tick fever was spreading to the Ballina region, with two cattle dying on an Alstonville property, and the property is now under quarantine. Tweed graziers vented their frustration about the Iemma Government's careless attitude towards the dangers of cattle tick fever to the New South Wales Opposition at a shadow cabinet meeting held in the Tweed last month. Their main concern was that the Government ignored warnings of the risks associated with importing cattle to Queensland from New Caledonia after a serious outbreak of cattle tick fever in that country. The graziers also condemned the Government for ceasing cattle inspections on the Queensland border and the failure of the Department of Primary Industries to put up quarantine signs on infected properties.

In recent times 24 staff at the tick gates lost their jobs, even though the Premier said in his earlier days that there would be more services and no more cuts. Given the number of warnings that successive New South Wales Labor governments have received about cattle tick fever from farmers and organisations such as the Combined Tweed Rural Industries Association, the spread of this virus is unthinkable. Proper measures should have been put in place by the Government to minimise the risk of this kind of outbreak. What I find most concerning from this latest outbreak is that cattle and other livestock exposed to infected cattle have been sold and are yet to be tracked down and quarantined. If cattle tick fever were to spread further south it would have a disastrous effect on industry. The Harnetts voiced their concern at vaccinated cattle from known tick areas being allowed into buffer zones—the reason they attribute to the infection of their cattle and one they hope to have confirmed when laboratory results are released. If the Harnetts receive this confirmation it is imperative to

restrict vaccinated cattle from their property to ensure that the virus does not spread further through northern New South Wales.

It is painfully clear from this latest saga that the Lemma Government's solution to the cattle tick fever problem simply is not working. Earlier this year I submitted questions to the Minister for Primary Industries concerning the effectiveness of cattle tick surveillance cameras introduced on the Pacific Highway—the same Minister that abolished the New South Wales Board of Tick Control in 2006. I am yet to receive a response to these questions, although I note that a spokesperson for the Minister claimed that these cameras were "very effective". From what has unfolded on Northern Rivers cattle properties over the past week, it is obvious to both New South Wales graziers and the New South Wales Opposition that these cattle tick surveillance cameras are not good enough on their own to stop the spread of this virus into the State, and that the Government urgently needs to adopt a more effective solution.

A cattle tick fever crisis meeting is to be held on 28 April with my North Coast Nationals colleagues. The members for Ballina, Clarence and Lismore will be in attendance, as well as the shadow Minister for Primary Industries, Mr Andrew Fraser, and me. I call on the Government to organise a high-level cattle tick crisis meeting in the Northern Rivers to formulate a response to this outbreak with the Minister for Primary Industries, North Coast members of Parliament and local graziers, and I urge the Government to explore compensation options for the farmers affected by the outbreak, which should have been contained by the Government. The New South Wales Government must act urgently on this matter before it causes any further damage to the New South Wales cattle industry. This is a serious threat to the future viability of the New South Wales cattle industry and it should be shown the respect it deserves. Once again, I am 100 per cent for the Tweed.

WALLSEND ELECTORATE PLANNING AND DEVELOPMENT

Ms SONIA HORNER (Wallsend—Parliamentary Secretary) [10.18 a.m.]: Congratulations to the people in the Hunter who have chosen and will choose Wallsend electorate in which to live, work and recreate. Last weekend I took the opportunity to visit the west of the electorate and breathe the fresh air in the surrounds of the beautiful Blue Gum Hills domain. It was gorgeous autumn weather and I basked under a canopy of eucalypts with hills and craggy ridges and the extensive Hexham Wetlands at my backdoor. I live close to the central business district of Wallsend that is surrounded by eye-catching heritage buildings and icons of our wonderful mining past. As a fourth generation Wallsendian, I know that my mum's family has seen many changes. As one of today's clan, I appreciate and understand why people decide to reside in the more contemporary hamlets to the west of Wallsend. While the Wallsend central business district represents Wallsend's history, the new villages represent the pinnacle of modern lifestyle for the Hunter resident, so we offer the lot in the Wallsend electorate.

As the member for Wallsend, I rate sustainable development very highly and see it as the only way that future development should be. I am heartened to discover that so much of the land in our new villages is dedicated to open space, community facilities, cycleways and parklands. When planners dedicate large portions of land to open space they get it right. I encourage all developers and planners in New South Wales to follow this lead and incorporate generous portions of community space in future development. I know that this is also the State Labor Government's philosophy. What I am seeing more and more of, which is very pleasing, is the increasing intent of planners to undertake comprehensive community consultation in the initial stages of development, which surely proves ethical business practice and demonstrates that some planners are listening to the community.

Like many local government councillors over the years I have been to a plethora of community forums. I applaud Newcastle City Council, Lake Macquarie City Council and architects, builders, engineers and planners who have taken the time to attend these meetings and communicate with local residents. It is much simpler if problems are solved at the planning stage instead of there being major disruption when people object to a completed development. I also acknowledge planners who take seriously Prime Minister Rudd's new policy for reconciliation when they recognise and preserve areas of significance for Aboriginal people and the community. In the Wallsend electorate the Awabakal and Pambalong peoples must be consulted about any future developments, and I will endeavour to ensure that this occurs. In a development recently opened in the area, members of the Awabakal Land Council were consulted and listened to. Significant artefacts were discovered on sections of the development and consequently those areas have been preserved and protected for the whole community.

Planners should also be encouraged to design communities that promote healthier lifestyles. Cycleways and walkways are necessary. They must connect with other cycleways and allow journeys from the suburbs to the city and to work. Planners should be encouraged to consider the proximity of developments to town centres, highways, services and schools before they build. To accommodate the growing population, a number of years ago a shopping centre was built to the west of Wallsend. There are few services at the shopping centre and there is no post office, so shoppers are forced to travel into Wallsend town to undertake their business and postal activities. I am confident that in the future such services will form part of the infrastructure plans in any development. Why not include an Australia Post outlet in the planning stages of large plazas in new developments? I wish all future occupants of new developments in the Wallsend electorate a balanced and healthy indoor and outdoor lifestyle and encourage them to strive for the best services that they deserve.

SOUTHERN CLOUD MEMORIAL LOOKOUT

Mr GREG APLIN (Albury) [10.23 a.m.]: On Saturday 15 March I joined businessman and aviator Dick Smith and almost 300 other people for the opening of the Southern Cloud Memorial Lookout on the Tooma Road, 28 kilometres south of Tumbarumba. The crash of the *Southern Cloud* on 21 March 1931 was Australia's first commercial air disaster and a committee in Tumbarumba had worked on developing a permanent commemoration at a spectacular site on Bald Hill overlooking the Maragle and Tooma valleys. Under clear skies and a burning sun, the opening commenced with a welcome to country and smoking ceremony by Uncle Vince Bulger and Aunty Margaret Burge. The Mayor of Tumbarumba Shire, Councillor Dave Robertson, welcomed the visitors and introduced renowned aviator Dick Smith, who told the crowd he had flown down that morning in his helicopter, following the flight path of the *Southern Cloud* and thinking about the advances in navigational technology.

The history of the event, the involvement of local people and the establishment of the memorial lookout were well described by Ron Frew from the Tumbarumba Historical Society and Councillor Col Goldspink on behalf of the project committee. A descendant of the pilot, Jack Shortridge and the member for Eden-Monaro, the Hon. Dr Mike Kelly, concluded the formalities. In a fitting act of tribute to intrepid aviators the ceremony included flyovers of vintage and modern light aircraft, which brought a tear to the eyes of many as we all gazed upwards and then out across the Maragle and Tooma valleys to the mountains beyond. Family members and descendants of the victims of the crash were present, as were local landowners and cattlemen who had grown up with the story of the plane which had crashed mysteriously somewhere on their properties. Many of their stories are now part of local folklore. A scale model of the *Southern Cloud* built by Russ French was on display and is now housed at the Tumbarumba Historical Society Museum in the Visitor Information Centre in Tumbarumba.

The crash was a significant event in Australia's aviation history. The *Southern Cloud* was part of the Australian National Airways [ANA] fleet established by Charles Kingsford Smith and Charles Ulm following the success of their 1928 record-breaking flight across the Pacific Ocean in the *Southern Cross*. All aircraft were given names starting with "Southern". The company began commercial operations with a flight from Sydney to Brisbane on 1 January 1930. Other services along the east coast began shortly after, but the loss of the *Southern Cloud* ultimately led to the collapse of ANA. The plane, a three-engine Avro X aircraft, took off at 8.10 a.m. on Saturday 21 March from Sydney airport bound for Melbourne with two pilots and six passengers on board. As the Sydney weather bureau did not open until 9.00 a.m. the crew had to rely on weather forecasts made the previous evening, which said that unsettled conditions were expected.

Less than an hour after takeoff a weather report warned of severe conditions in the flight path, but in 1931 no radios were carried so the pilots could not be notified. In Melbourne that morning the weather was wild: heavy seas tore yachts from their moorings, powerlines fell, the races had to be abandoned and blizzards hit the mountains. The flight never arrived. Despite numerous searches, including desperate attempts to find the plane by Sir Charles Kingsford Smith, the *Southern Cloud* was not found for 27 years. It was one of Australia's most tantalising mysteries. On October 26, 1958 during the construction of the Snowy Mountains Hydro-Electric Scheme, a carpenter named Tom Sonter was taking scenic photographs on his day off and stumbled upon the remains of the aircraft on a densely timbered mountain ridge just 37 kilometres south-east of Tumbarumba.

Severe bushfires and extreme weather had reduced the wreck to a few metal pieces of the engine and fuel tanks, and very few human remains were found. Map names alone give a picture of the crash site: Blackjack Mountain, Toolong Range, World's End and Deep Creek describe some of the wildest country in this area. Shortridge Creek now commemorates Travis "Shorty" Shortridge, the pilot of the ill-fated aircraft. At 33, and with 5,000 hours flying experience, he was a stand-in for the usual pilot who had been called to a mercy flight

carrying serum to Broken Hill. Also killed that Saturday were the trainee co-pilot, Charlie Dunnell, Hubert Farrall, a Melbourne businessman, Elsie May Glasgow, a Melbourne housekeeper, Julian Margules, a specialist in the new talking picture projectors, Charles Hood, an American stage producer for the Capitol Theatre in Sydney, Bill O'Reilly, a Sydney accountant, and artist Clara Stokes of Rose Bay.

The crash of the *Southern Cloud* changed the face of Australian aviation, initiating improvements to meteorological services and radio navigational facilities and resulting in compulsory communications and safety equipment being carried on board. To acknowledge the significance of the disaster and establish a permanent memorial for the plane and for those who perished, funding for this lookout site was obtained from the Federal Government, Tumbarumba Shire Council, the National Parks and Wildlife Service, Dick Smith and the Catchment Management Authority. The lookout is a magnificent vantage spot on the Snowy Valleys Way with a panoramic view across the vines, pines and pasture of the Maragle Valley to the Mount Kosciuszko range and south to the Victorian Alps. Interpretive boards at the picnic area highlight not only the *Southern Cloud*, but also the whole Snowy Mountains vista and history both before and after European settlement. It is well worth a visit.

ERSKINE PARK INDUSTRIAL AREA

Ms DIANE BEAMER (Mulgoa) [10.28 a.m.]: The diversity of employment, housing and recreation concerns all electorates. I refer in particular to two initiatives to develop the Erskine Park industrial area, which is situated on the old Wonderland site. Recently the Department of Planning released a concept plan for the Erskine Park link road, which will connect the Erskine Park employment area with the magnificent M7 and M4. Trucks will no longer travel on Erskine Park Road, which will be of great benefit to the people of St Clair and Erskine Park. The development of this industrial area will provide an efficient system that is close to distribution points and provide employment to residents in nearby areas without causing disruption.

I commend a new development on Mamre Road within the industrial area that will benefit greatly from the link road: a cucumber farm that comprises a 1½ kilometres long and half a kilometre wide glasshouse. The farm, which will add more water to South Creek than it removes, will provide approximately 26,000 cucumbers per week for New South Wales consumers. Woolworths and Coles will no longer have to buy their cucumbers from Queensland because they will be able to buy them from only five kilometres away. As a result, consumers will be able to buy fresh cucumbers that have a longer shelf life. It is estimated that cucumbers from approximately 2,000 to 3,000 plants will be picked per hour and as cucumbers need only 28 days to grow this will have a positive impact on the environment.

Water collected on the roof of the glasshouse is used to grow the cucumbers before it is recycled to the back of the property. The overflow goes into South Creek and, although the plant requires considerable water, the impact on the environment of Mamre Road will be positive. Picking and labelling the plants is repetitive work. When I spoke to the principal some time ago I referred him to an employment agency that specialises in employing people with disabilities. I am pleased to advise the House that approximately 20 per cent of the workforce for this \$120 million major development will involve people with disabilities so there will be gains for the whole community: employment close by, a link road enabling earlier accessibility to distribution points and removal of trucks from local roads. It is a win for everyone in the local electorate. The link road is an integral part of the development and I urge residents to make written submissions to the Department of Planning on the concept plan. Trucks are going in and out of the construction site day and night. Indeed, the Minister for Ports and Waterways would agree with me that a major substation had to be built to allow for this development. I commend both the cucumber farm and the link development.

ILLAWARRA-SOUTH COAST RAIL LINE SECURITY

Mrs SHELLEY HANCOCK (South Coast) [10.33 a.m.]: I convey to the House my grave concerns regarding recent incidents of violence, thuggery and sexual assault against innocent rail users of the Illawarra to South Coast rail line, in particular women, as a result of a lack of security and transit officers. In recent months I have been concerned about a significant increase in the number of people reporting to me incidents of violence, thuggery, theft and assault on the South Coast rail line and related concerns about a lack of transit officers on the line. Last weekend it is alleged that a 40-year-old woman travelling between Wollongong and Unanderra in the early morning was sexually assaulted. Apparently no transit officers were on the train nor any train on that line for the entire weekend, and I believe that none will be rostered on for this weekend due to the apparent need to deploy officers in Sydney for other reasons.

Taking an Illawarra train can indeed be a terrifying experience. As reported in the *Illawarra Mercury* this week, Brett Cox has been travelling on the trains for over two months, meeting many commuters who had witnessed or experienced violence, threats and harassment. These are some of their stories as reported. Danielle Leigh Scott travels by rail regularly because it is cheaper for her and better for the environment; she does not have a car. Usually she travels between 6.00 p.m. and 10.00 p.m. and is regularly approached by drunks, whom she finds frightening and intimidating. On one occasion she was forced to lock herself in the toilet to avoid threats of violence against her. Mr Jake Glover of Dapto also reports that after 11.00 p.m. from Wednesday to Saturday, troublemakers are generally travelling home from nights out in Wollongong. He claims that the thugs are fighting, rumbling and throwing bottles around the carriages. For women experiencing these incidents, things are even more frightening.

A young woman from Dapto and regular rail user has her own techniques to avoid the terrifying situation that she is forced to endure. One technique is to get off the train and then to change carriages when someone makes her feel uncomfortable, which is on at least two trips a week. A woman from Unanderra reports that her husband witnessed four men brandishing a gun, which he reported after leaving the train. Another man from Kiama Downs had to be fed through a straw for a week after being bashed on Wollongong railway station whilst waiting for a train. Five drunken louts, who kicked and punched the two to the ground, assaulted him and friend without provocation. They then proceeded to bash the innocent rail users, who say that they will never use the rail system again.

Stories like these are unfortunately commonplace and of course the trouble increases if there are no transit officers on the line. The *Illawarra Mercury* reports that 88 assaults, 181 thefts, 186 cases of malicious damage to property and 39 liquor offences were among a total of more than 4,000 incidents reported to police involving the rail system in the Illawarra over the 12 months to last September. Police and transit officers clearly do their best but they are severely underresourced and frustrated because they are not able to prevent the vile incidents to which I have referred. Another concern is the limited powers of transit officers. A Figtree couple reported that despite the presence of a transit officer on the trains to and from the Easter show, they and others were subjected to drunken, obscene behaviour by young people drinking, smoking marijuana, swearing and threatening passengers who objected to their behaviour.

Two teams of 20 transit officers are based at Wollongong and are available for service on the Illawarra to South Coast line. However, passengers know that when they are not on a particular train the trouble starts. Their presence makes a difference but they are not always available apparently because they are recalled to deal with incidents in Sydney. Last weekend not one transit officer travelled on any train on the Illawarra to South Coast line, which, according to transit officers and the Rail, Tram and Bus Union, resulted in the alleged rape of a woman by a man in his early twenties. Thankfully, a suspect has been charged this morning. However, apparently no transit officers are rostered on the Illawarra to South Coast rail line this weekend. The incidence of assaults on the CityRail network and on the Illawarra to South Coast line, which is part of CityRail, continues to increase, with assaults apparently up 12 per cent—not reduced, as the Minister is suggesting.

I call on the Minister for Police and the Minister for Transport to ensure adequate transit officers are rostered for duty on the Illawarra to South Coast rail line and to agree to increase the authorised strength of the Wollongong, Lake Illawarra and Shoalhaven local area commands to deal with serious commuter crimes on South Coast trains. I commend the men and women of the New South Wales Police Force, who work in a coordinated manner with rail security officers to deal with commuter crime. In particular, I commend the Wollongong Local Area Commander, Wayne Dedden, for his ongoing dedication and commitment to addressing crime in the Wollongong Local Area Command. The issues reported in this place and in the *Illawarra Mercury* over the past two weeks are deeply disturbing. I call on the Minister for Police especially to ensure that these incidents are not repeated.

ANZAC DAY DAWN SERVICE

Mr TONY STEWART (Bankstown) [10.38 a.m.]: I very proudly inform the House that on 20 April 15 extraordinary young people—all students from schools in my area—will leave Sydney to participate in the magnificent Anzac Day dawn service at Gallipoli. The young people have been selected from local schools and are part of the Bankstown Multicultural Youth Service community harmony youth project. The ideas behind the project are to increase awareness and appreciation of other cultures in our local area; to increase young people's awareness and appreciation of themselves; to promote positive police interactions with the community, particularly with young people; to create cross-cultural and cross-generational connections; and, amongst other things, to build a community of proud Australian citizens rather than just residents.

The young people who will be ambassadors for those sorts of ideals and part of a very important team are: Nagiha Sahyouni from Bankstown Girls High School, Kristina Mitropolous from East Hills Girls High School, Samantha Meredith from Mount St Joseph College, Sarah Norris from Mount St Joseph College, Prescilla Zeitoune from St Charbel's College, Avani Dias from Bankstown Grammar, Elizabeth Le Claire from Chester Hill High School, Risto Kotevski from Chester Hill High School, Jade Cook from Bankstown Senior College, Gary O'Shea from De La Salle College Revesby, Dylan Williams from East Hills Boys High School, Taha Daghestani from Punchbowl Boys High School, Zakaria Kammoun from Sir Joseph Banks High School, Ryan Lodge from Strathfield South High School and Mohammad Halaby, who has applied through the Bankstown Multicultural Youth Service. These people will be proud ambassadors for Bankstown, for Sydney and for Australia when they attend the Anzac Day dawn service. They have already been part of a series of functions leading up to this magnificent event. They will return, as conduits to let young people in our area know how proud they are as Australians and how proud we all are to be part of this project.

There are many people behind the project. George Zeitoune is one of the major project organisers, and Geoffrey Allen has worked tirelessly with George to bring this project to fruition. It has not been easy. They have had to raise close to \$100,000 privately to make this happen. I am pleased to report that behind the project has been a magnificent local community that has wholeheartedly supported this effort. I thank the Premier of New South Wales, Morris Iemma, who, through the Community Relations Commission, provided \$10,000 towards the project; the Minister for Police, Mr Campbell, who provided \$5,500 through discretionary funds; and the Minister for Youth, Linda Burney, who provided \$1,000. The local club movement is always magnificent in helping with community needs. The Bankstown Sports Club provided a whopping \$10,000 and the Bulldogs league club provided \$7,500. Our local councils also chipped in. Canterbury council provided \$5,000 and Bankstown council provided \$1,800. Money has also been raised from businesses in the local area, community stakeholders and so on. It has been a team effort in partnership with the community, which is why it will be the success it deserves to be.

The adult team accompanying the young people will be John Alam, who is the chairperson of the Bankstown Multicultural Youth Service; Mary Malak, who is the manager of the Bankstown Multicultural Youth Service; Melanie Roche, who is on the management committee of the youth service; Senior Constable Denise Colls from the New South Wales police south-west region, who is the schools liaison officer who does a magnificent job promoting policing and community policing efforts to our young people in the great region we know as Bankstown; and Constable Nick Rutgers from Bankstown police. I will work with these young people when they return to help them in their quest to spread word of what the experience has done for them, what it has done for the community and what it has done for Australia. Again, I thank George Zeitoune and Geoffrey Allen who have been the wind beneath the wings of a project that will make a difference to all Australians.

NORTH COAST HEALTH SERVICES

Mr ANDREW STONER (Oxley—Leader of The Nationals) [10.43 a.m.]: North Coast area health services are grossly underfunded, which is affecting local hospitals and ultimately patients across the North Coast area. According to the New South Wales Health resource distribution formula, the North Coast Area Health Service target share of the Health budget is 7.6 per cent. The actual level of funding is only 7 per cent—a 0.6 per cent shortfall—which equates to around \$54 million per annum according to the Government's figures. Evidence suggests that even the target share is not equitable for the North Coast. In 1994-95 the target share was 8.4 per cent and in 2007-08 it is 7.6 per cent, which runs totally contrary to the experience in North Coast communities, that is, rapid population growth, particularly amongst the older demographic that requires more health services. The decline in the target share is quite incongruous and the actual funding of 7 per cent, which is well below the target share, is a matter of serious concern.

The shortfall in funding manifests itself in declining standards across North Coast communities, despite the best efforts of clinicians and staff who are under enormous pressure. This is evident from elective surgery waiting lists. In 1995 Kempsey District Hospital had a zero waiting list. By 2007, 238 people were on the waiting list. Over the same period the average waiting time grew from one and a half months to almost five months. At Macksville 12 people were on the waiting list in 1995 and by 2007, 265 people were on the list. The average waiting time grew from 0.4 of a month in 1995 to almost six months in 2007. At Wauchope District Hospital 87 people were waiting for elective surgery in 1995 and by 2007, 315 people were waiting for it. The waiting time grew from three months to more than five months.

We see the same trend in emergency departments. The statistics from Kempsey emergency department for triage 3 category, which is potentially life-threatening cases, show that in December 2007 only 74 per cent of

the 614 patients were treated within the 30-minute benchmark, that is, 160 potentially life-threatening cases were not treated within 30 minutes. I have been told of beds in corridors in emergency departments, surgery hours cut back and people being sent to Port Macquarie, where things are even worse—only 50 per cent of more than 1,000 triage 3 patients were treated within the 30-minute benchmark.

We also see it with access block. According to the December 2007 statistics, 11 of 188 patients admitted from emergency departments across the area were not admitted within eight hours of being seen by a doctor. Ultimately that is due to bed shortages, which will be exacerbated because the area health service has been forced to implement a cut in beds. In fact, 86 beds will be cut from the North Coast health area and replaced with surge beds. There has rightly been an outcry from North Coast communities about this, but the area health service administration has little option due to the inadequacy of the budget for the area. It is being forced to try to make a silk purse from a sow's ear.

There is no planned expansion of health services across the North Coast despite the growth in population and the increase in the acuity of presentations. Only 30 acute beds are planned for the Tweed, yet across the border on the Gold Coast two new public hospitals are planned for construction as well as a private hospital, which will result in more than 1,000 additional beds by 2012. One has to ask what is happening in New South Wales, particularly on the North Coast, which has the lowest bed base in the State. Most base hospitals in the area are 100 per cent full, or close to it, and of grave concern is the area health service's proposal to turn the Bellinger River District Hospital into a multipurpose service. The medical fraternity at the hospital say that this proposal has been made in the environment of reducing the hospital's valuable surgical capacity and threatening the viability of the excellent obstetrics service by inaction on staffing needs, and the controversial and misinformed surge bed strategy, which is intended to close further beds at all of the region's hospitals. I urge the Minister for Health to address this situation urgently.

PAKISTAN DAY

Mr PHILLIP COSTA (Wollondilly) [10.48 a.m.]: On Easter Sunday 23 March 2008 I had the pleasure of attending a celebration of an important day in the Pakistan calendar. The local Pakistan community invited my wife and me to attend what many Pakistan nationals call "Pakistan Day". It was action taken on this day in August many years ago that led to Pakistan's independence. At the celebration I was the guest of Tariq Mirza, who has for the past four years organised a day of celebration for his community. The Mirza family are very proud Australians, with an equally proud Pakistani heritage. The community gathered in traditional dress and enjoyed the company of one another through games, particularly cricket—I lost, but I did score the winning goal in soccer—and a Pakistani feast. We had a wonderful night. On Easter Sunday, a Christian day, I attended a Muslim function. What a wonderful country we live in.

Of great importance on this special night was the decision to move forward in forming a Macarthur Pakistan Association. This added tremendously to the day, which involved the bringing together of Australian Pakistani families to not only celebrate their Pakistan culture but also share their culture with fellow Australians, and to pay tribute to and appreciate the wonderful opportunities that Australia has to offer to both communities. It is pleasing that the association will be formed. For many years I have worked with the multicultural community in Macarthur, in my electorate. We already have many community groups, such as Italian, Arabic, Islander, Filipino and Lebanese community groups, and it now looks as though the Pakistani community will also be represented by its own association.

I addressed the gathering about the importance of maintaining and growing our tolerance and acceptance of all cultures across our community. It is important that the Pakistani community continues to share their culture with fellow Australians, so they do not forget their languages and also do not forget the customs and cultures they bring to this country. On the night I was thanked by the many leaders of the Pakistani community for reminding all of us that Australia is a great country to live in, knowing that people are respected for who they are.

As I said, for many years I have worked with the multicultural community across my electorate. It was therefore a great privilege to witness the evolution and development of a group to represent the interests and aspirations of the more than 2,000 Pakistanis in the Macarthur area. I congratulate the Pakistani community of Macarthur on deciding to work towards establishing a local Pakistan Association, and I wish them great success. It was interesting to observe the process through which the group negotiated matters such as membership and its constitution. At the end of the night I congratulated the leader Mr Khan. The words I used were, "I think I have just witnessed Pakistani democracy in action." I wish the group great success, and I look forward to working with it in the future.

EBOR VILLAGELINK PROJECT

Mr RICHARD TORBAY (Northern Tablelands—Speaker) [10.53 a.m.]: In metropolitan cities expensive consultants are often called on to try to build a sense of community to combat apathy, anonymity and alienation. In the country we do not have that problem. A sense of community is virtually inbuilt, as is the goodwill generated for community projects where volunteers can and do convert the government dollar at least tenfold through their own efforts. Today I refer to one of these projects in the small village of Ebor where the local community has taken its future into its own hands with minimal government and local council support. Although it has a population of only 120, Ebor has an enviable record of community participation, with 25 per cent of its population in the local progress association, 10 per cent in the fire brigade, and a further 10 per cent on the sports and recreation ground trust. When the Lions Club was started over 20 years ago, 60 per cent of the community joined. The village has two wildlife carers, a rodeo association, and a parents and citizens association. Indeed, half the population are currently volunteers for something.

Ebor is located almost halfway between Armidale and the coast, and boasts valuable grazing land and spectacular national parks. An issue of frustration to local residents is that the town—which encompasses three local government areas and two State and two Federal electorates—has been seen as being at the tail end of, rather than the gateway for, government department and instrumentality areas of responsibility. Because of this, the community has become extremely self-reliant. Volunteers built the soldiers memorial hall, the church, the bush nursing hospital and the sportsground. Today the town and district has a total population of 120, with 80 people living in the village. Its volunteer fire brigade serves a 40-kilometre radius, its National Parks and Wildlife Service staff of four maintain 180,000 hectares, and 400,000 vehicles move through the village each year.

Naturally, local businesses want more of the visitors who travel Waterfall Way to stop in the village. The local community also wants to protect its natural environment as tourism traffic and the number of relocating tree changers increase. And so, the VillageLink-VillageView Community Development Project was born to establish a path-cycleway to link its major tourist attractions and facilities and to implement a community five-year action plan. The plan involves 15 projects to be carried out in 40 stages, to make life safer, healthier and more sustainable in a village divided down the middle by a main trunk road and two council boundaries.

In 2004 the Ebor Progress Association found funding to start the pathway project. The next year Guyra Shire Council invited the community to come up with a town plan to include all of its projects, both short and long term. The community groups formed a project management committee representing seven local organisations. The committee's first success was a \$5,000 grant in 2005 from the Department of State and Regional Development to fund the planning process. The next year every household in the Ebor district was surveyed, with a remarkable return rate of 80 per cent—a very good indicator of the community's stake in driving its own future.

The VillageLink-VillageView Action Plan was developed from the survey, and endorsed priorities such as road safety, the protection and preservation of community assets, including Guy Fawkes River public land and community buildings, and encouraging economic development and new infrastructure. Over 30 per cent of the plan has now been accomplished. Its achievements include persuading Telstra to undertake a \$280,000 upgrade of the Ebor telephone exchange and the district network to provide broadband for the community. Volunteers have put in around 1,500 hours managing the various projects, fundraising and facilitating, mowing public lawns, and maintaining the cemetery. They have worked closely with government departments and local councils, gaining cash and in-kind contributions and expert advice on riparian restoration, and a commitment for a new fire station and village tree plantings.

The way this project is going, it will meet its 2010 objectives to have in place two boardwalks over wetlands, three kilometres of cycleways, five kilometres of fishing trails, display gardens, a bush conference centre at the sportsground, and new camping sites and strategies to attract 20,000 extra visitors per year and maintain a sustainable village economy. The committee appreciates the support it has received from the National Parks and Wildlife Service, the Department of Primary Industries, the Rural Fire Service, the Department of Lands, and all the other authorities that have assisted the committee in this tremendous endeavour.

PORT MACQUARIE ELECTORATE HEALTH SERVICES

Mr ROBERT OAKESHOTT (Port Macquarie) [10.58 a.m.]: Again I speak about the need for increased funding for health services in the Port Macquarie area and on the North Coast in general. A previous

speaker made similar comments, so it is pleasing that on this occasion I share similar views with an adversary on so many other issues. Last week the Rural Doctors Association of Australia issued a statement warning retirees to "plan your retirement carefully—your rural or seaside lifestyle could be a health hazard". The association president said it was "very sad to see that living in rural Australia is becoming increasingly bad for your health".

This was based on an analysis done in Victoria by the Rural Doctors Association that found the gap was widening between urban and rural people, regardless of gender. The association also found that life expectancy was increasing more than 20 per cent faster for residents of metropolitan local government areas compared with residents of rural local government areas. The Rural Doctors Association of Australia also said that the figures in New South Wales were a little better, with Sydney men having a life expectancy almost two years longer than men in outer-regional areas. That is simply a general comment with regard to the ongoing campaign on the part of most North Coast members of Parliament, and from Port Macquarie in particular, to try to get the fourth pod built at Port Macquarie Base Hospital.

This fourth pod, which will provide the extra general beds that are so desperately needed for patients, will service the Hastings-Macleay region and also the emergency department, which is working at double the capacity it operated at when it was built in 1992. In political terms all members can reflect on Port Macquarie Base Hospital. We have now reached the stage where we are 15 years into a private contract. The emergency department, which has a maximum capacity of 14,000 patient presentations a year, is working at double its capacity with about 30,000 presentations a year. That reflects extremely poor planning or underinvestment in the original plans. However, in the end that means nothing to patients who are presenting today.

We desperately need extra beds and an expanded emergency department and intensive care unit. Port Macquarie Base Hospital is beyond breaking point in the number of clinically excellent services that it can provide. Some good things are happening: the \$90 million integrated cancer care centre is excellent, although people are already being sent away due to the lack of a second bunker. A campaign is now underway to put in place that second bunker. Beds in the mental health unit have expanded from 10 to 12, which is a small step compared with the Government's commitment to provide a 20-bed unit as part of the fourth pod. The 20-bed unit, for which we are campaigning, will address those needs in the Hastings-Macleay area. Some minor work includes the relocation of helipads, additional car parks, the refurbishment of sterilising services, and the relocation of head injury services and blood banks.

Today we received welcome news about the movement of the renal dialysis unit from the community health centre to the hospital site. Previously patients at the hospital had to be moved by ambulance to the community health centre to receive their renal dialysis, which clinically was completely inappropriate. It is good news that patients can now be treated at the one location. I acknowledge that the doctors and nurses at Port Macquarie Base Hospital are some of the most efficient per patient when assessed against data for any comparable hospital. I urge the Government to reward the efficient and clinically excellent, to recognise that growth is occurring on the mid North Coast, and to recognise that staff and patient safety is being jeopardised by a lack of investment, in particular, in the emergency department. I again urge the Premier, the Minister for Health and the Government to invest in this fourth pod at Port Macquarie Base Hospital. Without such an investment we, as members of the New South Wales Parliament, are exposing staff and patients to extraordinary risk. Surely no one wants to do that.

Question—That private members' statements be noted—put and resolved in the affirmative.

Private members' statements noted.

GROWTH CENTRES (DEVELOPMENT CORPORATIONS) AMENDMENT BILL 2008

Bill introduced on motion by Mr Steve Whan, on behalf of Mr Frank Sartor.

Agreement in Principle

Mr STEVE WHAN (Monaro—Parliamentary Secretary) [11.03 a.m.]: I move:

That this bill be now agreed to in principle.

The Government is pleased to introduce the Growth Centres (Development Corporations) Amendment Bill 2008, which is an important step in the Government's commitment to delivering the land supply targets

identified in the State Plan and the Metropolitan Strategy. The bill will ensure that the Growth Centres Commission is better able to respond to the challenges of delivering land supply targets in the north-west and south-west growth centres. The commission is now well into its implementation phase of delivering these targets. In December last year the Minister for Planning announced the rezoning of the first two precincts in the growth centres—Oran Park and Turner Road.

This announcement represented the rezoning of almost 12,000 lots in the south-west together with the town centres and employment lands. The package included the identification of State infrastructure required, and protocols for the precinct-wide management of heritage, rivers and threatened species. It also included a section 94 contributions plan and a development control plan, which includes complying development for about 65 per cent of dwellings in the precincts. All of this was achieved in just 18 months. I expect that more precincts in the north-west growth centre will go on public exhibition in the coming months. Having established its systems, procedures and protocols, and being firmly in its implementation phase, the commission no longer requires the added guidance of an independent board.

To ensure that the Government continues to roll out adequate supplies of zoned and serviced land, the commission will be managed by its chief executive officer, who will continue his crucial intra-government coordination role, commenced on start-up, through this implementation phase. It is important to note that the Growth Centres Commission would not have achieved its success to date without the close cooperation of the six growth centres councils. Indeed, there are subcommittees of the commission known as local government coordination committees that consist of the mayors and general managers of each council as well as the commission's chief executive officer and board members. The work of these committees has been a major contribution to the relationship with councils. Under the proposed amendments in this bill these local government coordination committees would continue in operation.

I turn now to the detailed provisions of the bill. The bill makes amendments to the Growth Centres (Development Corporations) Act 1974. The Act allows for the establishment of development corporations for growth centres. Under current provisions a development corporation is established with a governing body or board. The chief executive of a development corporation is, along with other appointees, a member of the board. Currently four development corporations are constituted under the Act: the Hunter Development Corporation, the Festival Development Corporation, the Cooks Cove Development Corporation, and the Growth Centres Commission. All the current development corporations are constituted with a board.

The objective of the bill is to amend the Act to allow a development corporation to be constituted by one of two methods: firstly, a development corporation governed by a board; and, secondly, a development corporation governed by a chief executive. The availability of these two models will allow development corporations to be constituted in a manner which best reflects the mission and goals of the particular corporation. This is important for the Growth Centres Commission because it has moved on from the initial phase of establishing the broad framework for the delivery of land supply targets in north-west and south-west growth centres to the critical implementation phase. Whilst the members of the Growth Centres Commission board played an invaluable role in establishing this broad framework, it is now imperative that the Growth Centres Commission works in close cooperation with government agencies to ensure that land supply targets are delivered in a timely manner.

The Growth Centres Commission will report to the Minister for Planning through an advisory committee of senior public servants charged with responsibility for delivering the New South Wales Government's land supply targets identified in the State Plan and Metropolitan Strategy, including the Director General of Planning, the Director General of Environment and Climate Change, the Secretary to the Treasury, the Chief Executive Officer of the Roads and Traffic Authority and the Coordinator General. There is no proposed change to the constitutional arrangements for the other three existing development corporations. I turn now to other elements of the bill designed to simplify procedural requirements relating to the constitution and operation of development corporations which otherwise date from 1974. These minor housekeeping amendments are required because existing provisions in the Act are outdated and administratively burdensome.

The Act provides for the establishment of a corporation by way of an order. Orders are required to be made also where a corporation is to be dissolved or amalgamated or where the land to which a corporation applies is to be expanded or reduced. The current provisions often can require a multitude of orders and procedural steps to be undertaken. The bill amends the Act to allow a single order to be made which constitutes or dissolves a development corporation, changes its name, alters the land to which it applies and/or changes its constitutional arrangements from a board-governed to a chief executive-governed corporation. This will reduce

red tape by minimising unnecessary administrative steps and streamlining procedures under the Growth Centres (Development Corporations) Act 1974. It will ensure also that all relevant information in respect of a corporation is identified in a single schedule to the Act.

The bill includes also provisions of a savings and transitional nature necessary to give effect to the changes outlined and other related amendments. It should be noted that the Growth Centres (Development Corporations) Act 1974 as amended by this bill only deals with the constitutional and administrative arrangements for growth centres. The role of growth centres with respect to the release, development and servicing of land is governed largely by the Environmental Planning and Assessment Act 1979. I note that the Minister for Planning will be announcing shortly the next stage in the rollout of the Government's planning reforms. The rollout of these reforms follows a lengthy community consultation process. The Minister for Planning already has released a report on the submissions received during these consultations.

The reforms also will further assist the Growth Centres Commission in delivering its land supply targets. The amendments to the Growth Centres (Development Corporations) Act 1974 made by this bill will ensure that the Growth Centres Commission is better able to concentrate on the task of delivering crucial land supply in the north-west and south-west growth centres essential to meet the needs of Sydney's growing population. I commend the bill to the House.

Debate adjourned on motion by Mr Thomas George and set down as an order of the day for a future day.

SUPERANNUATION ADMINISTRATION AMENDMENT BILL 2008

Bill introduced on motion by Ms Virginia Judge, on behalf of Mr Frank Sartor.

Agreement in Principle

Ms VIRGINIA JUDGE (Strathfield—Parliamentary Secretary) [11.12 a.m.]: I move:

That this bill be now agreed to in principle.

The Superannuation Administration Amendment Bill 2008 now before the House seeks to amend the Superannuation Administration Act 1996 to enable the SAS Trustee Corporation, known as STC, to return non-State sector surplus employer reserves to funding providers with the approval of the Treasurer; to enable STC, with the approval of the Treasurer, to transfer surpluses between State sector employers' reserve accounts within the pooled fund so that the State sector can record additional financial assets that are excess to individual State sector employer superannuation funding requirements on the State sector balance sheet; and to insert a time limit of two years within which a person aggrieved by a decision made by the STC can lodge a dispute against that decision with the STC Disputes Committee.

The bill also makes miscellaneous minor amendments to the Superannuation Administration Act 1996 that will correct references to other Acts that have become outdated or no longer are appropriate. Some local government council employers had surplus reserves as at 30 June 2007 that might be better used by those councils to provide local community services rather than to sit indefinitely in STC employer reserve accounts. At 30 June 2007 STC held \$699 million in financial assets for and on behalf of State sector employers that could not be recorded as assets on the State sector balance sheet—this is despite the State sector having contributed the funds to the pooled fund.

The bill will allow these funds to be transferred within the State sector, which will have the effect of allowing these financial assets to be recorded on the State sector balance sheet, with the result that net financial liabilities recorded on the State sector balance sheet will be lower. A surplus in excess of recovery available from schemes exists in an employer's superannuation reserve when the value of assets exceeds the combined value of current and future superannuation liabilities. The extent of the surplus currently unavailable to the State sector is determined actuarially in accordance with accounting standards. Under accounting standard AASB119 "Employee Benefits", that part of a surplus that cannot be returned to an employer, no longer is recorded as an asset in the employer's financial statements.

Employers are informed of the extent of the surplus on their superannuation position statements. These statements are prepared on an AASB119 basis by an actuary for STC at the end of every financial year. The

Superannuation Administration Act 1996 already enables transfers of funds from one Crown-funded employer's reserve to another Crown-funded employer's reserve. Without this bill the permanent surplus funds held in some State sector employer reserves would be held indefinitely in the pooled fund, even after all liabilities have been paid out. Permanent surpluses currently cannot be applied to funding superannuation liabilities over and above the current and future superannuation liabilities for that employer. In relation to the proposed two-year dispute limitation period, it should be noted that currently there is no time limit within which to lodge a dispute against an STC decision with the STC Disputes Committee.

Amending the Superannuation Administration Act 1996 to insert a two-year time limit within which an aggrieved person can lodge a dispute against an STC decision will enable a fairer review of the original decision than a review that takes place many years thereafter. The Commonwealth regime has a limit of two years in which an aggrieved person can make a complaint about the trustee's decision to the Superannuation Complaints Tribunal. The State Pooled Fund schemes should have a two-year dispute lodgement period also. Allowing for a two-year period within which to lodge a dispute is consistent with Commonwealth superannuation law. Under current provisions there is a clear inconsistency between the provisions for STC and Commonwealth regulated superannuation funds.

The bill provides also for miscellaneous amendments to the Superannuation Administration Act 1996. The Act contains some references to FTC which, after the passage of the First State Legislation Amendment (Conversion) Act 2005, no longer are appropriate. The Superannuation Administration Act 1996 also contains references to the Public Sector Management Act 1998 that require updating to the Public Sector Employment and Management Act 2002. I commend the bill to the House.

Debate adjourned on motion by Mr Thomas George and set down as an order of the day for a future day.

FINES AMENDMENT BILL 2008

Bill introduced on motion by Ms Tanya Gadiel, on behalf of Mr Frank Sartor.

Agreement in Principle

Ms TANYA GADIEL (Parramatta—Parliamentary Secretary) [11.20 a.m.]: I move:

That this bill be now agreed to in principle.

The Fines Amendment Bill 2008 implements improvements to processes relating to the administration of penalty notices and fines enforcement. In 1996 the Government introduced the Fines Act as a major reform of the fines enforcement system. It is now 10 years since the establishment of the State Debt Recovery Office as the central agency to coordinate fines enforcement processes. In the intervening years the Fines Act and the State Debt Recovery Office have been the subject of a number of reviews that have led to improvements in these processes. The Government has an ongoing commitment to ensuring the fines enforcement system remains fair and efficient. The amendments proposed by this bill build on the improvements made in recent years.

The bill implements six proposals that address fines avoidance practices, improve the options for resolving outstanding fines and facilitate improved administration by the State Debt Recovery Office. The first proposal relates to deemed service of penalty notices. Most penalty notices and reminder notices are served by mail. If returned to the State Debt Recovery Office as return-to-sender mail, the notice is not validly served and cannot be enforced. The State Debt Recovery Office conducts ongoing data matching with other government agencies such as the Roads and Traffic Authority [RTA] and the State Electoral Office to identify correct addresses. However, some notices are sent to the wrong address because the person involved failed to notify the Roads and Traffic Authority of a change of address, despite this being an offence under road traffic regulations.

Other instances involve the fine recipient supplying a false address, or deliberately returning mail unopened knowing that it relates to a fine. In these cases the statutory limitation period will often expire before the notice can be served and the payment of fines and application of driver licence demerit points are avoided. The amendment will provide that a penalty notice or penalty reminder notice that has been posted to the address provided by the fine recipient or to the address held by the Roads and Traffic Authority is deemed to have been

served, despite being returned to its sender as undelivered. This change will prevent alleged offenders from deferring payment of a fine until proceedings for the offence become statute barred. The amendment does not extend to enforcement orders for which actual service before enforcement continues to be a requirement, such as cancellation of the person's driver licence or vehicle registration.

The second proposal relates to false nominations for traffic offences. For some offences, such as speed camera or red light camera offences, the owner of the vehicle is deemed to be responsible for the offence unless he or she provides the name and address of the person actually in charge of the vehicle at the time of the offence. The State Debt Recovery Office has encountered problems in prosecuting people who falsely nominate another driver to avoid the fine and licence demerit points. The bill makes an amendment to the Fines Act to address these problems. It creates an offence under the Fines Act of knowingly providing false or misleading information in a statement nominating another person as the driver. This amendment will enhance the ability of the State Debt Recovery Office to correctly identify offenders and enforce penalty notices for vehicle offences.

The third proposal in the bill deals with a person's right to elect to have a penalty notice offence dealt with by a court. The amendment will make clear that payment of the fine payable under a penalty notice does not prevent a person from exercising his or her right to have the matter dealt with by a court if the election is made within the required time period. The majority of fines under penalty notices and penalty reminder notices are paid on time. In these cases no further action is taken other than the recording of driver licence demerit points for some offences. However, in some cases the person alleged to have committed the offence seeks to have the matter referred to a court after the fine has been paid. This may occur because additional information becomes available to the person. For example, instances have occurred where the person named in the penalty notice initially was unaware of the notice because a family member had paid the fine. The amendment will allow the fine to be refunded and any demerit points withdrawn until the court decides the matter.

The fourth proposal encompasses two amendments that will provide greater flexibility in the fines enforcement process: first, to provide flexibility in the use of time to pay orders by allowing them to be varied if the fine defaulter's financial circumstances change; and, second, to allow part payment of penalty notices. At present, part payment is allowed only later in the enforcement process, at which stage additional costs have been incurred. Facilitating part payment at an earlier stage will allow people on lower incomes or who otherwise are suffering financial hardship to begin to meet their obligations in a manageable way. This will also reduce the risk of secondary offending by persons whose driver licence or car registration is suspended or cancelled.

The fifth proposal is to formally recognise the current structure of the State Debt Recovery Office. The State Debt Recovery Office and the Infringement Processing Bureau originally were separate agencies in different government departments but they have now been integrated as the fines division of the Office of State Revenue. This integration has enhanced the role of the State Debt Recovery Office as the central fine enforcement agency, but the Fines Act does not adequately reflect the expanded functions of the State Debt Recovery Office. The amendments will recognise these functions, provide greater accountability in relation to financial matters, and remove redundant legislative requirements.

The final proposal is to recognise the longstanding practice of the State Debt Recovery Office of using the services of police prosecutors in the Local Court when prosecuting matters that have been the subject of a penalty notice. Most prosecuting authorities, such as local councils, have contracted through the State Debt Recovery Office to use the services of police prosecutors who have the knowledge and experience to assist the court in proceedings for penalty notice offences. Despite this practice being supported by decisions of the Supreme Court, magistrates have discretion to refuse leave for police prosecutors to appear.

Refusal of leave to appear imposes additional costs on the prosecuting authorities and could result in charges being dismissed due to the absence of an appropriate representative. The bill therefore provides a statutory right for a police prosecutor to appear for the prosecution in proceedings for an offence in relation to which a penalty notice has been issued. This bill is part of the Government's ongoing commitment to improving the system for administering penalty notices and enforcing fines. The amendments will help to ensure offenders meet their obligations under penalty notices while maintaining the fairness of enforcement processes. I commend the bill to the House.

Debate adjourned on motion by Mr Thomas George and set down as an order of the day for a future day.

STATE REVENUE LEGISLATION AMENDMENT BILL 2008**Bill introduced on motion by Ms Tanya Gadiel, on behalf of Mr Frank Sartor.****Agreement in Principle****Ms TANYA GADIEL** (Parramatta—Parliamentary Secretary) [11.31 a.m.]: I move:

That this bill be now agreed to in principle.

The State Revenue Legislation Amendment Bill 2008 provides tax concessions and first home benefits for people who have legitimate claims and also addresses tax avoidance practices by others attempting to avoid their legal responsibilities. The bill makes amendments to the Duties Act 1997, the First Home Owner Grant Act 2000, the Health Insurance Levies Act 1982, the Land Tax Management Act 1956, the Payroll Tax Act 2007, the Taxation Administration Act 1996 and the Unclaimed Money Act 1995. The bill also repeals the Debits Tax Act 1990, the Stamp Duty Act 1920 and the Taxation Administration Regulation 2003. I will deal first with the amendments relating to duties. Land rich duty is payable when a person acquires a significant interest in a company or trust that holds land worth \$2 million or more. The land rich provisions of the Duties Act ensure the same duty is payable on an indirect acquisition of an interest in land as would be payable on a direct purchase of a similar interest.

A practice has been identified where land rich duty is avoided by declaring a trust instead of transferring shares in the company or units in the trust. This effectively gives the purchaser ownership and control of an interest in land without incurring a liability to duty. The Office of State Revenue has identified 17 transactions where this practice was used in the last year involving duty in excess of \$50 million. To address this avoidance practice, the bill imposes land rich duty on an acquisition where the capacity in which a person holds an interest in a land rich company or trust changes, including by way of declaration of trust. Those transactions are already dutiable in most other States and Territories. To ensure this loophole is closed immediately, this anti-avoidance measure will take effect from the date on which the bill was introduced.

The bill also makes an amendment to prevent the use of contrived arrangements to obtain a duty concession for partitions of land. A partition occurs when jointly owned land is split up between the owners. The duties concession recognises each party's existing interest in the land. A duty avoidance practice has been identified in which people who wish to exchange land each acquire a small interest in the other party's land and subsequently partition the jointly owned land paying minimal duty. The amendment will prevent this abuse but will ensure genuine partitions remain eligible for the concession.

The bill makes a number of amendments relating to concessions and exemptions from duties. One such amendment clarifies the duties concession under First Home Plus. In some cases an applicant will not be eligible for the concession when buying a home on multiple occupancy land such as a duplex where both houses are on a single title. The Government believes that eligibility for the concession should be determined by whether the applicant is a genuine first home buyer rather than by the form of land title under which the home is held. The proposed amendment will allow the duties concession to be approved for the purchase of a separate home on multiple occupancy land. This is particularly beneficial for people in rural communities.

The bill makes two significant extensions to the duties concession for transfers out of a deceased estate. The first is where the executor, administrator or trustee of the estate appropriates property to a beneficiary in satisfaction of the beneficiary's entitlement under the will. For example, the trustee might transfer a house to a beneficiary instead of paying a cash legacy. At present the duty payable varies depending on the wording of the will. The bill provides that an appropriation of estate property in satisfaction or partial satisfaction of a beneficiary's entitlement is liable to duty of \$10 in all circumstances. The second extension is when the beneficiaries agree to vary their entitlements under the will. For example, a beneficiary who is entitled to a one-half interest in a house might agree to buy the house from the estate for a purchase price of one-half its value. The amendment will impose duty on only the transfer of the one-half interest in the house that is in excess of the beneficiary's entitlement.

The bill also clarifies the types of charitable and benevolent bodies that are eligible for exemption from duties to include charitable trusts and trustees, consistent with current practice. A new duties concession is provided for an application to register a motor vehicle that has been modified for a person with a disability. Duty will be calculated on only the value of the vehicle after deducting the value of the modifications made either to enable the person with a disability to drive the vehicle or to enable someone else to transport the person

with a disability. The bill also makes a number of minor statute law amendments to the Duties Act, including repealing obsolete provisions such as those relating to vendor duty.

The bill implements two proposals relating to eligibility for the First Home Owner Grant. The first relates to the list of interests in land that are eligible for the grant. While most of those interests are detailed in the Act, other interests are currently recognised as legitimate interests in a public ruling issued by the Chief Commissioner of State Revenue. Incorporating those interests in the Act will provide greater certainty for taxpayers and their professional advisors. The interests to be included in the Act are when a person builds a home or a self-contained dwelling annex, such as a granny flat, or purchases a movable home, in each case on land owned by another person. The second proposal is to adopt a provision from the First Home Plus scheme to allow a first home buyer to remain eligible for the grant if an additional purchaser is added as a purchaser for finance purposes only. This addresses the common practice of some lenders especially for loans to young first home buyers where they require a guarantor to be on the title.

I turn now to amendments to the Land Tax Management Act. Currently a land tax exemption applies to land used and occupied as the principal place of residence of one or more owners provided that all of the owners are natural persons. The exemption can apply to two or more parcels of land or two or more strata units provided that the land is not physically separated and is owned by the same person or the same joint owners. If those criteria are satisfied, eligibility for the exemption should be determined by the owner's use of the property as a single residence regardless of the number of lots. This sole use and occupation test was confirmed in the Supreme Court by what is known as Ryan's case. However, several recent decisions of the Administrative Decisions Tribunal and the Supreme Court have highlighted the possibility of inconsistent interpretation of those tests. To remove any ambiguity, the amendments spell out and define the principles adopted in Ryan's case. The amendments provide that where there are separate buildings located on separate lots and the buildings are separately occupied or are capable of separate occupation the exemption will apply to only one of the lots.

This is consistent with the principles under the Valuation of Land Act that identify when two or more parcels of land can be valued as one parcel. In the case of two or more strata lots the exemption will apply to all the lots only if there is internal access between the lots allowing use as one residence, except for lots used for an ancillary purpose such as a garage or storage area. Where only part of a lot satisfies the amended requirements for exemption, a partial exemption will apply based on the proportion of the lot or the buildings that satisfies the criteria for exemption. The bill also makes statute law amendments to confirm that exemptions from land tax for non-profit organisations can apply to part of a building in a strata scheme. The bill makes a number of statute law amendments to the Payroll Tax Act as part of the ongoing project to harmonise payroll tax administration across Australia, including clarifying an exemption for charitable bodies and modifying the provisions for grouping of employers.

The bill makes a number of minor amendments to other Acts administered by the Office of State Revenue. These include an amendment to the Health Insurance Levies Act to clarify eligibility for family membership of the State Ambulance Insurance Plan, amendments to the Taxation Administration Act to authorise disclosure of taxation information to specified government agencies, and amendments to the Unclaimed Money Act as a consequence of the Commonwealth Government's takeover of the administration of unclaimed superannuation from July 2007. Finally, the bill repeals the Debits Tax Act 1990, which ceased to impose tax in 2002; the Stamp Duties Act 1920, which has now been fully replaced by the Duties Act 1997; and the Taxation Administration Regulation 2003, the provisions of which have been incorporated in the principal Act. I commend the bill to the House.

Debate adjourned on motion by Mr Thomas George and set down as an order of the day for a future day.

BUSINESS OF THE HOUSE

Private Members' Statements

Mr JOHN AQUILINA (Riverstone—Leader of the House) [11.41 a.m.]: I seek the gracious leave of the House to allow for the noting of up to 12 private members' statements.

Mr THOMAS GEORGE (Lismore) [11.42 a.m.]: While the Opposition will not oppose leave, it would be remiss of me if I did not place on record that we are 12 months into a four-year term and the Government does not have enough business today or this week. It is a disgrace. Even with these so-called family

friendly hours, the Government does not have enough work to do. I place on record the Opposition's disapproval of the running of the House in this manner. The Opposition expects to work. Instead, the House will deal with private members' statements at a time when Government business should be on the agenda—lazy, lazy, lazy!

Mr JOHN AQUILINA (Riverstone—Leader of the House) [11.43 a.m.]: In response to the member for Lismore, I observe that the Government is in this position because it has been efficient in dispatching a record amount of legislation. I remind the member that towards the end of last year we completed 33 bills, which is one of the largest numbers of bills to have been completed towards Christmas. The Parliamentary Secretary, the member for Parramatta, has just introduced another bill. A number of Government bills are awaiting debate but, according to the processes and procedures of the House, a proper period needs to elapse so members have time to study them. This Government likes members to have an opportunity to study legislation in great detail so they can make worthwhile contributions to this House.

Leave granted.

PRIVATE MEMBERS' STATEMENTS

Question—That private members' statements be noted—proposed.

HORNSBY ELECTORATE COMMUNITY EVENTS

Mrs JUDY HOPWOOD (Hornsby) [11.44 a.m.]: I refer to some wonderful events that took place last week. On the evening of Thursday 27 March I was privileged to attend a dinner arranged by Kathie Comb, the Hornsby Woman of the Year, to celebrate the life and achievements of Sylvia Palmer. Sylvia is well over 90, is very active and has had many years of volunteering. Recently she retired from working in the Berowra Lions Club opportunity shop. The dinner at the Berowra RSL was a wonderful success and I was honoured to present Sylvia with a Premier's award. She was completely shocked and overwhelmed because she thought she was going to a smaller dinner. She did not realise that the 40-odd people were there to honour and thank her for her years of volunteering, including when she had young children. Sylvia is the mother of Barry Palmer, who has a successful Remax business in Hornsby. He is also involved with Hornsby Lions, of which he will be president in the coming year, leading to the exciting international year in 2010.

Last Friday evening I was privileged to attend another special dinner to celebrate 40 years of Rotaract, which provides enjoyment, social interaction and community commitment. The dinner was presided over by Jeremy Charles, president of Crosslands, and many other people, including Monica Saville, the district 9680 governor, and Geoff Saville. Monica has had a successful year and will soon be handing over the baton. Philip Ruddock and his wife, Heather, and the mayor of Hornsby shire were also present. They all enjoyed the evening and revelled. They remembered the recent successful Bathurst conference held by district 9680. Many people who were at the dinner had attended the conference. A number of presentations in Bathurst directly related to the Hornsby electorate, one of which was by Audette Benson, director, Hornsby TAFE, who talked about the prestigious awards presented to her students, including a hospitality apprentice. The hot awards—a derivation of a partnership between Hornsby TAFE and Waitara Rotary—will soon be handed out.

Last Saturday evening my husband, Stephen, and I attended the fiftieth birthday celebrations, at Asquith Golf Club again, of St Patricks Primary School in Asquith. It was a sentimental occasion for us as our children attended the school. We were amongst more than 300 other diners. The school had had a wonderful day. It started with a big celebration in the school precinct. One thousand chairs were set up in the school grounds, where an outdoor mass and other activities were held. All of the chairs were occupied, which indicated that many parents, previous teachers and others came back to the school to celebrate the 50 years. The wonderful dinner was presided over by Robert Peers, principal, and Father Robert Borg, the current parish priest. In attendance also was Father McMaugh, whom I remember from when my children were at school. He is in his later years but is still involved in the parish. I enjoyed speaking with him. It was also lovely to see teachers and other parents who Stephen and I knew from our children's years at the school, including Mrs McNamara who taught my daughter Ashleigh in kindergarten. She is still on staff and is very popular. I thank Rob and Karen Mooney who catered so well for the many guests.

CORRECTIVE SERVICES AND EMERGENCY SERVICES CHAPLAINS

Mr GERARD MARTIN (Bathurst) [11.49 a.m.]: I rise to speak about the role chaplains play in our emergency services. I refer to a service I attended at All Saints Anglican Cathedral in Bathurst on 15 February

for the commissioning of Reverend Jonathan Williams—I do not think he is any relation to the member sitting opposite me—who is affectionately known as "Johnno". He was commissioned as a chaplain to the Department of Corrective Services. In the Bathurst electorate we have four Corrective Services institutions—Lithgow maximum security, Bathurst medium security, and Kirkconnell and Oberon prison farms—so there is a great need for his services. During the service the impact that these people have and the important role they play was obvious, not just in the more professional services such as Corrective Services, police chaplains, the Rural Fire Service and NSW Fire Brigades.

The Right Reverend Richard Hurford, OAM, Bishop of Bathurst, presided and the director of liturgy was the Very Reverend Andrew Sempell, who began with the traditional welcome to Wiradjuri country. The main preacher was Reverend Rod Moore, who is the New South Wales Corrective Services senior chaplain. He gave a fascinating insight into what motivates people in this ministry. I think the Corrective Services chaplaincy is probably the most onerous because they deal not only with volunteers but also with inmates in the system. We have a large prison population in New South Wales of some 10,000 people and many of them look to the chaplains for release, advice and solace. Reverend Moore spoke of some of the more difficult issues they face in dealing with people and also the difference that chaplains can make in people's lives. He was particularly pleased to be there to welcome Johnno Williams as a new chaplain with Corrective Services.

Reverend Anderson, who is the senior chaplain with the Rural Fire Service of New South Wales and a Salvation Army minister, also attended. He also gave a welcoming address to Johnno Williams and spoke very eloquently about his role. I remember in 1997 when I was Mayor of Lithgow we had a major bushfire in which we lost two of our volunteers, Ted Hughes and Col Eather, who were burnt to death on the mountain above my house. Over the following week, Reverend Anderson and his wife, who is also a Salvation Army minister, moved amongst our community in Lithgow and helped to preside at the two funerals. They did a lot of work behind the scenes with the volunteers and the fellows in the Marrangaroo crew. The crew was with the two volunteers who died and had to come to grips with having seen two of their mates burnt to death while trying to combat probably the most severe bushfire we have had in our area for decades.

The quiet and credible work that Reverend Anderson and his wife did in the community during that week was quite inspiring. It is the type of work that we do not put on the record as much as we should. Mr Temporary Speaker, I know that your experience will enable you to relate to what I am saying today. It gives me great pleasure to pay tribute to chaplains generally across the spectrum of services in New South Wales. They play an important role on a day-to-day basis, particularly in areas such as Corrective Services and in supporting our volunteers and the important work they do. When necessary, chaplains play a priceless role. I am sure that Johnno Williams, now that he is a chaplain for Corrective Services, will continue this great tradition in New South Wales.

TEMPORARY-SPEAKER (Mr Wayne Merton): I commend the member for Bathurst for making an informative contribution about the important role that volunteers and chaplains play in our community.

BALLINA HIRE CAR INDUSTRY

Mr DONALD PAGE (Ballina) [11.54 a.m.]: I bring to the attention of the House a situation that threatens the business of a Ballina constituent and the future of the hire car industry in Ballina. I refer to Grahame Taberner, the proprietor of Ballina Lennox Head Hire Car Service, which operates four hire cars in the Ballina-Lennox Head area. He began operations in 1992. Early in 2007 Mr Taberner applied for an additional 10-year licence and was advised that the market value of licences was currently undergoing review and that they were likely to be subject to an open bid process. The open bid did proceed and submissions were required by 1 March 2007. Mr Taberner submitted a bid of \$5,000 for a 10-year licence. This was identical to the bid submission he made in 2004, which resulted in a licence fee of \$6,000. Mr Taberner believes that his was the only bid received.

On 16 April 2007 Mr Taberner received advice from the Ministry of Transport that the current market value of a 10-year hire car licence was determined to be \$17,000 and a 12-month licence to be \$3,000. This came as quite a shock to him as the last time he had renewed a 10-year licence, in 2004, the fee had been \$6,000. The fee had almost trebled in three years. This massive increase in a 10-year hire car licence, in my view, is unconscionable. Mr Taberner went to a great deal of trouble and expense to make his submission to the open bid process, yet it is clear from the outcome that his submission was ignored. A total of eight hire car firms are operating in Ballina under the 10-year licence agreement. All of these operators will be subject to this excessive licence fee increase and, like Mr Taberner, they are extremely concerned about what the cost of renewal will be in five or six years time when their current licences expire.

In an area such as Ballina there is a severe shortage of public transport options. Hire cars are a vital form of transport for many Ballina residents. The service Mr Taberner and his colleagues provide is highly prized and the State Government is wrong to treat the industry with such contempt. If these excessive licence fees are maintained, there will most likely be a reduction in the number of hire cars operating in Ballina. Ballina has a large aged population. The New South Wales State Government's ever-increasing burden on the older generation to undergo stringent medical and driving examinations is forcing many residents to give up their cars and seek other forms of transport—often hire cars. It is not only the older generation who will be affected. Low income and disabled people will also have to face a shortage of transport when doing the most basic day-to-day errands such as food shopping, paying bills, visiting medical practitioners, et cetera.

The apparently ad hoc way in which the State Government has increased the licence fee will also cause anyone considering coming into the industry to re-think the decision. At a time when there is an increasing need for private enterprise transport options due to the lack of public transport the Government must do more to encourage people into the industry. The licence fee increases it has imposed will only deter potential legitimate operators. Instead, the excessive fee increases are likely to lead to illegal or rogue operators, who are able to undercut legitimate services and who pose a potential risk to the travelling public. Unlicensed operators are under no obligation to maintain their vehicles to an industry standard. The cost of setting up business as a hire car operator is high. While the option of a 12-month licence for \$3,000 may be affordable initially, it offers no security for the future of an operator.

It is unreasonable to expect anyone to invest a large amount of money in a business with no guarantee that their licence will be renewed in a year's time or what the fee for that licence is likely to be. If the 10-year licence fee can increase so rapidly over three years from \$6,000 to \$17,000, then there is certainly no guarantee that the State Government will not impose similar increases on the 12-month licence fee. The impact on the business proprietor is enormous. Small business operators in New South Wales are already struggling under the burden of excessive State taxes and red tape. It is not reasonable to lift a 10-year licence fee from \$6,000 to \$17,000—almost a threefold increase—in just three years. No wonder increasing numbers of people are moving out of New South Wales to other States. To impose these types of price hikes on small business is unconscionable. I call on the Minister for Transport and the State Government to address the excessive licence fee increases for hire car renewals, particularly for 10-year licences, as a matter of urgency.

STATE EMERGENCY SERVICE VOLUNTEERS AWARDS

Mr FRANK TERENCE (Maitland) [11.59 a.m.]: We all remember the floods that hit the Hunter Valley with devastating impact on the long weekend of June 2007. Record rainfall, gale-force winds and storms had an effect on the region that will be felt for a long time. The people of the Hunter relied—as we have so many times in the past—on emergency service volunteers for their protection during what was a horrendous few weeks. Until the long weekend in June 2007 it had been many years since we had experienced a major flood event in Maitland and, since that time in 1973, many people who had never lived in a flood-prone town on a major river had moved to Maitland.

During the events of June 2007, as in the past, the State Emergency Service volunteers did what they always do: stepped up to the mark and performed brilliantly. Many well-deserved accolades were heaped on this fine team of volunteers from all quarters of the country. I had my own opportunity to thank them at two presentation nights in the Maitland area. The first was in December 2007 when a presentation night was held for the State Emergency Service units of Maitland, Cooranbong, Dungog, Cessnock, Lake Macquarie, Newcastle, Murrurundi, Nahiab, Port Stephens, Singleton, Tomaree and the Hunter region headquarters. Also present on this night was the Director General of the New South Wales State Emergency Service, Brigadier Philip McNamara, who presented long service and national medals. Over 150 medallions were presented on this night alone. The second was in February 2008 when a presentation night was held in the Maitland State Emergency Service headquarters for other State Emergency Service workers of the Maitland, Dungog and Hunter region headquarter units.

On these two occasions I was given the honour of presenting the specially designed and struck government service medallions. It was a privilege for me to do this as a community representative, a representative of a region that has built a reputation for having a very strong community spirit and a natural instinct of looking out for its members during hard times. I took these opportunities to say "thank you" on behalf of the people of Maitland to each and every one of the volunteers. This was for not only setting aside their own safety to help others but also for being prepared to leave their family members behind to do so. Those family members also played their role in being without their loved ones for days on end.

The Maitland State Emergency Service unit received around 20,000 calls for assistance and attended to each and every one of them over the flood period and beyond. All those who needed help received it. The medallions I handed out on behalf of the Government and the people of the Hunter Valley were a token of our gratitude and a symbol of how increasingly important to us the State Emergency Service outfit has become over the decades of its existence. Originally starting as a supplementary group of volunteers to what was seen in the early days as the mainstream rescue services, the State Emergency Service has become an integral part of emergency rescue. It has also become a vital resource for information and data gathering that is today used to continue better planning and to prepare us for future flood and emergency events.

I take this opportunity to recognise the great work that has been done by the Director General of the New South Wales State Emergency Service, Brigadier Philip McNamara. He has been instrumental in making our State Emergency Service the very effective, admired and highly respected rescue organisation that it is today. I understand that, after many years of dedicated service, Brigadier McNamara will retire at around the end of the year. I am sure I speak on behalf of all in this House in thanking him for many years of dedicated service to the job and also wishing him a very happy and fruitful retirement.

I also thank the Hunter Region Controller Mr Gregory Perry, the Deputy Hunter Region Controller Ken Spears and the Maitland Area Controller Bruce Varley for their continued fine work in the State Emergency Service. It is vital for us, as community representatives, to formally recognise in this House the good work that is being done in the community. In this case the New South Wales State Emergency Service and the services provided by Brigadier McNamara have left us with an organisation that will no doubt continue to be an exemplary and vital service to all of us in times of need.

ACTING-SPEAKER (Mr Wayne Merton): As former Minister for Emergency Services, I accept and endorse the comments of the member for Maitland.

MANLY VALE SCHOOL ZONE SPEEDING

Mr MIKE BAIRD (Manly) [12.04 p.m.]: I speak today about the urgent need for the Government to act to improve pedestrian and driver safety in a school zone on Condamine Street in Manly Vale. This campaign is driven by more than 1,000 mums and dads from my community who are seriously concerned that the 40 kilometre per hour signs in this school zone are not being followed. I pay special tribute to local mum Brigid Asquith-Hunt who has not only done all this in her own time but mobilised the masses, driven first and foremost by concern for child safety.

The problem is that Condamine Street in Manly Vale is extremely busy; it is a six-lane thoroughfare used by peninsula drivers to access the city. It is also the site of a major bus stop for people travelling to and from the city. Many students use Condamine Street as pedestrian access to nearby schools, including St Kieran's Primary School, Mackellar Girls High School and Manly Vale Public School. Although signs indicate that it is a school zone at both the northern and southern ends, there are no flashing signs, and many cars and buses ignore the limit. Brigid wrote:

Anecdotal evidence suggests that many drivers are simply not aware that there is a School Zone at this site, as St Kieran's school itself is not clearly visible from Condamine Street.

The sign at the northern end is located right at the start of the school zone, so drivers have insufficient notice to reduce their speed. As Brigid said:

Many drivers heading south have often only reduced their speed once well in, and almost out of, the school zone.

The sign at the southern end is approximately 600 metres from the Burnt Bridge Creek deviation, which is an 80 kilometre per hour speed zone over a long stretch, so drivers can gain a considerable amount of momentum going into this zone. There is no doubt that this is a danger zone for both pedestrians and drivers. In fact in one month only, between February and March 2008, eight infringement notices were issued to drivers exceeding the speed limit by between 15 and 30 kilometres per hour in this zone. At the community's urging, the northern beaches patrol conducted radar testing at the site for two mornings last month. Although the patrol car was positioned in full view of approaching motorists, cars were still pulled over for speeding, including one vehicle that was travelling so fast that the patrol officer was compelled to jump out onto the road and physically signal the need to slow down.

Brigid knows three young pedestrians who have been injured by cars in this school zone, two of whom required hospitalisation. A local doctor, Dr Joseph, has been practising in his surgery on Condamine Street for

30 years and he has attended two fatalities and dozens of accidents at this site. Several years ago, after attending a fatality at this site, Dr Joseph raised the problem with local police. However, unfortunately no action has been taken. Brigid Asquith-Hunt became so concerned that the lives of pedestrians and drivers were endangered that she started a petition. She was overwhelmed by the response. In two weeks she has gathered more than 1,000 signatures calling on the New South Wales Government and the Minister for Roads, as the appropriate Minister, to allocate funding to install flashing lights on the school zone regulatory signs at Condamine Street, Manly Vale, and to consider the viability of repositioning the northerly school zone regulatory sign further north in Condamine Street so that people get a chance to see it before they reach it.

Brigid has endorsement from the parents and friends committees of three schools: St Kieran's Primary School, Mackellar Girls High School and Manly Vale Public School. Sergeant McKenna of the northern beaches patrol has told Brigid that he supports the community calls for flashing lights. I wrote to Minister Eric Roozendaal on 12 December. There has been no response. In fact, I am yet to hear about outstanding problems involving five constituents dating back to July 2007, including Scott Wood and Phil Jacobs. The Minister does not even bother with a response. He should respond. The Minister for Roads has said:

The Government has extensively researched the rollout of flashing lights to school zones and that does indicate that drivers do see them and do slow down.

He acknowledges that flashing lights are needed. Consider the revenue he receives every month in New South Wales from motorists who pay approximately \$5 million in fines from fixed speed cameras in school zones. An investigation in March by *Daily Telegraph* reporter Kelvin Bissett found that revenue from fixed speed cameras in New South Wales doubled to \$70 million from 2006-07. The Roads and Traffic Authority has said that money generated from school zone infringements is returned to school zone safety. If we add up all the evidence, we can see the reasons are compelling. The Minister has the money. He says the research shows that flashing lights work and yet this zone has been ignored time and again.

It is time the Minister responded. It is time that he listened to what the communities are calling for and actually paid attention to the clear safety needs at this particular site. It is almost two years since the Minister made an announcement that the Government would roll out electronic school safety alert systems, incorporating flashing 40 kilometre per hour signs and lights across New South Wales. Today I urge the Minister for Roads to honour his commitment and acknowledge the urgent need for flashing light technology at Condamine Street, Manly Vale. I believe that Brigid Asquith-Hunt summarised the situation very well when she wrote:

I do believe that the RTA have a duty of care to take action here and they are being negligent in failing to act upon residents' requests.

INTERNATIONAL WOMEN'S DAY CELEBRATIONS

Ms LYLEA McMAHON (Shellharbour) [12.09 p.m.]: On Friday 7 March 2008 women from all over the world celebrated International Women's Day, a day of united action for global equality and change. It was no different in the electorate of Shellharbour. Because of this important anniversary, the rich and diverse fabric of local activity connects women from all around the world, ranging from political rallies, business conferences, government activities and networking events, through to local women's craft markets, theatrical performances, fashion parades, breakfasts, lunches and more.

The new millennium has witnessed a significant change and attitudinal shift in the views of women and society in relation to equality and emancipation. Many from the younger generation feel that all the battles have been won for women, whilst many feminists from the 1970s know only too well that the longevity and ingrained complexity of patriarchy still exist. With more women in the boardroom, greater equality in legislative rights and an increased critical mass of women's visibility as impressive role models in every aspect of life, it could be thought that women had gained true equality.

The unfortunate fact is that women are still not paid equally in comparison with their male counterparts. Women are still not present in equal numbers in business or politics. Globally, women's education and health is worse than men's education and health and there is more violence against women. The Government and the community are continuing to make broad efforts to address the larger causes of these issues. With this in mind we must recognise also that great improvements have been made. We have female astronauts and deputy Prime Ministers; schoolgirls are welcomed into university; women can work and have a family; and we now have real choices.

So it was with great honour that I accepted the invitation to emcee an International Women's Day breakfast celebration hosted at Ravensthorpe, a local restaurant owned by Jim and Deborah McCallum. This

historical homestead was a perfect choice for the event, in particular as this year International Women's Day marked 100 years of continuous campaigning dedicated to highlighting the important role of women in the community and promoting global progress. The breakfast at Ravensthorpe commenced at 7.00 a.m. with a traditional welcome to country by Auntie Sylvia Pittman, a respected local indigenous elder.

The breakfast was an outstanding success and was enjoyed by all 113 attendees. Representatives from all over the community contributed in a variety of ways to ensure that this event was marked in an inclusive and light-hearted atmosphere. I take this opportunity to thank the three main sponsors of this event whose hard work contributed to the overall success of the day and to recognise their outstanding contribution. The organisers from Shellharbour City Council were Ms Jane Robinson, Ms Joanne Moore and Ms Helen McCoola. The New South Wales Premier's department contributed \$1,000 in funding to cover the costs of the event. The organisers informed me that as the feedback had been so overwhelmingly positive they were already in the process of planning next year's celebrations.

On the day Ms Sue Brady, Ms Lee Cooper and Ms Margaret Biggs represented the Illawarra Area Consultative Committee. I will make mention of some of the guests of honour, including Ms Jennie George, Shellharbour City Council's lady Mayoress Moira Hamilton, and Shellharbour City Council's Christine Jeffries, who gave a vote of thanks on the day. The event was also well represented by several local indigenous elders, community volunteers, local businesswomen, mothers, seniors and even local school representatives. Women from all social, demographic and cultural backgrounds were present and contributed in many ways to this momentous occasion. The aim of this event, which was overwhelmingly achieved, was to remember that International Women's Day was not just focusing on the struggle; it was also about celebrating our achievements.

These events allow us to come together in unison as a local community to honour women's advancement whilst diligently reminding us of the continued vigilance and action required to ensure that women's equality is gained and maintained. This cause will move forward, continue to make progress and result in changes only if each woman takes up the baton to achieve the equality for women that is central to this celebration of International Women's Day. Today I will finish with the same message I gave when I concluded my contribution on International Women's Day:

I urge women everywhere, and all the women in this House to do your bit to make a difference. Think globally, and act locally in your electorate and in the community. Make every day International Women's Day. Do your bit to ensure that the future for girls is bright, equal, safe and rewarding.

I also acknowledge the young girls who represented Lake Illawarra High School, Oak Flats High School, Warilla High School, and other high schools in the local community. I thank them for their contributions on that day.

Ms NOREEN HAY (Wollongong—Parliamentary Secretary) [12.14 p.m.]: I congratulate the member for Shellharbour on drawing International Women's Day to the attention of members. The member for Shellharbour mentioned a number of women, but women members of Parliament such as us should also be included. The advancement of women right across the Illawarra region as well as throughout New South Wales and Australia can be attributed to women in the trade union movement. The member for Shellharbour recognised the contribution of women in the Shellharbour electorate and throughout the region. A number of talented women have made advancements and are leading others in many areas.

The member for Shellharbour referred to Ravensthorpe, to women's 100-year continuous campaign, and to the involvement of women such as Sylvia Pittman. The New South Wales Premier's Department contributed \$1,000 in funding to cover the costs of the event, which is recognised and appreciated. As a Parliamentary Secretary and as a woman member of Parliament I acknowledge that such contributions can only assist the women's movement. Margaret Biggs, the International Woman of the Year for Wollongong, who is well known to me, and indigenous women and high school students are playing leading roles in the women's movement. I congratulate the member for Shellharbour on bringing a good and positive message to all members.

PACIFIC HIGHWAY UPGRADE

Mr STEVE CANSDELL (Clarence) [12.16 p.m.]: Residents on the North Coast are concerned about one of the preferred routes on the Pacific Highway between Wells Crossing and Harwood. All members would agree on the importance of urgently upgrading the Pacific Highway. People in the medical profession and in our communities recognise the impact that the loss of life would have on our families, communities and health

system. We have to get this issue right. Recently a delegation comprising Vince Castle, Pat Battersby and Greg Sweetham from the Canegrowers Association met with Minister Roozendaal to highlight concern about the route selection—a 12-kilometre section of route between Tyndale and Shark Creek.

It is not feasible to put a road directly through prime cane land in that area, as any proposed route would have to weave in and out through land on which the cane industry relies to ensure a sustainable industry on the North Coast. The cane industry could not forego the loss of about 220 hectares from Iluka to Harwood—part of the direct route and probably the only available option. Industry has accepted that 220 hectares of prime cane land would equate to about 22,000 tonnes of cane and a loss to it of \$1.03 million. Industry wishes to avoid the construction of a route through prime cane land on the southern side of Harwood Bridge between Tyndale and Shark Creek.

The delegation to which I referred earlier presented the following option to the Minister and to Bob Higgins, Pacific Highway project manager. If the highway does not follow a course through low wetland country, a 700-metre bridge would not have to be constructed across swampland and that would also prevent water in Shark Creek basin backing up, thus prolonging floods and resulting in a major impact on downstream communities. It is understood that the Roads and Traffic Authority would have to buy 13 properties. However, it would not be necessary for it to buy the property of Neil Arthur and Linda Price as the road would run along three sides of their property, hem them in, but not use any of their land. They would not be compensated unless they lost property as a result of the building of the highway. It is an issue that has to be taken into consideration. The Government will have to redeem 13 houses and probably another 13 residences will be affected directly through the inconvenience of having the highway in such close proximity.

The cane farmers proposed to the Minister that the highway be moved to the east of Shark Creek and Tyndale, which would save the major part of the cane production properties on the southern side of Harwood. If the road is constructed as proposed, it will consume another 276 hectares of prime cane land. This equates to a loss of 28,000 tonnes of cane or \$1.31 million per annum, which would make the co-op almost unviable. Combined with the cane yield lost on the north of the Harwood Bridge, the total loss to the industry will be 50,000 tonnes of cane yield and \$2.34 billion a year. It is important to fast-track this highway to prevent further loss of life and make it a much safer road to drive. I use the highway frequently and at night it is a menace to have to weave your way through the numerous B-doubles that travel along that two-lane road. The viable option that was presented to the Minister would save the Government money and fast-track a very important infrastructure project for New South Wales.

CAPTAIN CLARENCE SMITH JEFFRIES, VC

Ms SONIA HORNER (Wallsend—Parliamentary Secretary) [12.21 p.m.]: The word "hero" brings to mind various images: bravery, courage, self-sacrifice, mateship, strength, resilience, faith and camaraderie. A hero usually is someone we remember for their deeds, and we honour their memory. Today I take a moment to honour the memory of a Wallsend hero. He was a second generation Wallsendian and the only son of a local colliery manager. He was well educated in Newcastle and apprenticed to his father as a mining engineer at the Abermain colliery. This youthful 17-year-old was conscripted as a private in the 14th Hunter River Infantry Regiment, rising to the rank of lieutenant. With the declaration of World War I, this formidable Wallsendian received a commission on the formation of the 34th Infantry Battalion at Maitland in 1916 and sailed to Armentières that same year.

This man's heroism came to the fore in the Battle of Messines in 1917 when he led a party of 50 volunteers in a reconnaissance of enemy lines. As he went over the parapet he was severely wounded in the thigh by enemy machine-gun fire, yet he carried on and secured the information required. A deserving promotion to captain followed when he was recovering in hospital from his wounds. Soon after he led a party in Passchendaele, Belgium, with the mission of eliminating enemy pillboxes and capturing the enemy. He then led his company forward under extremely heavy artillery barrage. Later he again organised a successful attack on an enemy machine gun position, capturing two machine guns and 30 more prisoners. It was during the second formidable attack that we lost our comrade. What effect did the actions of this brave lieutenant have on Australian history as he courageously persevered, leading these volunteers, whilst wounded, in the face of enemy fire? It is men like him that make my Wallsend constituents feel proud to be Australian.

Captain Clarence Smith Jeffries was posthumously awarded the Victoria Cross and a citation for "most conspicuous bravery in attack". Today, Captain Clarence Smith Jeffries, VC, is housed in Newcastle's Christ Church Cathedral after being bequeathed to the cathedral in Mrs Barbara Jeffries' last will and testament.

Mrs Jeffries bequeathed £200 to St Luke's Church of England, Wallsend, to be expended for the erection of a memorial in the church to the deceased servicemen of the district. To acknowledge Captain Jeffries' memory, St Luke's Church of England immortalised his deeds in a magnificent lead-glass window situated on the east end of the church, and this beautiful tribute can still be viewed today.

If Captain Jeffries were alive today and he visited Wallsend, I am sure he would be impressed by the camaraderie that is alive and well in the town. The Wallsend Diggers Club definitely would be a welcome and comfortable refreshment stop for Captain Jeffries on his return. This man represents the innate qualities of the people of Wallsend where locals look after their mates. This was demonstrated clearly by the way we all banded together to help our neighbours following last year's June long weekend storm and tempest. As a community we will never forget Captain Jeffries' deeds or the deeds of our fellow Wallsendians. Each deed is as important as the last. I have the great privilege to give this private member's statement to demonstrate Wallsend's gratitude for this sacrifice. Australia is a land of the brave and Australians love to revere their heroes. Let us take just a moment to honour Captain Clarence Smith Jeffries, VC.

Ms NOREEN HAY (Wollongong—Parliamentary Secretary) [12.26 p.m.]: I congratulate the member for Wallsend on bringing to the attention of the House the deeds of Captain Clarence Smith Jeffries, VC, the community recognition of those deeds and recognising Mrs Barbara Jeffries as part parcel of that community support. It is appropriate to acknowledge such deeds, especially at this time of year as we approach Anzac Day. I join with the member for Wallsend to acknowledge the work and community activities of the Wallsend Diggers Club. Again, I thank her for bringing the deeds of Captain Clarence Smith Jeffries, VC, to the attention of the House.

RURAL FIRE SERVICE

Mr JONATHAN O'DEA (Davidson) [12.28 p.m.]: I pay tribute to the Rural Fire Service of New South Wales and, in particular, the role of the brigades located in my electorate of Davidson. In Sydney we tend to think of firefighting being undertaken by the local paid firefighters, but in fact the brigades of the New South Wales Rural Fire Service, including those of Davidson and Belrose, protect more than 90 per cent of New South Wales. Possibly the first record of bushfires in eastern Australia was made by Captain Cook in 1770 when he noted, as he sailed up the east coast of Terra Australis, that he had never seen so much smoke. The whole place appeared to be on fire. At this stage Captain Cook had not met the locals, but we now know that the local Aborigines in Davidson, the Garigal clan of the Guringai people, were expert bushmen with skills developed over 40,000 years. They used fire to herd animals for food and to rejuvenate vegetation for food. Their skills probably were such that they could read the fire, vegetation growth and winds to obtain an ongoing food supply without becoming injured.

The advancement and psychology of firefighting has progressed over many years. Early firefighting after European settlement was fairly unsophisticated and there must have been devastating loss of life and property. In the 1800s the concept of insurance was being developed in Europe, from whence it came to Australia. To minimise losses, insurance companies formed their own fire brigades, but on arrival at a fire they would put the fire out only if the insurance plate on the building noted that it was one of their insured properties. The old insurance plates are still on some New South Wales heritage buildings. Then the New South Wales Fire Service and the associated New South Wales Rural Fire Service were established. The first was a fully funded service and the second was largely a volunteer service—part of the huge array of volunteer services that are a feature of our society. The boundary of the rural volunteer fire service is as close to this place as is Davidson, which is only 20 kilometres away.

Fire has a psychology of its own with many complex factors, such as fuel types, fuel loads, landscapes, weather conditions and the unpredictable. The Rural Fire Service has developed to the stage that it is an organisation of which we should be very proud with many complex functions. We do not know in which summer the combination of weather and fuel loads will create a frightening event in Davidson. In recent years there have been terrifying fire events in Ku-ring-gai, the Blue Mountains and Canberra. Recently I met a firefighter who is now a local ranger. He survived the Ku-ring-gai fire but lost his mates. It is almost impossible to imagine what that man went through.

The Rural Fire Service is constantly assisting property owners to facilitate fire resistant house construction, asset protection zones, monitoring of fuel loads and fuel reduction. Constant maintenance and upgrading of firefighting units and training of the volunteer force are needed. Davidson is somewhat like the Blue Mountains: my constituents are on a plateau in an area that has a deep valley in upper Middle Harbour and

the Garigal National Park cutting through our upland area. We have a long interface around the edge of the plateau between suburban houses and the bush on both sides of the valley. In relation to risk management of bushfires it is not a case of if there is a fire but when.

Previously when a fire was approaching the services would forcibly evacuate the residents in its path. It was obviously traumatic for residents to walk away from their homes: all they could do was hope and pray. These days the fire service educates residents of Davidson on how to stay at home, protect themselves and defend their property. This is generally a far more satisfactory outcome for all concerned. I recognise the ongoing work of the Belrose brigade, which is led by Captain Ken Morgan, and the Davidson brigade, which is led by Captain Graeme Last. In late February I attended the Warringah Pittwater Rural Fire District annual awards evening at Warringah Council, where Ken Morgan of Belrose was one of two people who received an award for 50 years service to rural fire services—quite an inspiration.

A few weeks ago I was pleased to attend the annual general meeting of the Davidson brigade and obtain a better appreciation of the brigade's operations as well as the tremendous efforts of its members. I particularly noted that the brigade retained the Rural Fire Service award for training, which it has won a number of times in recent years. Finally I should mention the Ku-ring-gai brigade in Wahroonga, which covers the Ku-ring-gai section of my electorate and adjoins the Garigal National Park to the east. I am sure all members of this Parliament join me in expressing gratitude to all members of the Rural Fire Service who perform such a wonderful role in our communities.

Ms NOREEN HAY (Wollongong—Parliamentary Secretary) [12.33 p.m.]: I congratulate the member for Davidson and join him in recognising the great role played by rural firefighting services, particularly in New South Wales. His acknowledgement and recognition of rural firefighters in Davidson and surrounding areas highlight the importance of the role of volunteers, particularly volunteer firefighters who put their lives at risk in support of their community—a quality for which rural firefighting services are well known. I commend the member for bringing these matters to the attention of the House and join him in congratulating New South Wales rural firefighters.

WYONG ELECTORATE NATIONAL YOUTH WEEK 2008

Mr DAVID HARRIS (Wyang) [12.34 p.m.]: Youth Week has been part of the New South Wales calendar since 1989. Following the success of the New South Wales Youth Week program, Youth Week became a national event in 2000. National Youth Week is a joint Australian Government, State, Territory and local government initiative. The theme this year is Shout Share Live Unite. The aim of National Youth Week is to provide an opportunity for young people aged 12 to 25 to express their ideas and views, raise issues that are of concern to them, and act on issues that affect their lives; to create and enjoy entertainment; to provide an opportunity for the wider community to listen to young people; to acknowledge and celebrate the positive contributions made by their efforts and achievements; and to promote a community focus on issues of concern to young people.

In the Wyong electorate a number of exciting activities have been planned. I congratulate the Wyong Shire Council on its role in assisting with organising and conducting these activities. One of the significant events is known as the GOATS Festival—Going Off At The Swamp—which is in its tenth year. The festival is designed to celebrate Youth Week. The concept is that the one-day festival is an opportunity for young people aged up to 25 years to showcase their musical talents. Last year the event was held at Koala Park, San Remo, and attracted a total of 8,000 people. It is a family event and is drug and alcohol free. Last year I attended the festival and planned to stay for an hour, but I stayed for six hours because it was so entertaining.

At the GOATS Festival over 30 bands and musicians will perform throughout the day on three separate stages. In past years there was no selection process because all the bands that applied could be slotted in. This year, because the festival has become more known as a great opportunity to showcase talent, applications increased hugely. It was felt that the festival was becoming known only for heavy rock, punk and metal music, with the softer genres not gaining as much attention, so this year the organisers are attempting to make sure that a good cross-section of genres is represented. Consequently, folk, blues, country, comedy and hopefully even some classical artists will share their talents. Other events occurring in the Wyong electorate include activities at the Oasis Youth Centre in Wyong such as a hip-hop workshop and spray art, a skate, BMX and scooter competition, outdoor bands, and an acoustic band night. The Gravity Youth Centre at Lake Haven will host an intergenerational lunch, free volleyball and sand sculpting, and an Sk8, break and rave event at the local skate park. The Wyong Shire Council is hosting a Youth Advisory Council forum on youth participation and leadership.

While I am discussing National Youth Week I take the opportunity to highlight some of the outstanding achievements of young people in the Wyong electorate. Earlier this year two students from the Gorokan High School were awarded Wyong Shire Council scholarships to embark on their university careers. Both Allan O'Connell and Grady O'Neill will receive \$2,500 and will have an opportunity to work alongside professional council staff during university breaks. Allan will study engineering and Grady will study computer science. The 2008 Youth of the Year Award for Wyong shire was won by Daniel Hogan of San Remo, who is a well-known surfer, body boarder, filmmaker and young environmentalist whose surfing films have been shown widely to help to promote the sport and local talent.

The Sportsperson of the Year, Melissa Greer of Wyong, for 15 years has played hockey, squash and softball and has attained particular success on the hockey field. In the past year she played in the New South Wales Country team that took out the Australian country hockey titles in north Queensland. Melissa's display earned her selection as a shadow player for the Australian Country team that will compete in Asia this year. The Junior Sportsperson Award went jointly to Kanwal's taekwondo exponent, Aimee-Lee Bohan, and swimmer Tiegán Van Roosmalen of Bateau Bay. Aimee-Lee is not a resident of my electorate but is a constituent of The Entrance electorate, which is represented by Grant McBride. Today I was informed that Tiegán has been selected as a member of the Paralympics team, which is very exciting.

Aimee-Lee Bohan of Kanwal has excelled at international, national and State levels. In the past year she was placed fifth in the world at the World Taekwondo Federation's open taekwondo tournament in the United States. I also draw attention to two good young musicians in the Wyong electorate, Aaron and Nirvana Zibarrah, who have been selected to join the World Youth Orchestra and participate in the opening ceremony at the Beijing Olympics. The Lemma Government continues to support positive youth activities in the Wyong electorate. National Youth Week is a time to celebrate positive contributions by young people. Too often we hear only negative stories involving youth, when we all know that most young people contribute positively to our community.

Ms NOREEN HAY (Wollongong—Parliamentary Secretary) [12.39 p.m.]: I congratulate the member for Wyong on highlighting National Youth Week and the Wyong event, Shout Share Live Unite. As a mother of four young adults and grandmother to five grandchildren I can relate to a number of matters referred to by the member for Wyong. I acknowledge both the contribution of the member for Wyong and the contribution of the Wyong Shire Council to what appears to be, from the member's description, a musical extravaganza and a festival that encompasses a broad range of groups, including the Youth Advisory Council. I will not attempt to restate the names of all the people mentioned by the member for Wyong. However, I will mention the two students, Allan O'Connell and Grady O'Neill, purely because those names strike me as having an Irish background, to which I relate. Congratulations to the member for Wyong on his contribution to National Youth Week.

DEPARTMENT OF COMMUNITY SERVICES DOMESTIC VIOLENCE WORKERS

Mr JOHN WILLIAMS (Murray-Darling) [12.41 p.m.]: I draw to the attention of the House and the Minister for Community Services a shocking case of the Government's lack of sense when it comes to priorities. I acknowledge a letter I have received from the Central Darling Shire Council dated 5 March 2008 that addresses this issue. In February this year the Premier announced he would axe the jobs of 24 front-line anti-domestic violence workers to make way for 18 policy advisers in his office. That decision is responsible for stripping away the only lifeline that some domestic violence victims have in rural and remote areas across New South Wales. That decision involves the removal of Department of Community Services anti-domestic violence workers from Broken Hill and from other rural centres such as Wagga Wagga. The Far West region has the highest level of domestic violence in the State and the Riverina-based worker provides services to an area covering dozens of communities including the regional centre of Deniliquin and its surrounds.

With the loss of the only anti-domestic violence worker in Broken Hill, Far West communities will be left without any in-person contact with an anti-domestic violence worker, despite recording the highest rate of domestic violence in the State—1,259 per 100,000 people compared with the average rate of recorded incidents of domestic violence-related assault in 2006 for New South Wales of 392.9 per 100,000 people. It is common knowledge that not all domestic violence assaults are reported to police, mainly due to the victims' feelings of shame and embarrassment, so the actual number of assaults is likely to be far greater than that. The Government's decision is shocking, especially considering the impact it will have on the lives of women in Murray-Darling and other electorates.

The decision to axe the jobs is part of the Premier's new cross-agency approach to domestic violence, which will see the establishment of a Prevention of Violence Against Women Unit within the Department of Premier and Cabinet to oversee policies, programs and services aimed at reducing violence against women and domestic and family violence. I believe that removing those grassroots people and replacing them with Sydney-based bureaucrats will not help the people of Broken Hill, Wilcannia or other centres in the Far West, or those in the southern Riverina area. Those anti-domestic violence workers are some of the most revered in the community. Replacing people on the ground in those communities with people sitting in Sydney who visit the area once in a while will not help reduce domestic violence in our communities.

The removal of those workers is a slap in the face for all women and demonstrates that the Premier does not care about their safety or wellbeing. Domestic violence is not just about physical violence; it occurs also through emotional and financial control. A recent report on domestic violence released by the New South Wales Bureau of Crime Statistics and Research found that between 1997 and 2004 the recorded rate of domestic assault in New South Wales increased by about 40 per cent in the Sydney statistical division and by more than 50 per cent in the remainder of New South Wales. A surprising number of domestic violence incidents recorded by police involve male victims—with the victim under 15 years of age or more than 39 years of age—and male victims outnumber female victims.

The prevalence of domestic violence is higher in areas that have a higher percentage of indigenous residents—indigenous Australians are approximately six times more likely to be victims of domestic assault and eight times more likely to be offenders than are non-Indigenous Australians; a higher percentage of sole parents under 25 years of age; a higher percentage of public housing; a higher male unemployment rate; and higher rates of residential instability. All those circumstances exist in the Far West and in the southern Riverina, so to remove anti-domestic violence workers from those regions is nonsensical. Domestic violence is one of a small group of offences that has bucked the general trend toward lower rates of crime. Domestic violence permeates all levels of society.

Police have an important role to play in preventing and responding to domestic violence incidents, but front-line anti-domestic violence workers are best placed to help those in a truly desperate situation. A number of studies have examined the incidence and prevalence of domestic violence in the community. The New South Wales Strategy to Reduce Violence Against Women was established in 1997 and is a partnership of the Department of Community Services, the Attorney General's Department, New South Wales Health, the New South Wales Police Force, the Office for Women, the Premier's department, the Department of Housing and the Department of Education and Training. [*Time expired.*]

Ms NOREEN HAY (Wollongong—Parliamentary Secretary) [12.46 p.m.]: Domestic violence is a scourge on society. I am proud to say that both the New South Wales Government and the New South Wales Police Force have worked very hard to improve services for victims of domestic violence. Today far more serious attention is given to domestic violence than it received many years ago. The Government and the Police Force take seriously every case of domestic violence and act to reduce the incidence of domestic violence. Often the aggressor is removed from the scene, which did not happen 20 or 30 years ago. All sides of politics must work together to reduce domestic violence and to rid society of that scourge and the issues that create it in many families. The Government and the Police Force will continue working to reduce domestic violence.

CHILDREN'S HEALTH SERVICES

Dr ANDREW McDONALD (Macquarie Fields) [12.48 p.m.]: In my electorate there are many children. Recently I met with Professor Stuart Shanker, from Toronto, who has expertise in comparative health systems. The proportion of the total New South Wales State budget allocated to health services has increased from 14 per cent in the mid 1980s to 28 per cent last year. If that rate of increase continues, 100 per cent of the New South Wales budget will be devoted to health by 2037. In Ontario 32 per cent of the budget was spent on health 10 years ago and the current figure is 46 per cent. At that rate of increase the figure will be 100 per cent by 2030. Diabetes alone will drive Ontario's health budget to above 50 per cent of Government spending. This is clearly unsustainable. Unless we stay focused on the big picture for health we are on a collision course with a health system that is both unaffordable and riddled with inequities.

The answer to this looming disaster is well-planned prevention. Professor Shanker stated that the Canadian Government is looking to Cuba, which, although a developing country, has health indices similar to those of the wealthiest countries simply because of its focus on prevention of disease, especially for children. Cuba's infant mortality rate is 6 per 1,000, which is better than that in many parts of the United States of

America and similar to ours. Every pregnant woman can access antenatal care. The average Cuban can expect to live 77.7 years, about a year less than the average Australian. Although Australia's gross domestic product is eight times that of Cuba, we can barely boast such impressive health statistics. What is different in Cuba? The answer is well-planned prevention. For example, Cuba has twice the number of doctors per capita that Australia has. Doctors are based in clinics co-located with schools, where they are responsible for the wellbeing of each child in their area. Cuba has minimal junk food, television or Ritalin—courtesy of the United States embargo. Childhood obesity is uncommon as is diagnosed attention deficit hyperactivity disorder [ADHD]. By contrast, ADHD now accounts for 50 per cent of all paediatric consultations in Australia, including those in my electorate. Cuba's primary care teams are multidisciplinary, accessible and respected. As a paediatrician, I could not freely visit our local schools. Now that I can, I know that my care would have been much better had I been able to. Since my election to this place the contribution of the New South Wales Opposition to the health debate has been to concentrate solely on hospital-based adverse events.

While the Iemma Government expands the scope of the health system the Opposition raises barely a word about funding for prevention, even though preventative health measures are much more cost effective than high end expensive technology. This year one in ten year 10 students in my electorate will become addicted to tobacco, which will take 10 years off their lives. The *Sydney Morning Herald* stated that the Opposition continues to accept money from British American Tobacco, despite the \$6.6 billion cost to the people of New South Wales from smoking. One in every two smokers dies prematurely. Yet where is the Opposition's focus on prevention?

Professor Shanker has confirmed previous research that every \$1 of prevention in childhood saves \$17 of future expenditure—probably more since that estimate does not include mental health costs. Research can tell us who is vulnerable, who is at risk of serious health problems and who will benefit from preventative action. High-risk groups, such as in my community, need services that reach out and work with them in their own communities. For every \$1 that the previous State Liberal Government spent on the Department of Community Services the Iemma Government now spends \$25, much of it on cost-effective prevention in high-risk groups, including those in my electorate. Yet the Opposition continues to ignore the steady quiet work of health professionals, social workers and staff in community and childcare centres. The Opposition fails to acknowledge the significant investments in prevention.

Another example is programs for school-age children such as the holiday programs run by the Department of Community Services, through the neighbourhood centre in Macquarie Fields by Patricia Fogarty. They are examples of the commitment of the Iemma Government to my electorate. Recent research confirms that there is a second time of brain plasticity at ages 9 to 10. The announcement of the funding of Mac-Connect in my electorate by the Minister for Youth in December was most welcome. I urge all in this place to move the debate in health care to the sustainability of what we can do with our health resources. It is time to remember that health is much more than hospitals. It is time for the blame game to stop. It is counterproductive to the health of our people.

Ms NOREEN HAY (Wollongong—Parliamentary Secretary) [12.53 p.m.]: I am grateful to the member for Macquarie Fields for producing statistics on children's health and the demands on the Health budget. I agree with his statements about well-planned preventative strategies. As the old adage goes, prevention is better than cure. Before the member for Macquarie Fields entered Parliament he was a health professional who focused on children's health, and I support his argument for sustainable preventive health mechanisms.

CHIEF HAVOC GREYHOUND MEMORIAL, GUNNEDAH

Mr PETER DRAPER (Tamworth) [12.54 p.m.], by leave: I bring to the attention of the House a relatively unknown hero of the greyhound racing industry by the name of Chief Havoc, and also detail a very deserving bid by the Gunnedah greyhound club to construct an appropriate memorial to that dog that will honour his many outstanding achievements. Chief Havoc is undoubtedly the most outstanding racing greyhound of New South Wales and probably the nation, holding national records in the 500, 660, 700, 750 and 800 yard runs. Racing against the clock in a solo run, the Chief broke many records in front of an amazing crowd of 17,000 people at Harold Park in 1947. This level of achievement was, and still is, unprecedented in the sport of greyhound racing.

Along with the officials of the Gunnedah greyhound club, I am saddened that, despite Chief Havoc's legendary status with those familiar to the sport, his memory has somewhat diminished. He has an unassuming memorial in Gunnedah that has fallen into disrepair; however the club intends reviving interest in Chief Havoc,

and elevating him to his rightful place in greyhound racing history. The club also intends relocating his body, which currently lies in an unmarked grave at the track. Born and bred by the Swain family of Manilla near Tamworth, Chief Havoc was raised as a pup on a property called "Glen Iris". Jack Millerd, originally from Werris Creek, purchased the young pup then moved to Gunnedah, where the Chief was trained in the family backyard. His first win was at the Grafton track, where he smashed the 440 yard record, setting the foundations for what was soon to become his status as a local legend.

Like most sporting legends, the Chief experienced setbacks. After breaking many records and winning most races, he intimidated the competition so much that other trainers refused to enter their dogs against him. Chief Havoc was forced to retire to stud, having won 26 races and being unplaced in only 2 of his 36 starts. In total he broke 20 Australian records, running his last race in 1948 at Harold Park. Chief Havoc has been inducted into the Australian Hall of Fame and unbelievably, although he never raced overseas, he is also included in the American Greyhound Racing Hall of Fame. The Gunnedah Coursing Club was built in 1952 and is run by a very dedicated group of volunteers who keep the track in pristine condition year round. Currently the club has a rather weather-worn fibreglass statue of the Chief in tribute to his achievements; however, it rightfully considers that to be inappropriate.

The club's president, Geoff Rose, has approached the Greyhound Breeders, Owners and Trainers Association with a proposal to turn the Gunnedah track into a tourist attraction that would benefit the town and the club. The club is seeking funding to erect an appropriate memorial statue and construct a proper burial site. I share the sentiment of Gunnedah's greyhound racing community that an unmarked grave near the car park of the club is an inappropriate end for a grand champion. Stage one is to build a Chief Havoc garden on the land opposite the track, including an appropriate burial site with seating for visitors. Open parkland will be the backdrop, and it will include a walk along the levee bank incorporating wetlands with an avenue of koala-attracting trees leading to the track.

Stage two would see the establishment of a museum incorporating racing memorabilia. At an exhibition in Gunnedah last year I viewed some fascinating greyhound memorabilia, including saddles that monkeys sat in when riding greyhounds in races. There are some fantastic photographs of these events. As the dogs were not muzzled, I cannot see it being a long-term career proposition for the monkeys! This and other memorabilia would be displayed in the public museum. The final stage, in cooperation with the council and the development board, will be to erect an appropriate bronze statue of Chief Havoc in the main street of Gunnedah. The estimated cost is approximately \$20,000.

Gunnedah council has pledged to provide some funds, and Gunnedah TAFE has indicated the project could be used as a learning environment for landscaping students free of charge. Local businesses are also very supportive, with brick manufacturer Namoi Valley Brickworks offering to donate the bricks, while the Greyhound Breeders, Owners and Trainers Association will cover architectural costs. The club has approached State Forest's nursery in Gunnedah to donate trees and shrubs for the project. The Government provided funding for the Waler Memorial in Tamworth, and interestingly the same sculptor will be commissioned to design and form the statue of Chief Havoc. By honouring Chief Havoc in this way, Gunnedah would not only provide an appropriate resting place for this great champion but also create a new and exciting tourist attraction for the town.

This is not only a wonderful project for the club at Gunnedah; all residents will also be able to enjoy the garden, museum and statue. Visitors interested in the history of greyhound racing will find much fascinating memorabilia as well. The community is backing this project, and I strongly believe the Government should seriously consider contributing funds towards its construction. As President of the Gunnedah Coursing Club, Mr Geoff Rose, said to me, "We have the undisputed Phar Lap of greyhounds in our town and haven't made the most of an exciting opportunity to remember him and to attract visitors to our town." I urge the Minister to support this initiative.

Ms NOREEN HAY (Wollongong—Parliamentary Secretary) [12.59 p.m.]: I thank the member for Tamworth for raising my awareness. I acknowledge his commitment to the establishment of a memorial to Chief Havoc. I wish him, the Gunnedah Coursing Club and its President, Geoff Rose, luck. In this place it is unusual to talk about a dog, and I am not sure that I should make any further reference to the monkeys. Chief Havoc achieved outstanding fame and I support the proposal for the bronze memorial statue in Gunnedah.

SYDNEY ROYAL EASTER SHOW MISS SHOWGIRL 2008**RURAL HEALTH BLUEPRINT**

Mrs DAWN FARDELL (Dubbo) [1.00 p.m.], by leave: It is with great pleasure that I rise to briefly discuss two great things that have happened in my electorate this week. The first was the announcement of the Sydney Royal Easter Show Miss Showgirl, and I am delighted that the winner was Peak Hill raised pharmacy student Anna Unger. Anna was selected from a strong field of contestants from across the State. I praise the efforts of the runners-up, Kristen Jamieson from Carinda and Lyndsey Douglas of Condobolin. I met Anna and her father, Ray, before the regional judging in Bathurst when she came to me with some homework on politics and other issues that may affect the electorate. She is a delightful young lady. Anna is currently studying for a Bachelor of Pharmacy degree with honours at Charles Sturt University [CSU] and Ms Jamieson is studying teaching, health and education at the University of Newcastle. The third placegetter, Ms Douglas, is a journalist with the *Condobolin Argus* newspaper, having completed a degree in media communications and journalism. They are all fine young ambassadors for their communities.

Anna is currently working as a house assistant at Orange Kinross Wolaroi School while she completes her university studies at Charles Sturt University. In her statement to the Royal Easter Show judges Anna Unger said her aim on completing the degree was to work towards improving health outcomes in rural communities. Ms Jamieson indicated her aims were similar, telling the judges she wanted to teach in rural communities on completion of her degree. As winner of the Royal Easter Show Miss Showgirl title, Anna Unger will spend the next 12 months travelling across New South Wales working as an ambassador for the Royal Agricultural Society. It is a great result for our region, in particular Peak Hill, and especially for her aunt, Val Cannon, who took great pride in being in Sydney at the time of the announcement. We are so lucky to have such a talented young woman from Peak Hill representing us.

The second issue I am pleased to speak about is the blueprint for rural health that Julaine Allan, a research fellow at the Centre for Inland Health and lecturer in social work and human services at Charles Sturt University, has brought to my attention. Julaine came to see me recently concerning the work that researchers were doing through Charles Sturt University on certain issues. She has asked me to draw the attention of Parliament to the document in any way I see fit. On 18 December 2007 health researchers from Charles Sturt University met to develop a blueprint for rural health. The blueprint is being developed to provide positive directions to address what are clearly poorer health outcomes being experienced by rural Australians. It also will provide a framework to guide the provision of services in rural areas.

To date, rural health services have been based upon a negative or deficit model of health. They have also mostly been provided on the basis of services that a community has historically had or for which it has successfully lobbied, not against any standard of what services are to be delivered or what they are intended to achieve. This has produced marked differences in the services provided between apparently similar communities. Charles Sturt University proposes a set of principles developed from a human rights standpoint to address the underlying issues associated with rural health and the provision of health care. If good health is enshrined as a human right communities will be able to ask whether they have what they need to ensure good health. If governments and communities act these principles on, then rural health will necessarily improve. We could argue that rural Australians have a right to expect health chances and health experiences similar to those of their urban counterparts. Australia is a signatory to the United Nations Universal Declaration of Human Rights, which includes the right to:

... a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.

It also has signed the International Covenant on Economic, Social and Cultural Rights. This covenant includes the statement:

The States Parties to the present Covenant recognize the right of everyone to the enjoyment of the highest attainable standard of physical and mental health.

The World Health Organization defines health as a state of complete physical, mental and social wellbeing and not merely the absence of disease or infirmity. In line with the International Federation of Social Workers' International Policy on Health, the Charles Sturt University also notes that two key dimensions of health—chances and experience—shape rural health consequences. The key principles underlying the blueprint are to promote socioeconomic wellbeing; provide regular and accessible services; provide physical access to culturally

appropriate, effective services; ensure service providers in regional and rural settings are adequately staffed; and ensure services are community managed and resourced. The principal people working on the blueprint have called on us to work together in defining the practical elements of the blueprint principles. They are Professor Margaret Alston of the Institute of Land, Water and Society; Professor Patrick Ball of the School of Rural Pharmacy; and Dr Julaine Allan of the Centre for Inland Health. I congratulate them on their proposal.

ACTING-SPEAKER (Mr Thomas George): I would like to support the comments made by the member for Dubbo about the Sydney Royal Easter Show Miss Showgirl contestants. We had the pleasure of having Anna Unger here for morning tea today together with Kristen Jamieson from Carinda and other rural achievers.

Ms NOREEN HAY (Wollongong—Parliamentary Secretary) [1.05 p.m.]: I congratulate the member for Dubbo on the strong representations that she makes in the House. I acknowledge the recognition the member has given to the various young ambassadors for Dubbo and the Sydney Royal Easter Show Miss Showgirl title winner. I will not mention again all the names referred to by the member. We live and learn from the information that is brought to the Parliament and shared with members. I also recognise the comments of the member for Dubbo in relation to achievements in research by young people and commend her for raising our awareness of the blueprint for rural health from Charles Sturt University and the general issue of health principles and human rights.

Question—That private members' statements be noted—put and resolved in the affirmative.

Private members' statements noted.

[Acting-Speaker (Mr Thomas George) left the Chair at 1.06 p.m. The House resumed at 2.15 p.m.]

BIRTH OF FINN CASANOVA PICCOLI

The SPEAKER: I report that the stork has paid a visit to the Piccoli household. It has been reported to me that Adrian and Sonia Piccoli have welcomed their first-born, Finn Casanova Piccoli. He weighed in at a fairly hefty 7lb 9oz and he is 55 centimetres in length. I have it on good authority that he has more hair than his father! I congratulate the member for Murrumbidgee, who is attending to those circumstances at the moment. Well done!

QUESTION TIME

NORTH WEST METRO LINK

Mr BARRY O'FARRELL: My question is directed to the Premier. Given Treasury's admission that the promised North West Metro link will consume three-quarters of the total road and rail discretionary infrastructure budget for the next 13 years, which State Plan projects will have to wait until after 2021 to be funded: the extra track between Glenfield and Macarthur, the Liverpool-Cabramatta line amplification, the Princes Highway upgrade, the further upgrades to the Pacific Highway or the construction of the M4 East?

Mr MORRIS IEMMA: It is a bit late, but better late than never! Yesterday the Leader of the Opposition wasted the time of the House—there were five questions on smear! There was not one question on infrastructure, on services or on reform. The article that appeared in the *Australian* last week—yes, he has done bit of research; good on him—

Mr Barry O'Farrell: I knew about the CCTV issue yesterday too, Morris.

Mr MORRIS IEMMA: By the way, if they had organised an Opposition policy forum—

Mr Barry O'Farrell: We would have closed the door! We would have shut the door. So much for security!

Mr MORRIS IEMMA: No, Barry, it would be like a scene from *Big Brother* at 4.00 a.m.—all in the dark and all asleep! That is what it would be like.

The SPEAKER: Order! Members will cease interjecting. The member for Epping, the member for Willoughby and the Leader of the Opposition will cease interjecting.

Mr MORRIS IEMMA: The Leader of the Opposition has had plenty to say about the North West Metro, but the words he cannot bring himself to utter are those that state his position on building a metro from the north-west. Does he support it? Will he commit the Opposition to build one? He cannot bring himself to do so.

Mr Barry O'Farrell: Point of order: My point of order relates to relevance. My question refers to which project will be lost. I have supported the North West Metro link. The Premier has not supported upgrades to the—

The SPEAKER: Order! There is no point of order. Members will cease interjecting. The member for Willoughby will control herself. The Premier has the call.

Mr MORRIS IEMMA: It is good to see a visionary public transport project such as this generating excitement. That is exactly why this Government has proposed it, announced it and will build and deliver it. It is up to this Government to deliver these sorts of revolutionary public transport projects. Last week reference was made to a figure of \$16.5 billion through to 2020 for discretionary or extra works that would be available for amplification of the public transport system, which in no way impacts on the other system.

[*Interruption*]

Why does the Leader of the Opposition not give us the part of the report that appeared in the *Australian* that relates to the other \$190 billion in capital works funding?

[*Interruption*]

So far as hospitals are concerned, North Shore is at tender, Liverpool is underway, Auburn is underway, Orange is ready to go and Queanbeyan is just about finished. What about Canterbury, Bankstown, Mount Druitt, Blacktown or the Blue Mountains? By the way, Nepean is also at tender and Gosford and Wyong are coming to the end of their construction. I can tell the Leader of the Opposition that there is plenty on the forward capital works program to keep delivering new hospitals, new schools, new railway lines and new roads. Referring to the last part of the question asked by the Leader of the Opposition relating to the M4 or to any other transport projects, I say to him: Stay tuned.

ENERGY SUPPLY

Mr GEOFF CORRIGAN: My question is directed to the Premier. Will the Premier update the House on the Government's plans to secure the State's future energy needs?

Mr Chris Hartcher: I will be there.

Mr MORRIS IEMMA: The member for Terrigal can come.

The SPEAKER: Order! Members will cease interjecting. The member for Terrigal will accept invitations through the Chair.

Mr MORRIS IEMMA: It will be the only policymaking forum that the member for Terrigal attends, so he is more than welcome to come. Members may be aware that in June last year New South Wales experienced significant difficulties in the delivery of gas supplies to our largest commercial consumers. Basically, the problem was one of demand outstripping supply, which resulted in a drop in the operating pressures required for the gas pipeline. The response was for customers to reduce their consumption of gas to ensure that the balance in the pipeline was stabilised. But this result would not have been possible without the cooperation of the companies involved—from the supplier, retailers and operators—and customers.

I am about to announce a practical and reasonable solution to a very real problem. The Government is determined to guard against disruptions to gas supplies for homes and businesses and to ensure that peaks and troughs in supply and demand are better managed. We will be legislating to enshrine a new set of industry rules to protect private and business gas customers. New gas operating rules will be enforced, applying to companies

that are the owners and operators of natural gas pipelines, shippers of natural gas and authorised suppliers of gas. The New South Wales Government encourages consumers to consider the use of natural gas, wherever possible, as a more environmentally friendly energy source.

Gas-fired generation emits around half the greenhouse gas emissions of current coal-fired generation. In fact, due to the Government's activities and policies, approximately 1,800 megawatts of new generation is already under construction by both the private and the public sector. This is all due to the Government's policies of securing New South Wales' future energy needs. That is in stark contrast to members of the Opposition who do not seem to be able to make up their minds about where they stand when it comes to securing the State's energy supplies. On Friday night we saw the latest instalment on *Stateline* when the Leader of the Opposition responded to this question:

Mr Dempster: Where do you stand?

Mr O'Farrell: Quentin, we are waiting to see the details.

Mr Dempster: This is not leadership; this is opportunism.

Mr O'Farrell: No, no, no, no, it is not.

Having announced the sale of retail electricity in his reply to the Budget Speech, the Leader of the Opposition, over the ensuing 10 months, has been desperate to avoid stating a position on what he will do to secure the State's future energy supplies. The Leader of the Opposition does not need all the details to state a matter of principle; he should tell us the principle. Does he support extra investment in electricity generation? He put on his thinking cap on for 60 seconds because he was looking for a grab in the newspapers on the morning after his reply to the Budget Speech, so he said, "Yes, I will privatise retail" without stating a position on electricity generation.

New South Wales' future needs in electricity involve extra capacity. In 10 months the Leader of the Opposition has not been able to state the position, unlike the member for Manly and a lot of other members in his show who have been able to state in principle where they stand. The Leader of the Opposition, who for so long coveted the job, raced out to the media after every election defeat saying, "I'll give you an analysis as to why we lost. If only we'd done this. If only we'd done that. Oh, and by the way, if only I was the leader things would have been so much better."

The SPEAKER: Order! Members will cease interjecting.

Mr MORRIS IEMMA: They finally gave him the job. After 12 months in the job, on something as important as the State's future energy needs, he says he wants to see the detail.

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

Mr MORRIS IEMMA: Lots of interest groups, including the trade union movement, have stated a position. Not everybody agrees with the Government's policy but, regardless of who they are, they have stated a position. But the one person in New South Wales unable to say where he stands is the Leader of the Opposition.

The SPEAKER: Order! The House will come to order.

Mr MORRIS IEMMA: That is not a surprise—whether it is about electricity, public transport or water. Members will remember the Opposition's position on water. Sydney would be reduced to a Sahara Desert before the Opposition would commit extra infrastructure investment to secure the city's water supply. On Friday night he said, "I've got to see the detail. I'm not able to state a position."

The SPEAKER: Order! Members will cease interjecting.

Mr MORRIS IEMMA: I will make him an offer. Calm down, Gladys.

The SPEAKER: Order! Members will cease interjecting. I will not extend further latitude to members during question time.

Mr MORRIS IEMMA: Given that the Leader of the Opposition wants more detail, I offer him a briefing from the Secretary of the Treasury, Mr Pierce—no tricks, no stunts.

The SPEAKER: Order! I call the member for Myall Lakes to order.

Mr MORRIS IEMMA: I offer him a free, unfettered briefing from the Secretary of the Treasury—and then let us see whether he is fair dinkum.

NORTH WEST METRO LINK

Ms GLADYS BEREJIKLIAN: My question is directed to the Premier. Why has the Premier allowed a 30 per cent contingency in costs for the recently announced \$12.5 billion North West Metro link when the Cronulla rail duplication has a cost blow-out of 118 per cent, the Parramatta bus-rail interchange has a cost blow-out of 139 per cent and the list goes on?

Mr MORRIS IEMMA: I thought the member for Willoughby had actually done some research but, no, she has read the *Daily Telegraph*—and it was last week's edition. Thank you to Simon Benson for the information. It is good to see that Gladys has read the Simon Benson commentary piece of last week.

The SPEAKER: Order! The member for Willoughby will cease injecting.

Mr MORRIS IEMMA: What an extraordinary question. The figure of 30 per cent is a cautious figure: it is well above that for comparable projects overseas. That is part of the prudent management of this project.

The SPEAKER: Order! I call the member for Willoughby to order.

Mr MORRIS IEMMA: Seeing this question time is dedicated to members of the gallery, let me refer to another. The esteemed Andrew Clennell said of the shadow spokesperson, "Gladys Berejiklian was sort of tying herself in knots. The only line she could come up with was that it would probably never happen. Well, that wears a bit thin." He also said, "If you ask her for a position, you don't get much of a response." Gladys, do you support the metro? Will you commit? If you were running the show, would you build a metro?

Ms Gladys Berejiklian: Of course!

Mr MORRIS IEMMA: Then, Gladys, get on board the metro!

The SPEAKER: Order! Members will cease injecting.

Mr MORRIS IEMMA: Returning to the 30 per cent contingency, that proves New South Wales taxpayers are well served by the member for Willoughby sitting in Opposition because in Opposition she will never have to come up with a project idea, let alone manage it or deliver it.

The SPEAKER: Order! I call the member for Willoughby to order for the second time.

Mr MORRIS IEMMA: Thank God for that because the 30 per cent contingency is the basis of the question. I ask her to walk out of here and surf the net. Gladys, have a look at comparable projects—what they do in the United Kingdom, the United States and in Europe—and have a look at what sort of contingencies they build in for projects of this size. Then, do not come in here and lecture us about the delivery of transport infrastructure when sitting on that side—

The SPEAKER: Order! I call the member for Epping to order.

Mr MORRIS IEMMA: —is the man who advised Bruce Baird moments before the 1995 election to commit to the southern rail link at no cost to taxpayers—and \$800 million later there is a big bill for New South Wales taxpayers. Do not come in here and lecture us after the last time the Coalition was in office it committed to the M2 motorway and locked out public transport. Gladys, I can sympathise with you on this one because you were given the poisoned chalice before the last election after these two opposite gave up developing a public transport policy.

Mr Brad Hazzard: Point of order. On a succession of occasions the Premier has referred to the member for Willoughby by her first name and has invited her to respond. You, sir, are placing her on calls to order. You should be asking the Premier to direct his comments through the Chair and ensuring that he addresses members by their proper titles.

The SPEAKER: Order! I uphold the point of order. Members should be addressed by their correct titles.

Mr MORRIS IEMMA: The member for Willoughby—this is where I have sympathy for her—was given the poisoned chalice of having to explain why the Coalition went to the last election without a policy on public transport. That was after the then leader, the member for Vaucluse, and the shadow Treasury spokesperson, the current Leader of the Opposition, had given up on crafting a public transport policy for the Coalition. Key service areas for people in New South Wales are transport services and infrastructure. One key area of any contest leading into an election is always fought around transport. We sympathise with the member for Willoughby, who was sent to explain why the Coalition's policy seminar had to be cancelled and why the Coalition did not have a public transport policy to take to the people. Will it impact on—

Mr Brad Hazzard: Point of order. The Premier has been speaking for six minutes. Under Standing Order 129 he should have answered the question as to why he has a 30 per cent contingency, the same as a number of members who were out the front opposing—

The SPEAKER: Order! The member for Wakehurst will resume his seat. I call the member for Wakehurst to order. I call the member for Wakehurst to order for the second time. The Premier has concluded his answer.

CRIME ASSETS RECOVERY

Mr BARRY COLLIER: My question is addressed to the Minister for Police. Will the Minister update the House on the efforts of the New South Wales Police Force in seizing money and assets from those involved in organised crime?

The SPEAKER: Order! I call the member for Clarence to order.

Mr DAVID CAMPBELL: The despicable activities of organised crime gangs cover drug dealing, car rebirthing, identity fraud and firearms trafficking.

The SPEAKER: Order! I call the member for Myall Lakes to order for the second time.

Mr DAVID CAMPBELL: These illicit trades put dangerous and illegal drugs on our streets, and put guns and other weapons into the hands of desperate criminals. These activities are made even more despicable by the wealth and opulent lifestyles of those involved in organised crime. Rest assured that the New South Wales Police Force, supported by our tough legislation, is hitting back. I am pleased to say that in the past 14 months the New South Wales Police Force and the New South Wales Crime Commission either have seized or have frozen \$26.5 million in cash and assets under the Criminal Assets Recovery Act [CARA]. Included in this multimillion-dollar haul are luxury cars, jet skis, expensive jewellery and almost \$8 million in cash—all linked to suspects in a single investigation. If jail is not enough of a deterrent for these crooks, then losing their prized possessions should be. Stripping their assets to ensure that their friends and family cannot live off their ill-gotten gains strikes at the heart of these criminals.

The use of tough powers by police sends a clear message to crooks that their flashy cars, boats and mansions are now targets of the New South Wales Police Force. The \$26.5 million seized under the Criminal Assets Recovery Act has been directed to areas including the recovered assets pool, which assists police in special operations, crime prevention programs, and drug rehabilitation and education programs. Specifically, money is directed to programs such as bigHart, which engages marginalised communities through arts-based projects. The organisation works on issues including domestic violence, drug misuse, suicide prevention and homelessness. Police are doing a great job in taking luxurious and valuable assets away from crooks. The funds are directed to helping victims, paying for crime prevention and continuing the fight against drugs, and that is all part of the good work police are doing every day—good work that often goes unnoticed and, if we were to listen to the Opposition, good work that does not exist at all. Over the Easter long weekend not one fatality occurred on our State roads. Could the Opposition congratulate the New South Wales police for that?

The SPEAKER: Order! The member for South Coast will cease interjecting.

Mr Joseph Tripodi: Not on your life.

Mr DAVID CAMPBELL: As the Minister for Small Business and member for Fairfield says, "Not on your life." Instead, members opposite continue to run down the work of our police. They are always the first to

say that the police are not doing a good enough job and are always the ones who are silent when the police have done exceptionally well in proving their strongest opponents and biggest critics, members opposite, wrong again. As recently as this weekend members opposite were trying to tear down the morale of our police by claiming that officers are leaving the New South Wales Police Force in droves.

The SPEAKER: Order! I call the member for Epping to order for the second time.

Mr DAVID CAMPBELL: While the Opposition was claiming on the weekend that police officers are leaving the force in droves, the facts show that the New South Wales Police Force has a strong retention rate that is above the public sector average. The New South Wales Government is giving police the powers, the resources and the support they need to bring criminals to justice. This year in the Local Courts under Government amendments to the Confiscation of Proceeds of Crime Act, the NSW Police started to use freezing notices and drug proceeds orders to strip offenders of all their ill-gotten gains. Police now have the power to seize and sell any tainted property that is linked to a suspect, such as a car that has been used to drive to a crime scene or a mobile phone that has been used to set up a drug deal.

Since January NSW Police has begun court proceedings under the Confiscation of Proceeds of Crime Act to seize cash and assets worth almost half a million dollars. The freezing notices allow police before trial to seek the immediate sale of suspects property and freeze funds. Drug proceeds orders empower courts to determine the fine that a drug trafficker should pay which is equivalent to the benefits gained from peddling misery to young and impressionable people.

The SPEAKER: Order! The member for South Coast will cease interjecting.

Mr DAVID CAMPBELL: The conduct of the member for South Coast is just another example of Opposition members demonstrating they are the biggest critics of the New South Wales Police Force. This Government backs the New South Wales Police Force as it makes the criminals pay for their bad deeds and is using the money to support victims as well as boost crime prevention.

SCHOOL ENROLMENT AND ATTENDANCE INITIATIVES

Mr ANDREW STONER: My question is directed to the Premier. How can he deny that his draconian proposal to jail the parents of truants will harm children when last year his leadership rival, John Della Bosca, described a far more moderate proposal to link truancy to Centrelink payments as "penalising the very people it claims to assist, the children of irresponsible parents"?

Mr MORRIS IEMMA: The Minister for Education and Training has been reviewing the current system to enhance the system. The member for Wakehurst might want to defend the small minority of parents who point-blank refuse to live up to a legal obligation to register—

[*Interruption*]

I will go through this issue in as much detail as the member for Wakehurst likes. He might wish to defend the very small minority of parents who point-blank refuse to live up to an existing legal obligation to register their children for education, but the obligation is compulsory, not discretionary.

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

Mr MORRIS IEMMA: The first point is that currently a legal obligation exists. It is an offence not to register a child for schooling.

Mr Andrew Stoner: But they can go to jail.

Mr MORRIS IEMMA: I will come to the penalties in a moment. The second point is that it is an offence not to ensure that children attend school.

Mr Greg Smith: But how will you enforce it?

Mr MORRIS IEMMA: I will come to that, if members opposite will just settle down. What the Minister for Education and Training did was review the very system that the Leader of The Nationals waxed on about yesterday.

The SPEAKER: Order! The Leader of The Nationals will cease interjecting.

Mr MORRIS IEMMA: The Leader of The Nationals says we should just make the current system work better and there is no cause for change, but the next time a child death occurs he might want to explain why absence from school, one of the early warning signals, was not noted. A parent, who might want to hide something, could deny the system an early warning that protects a child. The Leader of The Nationals might want to explain why—

The SPEAKER: Order! The Leader of the Opposition will resume his seat. His outburst is unparliamentary. The member for Coffs Harbour will cease interjecting.

Mr MORRIS IEMMA: It is a legitimate reform to ensure that government agencies are exchanging information, and that is one of the changes. Privacy restrictions prevent the Department of Community Services from exchanging information with the Department of Education and Training or the health services. It is an improvement to ensure that government agencies share information if there is a child at risk—one of the early warning signs of which might well be that the child is being prevented from attending school.

The SPEAKER: Order! I call the member for Baulkham Hills to order.

Mr MORRIS IEMMA: The Leader of The Nationals should not claim that that is not a worthwhile reform.

The SPEAKER: Order! I call the member for Burrinjuck to order. I remind the member for Epping that he is on two calls to order.

Mr MORRIS IEMMA: As far as the sentence is concerned, a custodial sentence is the last step in a whole range of measures to equip our agencies with as many measures as possible and ensure that early intervention and prevention protect children who are at risk through neglect. Privacy laws are being amended to give agencies power to receive and exchange information and courts are being given power to order a parent to attend a counselling session or a mediation session. The power is being given to the courts to order a parent to undergo counselling, not to punish parents who have issues. The law is being amended to ensure that counselling is available.

The SPEAKER: Order! Members will cease interjecting.

Mr MORRIS IEMMA: Currently neither the Director General of the Department of Education and Training nor the courts have power to intervene in a positive manner to ensure that parents and children in disadvantaged households are given help.

Mr Andrew Stoner: Yes, there is. It is called the Children (Protection and Parental Responsibility) Act.

The SPEAKER: Order! I call the Leader of The Nationals to order.

Mr MORRIS IEMMA: All that exists is a fine. A fine is the only penalty, and the only power is that the case must be managed administratively. That means that parents can be encouraged to undergo counselling, but nothing else. A custodial sentence is the end of the line when all else has failed for those who do not have issues that need to be addressed; it is for those who point-blank refuse to do the right thing and adhere to the law to ensure their children are educated against offending—

Mr Andrew Stoner: Point of order: My point of order is relevance, the relevance of the question. I am hoping that the Premier will address the question, which is how the proposal to jail parents will help a child. The experts are saying that that will harm them.

The SPEAKER: Order! There is no point of order. The Premier's answer is relevant to the question asked. The Premier has concluded his answer.

COLE INQUIRY INTO COUNCIL INVESTMENT

Mr PHILLIP COSTA: My question is addressed to the Minister for Local Government. Will the Minister outline the recommendations of the Cole inquiry into investments by local councils?

Mr PAUL LYNCH: I thank the member for Wollondilly for his question on this important topic and acknowledge his long-term interest in councils and, indeed, his distinguished career in local government. Councils in New South Wales are able to invest money in a limited number of forms. Those forms are set out in a ministerial investment order prescribed under the Local Government Act, issued in the name of the Minister for Local Government with the concurrence of the Treasurer. The order does not deal with specific investment products. It refers to forms of investment such as public debentures or securities; bank, building society or credit union interest-bearing deposits; and securities with a sound credit rating as determined by Standard and Poor's, Moody's or Fitch Ratings.

There was speculation that the recent decline in the United States of America sub-prime mortgage market may have exposed some local councils in New South Wales to potential losses through some investments, particularly through collateralised debt obligations. As a result, the Government instituted a review, which was carried out by Mr Michael Cole, the Chairman of the SAS Trustee Corporation, that is State Super, and Platinum Asset Management boards. A steering committee for the review was established, comprising representatives from the Department of Local Government, New South Wales Treasury and the Department of Premier and Cabinet.

Detailed information regarding council investments was forwarded to Mr Cole for assessment. That information resulted from a survey of 152 councils. It is interesting to note that Mr Cole regarded the level of compliance by councils with the survey as very good. Mr Cole has now completed his review and has made eight recommendations, which the Government accepts. The review found that as at 30 June 2007 investments held by New South Wales councils totalled \$5.64 billion. Of that, 70 per cent was invested for short-term purposes in traditional fixed interest investments with high levels of security. The remaining 30 per cent are funds held for longer periods, such as section 94 balances. Collateralised debt obligations account for \$590 million and capital guaranteed products account for \$450 million of those longer-term investments.

The review found that a limited number of distributors of the collateralised debt obligation products promoted to councils also acted as advisors to the council, thereby creating a possible conflict of interest. Mr Cole recommends that product manufacturers and distributors not be appointed as investment advisors to councils, to avoid such conflicts of interest. On a number of occasions the Department of Local Government previously warned councils against that practice. Regrettably that warning went unheeded by some councils.

Councils must act responsibly with public funds. They must get independent financial advice and not just rely on the advice of the people selling them a product. Councils must ensure that their ratepayers' money is properly protected. The review recommended changes to the investment order so that the definition of "investment instruments" includes the principal investment and the investment income. The review also recommends that investing in securities with specific credit ratings be suspended until December 2009 and then be subject to further review. The report has recommended also that councils be reminded of their fiduciary obligations over and above the provisions of the ministerial order. Current investments will be grandfathered.

Councils may continue to hold to maturity, redeem or sell investments that comply with the existing order, but any new investments must comply with the revised investment order. Any restructure or switch to new investment products must comply with the revised investment order. Subject to Mr Coles' recommendations and the introduction of investment guidelines by the Department of Local Government, Mr Cole concluded that the current partial deregulation model operating in New South Wales should be retained. That is a sensible, measured, moderate response. Of course, that is in stark contrast with some of the nonsense emanating from the Opposition on this topic. Indeed, the Opposition spokesman, the member for Manly, ran around telling anyone who would listen that the solution to this problem is to institute a central panel of experts to manage all councils' investments.

Apart from taking away councils' powers to make the decision and taking them over, he is also adding an extra level of complication to the decision-making process. I find it most interesting that the member for Manly is adopting a centralised model in all of this. Congratulations comrade, welcome to the team! One has to wonder where that guy has been. No wonder the Federal Opposition is going on a travelling tour to listen to ideas if the best they can come up with is what the member for Manly has done. It is no surprise they are tearing around the countryside.

The Cole report reveals that whilst some councils in New South Wales have suffered as yet unrealised losses through investments in collateralised debt obligations and other products potentially exposed to the sub-prime crisis, the financial viability of the local government sector has not been affected. Whilst any loss of

public sector money is of concern, the report reveals that in New South Wales that was not the crisis that some predicted, and for which the Opposition hoped. The collateralised debt obligation losses account for only 3.5 per cent of total local council money invested.

Councils seem to have largely followed the ministerial investment order issued under the Local Government Act. Amongst other things, that permitted councils to invest in products rated A by credit rating agencies. The collateralised debt obligations, the products that are causing some difficulty, were rated triple-A. The worst performing of the obligations is the Grange Securities' Federation. At the moment, if sold in the market place, it is worth 15 per cent of its face value. That has been the case since last year, according to Mr Cole. However, as Mr Cole reveals, it is quite interesting that as at the end of February Standard and Poor's still categorised that product as an A rating; that is, at the end of February, under the ministerial order councils could still have invested in that product because of the view of the rating agency.

Obviously there has been a very sharp difference of opinion between the market view of the collateralised debt obligations' intrinsic value and the credit rating agency's forecast of the probability of default and loss. In Mr Coles' terms, the market thought the credit rating was far too optimistic. The rating agency played catch-up and downgraded too late. Thus it makes perfect sense to suspend the capacity of local government to invest in products simply because they are rated as a particular level by a credit rating agency. This is a global issue affecting international financial institutions. This is not an issue for only New South Wales, or even Australia; it is a worldwide issue.

When the Government became aware that the decline in the United States sub-prime mortgage market may have exposed New South Wales councils to potential losses, through the collateralised debt obligations, we moved quickly to establish the Cole review into council investments. Mr Cole conducted the survey and has made eight recommendations, which the Government is delighted to accept. We will introduce more rigorous standards to safeguard ratepayers' money.

ROYAL NORTH SHORE HOSPITAL

Mrs JUDY HOPWOOD: My question is directed to the Minister for Health. Now that Warren Anderson has given evidence and had to go through a third State Government investigation resulting from his daughter's death that occurred more than two years ago, when will the Minister finally act to fix the problems at Royal North Shore Hospital and hospitals across the State?

Ms REBA MEAGHER: I have had the opportunity to speak with Mr Anderson twice. In doing so I extended my personal condolences to him and to also extend the most sincere condolences and apologies of the New South Wales Government. I state at the outset that I am very pleased that today the special commission of inquiry into the Royal North Shore Hospital returned to the hospital. The commissioner displayed a tremendous willingness to move around the State and took the opportunity to meet with doctors, nurses and other front-line staff to hear at first hand their concerns and recommendations for improvement to the New South Wales health system. The commissioner also took the opportunity to meet with patients and their families, and listened to their personal stories as part of building an overview of ways that we can move forward in reforming New South Wales Health.

I remind members of the House who have raised questions in relation to the Royal North Shore Hospital that the Government is committed to that hospital. That is why it has committed to one of the largest hospital redevelopments in this country's history—a \$702 million redevelopment. That will give an opportunity this year to move forward in Health. That contrasts significantly to the approach of the Coalition when it was last in government.

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

Ms REBA MEAGHER: The commitment of this Government to Royal North Shore Hospital is demonstrated in part by its commitment to move forward on its redevelopment, but soon after becoming Minister for Health it became apparent to me that the management of Royal North Shore Hospital, and indeed, the North Sydney Central Coast Area Health Service, required improvement. When strong management systems are not in place then key areas, such as clinical engagement and financial governance suffer, and that was the case at Royal North Shore Hospital.

The SPEAKER: Order! Members will cease interjecting.

Ms REBA MEAGHER: It was a culture that had developed over time, which meant that Royal North Shore Hospital was spending more than its peer teaching hospitals to perform the same types of procedures. An example of that was given in the parliamentary inquiry into Royal North Shore Hospital last year.

The SPEAKER: Order! The Deputy Leader of the Opposition will cease interjecting. I call the Deputy Leader of the Opposition to order. The Leader of the Opposition will cease interjecting.

Ms REBA MEAGHER: At that independent parliamentary inquiry, chaired by Reverend the Hon. Fred Nile, evidence was given that on a peer reference costing model, Royal North Shore Hospital was charging more per patient procedure than its other comparable teaching hospitals. Evidence at the inquiry was that it costs approximately \$380 extra per patient at Royal North Shore Hospital than at any other teaching hospital in Sydney.

The SPEAKER: Order! The Leader of the Opposition will cease interjecting. The Leader of the Opposition will not canvass the chair.

Ms REBA MEAGHER: That example indicated that financial governance of the hospital was one area that had suffered as a result of poor management. The Director-General of New South Wales Health responded to those symptoms at Royal North Shore Hospital by replacing the management. By replacing the management of the hospital Mr Matthew Daly was appointed new chief executive, and the reforms as a result of that management change are quite significant. Among those reforms an additional 97 nurses have been recruited to fill the vacancies that were identified.

The SPEAKER: Order! I call the Deputy Leader of the Opposition to order for the second time.

Ms REBA MEAGHER: The Government has also seen the appointment of a second triage nurse for the hospital's emergency department. It has also funded an additional 12 beds as part of the Government's enhancement to emergency physicians, and extra beds for hospitals experiencing the greatest increased demand across the State. The Government has also seen the implementation of all the recommendations of Dalton-Meppem into bullying at the hospital. It has established the professional practice unit to better deal with concerns being raised by staff and, in particular, concerns and issues of dissatisfaction raised by patients. Another major reform that has occurred at Royal North Shore Hospital as a result of the establishment of the new management structure has been the clinical reference group to provide the chief executive with greater input, and ensure that physicians do have a voice in the management of the hospital.

Mrs Jillian Skinner: Why are they giving evidence?

The SPEAKER: Order! While the Opposition has asked a question relating to the portfolio of the Deputy Leader of the Opposition, it does not give her a licence to continually interject.

Ms REBA MEAGHER: Twenty very senior clinicians are part of that clinical reference group, and I thank them for their commitment to work with management to put Royal North Shore Hospital back on the front foot. Yes, as indicated by the Deputy Leader of the Opposition, some of these clinicians are also the same clinicians who gave evidence to the parliamentary inquiry last year and to the Special Commission of Inquiry, but importantly the new management at Royal North Shore Hospital has established a structure where those same voices have input into the new direction at the hospital. Among the 20 clinicians is input from: Professor Malcolm Fisher, director of the intensive care unit; Dr Charles Fisher, head of the vascular surgery unit; Dr Stephen Hunyor, director of the cardiac technology centre; Professor Danny Stiel, clinical director of the Division of Medicine; and Ms Joanne Prendergast, manager of nutrition.

Mrs Jillian Skinner: Point of order: My point of order is relevance. The question asked what is the Minister doing to fix Royal North Shore Hospital. The doctors to whom she is referring are giving evidence today about how it is not being fixed.

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

Ms REBA MEAGHER: I have pointed out that the Government established the Special Commission of Inquiry so that doctors and nurses could have input into recommendations to drive reform across New South Wales. But I am also welcoming and thanking them for their contributions at Royal North Shore Hospital as part of the new management structure. Their input and the new structure are making a difference. For example,

during February this year the Royal North Shore Hospital emergency department saw 3,600 patients in one month, and 1,374 of those patients required admission to a hospital bed. Seventy-seven per cent of those patients were admitted to a hospital ward within benchmark time—that is a 6 per cent improvement on the performance of the hospital on last year, in the face of a 9 per cent increase in demand. That demonstrates that with good management the performance of the hospital can be improved.

Another example of improvements at the hospital is that the benchmark for all five hospital emergency department triage categories were exceeded during February—again an outstanding performance in the face of increasing demand. In the area of elective surgery—another key indicator of the performance of a hospital—at the end of February Royal North Shore Hospital had no patients waiting longer than 12 months for non-urgent surgery and no patient waiting outside the clinically recommended timeframes for urgent surgery. On all of the important indicators, Royal North Shore Hospital is improving. These are outstanding achievements and are a credit to the hospital staff who have embraced the new management at the hospital. The data is telling us that the hospital is performing better but, more importantly, the feedback from patients tells the story too. I refer to the comments of Mrs Wright from Neutral Bay in her letter of thanks to the hospital on 7 February this year after her husband suffered a heart attack. She wrote:

From the outset the staff were efficient ... organised ... highly competent and caring ... throughout our time there I have nothing but praise for the staff and the department. Quite aside from the medical staff ... the ward ... beds ... blankets ... and public toilets ... were squeaky clean. For me the icing on the cake was the kind Volunteer who found me a chair to sit on and provided a ... welcome cup of tea.

On 11 January the *North Shore Times* published the following letter from Mr Welsh of Castlecrag whose friend had undergone open-heart surgery at the hospital. He wrote:

I recently visited a friend who underwent open-heart surgery there and don't believe the hype. Just go and visit the sixth-floor cardiology unit. The professionalism and the caring ... happy nature of all the staff was just unbelievable.

They are not my words. They are the words of patients, relatives and carers who used the hospital. I acknowledge that the Government still has a lot of work to do and that is why I welcome Mr Garling's return to Royal North Shore Hospital today. There are improvements in Royal North Shore Hospital's performance. I am determined to see those improvements are sustained. I am also determined that we will put this hospital back on the front foot and have a management structure at Royal North Shore Hospital that can support the doctors and nurses and other front-line staff to deliver the kind of care we expect them to deliver, and the kind of care that patients want and we expect them to get.

PREMIER'S SPORTING CHALLENGE

Mr PAUL McLEAY: My question is to the Minister for Sport and Recreation. What is the latest information on the Premier's Sporting Challenge and related matters?

Mr GRAHAM WEST: I thank the member for Heathcote for his interest in sport. He is an enthusiastic supporter of sports. Today the Premier and I were at the Sydney Cricket Ground to launch the Premier's Sporting Challenge, an important \$58 million initiative that will see primary and secondary schools encouraged to meet the national daily activity of 60 minutes of moderate to vigorous activity. It will be done through a program that will see them awarded for reaching the bronze level, 30 minutes; the silver level, 45 minutes; and the gold level, 60 minutes. Those who reach the diamond level of 80 minutes will receive a special award. It also includes \$50 million to upgrade school gymnasiums and other equipment. Two hundreds schools will benefit from the \$2,000 grant programs. The program is supported by the principal partner, the National Rugby League, which was represented at the SCG today, and also by netball. The Premier today demonstrated his netball skills as well as his soccer skills. The program also includes cricket, and it is important we mention cricket because recently the parliamentary sports team was reformed—a momentous occasion.

Mr Andrew Fraser: What about bowls?

Mr GRAHAM WEST: We made it cricket and sports; we deliberately left bowls to its own committee.

[*Interruption*]

No, they have their own organisational structure. Importantly, a challenge will be issued to the Press Gallery to play cricket against the parliamentary team, and of course it will be a charity match. We were hoping

that such an activity could be conducted at the SCG a couple of months ago before Paul Mullens left. There is no truth in the rumour that it was postponed so that players could avoid a Paul Mullens bouncer. Because of the success of the New South Wales SpeedBlitz Blues we are unable to get access to the SCG until October or November. In the meantime we are looking at using the Bradman Oval for a cricket match. I will keep members advised of the date as well as any further sporting activities. I commend the Premier's Sporting Challenge to the House and look forward to many of the people who come through that program playing in the team here.

ENERGY CONSULTATIVE REFERENCE COMMITTEE RECOMMENDATIONS

Mr GREG PIPER: My question is to the Premier. Are there any of the Unsworth Energy Consultative Reference Committee's 33 recommendations that the Government will not implement and, if not, why not?

Mr MORRIS IEMMA: I thank the member for his question and advise him that the Government is currently considering the recommendations—

The SPEAKER: Order! I place the member for Terrigal on three calls to order.

Mr MORRIS IEMMA: We are not considering a policy; we have announced our policy. We have said where we stand.

[Interruption]

The member for Terrigal is more than welcome to read the Unsworth report. I thought he would have read it by now. I am pleased to update the member for Lake Macquarie. The Government is considering the Unsworth committee's report and recommendations and at the completion of that examination the Government will announce its response. Those recommendations range from workplace relations to additional environmental measures as well as the strategy for disposition. The Government has engaged financial advisers in relation to disposition. The Government had people from the environmental movement, such as Mr Angel, on the committee, and the Reverend Harry Herbert, another member of the committee, examined social policy issues.

The committee recommended a number of additional measures the Government may wish to take to strengthen its package. Reverend Herbert examined measures to do with the indexation of pensioner rebates and additional consumer protection. Mr Angel examined a range of environmental issues including demand management and more efficient use of energy. The Government is taking all of those recommendations seriously—from the financial advisers in terms of disposition, the input the unions provided in relation to workplace protection and Reverend Herbert's recommendations in his analysis of providing additional consumer protection measures to the issues Mr Angel examined in representing the environmental movement. Cabinet is considering the issues and at the end of that consideration the Government will publicly release its response to the Unsworth report.

REGULATORY REFORM

Ms MARIE ANDREWS: My question without notice is to the Minister for Small Business and Regulatory Reform. Can the Minister please update the House on progress being made to cut red tape?

Mr JOSEPH TRIPODI: We know it is not red tape that is preventing the Opposition from formulating policies, it is just incompetence. Regulatory reform is a priority of governments all over the world. In New South Wales, cutting red tape is a key element of our economic policy and a priority we are committed to under the State Plan. Cutting red tape has been a concern of business in this State, and we have heard them loud and clear. A good regulatory regime creates many benefits. It promotes competition within the business sector, which leads to lower prices for consumers. It encourages innovation in technology, processes and products and it enables Government to protect and enhance the welfare of business and the community.

Overall, regulation promotes economic prosperity. The New South Wales Government is committed to achieving a world-class regulatory environment. This means ensuring regulation exists where it is needed and that business has the flexibility to innovate and grow. To achieve this we must cut red tape. By definition red tape is an unnecessary burden that prevents business getting on with what it does best. Red tape slows business down and constrains innovation. The Government has a longstanding commitment to reduce red tape in this State. Since 1995 we have achieved around a 50 per cent reduction in the number of regulations. Today, I am pleased to provide an update of our progress to implement a more aggressive approach to cutting red tape.

Since creating the role of Minister for Regulatory Reform, the Government has made impressive progress in this new portfolio area. We have been implementing recommendations from the Independent Pricing and Regulatory Tribunal's review into the burden of regulation, which was commissioned in 2006. The Independent Pricing and Regulatory Tribunal recommended the Government put the right fundamentals in place and that is what we have done. We have a dedicated Minister for Regulatory Reform. We have articulated a set of principles that good regulation should follow. In summary, we believe regulation should meet a new set of principles to be known as the three Rs of regulatory reform—regulations should be required, reasonable, and responsive to the industries they regulate.

"Required" means there must be a need for Government action, and the objective of the action should be clear. "Reasonable" means impacts must be understood by examining the costs and benefits of various options, including non-regulatory options, and Government action should be effective and proportional to the issue involved. Finally, "responsive" means consultation with stakeholders should inform regulatory development. The simplification, repeal, reform and consolidation of regulations should be considered at every stage and regulation must be periodically reviewed. These principles are set out in the new Guide to Better Regulation, released today.

The guide assists agencies in applying the principles, outlines new roles, procedures and requirements, and contains a whole-of-Government consultation policy. The guide encourages agencies to keep small business in mind when developing regulation, remembering that 96 per cent of businesses in New South Wales are small businesses. In response to the Independent Pricing and Regulatory Tribunal's recommendations we also established the Better Regulation Office, a dedicated unit assisting the Minister for Regulatory Reform in achieving the task of cutting red tape. The Better Regulation Office is the mission control room of this unique task and approaches the task from a number of angles.

The SPEAKER: Order! The member for Coffs Harbour will cease interjecting.

Mr JOSEPH TRIPODI: Firstly, it acts as an advocate for best practice regulation across Government, educating and assisting agencies with developing and reviewing regulation. Secondly, it conducts its own targeted red tape reviews. Thirdly, it acts as a gatekeeper. The gatekeeping function is one of the most significant changes that has come out of the Independent Pricing and Regulatory Tribunal process. The major new gate is that from 1 June this year a better regulation statement must accompany all significant new and amending bills and regulations. The statement must demonstrate that the regulatory proposal is justified, better than alternative ways of addressing the problem, and that sound regulatory development and consultation processes were followed. We now have the fundamental governance procedures and machinery of Government in place to stop new red tape from being created.

Question time concluded.

PETITIONS

Pymont and Ultimo Bus Services

Petition requesting improved and expanded bus services for Pymont and Ultimo, received from **Ms Clover Moore**.

Edgecliff Interchange Upgrade

Petition requesting the upgrading of Edgecliff interchange, received from **Ms Clover Moore**.

Pensioner Excursion Bus Tickets

Petition requesting that South Coast pensioners be able to access the \$2.50 pensioner excursion ticket for bus travel, received from **Mrs Shelley Hancock**.

South Coast Rail Services

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

CountryLink Pensioner Booking Fee

Petition requesting the removal of booking fees charged to pensioners on CountryLink services, received from **Mrs Shelley Hancock**.

Hornsby and Berowra Railway Stations Parking Facilities

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

South Coast Correctional Centre

Petition asking that the South Coast Correctional Centre not be constructed in the Shoalhaven, received from **Mrs Shelley Hancock**.

Public Library Funding

Petition requesting increased funding for public libraries, received from **Mr John Turner**.

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

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

Tumut Renal Dialysis Service

Petition praying that the House support the establishment of a satellite renal dialysis service in Tumut, received from **Mr Daryl Maguire**.

Hornsby Palliative Care Beds

Petition requesting funding for Hornsby's palliative care beds, received from **Mrs Judy Hopwood**.

Hornsby Area Haemodialysis

Petition asking that a public haemodialysis centre be established in the Hornsby area, received from **Mrs Judy Hopwood**.

Lismore Base Hospital

Petition requesting funding for stage 2 of the Lismore Base Hospital redevelopment, received from **Mr Steve Cansdell**.

Shoalhaven Local Area Command

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

Culburra Policing

Petition requesting increased police numbers in the Culburra area, received from **Mrs Shelley Hancock**.

Rural and Regional Police Resources

Petition calling upon the Iemma Government to allocate more police resources to rural and regional communities throughout New South Wales, received from **Mr Steve Cansdell**.

Senior Drivers

Petition opposing any driving regulation changes that will be detrimental to senior drivers, received from **Mrs Shelley Hancock**.

Licence Laws for Older Drivers

Petitions asking for an inquiry into licence laws for older drivers and the implementation of a suitable licensing system for senior citizens, received from **Mrs Judy Hopwood**.

Pet Shops

Petition opposing the sale of animals in pet shops, received from **Ms Clover Moore**.

CSR Quarry, Hornsby

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

Galston Sewerage

Petition requesting that Galston households be connected to reticulated sewerage, received from **Mrs Judy Hopwood**.

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**.

BUSINESS OF THE HOUSE

Reordering of General Business

Mr ANDREW STONER (Oxley—Leader of The Nationals) [3.23 p.m.]: I move:

That the General Business Notice of Motion (General Notice) given by me this day [Truancy Policy] have precedence on Thursday 3 April 2008.

The motion of which I gave notice earlier today deserves to be given precedence because following yesterday's so-called truancy crackdown announcement the Lemma Government has begun to resemble a Shakespearean tragedy. We all thought it was an April fool's day joke, but it was not. It had a much darker intent than that. Rarely do you see such Machiavellian behaviour as that displayed by John Della Bosca. The Minister for Education and Training sent the Premier out to make the worst constructed, ill-advised, ill-conceived announcement I have heard in more than a decade of Labor mismanagement—it ranked right up there with Cecil Hills. Do members remember that one? Then when the Premier looked up for support, where was his loyal lieutenant? He was talking up his leadership ambitions and ducking away from his connection to this farce of an announcement.

This morning, after being pilloried across the board in the media, the Premier must have been thinking, "Et tu, Brute, et tu". The motion of which I gave notice should be reordered for debate tomorrow because no sensibly minded person supports the idea that parents should be locked up for their child's truancy. Even the education Minister, John Della Bosca, does not really support it. Last year he described a far more moderate proposal to link Centrelink payments to school attendance as "hurting those it was supposed to assist—the children of irresponsible parents". He also said at the time that there was no evidence that non-enrolment was a widespread problem. So one must wonder where the announcement came from. What was the motive for the announcement?

Mr John Williams: A smokescreen.

Mr ANDREW STONER: A smokescreen, as the member for Murray-Darling says. The experts do not support it. The widely respected Professor Tony Vinson said yesterday, "It is impossible for me to see how a

threat like this is going to enhance the life prospects of a child." He is right. Gloria Larman, the Chief Executive Officer of Shine For Kids said that children with a parent in jail are five times more likely to end up in jail themselves. Are they going to send the Minister for Community Services to jail because he is the legal guardian of many kids who do not go to school? I saw him nodding off earlier in the Chamber, and he has obviously gone back to his office and nodded off.

It is clear that the proposal—this whacky proposal—to lock up the parents of truanting kids is going to hurt the families who need the most support; that is, families from disadvantaged backgrounds, particularly Aboriginal families. The Nationals members who represent most of the Aboriginal communities in New South Wales know that we have cultural issues: parents who did not attend school regularly often do not appreciate the importance of their children getting an education. These people need help and support to encourage their children to get an education, not the threat of being locked up. Aboriginal people are already 12 times more likely to be incarcerated in New South Wales than the average person in the population.

The motion of which I gave notice deserves to be debated tomorrow because yesterday's announcement had all the hallmarks of the politics of distraction. Faced with the first question time since the conviction of his former Minister, Milton Orkopoulos, on child sex and drug charges, the Premier desperately needed a smoke and mirrors announcement, an action straight out of the Hawker Britton playbook on how to cover up a scandal. That is what it was all about, but it fell flat, rivalling even the Cecil Hills High smoking gun debacle. While the Premier was fighting fires on the home front, Della Bosca swooped.

The SPEAKER: Order! The member for Bathurst will cease interjecting. I call the member for Bathurst to order.

Mr ANDREW STONER: The motion of which I gave notice should be reordered because no-one in their right mind would seriously believe that the Government is fair dinkum about dealing with truancy.

The SPEAKER: Order! I call the member for Monaro to order.

Mr ANDREW STONER: A government that was serious about finding a solution to the problem of truancy would start by collecting the data, but when the member for Barwon asked a question on truancy in South Moree in November last year the answer from the Government was:

The Department of Education and Training does not collect truancy rate data on a locality basis.

Unbelievable! How can the Government deal with the problem if it does not even collect the data? No-one is fooled by the crocodile tears of those opposite. If they cared about truancy they would have started by doing their homework. They would have provided the resources to enforce the current policies and laws. They would have ensured interagency liaison between the Department of Community Services, the Department of Education and Training and the Department of Juvenile Justice, but it is not happening. The motion of which I gave notice deserves precedence because, while John Della Bosca uses education policy to further his leadership ambitions, children suffer. When the Premier uses ill-conceived announcements to cover up his scandal-plagued Government, children will suffer. The Government is the laughing stock of Australia, but unfortunately it is the families of New South Wales who bear the brunt.

Mr JOHN AQUILINA (Riverstone—Leader of the House) [3.28 p.m.]: There is not one person in this Chamber who would not regard this as a very serious issue. We would all say that ensuring that children get a sound education is the cumulative responsibility of everyone here. On any day, approximately 9 per cent of students are not at school, the vast majority of them for legitimate reasons such as illness. But research has shown that approximately 1 per cent are absent because their parents are either unwilling or unable to send them to school because of drug and/or alcohol problems, mental health issues, or in some cases because the children themselves are disobedient. The Opposition and others should listen precisely to what the Premier said yesterday. He said that the Government intends to introduce amendments to the Education Act in the very near future.

The SPEAKER: Order! Members will cease interjecting.

Mr JOHN AQUILINA: That is precisely why it is inappropriate to discuss this matter in the political arena this afternoon. This issue requires detailed research, and a balanced and detailed debate, and that is exactly

what the Premier was saying yesterday. He said that the Government will shortly introduce amendments to the Education Act 1990 to deal with parents and carers who fail to ensure their children go to school. He actually outlined some of the general areas that the amendments would address. He said the new legislative regime would allow for independent medical experts to assess whether a child is too sick to be enrolled at school and will not simply rely on the advice of parents. The Premier said that the Department of Education and Training would be given new powers to seek a court order to force parents to enrol their child. One would think that would be an appropriate course of action. The matter should be debated in a balanced way when we have the full details of the legislation before us. It should be properly researched and presented to Parliament in a proper way. Yesterday the Premier announced:

The third measure will ensure that children too sick to attend school receive instruction at home. The fourth measure will allow court orders to be issued against parents of children who fail to attend school, forcing responsible adults into drug rehabilitation, mediation or other forms of counselling and family support.

The fifth measure will allow the Children's Court to make orders for a child to attend school or enrol in counselling services where parents can prove to the court that they have done everything in their power to comply with school requirements.

The Government owes it to the Opposition and to the general community to introduce legislation in the proper manner to enable appropriate debate on these measures. The aim of the vague motion moved by the Leader of The Nationals is to throw mud into the political process rather than to provide a logical, feasible and responsible solution to the real dilemma facing about 1 per cent of the young people who attend schools in New South Wales today. Other issues must also be taken into account, for example, what the courts might order in relation to these matters. The courts might request the assistance of a full range of government and community resources to help families, for example, non-government charities providing breakfast programs, family support programs, support for parents with disabilities, and extended family members of community elders to support families.

These issues deserve a balanced debate in this House. These issues should be debated once legislation is introduced in the Chamber and we are aware of the precise detail, wording and impact of that legislation. We do not want a debate based on innuendo, conjecture and hyperbole; we want a debate that deals with the seriousness of this issue. Young people in our schools deserve to be treated properly and not in the way in which Opposition members want to treat them.

Mr Andrew Fraser: Point of clarification: Did the Leader of the Government state that the Premier was in possession of the full facts before he made that announcement?

The SPEAKER: Order! The member for Coffs Harbour will resume his seat.

Mr JOHN AQUILINA: Yesterday the Premier raised these issues in this House, which is why the Government does not support the motion moved by the Leader of The Nationals.

Question—That the motion be agreed to—put.

The House divided.

Ayes, 38

Mr Aplin	Ms Hodgkinson	Mr Roberts
Mr Baird	Mrs Hopwood	Mrs Skinner
Mr Baumann	Mr Humphries	Mr Smith
Ms Berejiklian	Mr Kerr	Mr Souris
Mr Cansdell	Mr Merton	Mr Stokes
Mr Constance	Ms Moore	Mr Stoner
Mr Debnam	Mr Oakeshott	Mr J. H. Turner
Mr Draper	Mr O'Dea	Mr R. W. Turner
Mrs Fardell	Mr O'Farrell	Mr J. D. Williams
Mr Fraser	Mr Page	Mr R. C. Williams
Ms Goward	Mr Piper	<i>Tellers,</i>
Mrs Hancock	Mr Provest	Mr George
Mr Hazzard	Mr Richardson	Mr Maguire

Noes, 50

Mr Amery	Mr Gibson	Mr Morris
Ms Andrews	Mr Greene	Mrs Paluzzano
Mr Aquilina	Mr Harris	Mr Pearce
Ms Beamer	Ms Hay	Mrs Perry
Mr Borger	Mr Hickey	Mr Rees
Mr Brown	Ms Hornery	Mr Sartor
Ms Burney	Ms Judge	Mr Shearan
Ms Burton	Ms Keneally	Mr Stewart
Mr Campbell	Mr Khoshaba	Ms Tebbutt
Mr Collier	Mr Koperberg	Mr Terenzini
Mr Coombs	Mr Lynch	Mr Tripodi
Mr Corrigan	Dr McDonald	Mr Watkins
Mr Costa	Ms McKay	Mr West
Mr Daley	Mr McLeay	Mr Whan
Ms D'Amore	Ms McMahan	<i>Tellers,</i>
Ms Firth	Ms Meagher	Mr Ashton
Ms Gadiel	Ms Megarrity	Mr Martin

Pair

Mr Piccoli

Mr McBride

Question resolved in the negative.**Motion negatived.****JOINT STANDING COMMITTEE ON ELECTORAL MATTERS****Membership****Motion, by leave, by Mr John Aquilina agreed to:**

That:

- (1) Diane Beamer be appointed to serve on the Joint Standing Committee on Electoral Matters in place of Anthony Paul Stewart, discharged; and
- (2) A message be sent informing the Legislative Council.

Message forwarded to the Legislative Council advising it of the resolution.**CONSIDERATION OF MOTIONS TO BE ACCORDED PRIORITY****Federal-State Cooperation**

Mr STEVE WHAN (Monaro—Parliamentary Secretary) [3.40 p.m.]: My motion, which should take priority, is about last week's meeting of the Council of Australian Governments, noting New South Wales achievements and COAG progress. The reason this should be given priority is that it is vitally important to the people of New South Wales. The priority for the people of New South Wales is about ending the 11-year blame game between the Howard Government and the States. The priority of the people is about making sure New South Wales gets a fair deal after 11 years of seeing its share of tax revenue slip and all States being punished by a Federal Government intent on its own political agenda.

This motion should be accorded priority because COAG has now taken the big step towards meeting the priorities that are important to the people of New South Wales. The importance of all services is worthy of debate in this place. The priorities of the people of the New South Wales are things like water, health and education, and making sure those services receive the proper resources to produce good results. The priority of the people of New South Wales is not the Opposition's constant grubby attacks on infrastructure and services in New South Wales or its constant attempts to distract attention from its internal divisions, potential punch-ups at

branch meetings, scandals and attempts to cover up the leadership instability of the Coalition. That may interest the people of New South Wales, but it is not their priority.

The priority of the people of New South Wales is making sure the results of COAG start to flow through to help New South Wales get real results in water, health and education, and to overcome the fall in State revenue percentage of gross domestic product under the Howard Government. Although newspaper articles such as those entitled "I'll fight you and your mates" about the Liberals and the diminishing Nationals are of mild interest, the real priority to the people of New South Wales are those matters I would like to raise today.

Mr John Williams: Point of order. The member is arguing a case for priority, not about the behaviour of Liberal members.

The DEPUTY-SPEAKER: Order! There is no point of order. The member is arguing why his motion should receive priority.

Mr STEVE WHAN: I thank the member for Murray-Darling for mentioning my comments about the behaviour of Liberal members. My motion is a real matter of priority to the people of New South Wales. It should take priority over the Opposition's constant whingeing and excuses for having no policy at all.

Public Transport Infrastructure

Ms GLADYS BEREJIKLIAN (Willoughby) [3.43 p.m.]: Few government services are more critical to the daily lives of people than public transport. Regrettably, this State Government has demonstrated over the past 13 years its inability to deliver major public transport infrastructure. My motion needs to be debated because so many projects the State Government has promised in the past decade have come to nought. Some of these projects include the Bondi Beach rail link, which was promised in 1998. The high-speed rail link to Newcastle and the Central Coast has been dumped. The Hurstville to Strathfield rail link has been dumped. The high-speed rail line from Sutherland to Wollongong has been announced and dumped. The Parramatta to Epping rail link was axed and instead we will have a rail line half the distance originally proposed but at double the cost. The central business district rail link and the second harbour crossing also have been dumped. The north-west heavy rail link project, which has been on the table for the past 10 years, also has been dumped in favour of the Government's most recent metro link proposal.

This is the thin edge of the wedge, because so many other public transport projects have failed. The State Government thinks it can hide behind glossy brochures and political advertisements on television and on the community into believing it actually has a vision for public transport. Commuters are sick of it: the public, the community, the taxpayers. The community expects things to be delivered. They know that glossy brochures and political advertisements will not actually deliver projects. I was concerned that yesterday during question time the Minister for Transport misled the House when he stated in answer to a question about the metro link proposal asked by the member for Londonderry, who is not present, "Our vision began with the urban transport statement in late 2006." I thought I would search the 2006 urban transport statement for reference to the metro link proposal. On page 20 I did not find the vision for the metro link proposal.

Mr Paul Gibson: Point of order: My point of order is a point of clarification. The member has not mentioned priority. I do not know whether she is just making a speech or asking for priority for her motion to be heard today. If she could be more explicit, it might help members on this side of the House.

The DEPUTY-SPEAKER: Order! The standing orders do not provide for clarification. I remind the member to give reasons why her motion should be afforded priority.

Ms GLADYS BEREJIKLIAN: I appreciate that the member opposite needs convincing on whether to support my motion. I thank him for considering supporting it. Contrary to what the Minister said in the House yesterday, page 20 of the 2006 urban transport statement refers to bringing forward delivery of key sections of the metropolitan rail expansion program, particularly delivering the north-west rail link by 2010 instead of 2015 as scheduled. The Minister told a mistruth. In his answer yesterday he referred to the heavy rail link mentioned in that document. Again, that is one small example of how this Government will say and do anything to cover up its incompetence regarding public transport.

Of course, we desperately need a rail line to the north-west: that has been Coalition policy and we have supported the initiative. The difference between the Coalition and Labor is that we actually will deliver on our

policies, not just put out glossy brochures. Little wonder commuters shake their heads about whether the metro link to the north-west will ever be built. The Government has double booked the tunnels under St James railway station. Are they a water reservoir or rail tunnel network? A year ago the Government announced it would be a water reservoir but then a few weeks ago announced that it would be used as a rail tunnel. What is it to be? No wonder people are shaking their heads.

Transport experts have said that the listed drill times are impossible to meet. The Premier admitted today that he has allowed for only 30 per cent contingency costs for the project when every other rail project has exceeded budget by over 100 per cent. That will equate to at least double the cost of the initial announcement. This demonstrates the State Government's desire to put political spin and glossy brochures ahead of delivering projects. This motion deserves priority because we need to debate all the Government's public transport infrastructure failures. The people of New South Wales deserve to be heard. They do not want glossy brochures and political advertisements; they want action.

Question—That the motion of the member for Monaro be accorded priority—put.

The House divided.

Ayes, 49

Mr Amery	Mr Harris	Mrs Paluzzano
Ms Andrews	Ms Hay	Mr Pearce
Mr Aquilina	Mr Hickey	Mrs Perry
Ms Beamer	Ms Hornery	Mr Piper
Mr Borger	Ms Judge	Mr Rees
Mr Brown	Ms Keneally	Mr Sartor
Ms Burney	Mr Khoshaba	Mr Shearan
Ms Burton	Mr Koperberg	Ms Tebbutt
Mr Collier	Mr Lynch	Mr Terenzini
Mr Coombs	Dr McDonald	Mr Tripodi
Mr Corrigan	Ms McKay	Mr Watkins
Mr Costa	Mr McLeay	Mr West
Mr Daley	Ms McMahan	Mr Whan
Ms D'Amore	Ms Meagher	
Ms Firth	Ms Megarity	<i>Tellers,</i>
Ms Gadiel	Ms Moore	Mr Ashton
Mr Gibson	Mr Morris	Mr Martin

Noes, 35

Mr Aplin	Mr Hazzard	Mrs Skinner
Mr Baird	Ms Hodgkinson	Mr Smith
Mr Baumann	Mrs Hopwood	Mr Souris
Ms Berejikian	Mr Humphries	Mr Stokes
Mr Cansdell	Mr Kerr	Mr Stoner
Mr Constance	Mr Oakeshott	Mr J. H. Turner
Mr Debnam	Mr O'Dea	Mr R. W. Turner
Mr Draper	Mr O'Farrell	Mr J. D. Williams
Mrs Fardell	Mr Page	Mr R. C. Williams
Mr Fraser	Mr Provest	<i>Tellers,</i>
Ms Goward	Mr Richardson	Mr George
Mrs Hancock	Mr Roberts	Mr Maguire

Question resolved in the affirmative.

FEDERAL-STATE COOPERATION

Motion Accorded Priority

Mr STEVE WHAN (Monaro—Parliamentary Secretary) [3.56 p.m.]: I move:

That this House:

- (1) congratulates the Commonwealth and State governments for taking action on key national issues at last week's Council of Australian Governments [COAG] meeting;

- (2) notes the achievements of New South Wales on important national issues like water, health and education;
- (3) notes that after 11 years of Howard Government inaction, for the first time COAG is working to achieve results for hardworking families; and
- (4) notes that during the entire Howard term, the New South Wales Coalition did not once stand up to their Canberra colleagues and fight for New South Wales.

For the first time in more than a decade the Council of Australian Governments [COAG] is working to achieve real results, end the blame game and cost shifting, and implement real national reforms that will benefit all. The Council of Australian Governments is now working because the Prime Minister and the Premiers have put policy above politics, outcomes above arguments, and have put to good use Australia having wall-to-wall Labor Governments for the first time. Under John Howard's one-sided COAG model the States were like the proverbial dope on a rope. They were always being punched around and were never able to respond in time. State governments were always being summoned to Canberra only to be offered less than what they started with. Nothing proposed by the States was ever good enough because John Howard was intent on achieving his own political ambitions and aims by bashing State Labor governments.

Over the period that Howard was in government the States' share of funding as a percentage of gross domestic product dropped, as pointed out by the Macquarie Bank's economist, Rory Robertson, a couple of years ago in an article in the *Australian Financial Review*. For example, in health, the share of funding went from being an even 50:50 split to an arrangement whereby the Commonwealth contributed only 42 per cent, approximately. John Howard refused to accept that his Government had a role to play in increasing health funding, in assisting to address urban congestion and infrastructure development, or even in donations reform—something that the New South Wales Government wrote to him about regularly.

By contrast, Kevin Rudd has provided a set of tough and clear goals to work on, forcing eight jurisdictions to come back with strong and detailed plans for service improvement. That is something welcomed by New South Wales because we are interested in service improvements and working cooperatively with a Federal Labor Government to end the blame game, which the people of the State welcome. Not a single member of this House has not heard that from constituents. Constituents want an end to the blame game. They want States and Territories to be rewarded for the quality of their performance and for working together—not for the party affiliation of their governments. Specifically, the breakthrough on the Murray-Darling rescue plan is really important, one of the highlights of the Council of Australian Governments meeting. Recently I had the privilege of representing the Minister responsible for agriculture at the Murray-Darling Basin Commission, a very interesting experience. I have a lot to say about that, but as time is limited I will leave the member for Bathurst to comment on the Murray-Darling.

Mr Gerard Martin: A well-known expert!

Mr STEVE WHAN: A well-known expert, as he said. He is a good Country Labor member and will be able to add some light on that issue. Health service is one key area about which all constituents talk to their local members. The COAG meeting heralded a new age of cooperation between Federal and State governments to improve health services.

Mr Thomas George: Pick the phone up.

Mr STEVE WHAN: The member for Lismore has wandered through the House, as he does on occasions. The Government talks to its colleagues in Canberra. As the COAG meeting found, those colleagues listened, and we are getting results for the people of New South Wales. The Rudd Labor Government is working with the State governments, in contrast with the former Federal Government. As a result, the Premier has secured a better deal on health for working families—a historic deal that does what John Howard failed to do for 11 long years. Members will remember that before the last election the then Federal Liberal health Minister told our hardworking health Minister, who is present in the Chamber, that he was not interested in talking about the next Commonwealth-State health agreement as an election was coming.

In contrast, Kevin Rudd has gone to COAG with a positive attitude and told Premier Iemma that he will work with New South Wales. Premier Iemma talked to Prime Minister Rudd and secured an extra \$410 million in funding to improve health and dental services across the State. The member for Parramatta will talk about that. Her constituents will be really pleased to hear about the work that is to be done. There was plenty more on the agenda, including key issues such as the reform of some fundamental Commonwealth-State financial agreements. [*Quorum called for.*]

[The bells having been rung and a quorum having formed, business resumed.]

Before the member for a very marginal seat on the Central Coast so rudely interrupted me, I was talking about the importance of removing the clutter of section 92 specific purpose payments, and all the bureaucratic interference and pettiness, which, again, was a historic reform announced at COAG. At the stroke of a pen a whole mountain of duplication and waste was swept aside. As the member for Monaro, that new cooperative arrangement will be great for me, because I will be working with Mike Kelly, the new Federal member for Eden-Monaro, on delivering sewerage systems in Braidwood, an upgrade of Lanyon Drive and improved health services. Members on this side of the House are concerned about delivering real results for the people of New South Wales, unlike members opposite who are too busy with internal party squabbles, with closing down their membership and with threatening 60-year-old branch presidents. Those are the sorts of things that Government members will not have a bar of. We are interested only in delivering for the people of New South Wales.

Mr CHRIS HARTCHER (Terrigal) [4.05 p.m.]: I move:

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

this House:

- (1) notes the importance of COAG for the development of a national approach on key issues;
- (2) notes the additional funding of \$1 billion granted to Victoria for the Murray-Darling Basin and \$500 million to Queensland for hospitals and regrets the failure of the Premier to obtain any benefit for New South Wales; and
- (3) calls upon the Premier to lift his game at future COAG meetings.

We have seen the Council of Australian Governments [COAG] hold its first meeting under the new regime of wall-to-wall Labor, and New South Wales did not do very well at all. The tragedy for New South Wales is that it was represented by Premier Iemma, who lacked the negotiating skills that Queensland Premier Anna Bligh showed in extracting half a billion dollars for Queensland hospitals, and that Victorian Premier John Brumby showed in extracting \$1 billion for the Murray-Darling Basin. New South Wales was left high and dry. All Premier Iemma could do was smile at the cameras and say how good it was to see the level of cooperation now between the States and Canberra.

It is very good to see that level of cooperation, but as Premier of New South Wales it is his job to get something for New South Wales, and he came away with only a smile. Queensland got half a billion dollars, Victoria got a billion dollars, and New South Wales got a smile. At the end of the day, as my amendment to the motion states, that reflects poorly on our Premier. We feel sorry that he lacks the negotiating skills shown by Mr Brumby and Ms Bligh. We feel sorry that Premier Iemma was unable to extract any benefit from Canberra, and came away empty handed. Previously the Premier had an excuse: he could always say, "Wicked John Howard hates New South Wales. John Howard won't do anything for New South Wales", but what is his excuse now? Why does the \$1.5 billion that was on the table—that is big money—go to Queensland and Victoria, but not a cent comes to this State? This State is drowning in incompetent government, and Premier Iemma walked away without a single dollar.

Ms Tanya Gadiel: Point of order: The member is misleading the House.

The DEPUTY-SPEAKER: Order! There is no point of order. However, the member for Terrigal could put his argument forward with less gusto. He does not need to bang the lectern.

Mr CHRIS HARTCHER: I will not repeat what the member for Kiama, the famous Bo Bo Harrison, used to do and belt this with great vigour. I learnt from him. He was a wrestler, and the Deputy-Speaker knew him well. I will address not only Premier Iemma's lack of skill but also the whole lack of approach by the New South Wales Government towards COAG. What is its agenda as far as COAG is concerned? We used to hear a great deal about how New South Wales was missing out on the GST. If the \$3 billion allegedly missing from New South Wales is going to be rectified, it has to be by agreement between the States and Canberra—and COAG is where it can be done. What did the Premier do? Nothing at all. He did not even raise the issue of the \$3 billion. Not only was the Premier outflanked by Queensland and Victoria, but he also lacked the vision, ability and courage to tackle Canberra on the goods and services tax.

During the past eight years, since the GST was introduced, motion after motion has been moved in this House demanding the \$3 billion, many of which were supported by the member for Monaro and the member for

Bathurst. The member for Bathurst made the same good speech many times because he liked it so much. But what did the Premier do? Not a thing. No wonder the Hon. John Della Bosca—God bless him—is now making his move. Through the media he has indicated that he wants the seat of Gosford—in fact, he has wanted it for a very long time. He has made his move. He has said, "There is room for improvement forwards." It was a beautiful way of saying, "I want the Premier's job" because "there is room for improvement and I want to improve too." It was a nice way of saying, "Morris, your time for improvement is over." If the Premier had any ability, he would have shown it at COAG. He did not come through. What was said about the half billion dollars:

A backroom deal was struck between Premier Anna Bligh and Kevin Rudd that should deliver millions of extra dollars to Queensland's public hospitals. Ms Bligh yesterday won a "personal guarantee" from the Prime Minister for private talks and is confident of snaring additional money for the state.

Ms Tanya Gadiel: Point of order. Again, the member for Terrigal is misleading the House by referring to zero money being allocated to New South Wales. We know that \$400 million has been allocated to New South Wales.

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

Mr CHRIS HARTCHER: Let *Hansard* show that after five years in this House the member for Parramatta still does not know the standing orders. That is what Parramatta gets for its money! After five years of tuition, the member for Parramatta still does not know the rules of the classroom. I will not talk about her incompetence; I will leave that for another day. I am sure the voters of Parramatta will be very interested. I refer to what the Premier told the House on 1 April in answer to a Dorothy Dixier:

This COAG was very different to the previous ones and marks the first step towards national cooperation in improving services for families.

Instead of staying true to his word about working with other governments to improve services, today the Premier banned his Housing, Planning and Treasury officials from the Senate Select Committee on Housing Affordability in Australia. Yesterday the Premier talked about increased cooperation; today he has ordered officials from New South Wales to withdraw from the national housing affordability summit. Through this action, the Premier has signalled to families in New South Wales that he is not interested in making housing affordable in this State. New South Wales is the most unaffordable State for housing, with a recent AMP report stating that homes in New South Wales cost families 8.3 times their disposable incomes, up 40 per cent on 1995 figures.

That was an opportunity for the Premier to represent New South Wales families in the drive to make housing more affordable. His response was to ignore it and let families fend for themselves. Today the Senate committee issued its report on the Premier. The chair, the Western Sydney based Senator Marise Payne, said that in a disappointing decision at the eleventh hour the New South Wales Government has withdrawn from today's hearing of the Senate Select Committee on Housing Affordability in Australia. The chairman said it was unfortunate that the New South Wales Government had withdrawn from the committee. She said, "The inquiry is due to report on housing affordability in June. The inquiry is very keen to find solutions to the barriers of home ownership in Australia, in the spirit of ... new cooperative Federalism."

The member for Baulkham Hills is an outstanding advocate for the people of Western Sydney. Unlike the member for Parramatta, he knows and understands the classroom rules of this House. The member for Baulkham Hills has a strong interest in ensuring that housing affordability is provided. New South Wales is in a federation and has to fight for its share of the money. It is not getting its share of the money because, as the member for Bathurst and the member for Monaro have told us on so many occasions—I will give them their due to get them in Cabinet, and I am working hard on the reshuffle—it is missing out on the \$3 billion. Where was it? Not a dollar out of COAG. Where were figures on public hospitals that are drowning in this State? Where is the money? Half a billion for Queensland and not a cent for New South Wales. Where is the money for the Murray-Darling—the food basin of New South Wales? Not a penny extra for New South Wales. The Premier has indeed been tried at COAG and been found wanting.

Mr GERARD MARTIN (Bathurst) [4.15 p.m.]: Once again the wind-up toy is at work—clichés and no facts. Together with the member for Monaro, I support this important motion. An important matter that came out of the Council of Australian Governments [COAG] conference was the historic agreement on the Murray-Darling, which received bipartisan support. In the fine print of the \$10 million plan we will see that

New South Wales has fared very well and it will do even better in the future. The agreement is an essential step forward to address the failure of the previous Federal Government to act quickly to protect a resource vital to the country's regional communities, irrigation industries and environmental treasures.

The inability of the former Howard Government to reach an agreement with Victoria over Murray-Darling Basin reforms highlights the importance of leaving out politics when it comes to water. The stalemate has come at environmental and economic cost. The new Rudd Government has brought Victoria on board with the national plan. New South Wales welcomes the new Federal Government's cooperative approach to the basin reforms. We are now entering a new era—the impacts of the drought and climate change have led to deteriorating infrastructure and decreased rainfall and water availability. The importance of having a long-term plan for the future of the basin and the industries, communities and families it supports is now critical and the Labor governments across this nation are delivering.

The agreement to a memorandum of understanding reached by all Murray-Darling Basin States and Territories last week will lay the foundations for governments to deliver water security to families, industries and the environment of the basin. The memorandum of understanding unravels the complex layers of institutional arrangements imposed by the Howard Government, with all States agreeing to the establishment of the new Murray-Darling Basin Authority. The new independent authority will be responsible for developing, implementing and monitoring a new \$10 billion basin plan, which places a sustainable cap on water diversions. The previous Federal Government spoke a lot about the \$10 billion plan for the national water initiative but John Howard came up with a bucket of money but had no idea how to implement the fine print. Once again, it has taken a great administrator like Kevin Rudd with the State Premiers to sort it out.

The new arrangements have been welcomed—except by The Nationals in New South Wales. Mike Young, a member of the Wentworth Group of Concerned Scientists, said that the COAG agreement on water was an exciting breakthrough. Professor Gary Jones, chief executive officer of the Cooperative Research Centre for Water Quality and Treatment, has welcomed the COAG agreement. He said that the deal now enables key elements of the rescue package to proceed. The agreement delivers long-needed certainty to irrigators and industries with funds set to flow to infrastructure projects that will secure more water right across the basin. This means healthier rivers and security for irrigators. The Rice Growers Association of Australia acknowledged:

COAG's agreement for a merger of the MDBC into the new Murray-Darling Basin Authority is a practical and sensible solution for improved governance arrangements for the Basin

Murrumbidgee Irrigation heralded the agreement as a positive first step by the Commonwealth and States toward better water management across the basin. The States will also maintain their right to allocate water and make decisions on natural resource management within their border once subject to the basin cap. We know that has been contentious in the past but we have now worked out an agreement on that. We on this side welcome this approach, being the State that currently leads the nation in the efficient allocation of water through our water sharing plans. This new cooperative approach paves the way for the delivery of one of the most significant reform packages in the past decade, impacting the way water is managed, allocated and valued right across the country. The delivery of the \$10 billion plan is a top priority for New South Wales and we will continue to work closely with other States and Territories and the Commonwealth to develop effective investment priorities critical to rural and regional communities across the State—a welcome change and improvement on the rhetoric and lack of action by the previous Federal Government.

Mr WAYNE MERTON (Baulkham Hills) [4.20 p.m.]: I think what will happen in due course, if it has not happened already, is the Government will rue the day the Rudd Government was elected. Members may well laugh, but the reality is already clear. To date, as a result of the Council of Australian Governments [COAG] meeting, the Government and New South Wales have scored very poorly. The Government came away with a very bad result that every man, woman and child in New South Wales will pay for. It is a result of this Government's failure to negotiate a better deal. In addition to that—Government members may find it amusing, but the people on Struggle Street do not—

Ms Tanya Gadiel: Pathetic!

Mr WAYNE MERTON: The member for Parramatta is the pathetic one.

[*Interruption*]

No, if the member dishes it out so can I.

The DEPUTY-SPEAKER: Order! The member for Baulkham Hills will confine his remarks to the motion before the House.

Mr WAYNE MERTON: Right, I will confine my remarks to the motion because Government members do not like what I am saying. The other problem the Government has is that it no longer has someone to bash up all the time. We used to come to question time every day and if it was not the member for Wollongong condemning the Howard Government it was the member for Monaro, criticising it and blaming it for all the problems that New South Wales has. Now the Government is congratulating the Rudd Government. To date the Rudd Government has made a pretty poor fist of things. There has been a lot of talk and a lot of action, but it will be interesting to see how long that 73 per cent approval rating lasts. It is interesting to note that after the COAG meeting the great man—resplendent in a new suit and new red tie, and with his hair nicely groomed—quickly hopped on a jet and took off on a grand world tour, leaving members opposite behind. The real victors from COAG were States such as Queensland and Victoria, which walked away with a positive result.

The Government's motion refers to 11 long years of Howard Government inaction. Let us just look at those 11 years of Howard Government "inaction". Let us look at interest rates. Under the Hawke and Keating governments interest rates averaged 14 per cent. Members opposite do not like this but they have to listen to it again. I refer to unemployment. I can remember—and the member for Parramatta should remember this too—that during those bleak days of the Keating administration in the early 1990s shop after shop in Church Street, Parramatta, closed because the owners had gone broke. Unemployment in Parramatta reached something like 12 to 15 per cent. When the Howard Government left office it was closer to 4 per cent. That is inaction?

Let us look at government debt. What about the billions of dollars of government debt incurred by previous Labor governments that the Howard Government paid back? Government members do not want to know about that. This is 11 years of inaction! Interest rates averaged 7 per cent. Under Labor previously they were 13.5 per cent. National debt was reduced dramatically because billions of dollars were paid back. Employment rates were down to 3 or 4 per cent, the lowest in 30 or 40 years. Government members call that inaction; I call it a success story. Government members will never admit it but in years to come they will say, "In retrospect they weren't all that bad. Of course, we can always bash them up and blame them for everything that has gone wrong."

Let us look at this Government's neglect. Let us look at the infrastructure plans for Western Sydney. The Parramatta to Chatswood line was scrubbed. The Epping to Chatswood line is twice the cost and half the distance. The north-west rail link was to be built by 2010. In 2008 the Government has plans to build a metro line. The metro will cost \$12 billion. The Government could not raise \$4 billion for the north-west rail link so where is the \$8 billion coming from? The Government has a legacy of failure and of letting the people down. It has betrayed the very battlers who have voted Labor all their lives. Those people will come back to haunt this Government on the fourth Saturday in March 2011 and they will haunt its Federal masters in the meantime.

Ms TANYA GADIEL (Parramatta—Parliamentary Secretary) [4.25 p.m.]: What a pleasure it is to speak on this issue today. Finally, we have a Commonwealth Government that is willing to work with the States and Territories to make some real improvements in the areas that matter. The Iemma Government welcomed the election of the Rudd Government as a chance to finally engage with a Federal Government that was willing to take its role in supporting public health. Thanks to John Howard, the Federal share of public hospital funding has declined to 41 per cent, with the States now funding 51 per cent.

Kevin Rudd acknowledged this fact last week at the Council of Australian Governments meeting and took action by committing an extra \$1 billion to the nation's public health system next year, of which New South Wales will gain approximately \$400 million. It is a pity the member for Terrigal is not here any more to listen to this. I repeat: \$400 million. He was set on misleading the House earlier in this debate by indicating that New South Wales got nothing. The \$400 million is a down payment by the Federal Labor Government on helping to relieve pressure on our public hospitals. Contrary to what some critics are saying, that extra funding will make a difference because it is additional to the day-to-day running costs of our hospitals. This funding will support essential reform in our health system instead of being soaked up by routine operational costs.

The DEPUTY-SPEAKER: Order! The member for Murray-Darling will cease audibly mumbling.

Ms TANYA GADIEL: It is certainly welcomed in my local hospitals, the Children's Hospital at Westmead and Westmead Hospital, which is due to celebrate its thirtieth anniversary. That is another amazing

piece of infrastructure built by Labor, more specifically by Gough Whitlam. It is celebrating 30 years of excellent health care in Western Sydney. The Prime Minister went further, and agreed that the Commonwealth would move to restore funding balance and a proper long-term sharing of costs over the term of the next Australian Health Care Agreement. The Commonwealth also acted to help ease health workforce shortages by announcing an extra 50,000 health vocational training places over the next three years.

[Interruption]

I think we need a good nurse over this side of the House. The training places will include positions for enrolled nurses, dental health workers, allied health assistants, paramedics and Aboriginal health workers, and will be online from January 2009.

[Interruption]

They will come from our universities, which is what this is about, you fool! COAG also moved to further strengthen the health workforce and address the skills shortage by agreeing to the introduction of a national registration and accreditation system for health professionals. Clearly, a huge gain has been made in health, the area that needs the most attention because John Howard never had the guts or decency to put it on the COAG agenda. Importantly, COAG also embraced significant, long-term and ongoing reforms across all aspects of education—in early childhood development, schooling, and vocational education and training. I am proud to say that for the first time all governments have agreed on a common framework for reform of education. Again, that is something only Labor has been able to achieve in Australia.

COAG has endorsed a broad set of goals and progress measures in the key areas of early childhood schooling and skills and workforce development that will guide education systems across the nation. Government members who are committed to social justice can take great pride in the fact that the Council of Australian Governments also agreed to develop a national partnership agreement to help low socioeconomic status school communities. This will form part of the national education funding agreement to be introduced at the beginning of 2009. An education revolution is in the making.

Pursuant to sessional orders business interrupted and matter lapsed.

GAMING MACHINES AMENDMENT (TEMPORARY FREEZE) BILL 2008

Agreement in Principle

Debate resumed from 28 February 2008.

Mr GEORGE SOURIS (Upper Hunter) [4.30 p.m.]: Prior to making some remarks about the content of the Gaming Machines Amendment (Temporary Freeze) Bill 2008, I inform the House that the way in which this bill found its way into this Chamber has been somewhat unsatisfactory. I am not referring to the Minister for Gaming and Racing, his staff or his departmental staff. In particular, Mr Michael Foggo has been extremely helpful in briefing me on a number of occasions, including today. However, I refer to the management of this House, which requires that this bill be brought on today even though aspects of it are still being debated and discussed and members were briefed as late as minutes ago.

I am also mindful—worryingly so—of a number of conflicting views being represented either erroneously or unfaithfully between the Government and the Opposition. With legislation of this nature, the hotel and club industries, being very much affected, must be heavily consulted. Discussions must occur between the Government and those organisations and between the Opposition and those organisations—and, in fact, between the Government and the Opposition. It is disconcerting, to say the least, to have representations made to me that one sector of the industry agrees or disagrees with part of the legislation and, upon my consultation with those organisations, that turns out not to be the case.

This bill has been brought on rather suddenly for continuation of debate, having been temporarily or unexpectedly taken off the agenda a couple of weeks ago, just after the Minister introduced it. To all intents and purposes, it looked as though the Government was considering some modifications or amendments to its legislation. However, the bill resumed today without any amendment, without any modification. I believe that a number of modifications, which I will outline, are necessary. I understand from discussions through the department that the Government will consider making some adjustments through the impending regulation that

will be presented to the House at a later time. I hope that the Minister will be able to give those undertakings during the course of this debate.

I shall address three aspects of the bill. First, the freeze preventing clubs and hotels from increasing their gaming machine threshold; second, preventing applications for new multiterminal gaming machines for clubs that are above the present 15 per cent cap, or where the proposed increase would breach that cap; and, third, the continuing aggravation between lessees and lessors in relation to poker machine entitlements where a lessee presently has the right to sell poker machine entitlements without any financial gain or any financial sharing with landlords. In many respects the bill is required to give effect to an announcement made by the Minister on 7 December last year. He announced that there would be a freeze—the freeze to which I just referred. There was no announcement on 7 December relating to lessors and lessees of hotels; however, that has been included in this bill.

I understand all of these measures are temporary pending the outcome of the Government's deliberations in respect of amendments to the Gaming Machines Act that, in most part, come about as a result of completion of the five-year statutory review of the Gaming Machines Act in December. Five years has expired since the Act was first assented to, so the automatic review contained within that legislation is what I am referring to. I am disappointed that it is necessary to have a bill of this temporary nature, given that the real bill should be no more than a month away from this Parliament. Surely the effort that has gone into the temporary bill ought to have been directed into the final bill that we all expect.

I am mindful of a couple of remarks made by the excellent Legislation Review Committee of this Parliament. It may surprise the committee to know that its reports are read avidly. I am taking note, in particular, of a couple of aspects that the committee referred to in relation to this bill. I will come to that in due course. The matters raised by the committee that take my interest are, first, the retrospective nature of the bill—there is retrospectivity involved, which I think *prima facie* is bad legislation, or there are elements of it that are bad—and, secondly, that it contains a denial of compensation. The retrospective nature of the bill creates a further consequence of denial of compensation in the case of the hotel lessee-lessor issue of those that have completed their transactions, the vast majority of whom have completed their transactions before the introduction of the temporary legislation with which we are now dealing.

Following the tabling of the statutory five-year review of the Act it is necessary to prevent venues rushing through new gaming machine applications before the implementation of the new Act. The Minister announced that a temporary freeze would apply from 7 December 2007, which requires legislative effect. As I said, we should debate the Gaming Machines Amendment Bill rather than temporary freezes or anything temporary. In any case, that is really not the point. One way or the other it is necessary to have legislation to implement the announcement of that date, so legislative enforcement is required to prevent the Liquor Administration Board processing applications received after the announcement.

The Government wishes to rein in the expansion of multiterminal gaming machines—an issue that the Opposition is not willing or interested to take up as it is a matter of public policy, and community expectations are involved and so on. The Opposition does not wish to make that point; it is happy to go along with the Government's intention to do that. As I said earlier, the third item is the very vexed issue between hotel lessees and landlords over the beneficial ownership of poker machine entitlements upon the expiration of a lease ever since the Government introduced legislation in 2001, which the Government now claims inadvertently dispossessed landlords of any financial interest in these poker machine entitlements. At the time that was evident.

In the intervening period the Hon. Richard Face, the Minister who had carriage of that legislation, continuously claimed that there were unintended consequences. We are now in 2008. The sponsoring Minister spent six or seven years publicly pointing out unintended consequences so it seems rather late now, with only a handful of cases to go, that the Government seeks to remedy these unintended consequences by introducing a bill to "remedy" the situation for the remaining number of cases. Nobody really knows how many cases there are. Deutsche partners, a prominent legal firm in this area, advised me that it is aware of four cases but there may be up to 10 cases. In the past hundreds of cases have been completed.

Many cases have been subject to significant dispute, including high-profile court cases, a number of which have occurred, a number of which have been appealed, and leave to appeal to the High Court has been dismissed on a number of occasions. The review procedures that are available to applicants have been exhausted to the fullest extent, yet essentially the legislation has been upheld. What this legislation does now is literally

quite extraordinary. A new law will be created retrospectively to apply to those few last remaining cases, thereby greatly disadvantaging and discriminating against many applicants and the court processes that have been involved.

Opposition members are not taking a position one way or another—that is not the point. It is not that Opposition members favour the position of lessors as opposed to the position of lessees, as that is another matter altogether. The issue is the retrospective nature of the legislation and the lateness with which the matter has been dealt. This issue is well known in every public forum. The Minister claimed that the legislation that was introduced was not the legislation that was intended. I am aware that on a number of occasions the New South Wales Cabinet considered representations by that Minister to amend his own legislation but Cabinet refused to proceed down that path. This legislation has had more process than anyone could imagine. It is extraordinary that legislation appeared at this point in time when such a small number of cases remain and when a major bill dealing with these issues is pending.

It appears to me as though there is a fair bit of mismanagement by the Government of its policies, its decision-making processes, and its ability to get on with proper public policy. This Government stands condemned after all these years for placing the people of New South Wales and, in particular, the two industries directly associated with this legislation in this sort of invidious position. I will deal with specific aspects of the legislation, for example, the temporary freeze on the transfer of poker machine entitlements for clubs. I believe that that offers a level of contradiction. When replying to debate on this issue the Minister must make a commitment to clarify the regulations that will be presented to Parliament.

In the last part of June 2007 the Government introduced the State Revenue and Other Legislation Amendment (Budget) Bill 2007 to extend the time available to clubs to transfer poker machine entitlements. That bill was consequent upon earlier legislation to reduce the number of poker machines to a maximum of 450 poker machines or 10 per cent and, if that figure was higher than 10 per cent, by 10 per cent. A number of clubs that were involved were not able fully to complete all these transactions and not a lot of poker machine entitlements remained. In the interests of fairness and good policy the Opposition supported this legislation. It was decided to extend the time in which remaining transfers could occur from 2 July 2007 to 1 December 2008.

The bill that we are now debating places a freeze on those applications. Apart from the obvious point about the freeze, the time lost, and the negotiations that have occurred with other clubs to transfer these poker machines, at the time it was decided that it would be a lot fairer to allow clubs to sell their poker machines rather than simply arbitrarily reduce them by confiscation or surrender without compensation. I think that was fair; there was no problem about that. Having decided that a bit more time would be made available, this legislation, which introduces this temporary freeze, will adversely affect some of the applicants who are seeking to purchase poker machines and who would have undertaken complicated and expensive social impact assessment processes. Essentially, that money will be lost, which I think is unfair.

I will seek to amend this legislation to ensure that even though applicants who have lodged a claim might be caught in the freeze their applications will be dealt with in due course, irrespective of the new gaming machines law that will come into place to replace the existing bill. That will be grandfathered into the new legislation by regulation so that applicants will not be disadvantaged any more than they already are. Such disadvantage could extend for half a year if we assume that the new legislation will be implemented in September. We must also bear in mind that the Liquor Administration Board will be abolished on 1 July, and the new control authority is expected to come into operation. These proposals are not neat or smooth. It is unfortunate that a lot of this unhappiness has come about at the hands of the Government.

I have had significant representations from ClubsNSW, individual clubs and the Services Clubs Association about the unfairness and discrimination created by the legislation. ClubsNSW has put forward that limiting multiterminal gaming machines to 15 per cent of a club's total number of gaming machine entitlements has caused concern amongst clubs across the State that have operated and invested heavily in multiterminal gaming machines for more than a decade. Clubs were responsible for bringing multiterminal gaming machine technology to Australia. In 10 years multiterminal gaming machines have increased to comprise only a small proportion—less than 3 per cent—of overall gaming machine installation in New South Wales clubs.

ClubsNSW believes the number of multiterminal gaming machines is unlikely to increase significantly over time due to their initial expense, their universal unpopularity with gamblers and their highly volatile nature in their ability to achieve their theoretical return percentage in the short to medium term. In comparison with stand-alone gaming machines this volatility also places a natural cap on individual club venues that generally

require predictability in returns and cash flows. In short, in the absence of a cap on machine numbers and left alone, New South Wales clubs will not dramatically increase their holdings of multiterminal gaming machines. One wonders whether the huge sledgehammer approach adopted in the bill is absolutely essential.

Multiterminal gaming machines have become an important part of the product mix delivered by clubs, and the proposed cap has the potential to unfairly restrict clubs by maintaining their current service level to members. The proposal also has the potential to significantly impact on gaming machine manufacturing and service industries, for which New South Wales is world renown. New South Wales exports machines extensively, particularly to the emerging markets in South-East Asia. The Australian Gaming Machine Manufacturers Association has expressed to me some concern about the potential impact of the cap on its members.

ClubsNSW has provided me with survey information that clubs have invested heavily in this style of game. The cost of a multiterminal gaming machine terminal ranges from \$20,000 to \$50,000 with a complete unit typically comprising five terminals—a total cost of approximately \$200,000. Therefore, the value of the 2,158 terminals currently in operation in clubs would be approximately \$75 million. Notwithstanding the proposed temporary freeze, clubs with multiterminal gaming machines above 15 per cent of their total installation are planning to spend almost \$1 million on multiterminal gaming machines in the next 12 months. Most of these purchases, which have progressed to formal contractual arrangements with manufacturers, together with the associated costs for these investments, and commitments from clubs, are jeopardised by this bill, particularly its retrospective nature.

I refer now to hotel lessees-lessors and the transfer of poker machine entitlements. This area has been in dispute since the Government's 2001 legislation. From start to finish the arrangement is an interesting but unhappy one as there are significant winners and losers. Most clubs probably were not aware that they would potentially lose what they believed was an asset when the letter of the law was applied. I have had the benefit of extensive discussions with the Australian Hotels Association. The association has provided me with access to its lawyers, Deutsche partners, who I believe are one of the most prominent firms involved in this lessee-lessor issue.

The association understands that the legislation is intended to be temporary pending finalisation of the wider review of the Gaming Machine Act. However, even with this proviso the bill appears to overturn vital court precedent. The Australian Hotels Association makes a strong point: the association and industry were told on a number of occasions, especially by previous Ministers, that the Act would not be amended and they were to sort out the issues through the courts. They have been doing that, yet the sudden appearance of this bill overturns all that has happened. As a result, tenants who are the liquor licence holders, with the knowledge of an established court precedent, have delayed a decision to transfer poker machine entitlements until the end of their leases. Deutsche partners estimate no more than 10 hotels in New South Wales currently are in landlord and tenant disputes over poker machine entitlements: Deutsche partners knows of only four such cases.

This bill, in so far as it relates to poker machine entitlement disputes between landlords and tenants, will apply only to those limited remaining cases and has no broader application. The remaining cases generally involve leases that have time to run. In line with court decisions and set precedents those lessees have not yet sold their poker machine entitlements, preferring to wait until closer to the end of the lease. Having been told by the Government to sort it out in the courts, and having done so, those lessees did not anticipate legislation being introduced to remove the benefits confirmed by the court decision. The Australian Hotels Association presented to me its view that this bill will discriminate against lessees.

I add my concern and that of the Opposition about the many hundreds of cases that have been transacted already. The lessors in those cases gained no financial advantage whatsoever; they would have felt a loss of their investment. The legislation does not include any form of compensation or redress for those past hundreds of cases. It provides only relief and, indeed, disadvantage to one class of the transaction in the very few cases that remain outstanding. My principal objection to this legislation is that it will create enormous disadvantage to the vast majority of cases that have concluded without any avenue for compensation. The absence of a venue for compensation arises specifically from this legislation, which excludes the potential for legislation, and I find that really quite obnoxious from public policy and democratic perspectives. The Parliament should not feel pleased about the introduction of retrospective legislation without compensation for people who will be freshly disadvantaged by the passing of the bill. That is a sad aspect of this legislation.

The Australian Hotels Association has put to me that the legislation simply is not necessary because the overwhelming majority of disputes have been resolved either by agreement or by judgement. As far as the

Australian Hotels Association and the general industry are concerned, the dispute has run its course—the case of *Benwine v Jabetin; Jabetin v Liquor Administration* [2004] NSWSC 995 having been decided in 2004. This was only ever a transitional issue that concerned leases drafted before the Gaming Machines Act commenced. The issue has wound itself down and has come to a natural conclusion. By saying that, I do not wish to indicate that I am siding with the lessees and not with the lessors in the dispute: that is not the point I am trying to make at all. I am simply asking what will happen to the very large class of people who, by virtue of this legislation, are not compensable and have been freshly disadvantaged by the legislation. It is worth noting the comments of the Parliament's Legislation Review Committee:

Retrospectivity:

Schedule 1 [9] provides that the proposed provision (Schedule 1 [5]) extends to any social impact assessment provided to the Board (Liquor Administration Board) since 7 December 2007 that would, if approved, result in an increase in the SIA threshold (maximum number of gaming machines) for the venue. If any such social impact assessment has already been approved, the approval has no effect and the SIA threshold is taken not to have been increased.

Schedule 1 [9] also provides that the proposed provision (Schedule 1 [8]) extends to any pending application to keep a multi-terminal gaming machine made since 7 December 2007. If any such application has already been approved, the authorisation has no effect if the application could not have been granted had the proposed provision been in force when the application was granted.

The Parliament's standing committee on legislation review reinforces the points I have been making, yet the Government is determined to assert its majority in the House to push through this legislation. On the issue of compensation, the Legislation Review Committee made this comment:

Schedule 1 [9]: proposed s 42—Crown not liable for any compensation—because of the enactment of the amending Act or the operation of the amendments made by the amending Act or for the consequences of that enactment or operation.

10. The Committee is of the view that the right to seek damages or compensation is an important personal right and that these rights should not be removed or restricted by legislation unless there is a compelling public interest in doing so. However, the Committee notes that the 5 year statutory review of the Gaming Machines Act 2001 was tabled in Parliament on 7 December 2007, and at the time, the Minister announced a temporary freeze on certain gaming applications, and further, considers that individual rights may give way in some circumstances, such as public interests of harm minimisation measures to assist problem gamblers.

The House should take note of the comments made by the Parliament's committee in respect of the legislation. The Opposition will not oppose the legislation, even though, as far as I am concerned, it has very significant problems. The sudden debate of the bill today has been unfortunate. It would have been much better to have had more time to undertake more consultation, including consulting departmental officers, in particular the Commissioner of the Office of Liquor, Gaming and Racing, Mr Michael Foggo, to whom I have already expressed my thanks for his considerable efforts in briefing me.

Having said all that, the Opposition reserves its position to consider amendments or oppose the bill in another place. The Opposition adopts that position because there has been sufficient time to examine all the aspects of the bill. Some weeks ago I thought that the Government had retracted the bill and would introduce amendments. I looked forward to that because I thought it would be good. Although I did not know the details, I thought it likely that the Opposition would support Government amendments. However, I do not believe this legislation is good legislation. There are problems with it that will have to be addressed when the regulations are enacted—the legislation has problems that I had not even thought about it. They probably will be corrected when the real bill is introduced within a matter of months. Having expressed misgivings and my thoughts on the bill, I reiterate that the Opposition will not oppose the bill.

Ms SONIA HORNERY (Wallsend—Parliamentary Secretary) [5.05 p.m.]: While most people who gamble do so in a responsible manner, for some it is a cause of problems for them, their families and the community. The challenge is to find a response that balances the opportunity for members of the community to legitimately gamble, if they choose, with the social responsibility of government to provide a range of harm minimisation measures. Under section 216 of the Gaming Machines Act 2001, the Minister for Gaming and Racing is required to review the Act after five years from the date of assent, 19 December 2001, to determine whether the policy objectives of the Act remain valid and whether the terms of the Act remain appropriate for securing its objectives. As required by the Act, the review of the Gaming Machines Act was tabled in Parliament in December 2007.

As part of a New South Wales Government five-year minimisation program, more than 900 poker machines have been removed from the gaming floors of the State's 18 biggest clubs. In 2002 each of the

18 venues was given a reduction quota and told to start shedding pokies. Selling poker machine entitlements to other venues did that. For every block of three poker machine entitlements sold, one is forfeited to the Government to achieve a reduction in the overall number of gaming machines and the remaining two entitlements are sold by the club to another venue. More than 900 machines have been removed from gaming floors. Reductions have been achieved at clubs including the Penrith Rugby League Club, the Rooty Hill RSL Club, the Bankstown District Sports Club, the Bulldogs Leagues Club, the South Sydney Junior Rugby League Club, the Mount Prichard and District Community Club, Club Marconi, the Revesby Workers Club and the Parramatta Leagues Club. The reduction program has been a great success. I thank the clubs for their cooperation. As part of this comprehensive review, the operation of that Act was carefully examined.

The review's report recommended a series of new harm minimisation measures that include reducing the statewide cap on poker machines by 5,000 and introducing a new mechanism to automatically reduce the cap over time; maintaining existing gaming machine caps for individual hotels and clubs—34 hotels, and 450 for clubs; providing no access for hotels and clubs to the pool of 3,860 poker machine entitlements forfeited to the Government over the past five years; maintaining poker machine forfeitures where one poker machine is removed from operation for every three machines traded between licensed venues; cutting red tape to further encourage poker machine forfeitures, which is expected to reduce machine numbers by a further 3,000 over the next five years; and introducing a new local impact assessment to restrict poker machine increases in high density gaming local government areas, including Fairfield, Canterbury, Ashfield, Auburn, Marrickville, Earlwood, Newcastle, Albury, Wyong, Bankstown, Wollongong, Kogarah and Penrith.

The Government has listened to community concerns about problem gambling and we are acting to ensure that residents across New South Wales benefit from even greater protection measures. Many local communities already have a higher than average number of poker machines. Under these reforms every local government area in New South Wales will be classified as green, amber or red, based on local poker machine density and usage and health and social data. Pubs and clubs in red zones will find it extremely difficult to get additional gaming machines. The review recommended also the banning of credit card withdrawals from automatic teller machines and electronic funds transfer point of sale facilities in gaming venues; a cap on multiterminal gaming machines in clubs to ensure that they do not become de facto casinos, and maintaining the prohibition on multiterminal gaming machines in hotels; no increase to the maximum \$10 betting limit; prize cheques to be stamped "Prize-Winning Cheque" to ensure they are cashed only by financial institutions; and unclaimed gaming machine prizes going into a community development fund after 12 months.

The review recommended also maintaining bans on gaming machine advertising outside gaming venues and prohibitions on gaming venues having entrances to shopping centres; no change in the mandatory daily six-hour gaming machine shutdown period while important research is being carried out; enhancing mandatory self-exclusion schemes and counselling services available to gaming venue patrons; giving rural communities a voice in protecting the last remaining hotel or club in their town; and reducing red tape and simplifying laws to aid community understanding and industry compliance.

The Government is consulting with key stakeholders to take those recommendations forward by developing a package of reforms to be introduced into Parliament later this year. To prevent venues in local government areas with high numbers of gaming machines rushing through new applications before that legislation is introduced the Minister for Gaming and Racing, the Hon. Graham West, has announced a temporary freeze from the day that the Review of the Gaming Machines Act 2001 was tabled in Parliament on 7 December 2007. The amendment being debated today enacts that freeze. The freeze will not apply to applications already lodged with the Liquor Administration Board prior to that date. These reforms will maintain the Government's primary objective of harm minimisation and responsible gambling while allowing the balanced development and integrity of the gaming industry. I commend the bill to the House.

Ms JODI McKAY (Newcastle) [5.13 p.m.]: I support the Gaming Machines Amendment (Temporary Freeze) Bill 2008. The five-year statutory review of the Gaming Machines Act was finalised late last year and a report on the review was tabled in Parliament on 7 December 2007. The report, which contained 42 legislative and non-legislative proposals, was also publicly released on 7 December 2007. To ensure that venues do not take advantage of the time delay between the provision of the report to Parliament and the implementation of legislative amendments proposed in the report, which it is expected will occur later this year, a temporary freeze on certain new gaming machine applications was announced.

The freeze applies on new applications by clubs and hotels to increase their gaming machine social impact assessment thresholds, which is the maximum number of gaming machines that may be authorised to be

kept; on new applications for additional multi-terminal gaming machine by clubs already operating above the proposed 15 per cent cap or if the increase means that the club will breach the proposed cap, and on new applications for the transfer of poker machine entitlements from leased hotels where the lessor has not provided consent.

The review report proposes to strengthen the method of assessing the impact of additional gaming machines in an area and also to reduce the complexity and cost of the current social impact assessment process. These changes will make it very difficult for venues located in certain local government areas to obtain an increase in the number of gaming machines that premises may be authorised to keep. Those local government areas generally exhibit a high density of gaming machines, high gaming machine expenditure and a low Australian Bureau of Statistics socioeconomic index. The proposed freeze will prevent venues that are located within those local government areas from acquiring increases under the existing process until the new strengthened process can be implemented by legislation. The temporary freeze does not apply to applications lodged with the Liquor Administration Board prior to 7 December 2007.

The bill will impose a 15 per cent cap on the number of multi-terminal gaming machines that a club may operate on its premises, as a proportion of the club's gaming machines. Despite that, a number of clubs currently apply a significant percentage—up to 40 per cent—of their gaming machines as multi-terminal gaming machines, and an analysis of data reveals that those clubs derive a substantial proportion of their gaming revenue from those machines. As multi-terminal gaming machines have significantly higher bet limits compared to stand-alone gaming machines, meaning greater expenditure is possible in a shorter time, they are of real concern to the Government and the community.

By not allowing clubs to saturate their venues with multi-terminal gaming machines we will diminish the impact on problem gamblers and the wider community. The proposed freeze will prevent the authorisation of new applications for additional multi-terminal gaming machines by clubs already operating above the proposed 15 per cent cap or if the increase means that the club will breach the proposed cap. The final policy determination on this proposal is subject to further consultation and negotiation with the club and gaming machine manufacturing industries and this freeze legislation is an interim measure until that process is finalised. The temporary freeze does not apply to applications lodged with the Liquor Administration Board prior to 7 December 2007.

The report proposes that the transfer of a poker machine entitlement from a leased hotel should require the consent of the lessor of the hotel, unless someone other than the lessor, for example the licensee or lessee, purchased the entitlement. The proposal will prevent hotels, particularly those in country areas, from being stripped of all poker machine entitlements, seriously affecting the hotel's ongoing financial viability. This will strengthen the long-term future of country hotels so that rural communities can continue to enjoy and benefit from the various facilities and opportunities they provide, which are often vital assets to the local community. I commend the bill to the House.

Mrs KARYN PALUZZANO (Penrith) [5.17 p.m.]: I support the Gaming Machines Amendment (Temporary Freeze) Bill 2008. I commend the Minister for Gaming and Racing for introducing the bill to the House. I commend also his staff and all those involved in drafting the bill. The Penrith electorate has a number of clubs and hotels. To put the importance to the community of this amending bill into perspective I will list them. The Penrith electorate clubs include Glenbrook Panthers, the Emu Sports Club, Gaels Cultural and Sporting Association, Kingswood Sports Club, which is affiliated with Easts, Penrith Bowling Club, Penrith Paceway, Penrith Golf and Recreation Club, Penrith RSL Club and Panthers World of Entertainment. Those clubs range from small to large and all have a different impact on the community.

The Premier and I visited Gaels Cultural and Sporting Association when the memorandum of understanding was signed with Clubs New South Wales during the last parliamentary term. The Premier was presented with the Gaels Green Jacket, and the photograph taken then still appears in the club's foyer. The hotels in the Penrith electorate include the Overlander Hotel, the Pioneer Tavern, the Blaxland Bar, the Kingswood Hotel, the Jamison Hotel, O'Donahues, the Australian Arms Hotel, the Red Cow Hotel, the Lapstone Hotel, the Penrith Hotel, the Peachtree Hotel, the Grey Gums Hotel and the Embassy Hotel.

It should also be noted that clubs and hotels in the electorate actively support the community. The Community Development Support Expenditure [CDSE] Scheme was trialled in Penrith local government area. In August 2007 the chairman of Penrith RSL invited me to attend the CDSE 2007 launch. The Penrith RSL gave Penrith South Private School \$18,000 for early intervention—my last teaching post in its special needs units so

it was great that it received that money. An amount of \$23,000 was donated to Mission Australia supported living accommodation. Local hotels in the Penrith electorate also donate to the community. I commend the owner of the Kingswood hotel, a St Dominic's old boy who looked at the needs of the Kingswood Neighbourhood Centre when it was established some years ago, with support from the local council, and donated furniture. As reported in this week's newspaper, the owner of the Peachtree Plaza Hotel, Colin Parris, made a donation to the Nepean Research Foundation and I commend him for it.

Local clubs and hotels support sporting teams. This weekend the Penrith RSL netball season starts and my daughter will be the centre running around for the under-10 bobbies, and I hope the games will be well attended. The Minister for Gaming and Racing paid his first visit as Minister to the Penrith electorate, which had nothing to do with his sitting next to the member for Penrith in question time four years ago and saying that if he got a ministerial gig that would be his first visit. He visited Glenbrook Bowling Club and spoke to the bowling committee when young children were involved in an out of school bowling activity. I commend the Minister on visiting the Glenbrook Bowling Club as his first visit as a Minister. Glenbrook Panthers also took part in community forums held by the Premier, together with representatives from the women's and men's bowling clubs.

It was necessary to retrospectively apply the amendments in the bill from the date of the announcement by the Minister for Gaming and Racing of the freeze on 7 December last year. This will ensure that venues cannot take advantage of the time delay between the announcement and the commencement of this legislation. It will also ensure a level playing field between those venues that have acknowledged the freeze and those that have ignored it and proceeded with lodging their applications during the period of the freeze. This freeze will not apply to any applications that were lodged before the announcement on 7 December last year. Some people in the community would like this legislation to be made retrospective.

To deal with issues relating to the sale of gaming machine entitlements, particularly from hotels, by a lessee or lessor without the other party's consent, the Gaming Machines Act 2001 already makes provision for persons to consent to the sale or transfer of poker machine entitlements where they have an appropriate financial interest in the hotelier's licence. If a person with a financial interest objects to the sale the Liquor Administration Board cannot approve the transfer of the entitlements. The board decides who has a relevant financial interest based on the circumstances of each case. A relatively small number of disputes between lessors and lessees, and the decisions of the board, have gone before the Supreme Court. In general, the disputes have related to leases signed before the commencement of the Act.

The court interpreted the rights of lessors and lessees based on the cases before it. There is no role for the Government to interfere and determine what the respective financial rights should be between the freehold owners and lessees of hotels. The Government is not in the business of re-negotiating leases or determining the contractual and equitable rights of the parties. These matters are best dealt with between the parties and, if necessary, with recourse to the court system. That is the way all private disputes are determined in this State, and it is appropriate that these disputes are determined in the same way. The report of the five-year statutory review of the Gaming Machines Act recommends that the Act be amended to ensure that the licence owner is able to object to the transfer of entitlements from a leased hotel.

Currently when making a decision on an application to transfer poker machine entitlements the Liquor Administration Board must take into consideration any submissions that go to a person's relevant financial interest in the hotelier's licence. The relevant financial interest excludes persons who are the owner of a hotel. The bill clarifies who is required to consent to the transfer of poker machine entitlements from a leased hotel. The proposed amendment will ensure that the owner of the hotel who has a beneficial interest in the licence will be able to object to the transfer of entitlements from a leased hotel. These proposed amendments only apply from 7 December 2007. It would be wrong to apply legislation retrospectively to a time before this date.

As previously mentioned, there is no role for the Government to interfere and determine what the respective financial rights should be between the freehold owners and lessees of hotels. There are several reasons why this bill is necessary and why members opposite should support this bill. As a consequence of the time lag between announcing of the reforms in December 2007 and developing a comprehensive package of reforms for Government to consider it is necessary to introduce these changes to prevent venue operators rushing through new gaming machine applications in the meantime. This is particularly important for areas where gaming machine density may already be high.

These changes will impose a temporary freeze on the maximum number of gaming machines operating in clubs and hotels and prevent gaming machines from being increased or relocated in areas of high machine

density before new harm minimisation initiatives are introduced. The temporary freeze will cease to have effect once the comprehensive package of gaming machine reforms is introduced. Hotels and registered clubs that had already lodged an application prior to 7 December 2007 to increase the maximum number of gaming machines allowed to be kept on the premises are not impacted by this freeze legislation. Any social impact assessment application received before 7 December 2007 that had not been finalised will be progressed and considered in the usual manner. Only applications lodged on or after 7 December 2007 are affected by the freeze.

Existing social impact assessment thresholds for hotels and registered clubs will remain unchanged, and are not affected by the freeze. For example, if the maximum number of gaming machines allowed to be kept on a hotel or club premises was 25 before the freeze that continues to remain the case. As has been pointed out, the amendments will only prevent the social impact assessment threshold, or the maximum number of machines on the premises, from being increased. It will not impact on existing limits in place before the announcement on 7 December 2007. It is likely that some hotels or clubs may have been in the process of preparing a social impact assessment application when the announcement of the freeze was made. The Government appreciates that there may have been significant work spent on the preparation of a social impact assessment application. The effort and cost incurred in the preparation will not be wasted.

When the new local impact assessment process is made law the content of the social impact assessment will be useful in making application for an increase in entitlements under the new local impact assessment process. The gaming machine venues located in a local government area that is within band 3 will be required to submit a class 2 local impact assessment. There will be minor amendments to the current class 2 social impact assessment requirements to ensure appropriate data is submitted, but the process will remain relatively unchanged.

However, the Government is committed to reducing the number of poker machines and introducing new harm minimisation measures to protect local communities from problem gambling. These commitments are the centrepiece of the reforms coming out of the review of the State's gaming machine laws. As has been noted, the intention of the freeze announcement is to prevent venues rushing through new gaming machine applications in response to reforms coming out of the review of the State's gaming machine laws before legislation can be introduced. I commend the bill to the House.

Mr ANTHONY ROBERTS (Lane Cove) [5.30 p.m.]: It is with some concern that I speak on this bill that only a month ago was put on the back burner because the Government was going to consult people. I am concerned that the bill has been brought on suddenly today with very little notification not only to the Opposition but also to the Australian Hotels Association and clubs. I put on the record and recognise that this is of such great concern to the AHA that its president, Mr John Thorpe, AO, came here in high dudgeon once he realised the bill had been brought forward. The association is greatly aggrieved by the lack of consultation. There has been very little consultation about the bill, not just with industry but also with the Opposition.

The Gaming Machines Amendment (Temporary Freeze) Bill 2008 makes changes to section 19 that, as the previous speaker noted, are simply not necessary because the majority of disputes have been resolved. The cases that remain unresolved typically relate to instances where the landlord has refused to negotiate even through the Supreme Court and despite that court determining that tenants generally have rights. The changes to section 19 rewards the landlords who have refused to accept the court's decision, which is a matter of great concern to the industry and the Opposition.

The bill will adversely affect the valuable commercial interests of lessees, several of whom are presently negotiating to sell entitlements or have entered into contracts to sell entitlements and who are entitled to plan their commercial affairs on the basis of court decisions. We are dealing with the livelihoods of people and families who run these businesses, and to have their livelihoods dealt with so flippantly and without regard for adequate notification and consultation aggrieves this House. I join with the shadow Minister for Gaming and Racing, the Hon. George Souris, who has worked so hard with the Government and the industry to put forward a suitable proposal, in expressing our concerns. To have his work thrown out as a result of the Government deciding at the last minute to bring the bill forward is regrettable.

The industry was told basically by the Government to go away and sort out the matter in the courts. The industry did precisely what it was told to do, so it is inconceivable that the legislation should be brought here at such a late stage and after the court made its decision. Once again this is government on the run and it is certainly not good government. We generally have a good understanding with the current Minister so I am surprised this bill has been brought on so quickly. I remind members there has been very little consultation about this matter. That is why the industry is so aggrieved. There has been practically no consultation on the bill.

The inappropriateness of this legislation is more easily understood if we look at where it came from. The Gaming Machines Act 2001 placed a cap on the total number of poker machines in the State and created the poker machines entitlement [PME]. At the time, of course, subject to the Act, entitlements could be traded amongst hoteliers. There was an initial allocation of entitlements to hoteliers, and that has changed to a certain extent over time. The value of the entitlements in the marketplace has steadily increased and they now trade for in excess of \$400,000 for a transfer block of three.

I ask the Government to withdraw this bill. It seems to be the Government's intention to rush the bill through this afternoon. I repeat, there has been no consultation and it is certainly without the support of the AHA and the clubs and those people who stand to lose the most from this. I place on record again the fact that the President of the Australian Hotels Association is present in the public gallery. Having found out about this move only today, he rushed here to make it quite clear to this House that this action is not acceptable. We can argue about the benefits or otherwise of the bill in this House, but to not confer and consult with the key industry groups is a disgrace and reflects a level of arrogance in this Government that is totally unacceptable.

Finally, on behalf also of the shadow Minister, I wish the president of the Australian Hotels Association well in his retirement. He has done a huge amount of charity work and his services have been acknowledged Federally. He has done magnificent work with Government and Opposition to make sure that the very best comes out of one of this State's major industries. The industry employs a great number of people and does great work in the community, particularly for charities. Mr Thorpe will be a great loss to the industry. I am sure his wonderful charity work will continue. We will certainly miss him. Once again, this is a bad bill and one on which there has been very little consultation. I urge the Government to put it on the back burner and go out and consult people.

Mr DAVID BORGER (Granville) [5.37 p.m.]: The New South Wales Office of Liquor, Gaming and Racing undertook a five-year statutory review of the Gaming Machines Act in 2007. As a consequence of that review a report was produced containing 42 legislative and non-legislative reforms. The principal objectives of the Act are the minimisation of harm associated with the misuse and abuse of gambling activities—something that all members would be concerned about—and fostering the responsible conduct of gambling in venues. In addition, all those with functions under the Act are required to have due regard to the need for gambling harm minimisation and the fostering of responsible conduct in relation to gambling when exercising those functions. The review found that the Act's policy objectives remained valid and that the effectiveness of the Act in achieving those objectives was confirmed.

Although the review found that many elements of the existing laws remained valid, further initiatives were necessary to encourage a reduction in gaming machine numbers through the removal of unnecessary red tape and the strengthening of the Act's existing harm minimisation measures to further protect problem gamblers. One of the initiatives is to replace the social impact assessment process with a local impact assessment process. This new method will make it very difficult for hotels and clubs located within certain local government areas to obtain an increase in the number of gaming machines that they may be authorised to keep in their venues.

These local government areas exhibit a high density of gaming machines, a high level of gaming machine expenditure, and a low socioeconomic index according to Australian Bureau of Statistics criteria. For instance, hotels and clubs located within local government areas such as Fairfield, Canterbury, Ashfield, Auburn, Marrickville, Burwood and Bankstown are expected to be captured by the new and strengthened process. The Government has been listening carefully to community concerns about problem gambling and the high number of gaming machines in particular areas. The Government is acting to reassure residents within these local government areas that it is serious about offering greater protection measures.

Many local communities already have a higher than average number of gaming machines and they do not want or need any more. In the future local government areas will be classified into three bands based on an analysis of gaming machine numbers and expenditure, population and socioeconomic data. Band 1 will be those local government areas with low numbers of gaming machines, low expenditure on gaming machines and high socioeconomic rankings. Band 2 will be those local government areas with moderate numbers of gaming machines, moderate expenditure on those gaming machines and moderate socioeconomic rankings. Band 3 will be those local government areas with high numbers of gaming machines, high expenditure on those machines and low socioeconomic rankings.

Band 2 and 3 venues wanting to buy machines from a venue in a different local government area must undergo a local impact assessment. Band 3 venues must undergo a rigorous class 2 local impact assessment.

Band 2 venues will have to undergo either a class 1 or class 2 local impact assessment as determined by the new Casino, Liquor and Gaming Control Authority. Usage of problem gambling services in local communities will be taken into account by the authority in making decisions. The purpose of the freeze legislation is to prevent the approval of social impact assessments that would result in an increase in the social impact assessment threshold for a club or hotel. The freeze does not impact on the transfer of entitlements that have already been approved. Clubs and hotels can continue to transfer gaming machine entitlements as long as their current social impact assessment threshold in the receiving gaming premises allows for it to happen.

The freeze legislation is necessary to ensure that gaming machines are not moved into areas that already have a high number of gaming machines based on the social impact assessment threshold for those areas before amendments are made to the Gaming Machines Act. I understand that it has been claimed that the freeze legislation would stop large-scale clubs being placed in a position where they would be unable to reduce their poker machines entitlements to below the caps established under the current law. Nearly 1,000 poker machines have been removed from the gaming floors of the State's biggest clubs as part of the Government's harm minimisation program. The five-year program has resulted in 953 machines being removed from the gaming floors of the State's 18 largest clubs. In 2002 each of the 18 venues was given a reduction quota and told to start shedding poker machines. Selling poker machine entitlements to other venues did this.

For every block of three poker machine entitlements sold, one is forfeited to the Government to achieve a reduction in the overall number of gaming machines. The remaining two entitlements are sold by the club to another venue. The clubs have forfeited 324 poker machine entitlements to the Government. The remaining 629 entitlements have been sold to other venues or are in the process of being sold to other venues. This reduction program has been a great success and the Government does not want to stand in the way of defeating its success by imposing the freeze on these transfer applications. This issue will be addressed by amending the gaming machines regulation to specifically exempt certain clubs from the freeze. This is allowed under section 210 of the Act, which at subsection (4) allows for the making of regulations to exempt specified persons or classes of persons from any provisions of the Act. The exemption will apply to those clubs that wish to acquire gaming machine entitlements from large-scale clubs that are required to offload their poker machine entitlements by 1 December 2008.

Mr STEVE WHAN (Monaro—Parliamentary Secretary) [5.44 p.m.]: I support the Gaming Machines Amendment (Temporary Freeze) Bill. I acknowledge the significant contribution that clubs make to the Monaro electorate and the important work that they do in our community. Members often highlight the contribution of clubs to their communities. However, I think it is important to put it on the record whenever we have the opportunity to do so, whether we are amending gaming machines legislation or other legislation affecting the industry. It is important that my region continue to see a great contribution from clubs.

I refer to clubs in the Monaro electorate. The Queanbeyan Leagues Club backs the mighty Canberra Raiders, who are in the top eight at the moment, which is pretty good. The Queanbeyan Leagues Club also contributes to a number of other community organisations. I refer to the ACT Eden Monaro Cancer Support Group, which has a building that was financed through the club's profits some time ago. Clubs throughout the electorate do terrific work. I have noticed that the Kangaroos in Queanbeyan are currently doing some redevelopment outside their club to make that an even nicer facility. In the mountains the Cooma Ex-Services Club provides venues for many community functions. Almost inevitably, if one goes to a presentation or major dinner in Cooma it is at that venue. I think that shows the importance to the town of the club, along with many others in the area.

I understand that the Independent Pricing and Regulatory Tribunal has assessed clubs' contribution to the community at about \$900 million a year. That contribution is valued in the community. The contribution that people who play poker machines make to other community services needs to be acknowledged in some sense as voluntary taxation. The tax revenue from poker machines helps this Government to provide essential services such as schools, hospitals, infrastructure in rural areas and other vitally important services. People often underestimate the contribution that tax revenue makes to our budget. In fact, gambling taxes are main own-source incomes for State government budgets. Since the introduction of the GST, the passing of other legislation and court decisions the States are restricted in their ability to raise their own source revenue. That is why we have seen Commonwealth collection of revenue becoming such a dominating factor in Commonwealth-State financial relations.

However, when it comes to gambling taxes the States still have their own source revenue, along with things such as land taxes, motor vehicle taxes and payroll tax. They are really the four major areas of revenue

that States still control. Whenever we talk about anything that impacts on gambling, on tax rates on poker machines, we have to balance all those factors. Our clubs make an important contribution to the community and the Government raises revenue. It is also an important factor when we see a number of people in the new Federal Parliament talking about the desire to reduce the number of poker machines. In the balancing act we have to ensure that the social implications of gambling are properly dealt with and that there are not too many opportunities for gambling to produce a social problem in the long term. It is a very difficult balancing act.

The Minister for Gaming and Racing has a challenging task ahead of him. He is doing a terrific job. Gambling inevitably causes problems. He could be in a meeting one day with people who are passionate advocates of eliminating poker machines altogether and the next day in a meeting with clubs and hotels whose livelihoods depend on poker machine revenue, as do so many community activities. It is not easy. The Government's job is to try to work its way through the issue and come up with appropriate balances that enable clubs in our communities to prosper so that they can continue to play their important role and that ensure our society is not paying the social costs that go with gambling, especially excessive gambling. In saying that, I acknowledge the important efforts that clubs and hotels make in funding and providing opportunities for people to get assistance with problem gambling. That is another important role they play as good social citizens in their communities.

The Gaming Machines Amendment (Temporary Freeze) Bill 2008 follows a review of the principal Act. As I said yesterday when speaking to another bill, I am always intrigued when Opposition members come in here and say, "You have been dragging the chain on this one, you should have done this ages ago." Today Opposition members have claimed that this bill is being rushed through and there has not been enough time for consultation. Opposition members never get to the point where they say, "This is just right." According to them, legislation is always either rushed through or too slow. They are never happy. In fact, the previous Opposition speaker, the member for Lane Cove, claimed that the bill was being rushed through. Perhaps he listened to my speech yesterday and said it just to reinforce my opinion of what Opposition members always say.

Initiatives to reduce poker machine numbers and the introduction of new caps on gaming machines are some of the key reforms arising from the review of the Act. The review of the Gaming Machines Act found that some clubs apply a significant percentage of their poker machine entitlements to multi-terminal gaming machines and derive a substantial proportion of their gaming revenue from them. Some clubs have as high as 40 per cent of their gaming machines as multi-terminal gaming machines. These machines have significantly higher bet and prize limits compared with those offered on standalone gaming machines. The maximum bet on a multi-terminal gaming machine is \$100 compared with \$10 on a poker machine. I have not noticed any of these machines in the Monaro electorate—and as I understand it there are not many. However, I understand that the issue is particularly relevant to clubs in a number of parts of Western Sydney

The review of the Act concluded that, given the casino-style games of these machines, there is real concern that venues operating a high proportion multi-terminal gaming machines may be at risk of becoming de facto casinos. The NSW Office of Liquor, Gaming and Racing bases the proposed limit on the number of multi-terminal gaming machines of 15 per cent as a proportion of overall poker machine numbers on analysis of the gaming data maintained. The review found that only a small number of clubs—just 18—exceeded the proposed multi-terminal gaming machine limit. Those clubs derive a substantial proportion of their gaming machine revenue from multi-terminal gaming machines. As I said, there is a concern that venues operating a high proportion of multi-terminal gaming machines may be at risk of becoming de facto casinos.

The amendments contained in the bill are an interim measure. They prevent an application from being approved if it will result in a club holding more than 15 per cent of its gaming machines as multi-terminal gaming machines. The bill also prevents those 18 clubs exceeding the 15 per cent limit from installing further multi-terminal gaming machines. The Government will work with the club industry to establish how the 18 clubs currently exceeding the 15 per cent cap will reduce their multi-terminal gaming machine holdings over time. There may also be concerns about large-scale clubs under an obligation to reduce their number of gaming machines while this freeze is in place. This issue will be addressed by amending the Gaming Machines Regulation to specifically exempt certain clubs from the freeze. This is allowed under section 210 of the Act, which at subsection (4) allows for the making of regulations to exempt specified persons or classes of persons from any provisions of the Act. The exemption will apply to those clubs that wish to acquire gaming machine entitlements from large-scale clubs that are required to offload their gaming machines entitlements by 1 December 2008.

The freeze prevents the approval of social impact assessments that would result in an increase in the social impact assessment threshold for a club or hotel. The freeze does not impact on the transfer of entitlements

that have already been approved. Clubs and hotels can continue to transfer gaming machine entitlements as long as their current social impact assessment threshold in the receiving gaming premises allows for it to happen. The freeze is necessary to ensure that gaming machines are not moved into areas that already have a high number of gaming machines based on the social impact assessment threshold for those areas. There have been concerns expressed that this freeze legislation may lead to further litigation between hotel lessees and lessors. No assurance can be given that the proposed amendment to section 19 (5) will not result in further rounds of litigation involving poker machine entitlements.

The policy intent of the proposed change is to clarify that the lessor in particular circumstances may place before the Liquor Administration Board that they have a financial interest and that the board must consider that submission. The wording has been prepared by the Parliamentary Counsel's Office, the peak legislative drafting body in New South Wales. As I understand it, the proposed amendment will provide those affected lessors with the opportunity to put forward their case, which has been previously denied because of legal proceedings. However, if parties to a dispute wish to take legal proceeding there is nothing the Government can do to stop them.

As a representative of country Labor I know this has been an important issue in a number of regional communities. It is part of the Government's continuing efforts to come up with a fair deal there. Often the hotel is a critical part of the town's social infrastructure and there have been occasions in the past where country towns have had their hotel's long-term future put at risk by the removal of gaming machines. This has put a strain on the communities. As a country representative I know that it is important to ensure that people have the opportunity to have their views considered in that process. We need to recognise that often the facilities that house the gaming machines are also offering a really important social hub, particularly in a small community. The closure of a pub in a town is a dramatic and negative happening. It has happened in towns that I represent. The Nimmitabel pub, for example, closed down for quite a long time following a fire—not because of gaming machines. However, the social impact was the same. It has only reopened recently. For a long time the closure of that pub caused a significant hole in the social fabric of that area.

The Government is not in the business of determining the contractual and equitable rights of the parties. These are matters best dealt with between the parties and, if necessary, with recourse to the court system. That is the way all private disputes are determined in this State and it is appropriate that these disputes are determined in the same way. Under the Act, a class 1 social impact assessment is required for the removal of a gaming machine from one location to another within one kilometre of the existing premises. I am advised that the freeze will capture class 1 social impact assessments and prevent the board from approving the operation of gaming machines in the new premises. I am further advised there might be a very small number of premises that this freeze may affect. If this is found to be the case it can be addressed by amending the Gaming Machines Regulation to specifically exempt certain hotels from the freeze.

This is allowed under section 210 of the Act, which at subsection (4) allows for the making of regulations to exempt specified persons or classes of persons from any provisions of the Act. If there is a need to make the regulation, it would not be contrary to the proposed local impact assessment process, which will allow the transfer of gaming machines with local government areas. A further issue is that of hotel leases which expire during the freeze period. The intention of freeze is to prevent the board from approving the transfer of poker machine entitlements from leased hotels which are not supported by either the lessee or lessor. The Government acknowledges that this may have an impact on lessees with leases that expire after 7 December 2007 when the freeze was announced. I am advised that during the freeze a very small number of these lease arrangements might be affected. If this is found to be the case it can be addressed by amending the Gaming Machines Regulation to specifically exempt certain hotels from the freeze. Again, this is allowed under section 210 (4) of the Act.

The Government has an important balance to maintain in the provision of poker machines. I have been watching with interest the debate that is currently occurring nationally over harm minimisation of gambling and the push by some people to reduce poker machines. The Government needs to take into account the important social benefits that flow from hotels and clubs in our communities. It is a balance that we need to strive to achieve. There will always be people on both sides of the argument pushing for their particular ends. I am confident with the consultation that Minister West has engaged in during his time in the Ministry. He has taken a positive approach in talking to all parts of the industry and the people concerned. The Government will continue to come up with an appropriate balance to protect the interests of the industry.

Ms MARIE ANDREWS (Gosford) [5.59 p.m.]: I commend my parliamentary colleague the Minister for Gaming and Racing, and Minister for Sport and Recreation for introducing the Gaming Machines

Amendment (Temporary Freeze) Bill 2008. I support the introduction of this amending bill as a sensible and balanced measure to ensure that a level playing field remains while the Government develops a comprehensive package of legislative reforms to bring before the Parliament later in 2008. The five-year review of the Gaming Machines Act found that while the policy objectives and terms of the Act remain valid it was necessary to ensure an appropriate level of control and compliance with the Act and its provisions without unnecessary red tape and overregulation.

Major initiatives flowing from the Government's review of the Gaming Machines Act focus on reducing gaming machine numbers and new harm minimisation measures to protect local communities. This bill is an important first step in bringing about the necessary changes. The purpose of the bill is to impose a freeze in three particular circumstances. This is a necessary but essential measure to ensure that venues do not take advantage of the time lag between the Minister's announcement and introducing reforms to gaming machine laws. Recommendations made in the review report will restrict poker machine increases in high-density gaming areas in the State, provide for a mechanism in which a licence owner is able to object to the transfer of entitlements from a leased hotel, and place a cap on the number of multi-terminal gaming machines in clubs.

In relation to the last point, the Government is aware of concerns from sectors of the registered club industry who question the need for a limit. During the review of the Act it was found that some clubs apply a significant percentage of their poker machine entitlements to multi-terminal gaming machines and derive a substantial proportion of their gaming revenue from them. For some clubs, multi-terminal gaming machines can equate to between 35 per cent and 40 per cent of their overall gaming machine holdings. Multi-terminal gaming machines have significantly higher bet and prize limits compared to those offered on stand-alone gaming machines. The maximum bet on a multi-terminal gaming machine is 10 times higher than a maximum bet on a stand-alone poker machine. More precisely, the maximum possible bet on a multi-terminal gaming machine is \$100 compared with \$10 on a poker machine.

The review concluded that, given the casino-style nature of the games offered on these machines, there is real concern that venues operating a high proportion of multi-terminal gaming machines may be at risk of becoming de facto casinos. The Government acknowledges that clubs have invested significant capital amounts in gaming machines. Consequently, venues that already have more than 15 per cent of their gaming machines as multi-terminal gaming machines will not immediately have to remove them at this stage. The review found that only 18 clubs exceeded the proposed limit and that they therefore will be affected by the changes. It should be pointed out that the amendments in this bill are an interim measure. This bill will prevent an application from being approved if it results in a club holding more than 15 per cent of its gaming machines as multi-terminal gaming machines.

The bill also prevents those 18 clubs already exceeding the 15 per cent limit from installing further multi-terminal gaming machines. The Government is working closely with key industry stakeholders so that review initiatives can be implemented smoothly. The final policy determination on this proposed limit is subject to further consultation. For clubs that are already exceeding the 15 per cent limit the Government will continue to consult with the club industry in order to implement changes over time. I pay tribute to registered clubs and to the hotel industry for the great contribution they make to our local communities. This is particularly relevant in my electorate of Gosford where I have many hotels and registered clubs. I can honestly say that they all make a significant contribution to the community in supporting important sporting groups.

I am sure that most members want young people and older people to participate in sport. Hotels and registered clubs certainly support those sporting groups. When community members require funds to assist in the health treatment of someone with a particular medical problem they can rely on registered clubs or hotels to make their venues available for fundraising. Last Wednesday night the Central Coast Leagues Club provided its large auditorium for a medal presentation for 300 members of Rural Fire Service brigades. Last year brigades within the Gosford local government area helped the community in many ways during the crisis faced by the Central Coast region over the June long weekend. The Central Coast Leagues Club made a very generous contribution. I commend the bill to the House.

Ms NOREEN HAY (Wollongong—Parliamentary Secretary) [6.05 p.m.]: The Gaming Machines Amendment (Temporary Freeze) Bill 2008, which is a sensible measure, follows initiatives resulting from the Government's 2007 review of the Gaming Machine Act. Overall, the review determined that the policy objectives of the Act remained valid and that the terms of the Act remained appropriate for securing those objectives. However, it was found that some action was required to ensure the appropriate level of control and compliance with the Act and its provisions without unnecessary red tape and overregulation. It is important to

understand that the bill will impose a freeze in three particular circumstances. This is necessary because the review report recommended that restrictions be placed on poker machine increases in high-density gaming areas in the State to place a cap on the number of multi-terminal gaming machines in clubs and to provide for a mechanism in which a licensed owner is able to object to the transfer of entitlements from a leased hotel.

On that last point the Government received representations to the effect that the present poker machine entitlement transfer system affected the rights of certain parties. Since the Government's announcement on 7 December 2007, some issues have arisen concerning the details of the proposal that require further investigation before finalising amendments to the Gaming Machines Act. This legislation gives the Government an opportunity to investigate the issue further to determine the best way forward—something that meets the expectations of most people. The intention of the freeze is to prevent the Liquor Administration Board from approving the transfer of poker machine entitlements from leased hotels that are not supported either by the lessee or by the lessor.

The Government acknowledges that this might have an impact on lessees whose leases expire after 7 December 2007 when the freeze was announced. During this freeze a small number of these lease arrangements might be affected. If that is found to be the case it can be addressed by amending the gaming machines regulation specifically to exempt certain hotels from the freeze. This is allowed under section 210 (4) of the Act, which allows for the making of regulations to exempt specified persons or a class of persons from any provision of the Act. Amendments to the Gaming Machines Act to give effect to the review's recommendations will be introduced in Parliament later this year.

Since the announcement was made in December last year the industry has been consulted to finetune the reforms. However, it is important and necessary in the meantime to bring forward these temporary measures to ensure that persons do not take advantage of the delay between the Minister's announcement of those proposed reforms and the commencement of the new legislation. It has always been the Government's intention to make the amendments in the bill retrospective to the date of the Minister's announcement. This will ensure a level playing field between venues that acknowledged the freeze and venues that ignored it and proceeded with lodging their applications during the period of the freeze. I understand that some venues ignored the announcement and lodged their gaming machine applications.

The intention of this bill is to make void and of no effect any approval associated with an application captured by these amendments. It has been made clear to those parties lodging applications from 7 December 2007 that it is the Government's intention to introduce retrospective legislation and that only applications lodged and approved after that date will have no effect once the legislation has commenced. The temporary freeze legislation makes it clear that the Crown will not be liable for compensation as a result of this legislation. The bill does not apply to any application lodged before 7 December 2007. I acknowledge the consultative role the Minister for Gaming and Racing has played in this process and the contributions made by clubs and hotels in my area. The hotels have been very active in making contributions during the consultation process. I commend the bill to the House.

Mr GRAHAM WEST (Campbelltown—Minister for Gaming and Racing, and Minister for Sport and Recreation) [6.10 p.m.], in reply: I thank members for their contributions to the debate. As has been said on a number of occasions, in December 2007 the report of the review of the Gaming Machines Act 2001 proposed reducing gaming machine numbers and introducing new harm minimisation measures to protect local communities from problem gambling. These reforms will be introduced into Parliament later this year when the new Gaming Machines Act is drafted. The proposed amendments prevent venues rushing through new gaming machine applications before the new legislation commences. The temporary freeze does not affect applications lodged with the Liquor Administration Board prior to 7 December 2007.

A number of points were raised about further amendments to the law. Two issues in particular related to large-scale clubs being unable to reduce their caps under the temporary freeze legislation and the expiry of leases during the brief period. The Government acknowledges that the freeze legislation will have an impact in such cases. The Government gives a commitment that these issues will be addressed by amending the Gaming Machines Regulation to specifically exempt certain clubs and hotels from the freeze. Section 210 (4) of the Gaming Machines Act allows the making of regulations to exempt specified persons or a class of persons from any provisions of the Act. I also refer to the issue of consultation. I can advise that since the announcement of this bill consultation has taken place with the Australian Hotels Association and a number of other stakeholders on at least three occasions in the last month, one just the other day, by either me or the commissioner. The

outcomes of these meetings were positive. In fact, the Australian Hotels Association states in a response to the proposed freeze legislation:

Accordingly, if the freeze bill is to be retained in its present form, a transitional provision should be included to the effect that the amendments to section 19 of the Act do not apply to lessees whose leases are expiring within 12 months of the date of the freeze. Without such a transitional provision, a tenant whose lease is to expire within that 12 month period potentially loses forever its right to transfer the entitlements in circumstances which, but for the freeze bill, they hold the legal right to do.

The intention of the freeze is to prevent the Liquor Administration Board from approving the transfer of poker machine entitlements from leased hotels that are not supported by either the lessee or lessor. The Government acknowledges that this may have an impact on lessees whose lease expired after 7 December 2007, when the freeze was announced. I understand that during the freeze a very small number of these lease arrangements may be affected. Once again the Government is committed to addressing this issue by amending the Gaming Machines Regulation to specifically exempt those hotels from the freeze. The final issue I refer to is multi-terminal gaming machines. Initiatives to reduce poker machine numbers and the introduction of new caps on gaming machines are some of the key reforms arising from the review of the Act.

The review of the Gaming Machines Act found that some clubs apply a significant percentage of their poker machine entitlements to multi-terminal gaming machines and derive a substantial proportion of their gaming revenue from those machines. Some clubs have as high as 40 per cent of their gaming machines as multi-terminal gaming machines. Those machines have significantly higher bet and prize limits when compared with those offered on stand-alone gaming machines. The maximum debt limit on a multi-terminal gaming machine is \$100 compared with \$10 on a poker machine. The review concluded that given the casino-style games of these machines there is real concern that venues operating a high proportion of multi-terminal gaming machines may be at risk of becoming de facto casinos. I commend the bill to the House.

Question—That this bill be now agreed to in principle—put and resolved in the affirmative.

Motion agreed to.

Bill agreed to in principle.

Passing of the Bill

Bill declared passed and transmitted to the Legislative Council with a message seeking its concurrence in the bill.

ADJOURNMENT

Motion by Mr John Aquilina agreed to:

That this House do now adjourn.

The House adjourned at 6.14 p.m. until Thursday 3 April 2008 at 10.00 a.m.
